



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	156.5
Series A NAV \$	9.80
Series A MER %	1.42
Benchmark	BoA Merrill Lynch U.S. High Yield BB-B Index (USD)

Income Distribution	Quarterly
Capital Gains Distribution	Annually

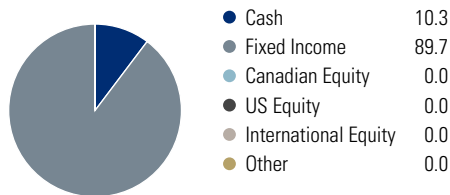
Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

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

Portfolio Analysis as of May 31, 2017

Asset Mix



Fixed Income Breakdown

Fixed Income Category	% Fixed Income
Government Bonds	0.0
Corporate Bonds	89.8
Other Bonds	0.0
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	10.2
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	10.2	Under 1 year	9.6
AAA	0.0	1 - 5 Yrs	16.6
AA	0.0	5 - 10 Yrs	70.3
A	0.0	Over 10 Yrs	3.5
BBB	8.0		
Below BBB	81.8	Avg. Term to maturity (Yrs)	5.8
Mortgages	0.0	Duration (Yrs)	3.7
NR/NA	0.0	Yield to Maturity	4.9

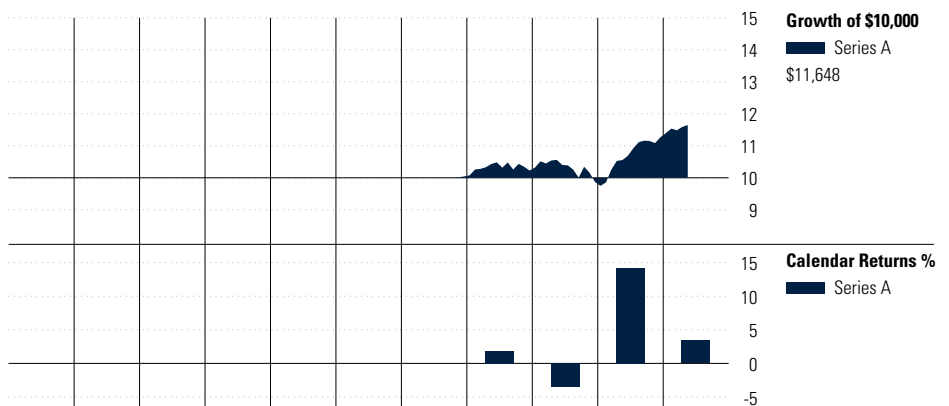
Geographic Allocations

Geographic Allocation	% Assets
Canada	4.8
United States	94.2
International (ex-Emerging Markets)	1.1
Emerging Markets	0.0

Top 10 Holdings

Top 10 Holdings	% Assets
Hca 5.875% 15-02-2026	2.0
Cco Hldgs LLC /Cap 144A 5.75% 15-02-2026	1.8
Sprint Cap 6.875% 15-11-2028	1.7
Csc Hldgs 144A 5.5% 15-04-2027	1.6
Arcelormittal Luxembourg 7% 15-10-2039	1.5
Aes 5.5% 15-03-2024	1.2
Videotron Ltee 5.625% 15-06-2025	1.1
Nexstar Escrow 144A 5.625% 01-08-2024	1.1
Diamond 1 Fin Corp 6.02% 15-06-2026	1.1
Calatlantic Grp 5.25% 01-06-2026	1.1
Total % of Top 10 Holdings	14.0
Total Number of Stock Holdings	2
Total Number of Bond Holdings	1,288
Total Number of Other Holdings	10
Total Number of Holdings	1,300

Performance Analysis as of May 31, 2017



Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	YTD	Fund Quartile
—	—	—	—	—	—	—	—	1.8	-3.5	14.2	3.4	Fund
—	—	—	—	—	—	—	—	1 st	1 st	2 nd	3 rd	Quartile

Period	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
0.5	0.5	1.0	5.1	10.4	3.7	—	—	4.6	Fund
4 th	—	1 st	2 nd	1 st	1 st	—	—	—	Quartile
509	509	507	497	464	341	188	46	—	No. of Funds in Category



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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 May 31, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.08	0.55	0.63	0.40	0.11	—	—	—	—	—	—
Interest	0.08	0.39	0.43	0.34	0.07	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	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	1-2017	4.2	—	—	—	—
Worst	2-2016	-6.3	11-2016	3.4	—	—	—	—
Average		3.7		3.8		—		—
No. of Periods		32		8		—		—
Pct. Positive		65.6		100.0		—		—

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

Quarterly Commentary as at March 31, 2017

In Q1, high yield bonds continued to outperform higher quality investment grade securities, with lower rated securities outperforming higher rated securities. Monetary conditions in the U.S. remain easy, the economy is growing, the reflationary "Trump" trade remains a possibility, credit conditions are benign, corporate health is stabilizing, commodity prices are firmer and the corporate default rate is falling. These key supports continued to drive credit spreads lower and prices higher, causing valuations to overshoot and reach levels not seen since mid-2014.

The subsequent sell-off in March was compounded by large outflows from mutual funds, as investors took advantage of valuations to sell, and as a significant supply of newly issued high yield bonds hit the market. While fundamentals remain supportive, we are likely in the mature phase of an extended credit cycle, and we believe that caution is warranted. The Fund has responded by increasing its allocation to cash and

has increased the credit quality of its holdings. The Fund benefitted from individual security selection in general, while its conservative cash position reduced volatility but also served as a drag on performance.

Global growth remains a concern, however pro-growth policies, demand for yield and stabilizing corporate health should continue to provide support for corporate credit. In this environment, and with the risk of rising rates, we feel that high yield corporate bonds continue to represent attractive relative value compared to other fixed income assets. However, it is likely that future returns will be lower than those experienced in the recent past. 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.



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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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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 and PH&N Funds is based on actual expenses for the full-year period, January 1 to December 31, 2016, 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.

PH&N Funds Series A formerly known as Series C.

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, 2017.

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