

RBC Canadian Equity Income Fund

Commentary & Attribution (Q1 2022)

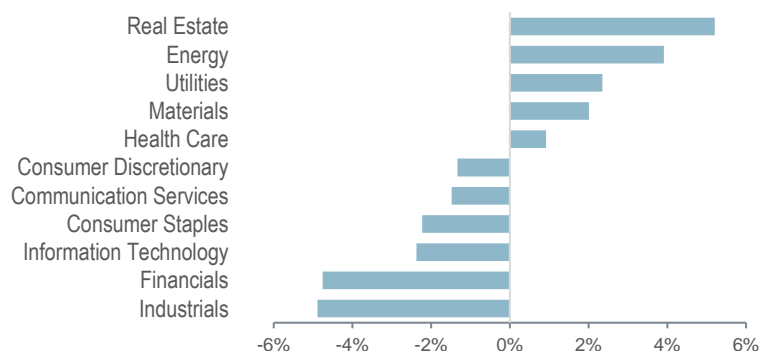


The S&P/TSX Composite Index rose 3.8% last quarter. Strong performance in the TSX is attributed to rising commodity prices. The Russian Invasion of Ukraine has caused further volatility in commodity markets sending prices upwards due to sanctions and supply shortages. Inflation in Canada continues to run hot, as higher commodity prices and supply shortages persist. The Bank of Canada has begun its rate hikes to tame inflation and the market expects multiple hikes throughout 2022. From a sector perspective, Energy, Materials and Communication Services contributed positively to the TSX while Information Technology, Consumer Discretionary and Real Estate were the largest detractors during the quarter.

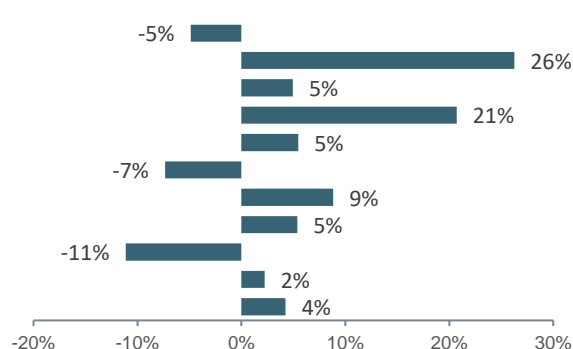
Within the Fund, an overweight allocation to the Energy and Materials sector contributed positively to relative returns. Within Energy, an overweight position **Canadian Natural Resources** and **Suncor** contributed positively as these companies benefited from rising oil prices. Within Materials, an overweight position in **Nutrien** contributed positively to relative returns. The company's share price surged nearly 37% this quarter from increased Potash prices due to the Russian invasion of Ukraine.

Within the Fund, security selection in the Consumer Discretionary and Industrials sector detracted from relative returns. Within Consumer Discretionary, an overweight position in **PulteGroup** was a drag on relative performance due to a tightening monetary environment. Within Industrials, an overweight position in **NFI Group** negatively affected the Fund's performance. The company continues to struggle with supply chain disruptions and increasing costs for parts and raw materials.

Active Weight Versus Custom Benchmark[†]



Benchmark Sector Performance



| Return | YTD | 1 Mo | 3 Mo | 6 Mo | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|---------------------------------|-----|------|------|------|------|------|------|-------|
| RBC Canadian Equity Income Fund | 8.1 | 3.6 | 8.1 | 16.1 | 27.1 | 15.2 | 11.0 | 10.1 |
| Category Average* | 5.3 | 3.3 | 5.3 | 12.4 | 21.1 | 11.8 | 8.3 | 8.3 |
| Custom Benchmark [†] | 6.6 | 3.8 | 6.6 | 14.7 | 24.5 | 14.5 | 10.7 | 10.6 |
| S&P/TSX Composite Index | 3.8 | 4.0 | 3.8 | 10.5 | 20.2 | 14.1 | 10.3 | 9.1 |

| Fund Metrics (10 yr) | Standard Dev | Sharpe Ratio |
|---------------------------------|--------------|--------------|
| RBC Canadian Equity Income Fund | 11.6% | 0.80 |
| Category Average* | 10.8% | 0.73 |
| Custom Benchmark [†] | 10.8% | 0.91 |
| S&P/TSX Composite Index | 11.3% | 0.73 |

*CIFSC Category: Canadian Dividend & Income Equity.

[†]Custom benchmark: 2/3 S&P/TSX Dividend Index, 1/3 S&P/TSX Dividend Index (ex. Energy & Materials, but including Oil & Gas Refining & Marketing and Oil & Gas Storage & Transportation sub-industries). From July 2009 to Sept 2012, the benchmark was the S&P/TSX Capped Composite Index.

Series F performance, net of fees. Standard deviation and Sharpe ratio based on monthly returns. Risk free rate is the DEX 91 Day T-Bill Index. Portfolio characteristics subject to change. All data as of March 31, 2022 unless specified otherwise.

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