



# RBC Canadian Money Market Fund

## Investment Objective

To provide current income and liquidity consistent with short-term money market rates and to preserve the value of your investment. The fund invests primarily in high-quality, short-term (one year or less) debt securities, including treasury bills and promissory notes issued or guaranteed by Canadian governments or their agencies, bankers acceptances, asset-backed commercial paper and commercial paper issued by Canadian chartered banks, loan companies, trust companies and corporations.

## Fund Details

| Series | Load Structure | Currency | Fund Code |
|--------|----------------|----------|-----------|
| A      | No Load        | CAD      | RBF271    |
| Adv    | Deferred Sales | CAD      | RBF852    |
| Adv    | Front End      | CAD      | RBF752    |
| Adv    | Low Load       | CAD      | RBF112    |

|                         |                                 |
|-------------------------|---------------------------------|
| Inception Date          | September 1986                  |
| Total Fund Assets \$Mil | 2,024.7                         |
| Series A Current Yield% | 1.61                            |
| Series A MER %          | 0.61                            |
| Benchmark               | FTSE Canada 91 Day T-Bill Index |

|                            |         |
|----------------------------|---------|
| Income Distribution        | Monthly |
| Capital Gains Distribution | N/A     |

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

|               |                       |
|---------------|-----------------------|
| Fund Category | Canadian Money Market |
|---------------|-----------------------|

|                    |                                  |
|--------------------|----------------------------------|
| Management Company | RBC Global Asset Management Inc. |
|--------------------|----------------------------------|

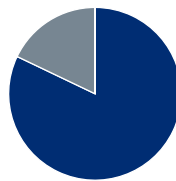
|          |                |
|----------|----------------|
| Web Site | www.rbcgam.com |
|----------|----------------|

## Notes

The current yield is an annualized yield based on the seven day period ended as of the date of the Performance Analysis.

## Portfolio Analysis as of January 31, 2019

### Asset Mix



|                      | % Assets |
|----------------------|----------|
| Cash                 | 82.1     |
| Fixed Income         | 17.9     |
| Canadian Equity      | 0.0      |
| US Equity            | 0.0      |
| International Equity | 0.0      |
| Other                | 0.0      |

### Term to Maturity

|                              | %  |
|------------------------------|----|
| 0 - 30 days                  | 32 |
| 31 - 60 days                 | 25 |
| 61 - 90 days                 | 17 |
| 90 + days                    | 26 |
| Avg. Term to maturity (days) | 58 |

### Cash Breakdown

|                    | Cash (%) |
|--------------------|----------|
| Treasury Bills     | 0.0      |
| Provincial Bills   | 5.0      |
| Bankers Acceptance | 35.0     |
| Commercial Paper   | 60.0     |
| Bank Deposits      | 0.0      |

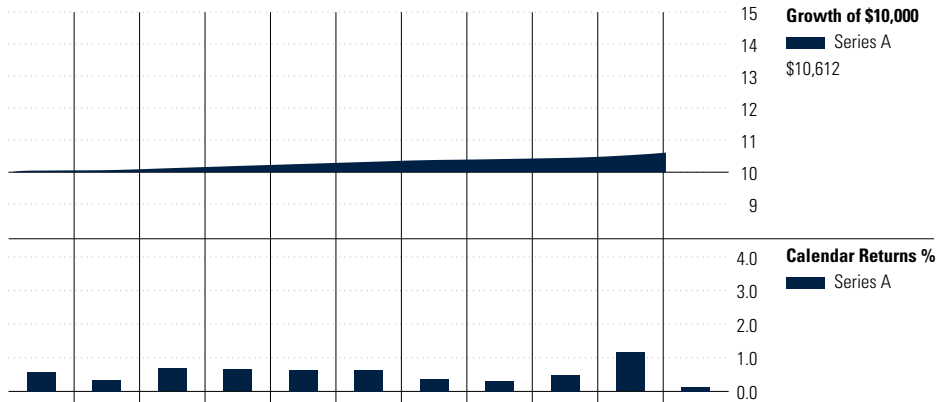
### Credit Quality

|             | %    |
|-------------|------|
| R1 High     | 75.9 |
| R1 Medium   | 14.3 |
| R1 Low      | 9.8  |
| Avg. Rating | R1H  |

### Top 10 Holdings

|   | % Assets   |
|---|------------|
| Bank Of Montreal 2.246% 01-02-2019      | 4.1        |
| Bank Of Nova Scotia 2.161% 25-02-2019   | 3.3        |
| Clarity Trust 2.309% 10-06-2019         | 2.4        |
| Fusion Trust 2.309% 10-06-2019          | 2.3        |
| Toronto-Dominion Bank 2.001% 11-02-2019 | 2.0        |
| Reliant Trust 2.291% 23-07-2019         | 2.0        |
| CIBC 2.249% 25-04-2019                  | 1.9        |
| Prime Trust 2.272% 09-04-2019           | 1.9        |
| CIBC 2.161% 04-03-2019                  | 1.8        |
| Stable Trust 2.190% 07-03-2019          | 1.7        |
| Total % of Top 10 Holdings              | 23.3       |
| Total Number of Stock Holdings          | 0          |
| Total Number of Bond Holdings           | 20         |
| Total Number of Other Holdings          | 122        |
| <b>Total Number of Holdings</b>         | <b>142</b> |

## Performance Analysis as of January 31, 2019



| Year | Return % | Quartile |
|------|----------|----------|
| 2009 | 0.57     | 1st      |
| 2010 | 0.33     | 2nd      |
| 2011 | 0.68     | 2nd      |
| 2012 | 0.65     | 2nd      |
| 2013 | 0.63     | 2nd      |
| 2014 | 0.63     | 2nd      |
| 2015 | 0.38     | 2nd      |
| 2016 | 0.32     | 2nd      |
| 2017 | 0.48     | 2nd      |
| 2018 | 1.16     | 2nd      |
| YTD  | 0.14     | 2nd      |

| Period       | Return % | Trailing Return % | No. of Funds in Category |
|--------------|----------|-------------------|--------------------------|
| 1 Mth        | 0.14     | 2nd               | 215                      |
| 3 Mth        | 0.38     | 2nd               | 213                      |
| 6 Mth        | 0.70     | 2nd               | 209                      |
| 1 Yr         | 1.23     | 2nd               | 207                      |
| 3 Yr         | 0.69     | 2nd               | 175                      |
| 5 Yr         | 0.61     | 2nd               | 164                      |
| 10 Yr        | 0.58     | 2nd               | 115                      |
| Since Incep. | 3.53     | —                 | —                        |



# RBC Canadian Money Market Fund

## Management Overview

### Manager Bios

**Walter Posiewko**

**RBC Global Asset Management Inc.**

Walter Posiewko is Vice President and Senior Portfolio Manager, Global Fixed Income and Money Markets. He has been in the investment industry since 1985.

### Performance Analysis Cont'd as of January 31, 2019

| Distributions (\$)/Unit | YTD* | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|-------------------------|------|------|------|------|------|------|------|------|------|------|------|
| Total Distributions     | 0.01 | 0.12 | 0.05 | 0.03 | 0.04 | 0.06 | 0.06 | 0.06 | 0.07 | 0.03 | 0.06 |
| Interest                | 0.01 | 0.12 | 0.05 | 0.03 | 0.04 | 0.06 | 0.06 | 0.06 | 0.07 | 0.03 | 0.06 |
| Dividends               | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    |
| Capital Gains           | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    |
| Return Of Capital       | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    |

| Best/Worst Periods % | Ended   | 1 Yr   | Ended  | 3 Yr   | Ended  | 5 Yr   | Ended  | 10 Yr  |
|----------------------|---------|--------|--------|--------|--------|--------|--------|--------|
| Best                 | 12-1995 | 5.89   | 1-1997 | 4.45   | 4-1999 | 4.05   | 1-2004 | 3.58   |
| Worst                | 4-2010  | 0.12   | 9-2017 | 0.39   | 9-2017 | 0.48   | 1-2019 | 0.58   |
| Average              |         | 2.18   |        | 2.13   |        | 2.14   |        | 2.13   |
| No. of Periods       |         | 289    |        | 265    |        | 241    |        | 181    |
| Pct. Positive        |         | 100.00 |        | 100.00 |        | 100.00 |        | 100.00 |

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

### Quarterly Commentary as at December 31, 2018

Canada's economy started the final quarter of 2018 on an optimistic note, benefitting from a recently signed new trade agreement with the United States and Mexico. The outlook for near-term economic growth was positive enough to prompt the Bank of Canada (BoC) to further tighten monetary policy by nudging its key interest rate up by 0.25%. However, the positive tone weakened as the quarter progressed, as global growth slowed, rising trade tensions worried markets, energy prices collapsed and a continually tightening U.S. Federal Reserve weighed on sentiment. Moreover, inflation pressures subsided, undermining one of the strongest reasons the BoC had earlier in the quarter for tightening monetary policy. Market sentiment made a turn for the worse towards the end of the quarter, as the BoC signaled its tightening program would pause, subject to evidence supportive of higher rates materializing. As a result, markets rallied.

Despite the pause in the BoC's tightening policy, Canadian non-government money market rates continued to climb as we approached quarter end,

as bank balance sheets came under increasing pressure ahead of year end. The Funds' overall exposure to corporate and securitized paper remained unchanged, as the comparatively higher yield from these securities bolstered the fund's performance. Average term-to-maturity steadily increased as the manager treated the pause in the BoC's tightening program as an opportunity to invest in longer maturities that offered higher yields.

The short term economic outlook for Canada has worsened, raising the probability that the Bank of Canada will remain on the sidelines over the next few months. It is unknown if this is a temporary phenomenon, or something more lasting. If the economy continues to grow at a lukewarm rate, and inflation remains under control, The BoC's monetary policy should remain unchanged for an extended time. Under this scenario, the portfolio manager expects to invest more routinely in longer maturities, provided they offer relatively higher yields.



# RBC Canadian Money Market Fund

## 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 preceding calendar year or most recent half-year period ended June 30 expressed on an annualized basis, depending on availability of data at the time of publication.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the preceding full year period ended March 31 or half-year period ended September 30 expressed on an annualized basis, depending on availability of data at the time of publication.

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.

The fund profile is provided for informational purposes only. Particular investments and/or trading strategies should be evaluated relative to each individual's investment objectives. The information contained in the fund profile is not, and should not be construed as, investment or tax advice. You should not act or rely on the information contained in the fund profile without seeking the advice of an appropriate professional advisor.

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 January 31, 2019.

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