



RBC Strategic Income Bond Fund

Investment Objective

To provide regular monthly income with a potential for modest capital appreciation. The fund invests primarily in units of other mutual funds managed by RBC GAM or an affiliate of RBC GAM (called the underlying funds), emphasizing mutual funds that invest in higher yielding fixed-income securities.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF482
Adv	Deferred Sales	CAD	RBF882
Adv	Front End	CAD	RBF722
Adv	Low Load	CAD	RBF082

Inception Date	August 2013
Total Fund Assets \$Mil	984.5
Series A NAV \$	10.01
Series A MER %	1.80
Benchmark	FTSE Canada Universe Bond Index

Income Distribution	Monthly
Capital Gains Distribution	Annually
Monthly Distribution (¢/unit)	3.20
Current Payout Rate (%)*	3.84

*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

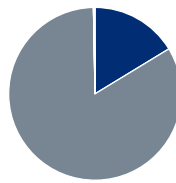
Fund Category	High Yield Fixed Income
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Management Company	RBC Global Asset Management Inc.
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Web Site	www.rbcgam.com
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Portfolio Analysis as of January 31, 2019

Asset Mix



	% Assets
Cash	16.3
Fixed Income	83.4
Canadian Equity	0.0
US Equity	0.0
International Equity	0.1
Other	0.2

Top 10 Holdings

	% Assets
RBC Global Corporate Bond Fund O	22.1
RBC Global High Yield Bond Fund O	19.1
RBC Emerging Markets Bond Fund O	17.1
RBC Emerging Markets Foreign Exchange O	10.9
RBC High Yield Bond Fund O	10.1
BlueBay Glb Convert Bond (Can) O	10.0
BlueBay Emerging Markets Corp Bd O	9.9
Total % of Top 10 Holdings	99.1
Total Number of Portfolio Holdings	8
Total Number of Stock Holdings	17
Total Number of Bond Holdings	9,195
Total Number of Other Holdings	226
Total Number of Underlying Holdings	9,438

Fixed Income Breakdown

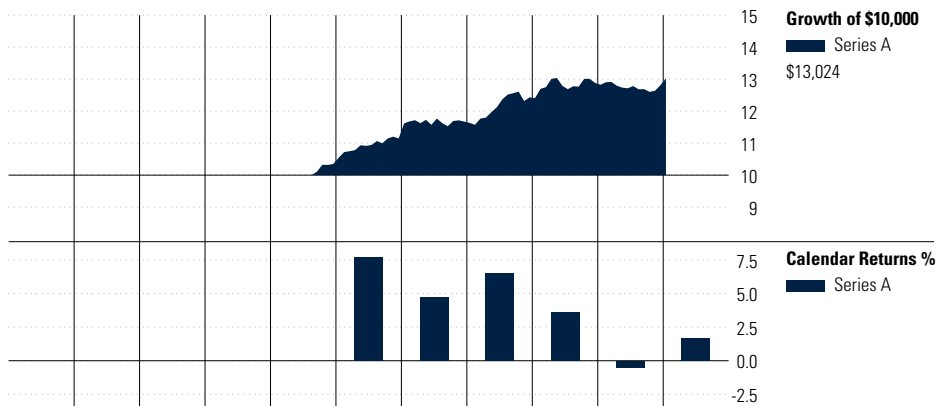
	% Fixed Income
Government Bonds	21.1
Corporate Bonds	64.0
Other Bonds	10.3
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	4.6
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	4.6	Under 1 year	15.2
AAA	0.9	1 - 5 Yrs	30.5
AA	3.3	5 - 10 Yrs	37.2
A	14.4	Over 10 Yrs	17.1
BBB	25.6		
Below BBB	50.1	Avg. Term to maturity (Yrs)	7.1
Mortgages	0.0	Duration (Yrs)	4.8
NR/NA	1.0	Yield to Maturity	4.3

Geographic Allocations

	% Assets
Canada	6.1
United States	32.1
International (ex-Emerging Markets)	9.0
Emerging Markets	52.7

Performance Analysis as of January 31, 2019



Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD	
Calendar Returns %	—	—	—	—	—	7.7	4.7	6.5	3.6	-0.5	1.7	Fund
	—	—	—	—	—	1 st	1 st	4 th	3 rd	2 nd	4 th	Quartile

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	1.7	3.4	1.9	1.6	3.8	4.3	—	4.8	Fund
	4 th	1 st	1 st	2 nd	4 th	1 st	—	—	Quartile
	467	463	456	452	331	222	48	—	No. of Funds in Category



RBC Strategic Income Bond Fund

Management Overview

Manager Bios

Sarah Riopelle

RBC Global Asset Management Inc.

Sarah Riopelle is Vice President and Senior Portfolio Manager, Investment Solutions. Sarah began her investment career in 1996. She is a member of the RBC Investment Strategy Committee and is responsible for the firm's Portfolio Solutions. Sarah has a Bachelor of Commerce in Finance and International Management from the University of Ottawa and is a CFA charter holder.

Dagmara Fijalkowski

RBC Global Asset Management Inc.

As Head of Global Fixed Income and Currencies, Dagmara leads investment teams in Toronto, London and Minneapolis in charge of almost \$100 billion in fixed income assets. She heads management of several bond funds and manages foreign-exchange hedging and active currency overlay programs across a number of funds. Dagmara, who began her investment career in 1994, holds an MBA from the Richard Ivey School of Business, a Master's degree in economics from the University of Lodz in Poland and is a CFA charterholder.

Performance Analysis Cont'd as of January 31, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	0.03	0.38	0.45	0.55	0.53	0.47	0.22	—	—	—	—
Interest	0.03	0.33	0.39	0.38	0.37	0.34	0.20	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.02	0.06	0.17	0.16	0.13	0.02	—	—	—	—
Return Of Capital	—	0.03	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	8-2014	10.6	8-2016	7.8	8-2018	4.9	—	—
Worst	10-2018	-3.1	10-2018	2.5	10-2018	4.1	—	—
Average		4.4		4.7		4.4		—
No. of Periods		54		30		6		—
Pct. Positive		83.3		100.0		100.0		—

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

Quarterly Commentary as at December 31, 2018

Economic growth decelerated as 2018 came to a close, leading to declines in stocks and corporate bonds in the fourth quarter. Other issues clouding the outlook for investors included the U.S.-China trade conflict, the terms of the U.K.'s exit from the European Union and tightening financial conditions.

The U.S. Federal Reserve (the Fed) boosted the fed funds rate again in the fourth quarter, putting the benchmark rate at its highest level since 2008, and continued scaling back bond purchases. The European Central Bank wound up its bond-buying program and began preparing investors for the possibility that it might start gradually raising its benchmark rate later in 2019. Japanese yields remained near zero as the BOJ judged that inflation would not be problematic.

Corporate bonds underperformed similar-maturity government bonds in the fourth quarter, as investors became concerned about slowing economic growth and trade disputes. These risks led to an increase in the excess yield earned on corporate bonds over sovereign securities,

resulting in smaller relative price gains or outright declines for corporate bonds.

The RBC Emerging Markets Foreign Exchange Fund and the BlueBay Emerging Markets Corporate Bond Fund had a positive impact on portfolio returns, offset by the negative impact of the BlueBay Global Convertible Bond Fund (Canada) and the RBC Global High Yield Bond Fund.

Lower economic growth suggests that the Fed will slow its pace of rate increases in 2019. Against this backdrop, the portfolio manager expects bond yields to rise marginally over the next 12 months. Short-term yields may continue rising faster than those on longer-term bonds so long as central banks appear committed to higher rates. However, the bulk of the rate cuts by the U.S. Federal Reserve are likely behind us, while trade tensions and slowing economic growth could keep bond yields within the recent range.



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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 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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