



# RBC Monthly Income Fund

## Investment Objective

To provide relatively tax efficient monthly distributions consisting of dividend income, interest income and capital gains, as well as the potential for modest capital growth. The fund aims to provide as high a regular monthly income as possible.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF448
Adv	Front End	CAD	RBF763
Adv	Low Load	CAD	RBF115

Inception Date	August 1997
Total Fund Assets \$Mil	8,299.7
Series A NAV \$	14.47
Series A MER %	1.20
Benchmark	57% FTSE TMX Canada Universe Bond Index 43% S&P/TSX Capped Composite Total Return Index

Income Distribution	Monthly
Capital Gains Distribution	Annually
Monthly Distribution (¢/unit)	4.25
Current Payout Rate (%)*	3.53

\*Assuming 12 consecutive months at the monthly distribution set out above. The estimate does not include any year-end capital gains distributions paid in addition to the regular monthly distribution nor should it be confused with performance or rates of return.

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

Fund Category	Canadian Neutral Balanced
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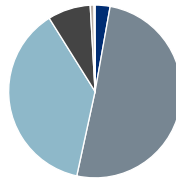
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

## Notes

Units of this fund are no longer available for purchase in registered plans or TFSA's except through a pre-authorized investment plan established prior to December 9, 2005.

## Portfolio Analysis as of October 31, 2017

### Asset Mix

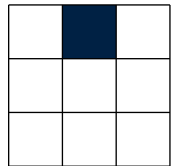


	% Assets
Cash	2.8
Fixed Income	50.6
Canadian Equity	37.7
US Equity	8.0
International Equity	0.7
Other	0.2

### Top 10 Holdings

	% Assets
Royal Bank of Canada	3.2
The Toronto-Dominion Bank	3.0
Bank of Nova Scotia	2.3
Enbridge Inc	1.7
Canadian National Railway Co	1.7
Canada Govt 0.75% 01-09-2021	1.5
Bank of Montreal	1.5
Brookfield Asset Management Inc Class A	1.4
Manulife Financial Corp	1.4
Ontario Prov Cda 4.6% 02-06-2039	1.3
Total % of Top 10 Holdings	18.9
Total Number of Stock Holdings	473
Total Number of Bond Holdings	1,549
Total Number of Other Holdings	18
<b>Total Number of Holdings</b>	<b>2,040</b>

### Equity Style



Value Blend Growth

### Statistics

P/B Ratio	2.0
P/E Ratio	16.8
Avg. Mkt Cap. \$B	43.5

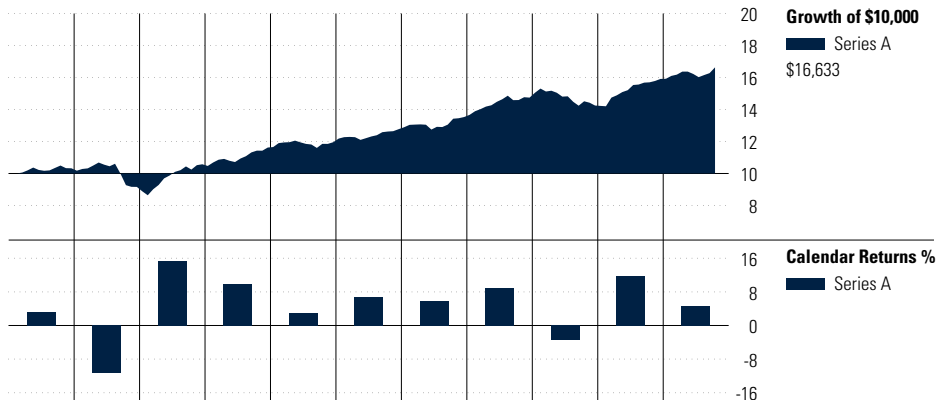
### Top 5 Sectors

	% Equity
Financials	38.9
Energy	16.6
Industrials	10.2
Materials	5.5
Consumer Discretionary	5.3

### Income-Generating Asset-Class

	% Assets
Common Shares	46.4
Government Bonds	30.0
Investment-Grade Corporate Bonds	17.9
Other	3.7
High Yield Bonds	1.8
Preferred Shares	0.1

## Performance Analysis as of October 31, 2017



Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	YTD	Fund Quartile
Return %	3.2	-11.3	15.4	9.9	2.9	6.8	5.9	9.0	-3.4	11.7	4.6	2nd
Rank		1st	3rd	2nd	1st	2nd	4th	2nd	4th	1st	3rd	

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %	No. of Funds in Category
Return %	2.2	3.8	1.6	6.0	4.5	5.7	4.7	6.9	Fund	
Rank	3rd	3rd	2nd	3rd	3rd	4th	2nd	—	Quartile	



# RBC Monthly Income Fund

## Management Overview

### Manager Bios

#### Suzanne Gaynor

##### RBC Global Asset Management Inc.

Suzanne Gaynor is Vice President and Senior Portfolio Manager, Global Fixed Income and Currencies. She has been in the investment industry since 1988.

#### Irene Matsyalko

##### RBC Global Asset Management Inc.

Irene Matsyalko is a Portfolio Manager and senior North American equities research analyst. She earned a Commerce degree from University of Toronto and is a CFA charterholder.

#### Sarah Neilson

##### RBC Global Asset Management Inc.

Sarah Neilson is a Portfolio Manager and senior North American equities research analyst. Sarah earned a Bachelor of Science in Mechanical Engineering at Queens University, and an MBA from McGill University. Sarah is a CFA charterholder.

### Performance Analysis Cont'd as of October 31, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.43	0.51	0.51	0.51	0.56	0.51	0.57	0.57	0.57	0.57	1.14
Interest	0.43	0.15	0.14	0.15	0.14	0.15	—	0.30	0.43	0.41	0.39
Dividends	—	0.20	0.22	0.19	0.20	0.17	0.17	0.15	0.14	0.16	0.17
Capital Gains	—	0.13	0.12	—	0.22	0.19	0.18	—	—	—	0.58
Return Of Capital	—	0.03	0.04	0.17	—	—	0.22	0.11	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	2-2001	25.7	3-2006	16.1	2-2005	13.3	2-2010	9.3
Worst	2-2009	-16.0	2-2009	-2.9	5-2012	3.1	2-2016	4.2
Average		7.0		7.4		7.4		7.0
No. of Periods		231		207		183		123
Pct. Positive		84.8		97.6		100.0		100.0

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

### Quarterly Commentary as at September 30, 2017

The S&P/TSX Composite Index languished after hitting an all-time high in February 2017. The index moved back into positive territory for the year, but remains below the aforementioned highs. The TSX had a strong Q3 and outperformed the S&P 500, but continues to lag YTD.

Numerous factors contributed to the Canadian market's underperformance, including continued weakness in the Energy sector, concerns about the composition of Canadian economic growth and rising interest rates. Market sentiment was also impacted by looming uncertainty regarding negotiations to rework NAFTA, and that questions about Canada's competitiveness remain amid a backdrop of higher taxes, currency headwinds and higher labour costs.

The Bank of Canada raised rates for the first time in seven years in July and again in September. The market was concerned that this marked the beginning of policy normalization with steady increases anticipated. Governor Poloz later

assured that further moves would be data dependent and there's no predetermined path.

Security selection and asset weighting within in the equity portfolio aided returns. Overweight positioning and security selection boosted returns in Energy as the sector benefitted from the rise in oil prices during the quarter. Security selection boosted returns in Materials, overweight position Agrium helped as its merger with PotashCorp nears.

Stocks continue to be supported by a global synchronized expansion and renewed corporate-profit growth around the world. While stocks are not as cheap as they were when the cycle began, they remain somewhat attractive. Markets have benefited from rising earnings and price-to-earnings ratios through this bull market, but earnings rather than valuations may now be the force needed to propel the market higher.



# RBC Monthly Income 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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completeness or correctness. All opinions and estimates constitute RBC GAM's judgment as of the date of this document, are subject to change without notice and are provided in good faith but without legal responsibility. The Top Ten/25 Holdings may change due to ongoing portfolio transactions within the fund. The Prospectus and other information about the underlying investment funds are available at [www.sedar.com](http://www.sedar.com).

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, 2017, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the full-year period, April 1, 2016 to March 31, 2017, expressed on an annualized basis.

Adjusted MER is provided for funds with management fee changes effective June 30, 2016. The Adjusted MER represents what the reported MER would have been had management fee changes been in effect throughout 2016.

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 October 31, 2017.

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