



RBC \$U.S. High Yield Bond Fund

Investment Objective

To provide total returns comprised of interest income and modest capital growth. The fund invests primarily in higher yielding corporate debt securities issued by U.S. corporations.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	USD	RBF483
Adv	Deferred Sales	USD	RBF883
Adv	Front End	USD	RBF723
Adv	Low Load	USD	RBF083

Inception Date	October 2013
Total Fund Assets \$Mil	171.2
Series A NAV \$	9.46
Series A MER %	1.46
Benchmark	ICE BofA Merrill Lynch U.S. High Yield BB-B Index (USD)

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

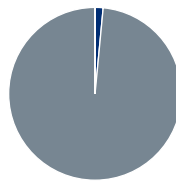
Fund Category	High Yield Fixed Income
---------------	-------------------------

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

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

Portfolio Analysis as of April 30, 2018

Asset Mix



	% Assets
Cash	1.5
Fixed Income	98.5
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.0

Top 10 Holdings

	% Assets
Sprint Capital Corp 6.88% 15-11-2028	2.2
Diamond 2 144A 7.125% 15-06-2026	1.9
ArcelorMittal S.A. 8% 15-10-2039	1.7
Cco Hldgs Cap 144A 5.75% 15-02-2026	1.7
CSC Holdings, LLC 5.5% 15-04-2027	1.5
Western Digital 4.75% 15-02-2026	1.5
Ball 4.875% 15-03-2026	1.5
Lennar 144A 5.25% 01-06-2026	1.4
Cinemark USA Inc. 4.88% 01-06-2023	1.4
Alcoa Nederland Hldg 6.75% 30-09-2024	1.3
Total % of Top 10 Holdings	16.1
Total Number of Stock Holdings	4
Total Number of Bond Holdings	1,267
Total Number of Other Holdings	13
Total Number of Holdings	1,284

Fixed Income Breakdown

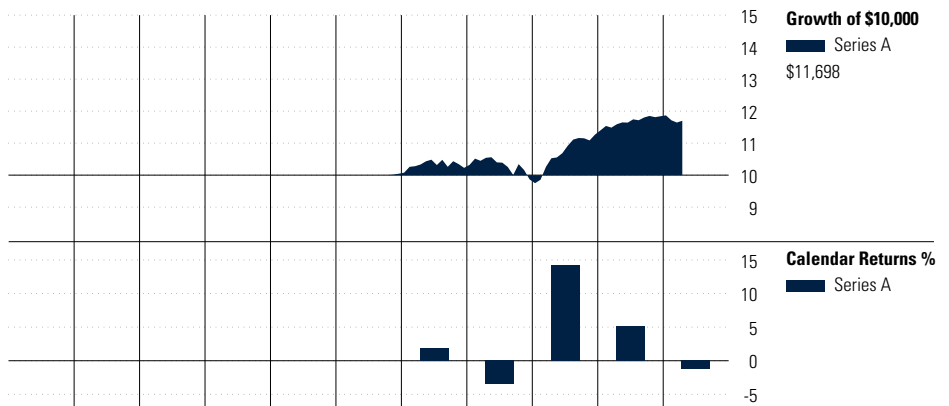
	% Fixed Income
Government Bonds	0.0
Corporate Bonds	98.5
Other Bonds	0.0
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	1.5
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	1.5	Under 1 year	0.0
AAA	0.0	1 - 5 Yrs	15.6
AA	0.0	5 - 10 Yrs	80.4
A	0.0	Over 10 Yrs	4.0
BBB	3.2		
Below BBB	95.2	Avg. Term to maturity (Yrs)	6.8
Mortgages	0.0	Duration (Yrs)	4.9
NR/NA	0.0	Yield to Maturity	5.7

Geographic Allocations

	% Assets
Canada	5.7
United States	92.6
International (ex-Emerging Markets)	1.7
Emerging Markets	0.0

Performance Analysis as of April 30, 2018



Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	YTD	
	—	—	—	—	—	—	1.8	-3.5	14.2	5.1	-1.2	Fund
	—	—	—	—	—	—	1 st	1 st	3 rd	4 th	1 st	Quartile

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	0.5	-1.4	-1.3	0.9	3.5	—	—	3.8	Fund
	4 th	1 st	4 th	4 th	1 st	—	—	—	Quartile
	466	466	459	451	304	186	46	—	No. of Funds in Category



RBC \$U.S. High Yield Bond Fund

Management Overview

Manager Bios

Frank Gambino

RBC Global Asset Management Inc.

Frank Gambino is Vice President and Senior Portfolio Manager, Global Fixed Income and Currencies. He has been in the investment industry since 1990.

Stephen Notidis

RBC Global Asset Management Inc.

Stephen Notidis is Portfolio Manager, Global Fixed Income and Currencies. He has been in the investment industry since 1995.

Performance Analysis Cont'd as of April 30, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.12	0.34	0.55	0.63	0.40	0.11	—	—	—	—	—
Interest	0.12	0.32	0.39	0.43	0.34	0.07	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.01	0.16	0.20	0.06	0.04	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	2-2017	17.1	12-2017	5.0	—	—	—	—
Worst	2-2016	-6.3	11-2016	3.4	—	—	—	—
Average		4.0		4.0		—		—
No. of Periods		43		19		—		—
Pct. Positive		74.4		100.0		—		—

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

Quarterly Commentary as at March 31, 2018

High-yield bonds, despite outperforming investment-grade bonds, had a negative return in Q1 as the market contended with both rising U.S. government bond yields and higher premiums required by investors to invest in lower-rated corporate bonds. The higher-quality and, thus, more interest-rate-sensitive segments of the corporate bond market underperformed the lower-rated segments. Investors had to deal with volatile stock markets, the Trump Administration's revolving door, concerns over global trade wars and a new Chairman of the U.S. Federal Reserve. Meanwhile, key supports for the high-yield market remained in place. Credit conditions were benign, corporate health continued to improve slightly, the net supply of newly issued bonds remained low, the price of oil continued to recover and the corporate default rate, while higher than at year-end, remained low.

The Fund maintained its overall defensive

positioning during the quarter by keeping the credit quality of the portfolio high and used its cash position to buy high-yield bonds that fell in price. Compared to its benchmark, the Fund was supported by its exposure to investment-grade and Canadian high-yield bonds but negatively affected by its exposure to specific U.S. issuers.

Demand for yield and a healthy economic backdrop should continue to support corporate bonds. Given that central banks are leaning toward tighter monetary policies, we believe that high-yield corporate bonds remain attractive relative to other fixed-income assets; however, future returns will likely be lower than in the recent past as possible headwinds emerge. This extended credit cycle may continue for a while yet. We intend to closely monitor the credit quality of the portfolio and look to add attractively valued bonds as they become available.



RBC \$U.S. High Yield Bond 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.

This document has been compiled by RBC Global Asset Management Inc. (RBC GAM) from sources believed to be reliable, but no representations or warranty, express or

implied, are made by RBC GAM, its affiliates or any other person as to its accuracy, 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.

MER (%) for RBC Funds, PH&N Funds and BlueBay Funds is based on actual expenses for the full year period, January 1 to December 31, 2017, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the half-year period, April 1, to September 30, 2017, expressed on an annualized basis.

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 April 30, 2018.

® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © RBC Global Asset Management Inc. 2018