



RBC Global Bond Fund

Investment Objective

To achieve above average long-term total returns comprised of interest income and some capital growth, by taking advantage of interest rate and currency fluctuations in world fixed-income markets.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF267
Adv	Front End	CAD	RBF765
Adv	Low Load	CAD	RBF117

Inception Date	October 1991
Total Fund Assets \$Mil	7,642.2
Series A NAV \$	10.43
Series A MER %	1.61
Benchmark	FTSE World Gov Bond (C\$ hedged)

Income Distribution	Quarterly
Capital Gains Distribution	Annually

Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

Fund Category	Global Fixed Income
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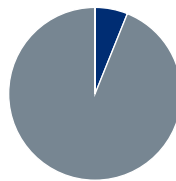
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

Notes

This is a continuing fund resulting from a merger effective June 27, 2014.

Portfolio Analysis as of September 30, 2018

Asset Mix



	% Assets
Cash	6.1
Fixed Income	93.9
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.0

Fixed Income Breakdown

	% Fixed Income
Government Bonds	88.2
Corporate Bonds	6.0
Other Bonds	0.0
Mortgage Backed Securities	0.1
ST Investments (Cash & Other)	5.7
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	5.7	Under 1 year	11.1
AAA	46.2	1 - 5 Yrs	34.7
AA	7.8	5 - 10 Yrs	27.8
A	21.1	Over 10 Yrs	26.4
BBB	13.4	Avg. Term to maturity (Yrs)	9.2
Below BBB	5.6	Duration (Yrs)	7.5
Mortgages	0.1	Yield to Maturity	3.0
NR/NA	0.1		

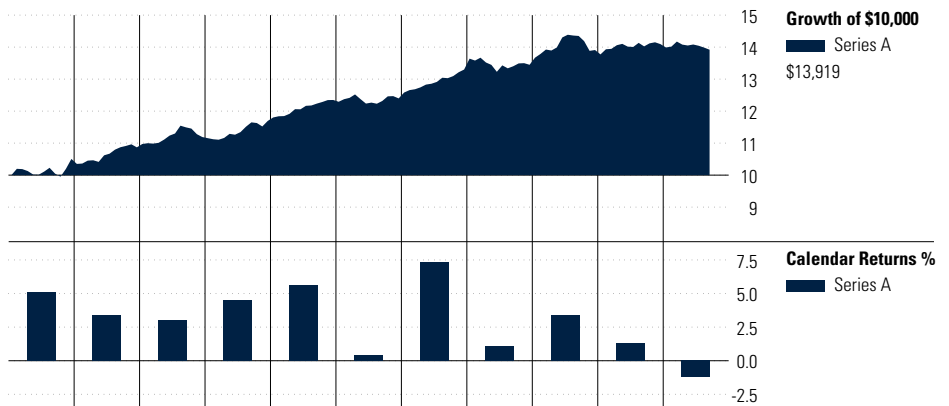
Geographic Allocations

	% Assets
Canada	3.6
United States	30.0
International (ex-Emerging Markets)	61.0
Emerging Markets	5.4

Top 25 Holdings

	% Assets
US Treasury Notes 2.38% 15-05-2027	3.6
US Treasury Notes 1.62% 31-07-2020	3.4
US Treasury Notes 1.5% 31-01-2022	3.1
United States 10-Year Nt Fut 19-12-2018	2.7
US Treasury Bonds 2.5% 15-02-2045	2.5
Spain (Kingdom of) 1.15% 30-07-2020	2.5
UNIT KING OF GRT BRIT AND NORTH IREL 22-07-2027	2.2
US Treasury Notes 1.5% 30-11-2019	2.1
France (Republic Of) 1.25% 25-05-2036	2.1
Italy (Republic Of) 1.45% 15-09-2022	2.1
France (Republic Of) 0.5% 25-05-2026	2.1
France (Republic Of) 3% 25-04-2022	2.1
Spain (Kingdom of) 2.75% 30-04-2019	2.1
UNIT KING OF GRT BRIT AND NORTH IREL 22-01-2044	2.0
Japan (Government Of) 0.2% 20-06-2036	1.9
Germany (Federal Rep Of) 1.5% 04-09-2022	1.9
US Treasury Bonds 3.5% 15-02-2039	1.8
US Treasury Notes 1.75% 15-05-2023	1.8
Italy (Republic Of) 0.65% 01-11-2020	1.7
Japan (Government Of) 0.3% 20-06-2046	1.7
Spain (Kingdom of) 0.45% 31-10-2022	1.6
Japan (Government Of) 0.5% 20-09-2036	1.6
Belgium (Kingdom Of) 2.6% 22-06-2024	1.5
Italy (Republic Of) 2% 01-02-2028	1.5
Denmark (Kingdom Of) 1.5% 15-11-2023	1.5
Total % of Top 25 Holdings	53.0
Total Number of Stock Holdings	5
Total Number of Bond Holdings	1,394
Total Number of Other Holdings	12
Total Number of Holdings	1,411

Performance Analysis as of September 30, 2018



Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	YTD	
Calendar Returns %	5.1	3.4	3.0	4.5	5.6	0.4	7.3	1.1	3.4	1.3	-1.2	Fund Quartile
	4 th	2 nd	2 nd	3 rd	2 nd	2 nd	2 nd	3 rd	2 nd	3 rd	3 rd	

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Calendar Returns %	-0.5	-1.2	-1.8	-0.7	1.3	2.5	3.3	4.7	Fund Quartile
	3 rd	3 rd	3 rd	3 rd	2 nd	3 rd	3 rd	—	Quartile
	445	434	423	347	209	128	47	—	No. of Funds in Category



RBC Global Bond Fund

Management Overview

Manager Bios

Dagmara Fijalkowski

RBC Global Asset Management Inc.

As Head of Global Fixed Income and Currencies at RBC Global Asset Management, Dagmara leads investment teams in Toronto, London. In her duties as a portfolio manager, Dagmara heads management of several bond funds, manages foreign-exchange hedging and active currency overlay programs across a number of funds. Dagmara chairs the Fixed Income Strategy Committee. She is also a member of the Investment Policy Committee, which determines asset mix for balanced and multi-strategy products, and the RBC Investment Strategy Committee.

Soo Boo Cheah

RBC Global Asset Management (UK) Limited

Soo Boo is Senior Portfolio Manager, Global Fixed Income & Currencies, at RBC Global Asset Management (UK) Ltd. He joined the firm in 2000 as a Fixed Income Analyst and has been active in all aspects of global fixed income management. Soo Boo is a member of the Global Fixed Income & Currencies Committee and the RBC Investment Strategy Committee's Fixed Income & Currencies Advisory Committee. He earned an MBA from the University of New Brunswick and is a CFA charterholder.

Performance Analysis Cont'd as of September 30, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.02	0.32	0.45	0.09	0.37	0.13	0.47	0.17	0.17	0.23	0.34
Interest	0.02	0.05	0.05	0.09	0.10	0.13	0.12	0.17	0.17	0.23	0.34
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.27	0.40	—	0.27	—	0.35	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-1998	19.8	10-1998	10.2	12-1998	8.5	9-2004	4.6
Worst	1-2000	-12.5	12-2001	-2.9	10-2003	-0.3	10-2008	1.1
Average		3.7		3.7		3.6		3.5
No. of Periods		289		265		241		181
Pct. Positive		88.2		96.6		99.2		100.0

* Distributions are characterized into income type at year-end.

Quarterly Commentary as at September 30, 2018

All major fixed-income markets posted negative returns as global interest rates trended higher during Q3. Commonly cited reasons behind the surging yields has been strong U.S. economic growth coupled with central banks' concerted efforts to tighten monetary policy.

The U.S. Federal Reserve raised short-term interest rates again in Q3, putting the Fed Funds Rate at 2%. Also, as planned the Fed continued scaling back bond purchases, helping to push U.S. 10-year yields above 3.0%, a 7-year high. In Europe, the European Central Bank is expected to end bond purchases in December but keep overnight rates steady until at least summer 2019. The highlight for Europe has been the underperformance of Italian government bonds which sold off amid heightened political uncertainties and worries about fiscal policy of the new government. Volatility across European assets surged and the spread between 10-year Italian bonds and German bonds widened to 300 basis points, a level not seen since the European debt crisis in 2011-12.

The Fund's shorter maturity profile and investments in non-government bonds issued by emerging markets and U.S. corporate added to performance. However, returns were held back by the Fund's foreign currency positions, particularly emerging-market currencies. The other performance detractor was an overweight position in Italian government bonds.

The recent sell-off in global bonds has made valuations more attractive and the portfolio managers see this as an opportunity to reduce the underweight and gradually accumulate longer maturity government bonds. The Fund will continue to have a preference for Italian government bonds, we judge that lire re-denomination risk will remain low and yield compensation for the risk is already attractive. The Fund also took advantage of the sell-off in September to increase exposure to emerging-market debt and currencies.



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Disclosure

RBC Funds, BlueBay Funds, PH&N Funds and RBC Corporate Class Funds are offered by RBC Global Asset Management Inc. and distributed through authorized dealers.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus or Fund Facts document before investing. Except as otherwise noted, the indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual funds are not guaranteed or covered by the Canadian Deposit Insurance Corporation or by any other government deposit insurer. For money market funds, there can be no assurances that the fund will be able to maintain its net asset value per unit at a constant amount or that the full amount of your investment in the fund will be returned to you. The value of mutual funds change frequently and past performance may not be repeated.

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MER (%) for RBC Funds, PH&N Funds and BlueBay Funds is based on actual expenses for the half-year period, January 1 to June 30, 2018, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the full year period, April 1, 2017 to March 31, 2018.

Series H and Series I are not available for purchase by new investors. Existing investors who hold Series H or Series I units can continue to make additional investments into the same series of the funds they hold.

Graphs are only used to illustrate the effects of the compound growth rate and do not reflect future values of any fund or returns on

investment of any fund.

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Quartile rankings are determined by Morningstar Research Inc., an independent research firm, based on categories maintained by the Canadian Investment Funds Standards Committee (CIFSC). Quartile rankings are comparisons of the performance of a fund to other funds in a particular category and are subject to change monthly. The quartiles divide the data into four equal segments expressed in terms of rank (1, 2, 3 or 4). This is the Morningstar quartile ranking of Series A and F units of the Fund as of September 30, 2018.

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