



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	118.8
Series A NAV \$	9.24
Series A MER %	1.45
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

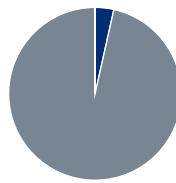
Fund Category	High Yield Fixed Income
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Management Company	RBC Global Asset Management Inc.
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Web Site	www.rbcgam.com
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Portfolio Analysis as of January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

Asset Mix



	% Assets
Cash	3.5
Fixed Income	96.5
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.0

Fixed Income Breakdown

	% Fixed Income
Government Bonds	0.0
Corporate Bonds	96.4
Other Bonds	0.0
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	3.6
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	3.6	Under 1 year	0.0
AAA	0.0	1 - 5 Yrs	15.0
AA	0.0	5 - 10 Yrs	81.3
A	0.0	Over 10 Yrs	3.7
BBB	6.2		
Below BBB	90.3	Avg. Term to maturity (Yrs)	7.1
Mortgages	0.0	Duration (Yrs)	4.8
NR/NA	0.0	Yield to Maturity	6.1

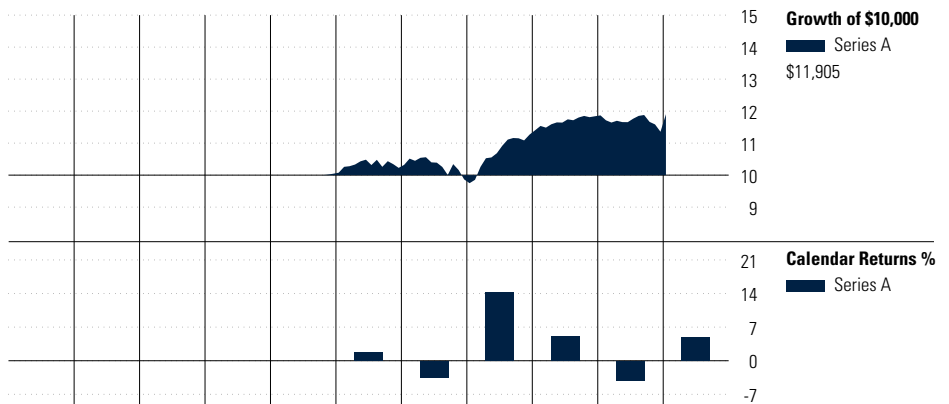
Geographic Allocations

	% Assets
Canada	5.7
United States	93.4
International (ex-Emerging Markets)	0.9
Emerging Markets	0.0

Top 10 Holdings

	% Assets
Sprint Capital Corp 6.88% 15-11-2028	2.6
Cco Hldgs Cap 144A 5.75% 15-02-2026	2.1
ArcelorMittal S.A. 7% 15-10-2039	2.1
CSC Holdings, LLC 5.5% 15-04-2027	1.8
Seven Generations Engy 5.38% 30-09-2025	1.7
HCA Inc. 5.88% 15-02-2026	1.7
Tenet Healthcare Corp 4.62% 15-07-2024	1.5
Adient Global Hldgs 4.875% 15-08-2026	1.5
Six Flags Ent Corp New 5.5% 15-04-2027	1.5
Lennar Corporation 5.25% 01-06-2026	1.5
Total % of Top 10 Holdings	18.0
Total Number of Stock Holdings	4
Total Number of Bond Holdings	1,221
Total Number of Other Holdings	11
Total Number of Holdings	1,236

Performance Analysis as of January 31, 2019



Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD	Fund Quartile
Calendar Returns %	—	—	—	—	—	1.8	-3.5	14.2	5.1	-4.1	4.8	4 th
	—	—	—	—	—	1 st	1 st	3 rd	4 th	1 st	4 th	

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	4.8	2.1	1.2	0.3	6.9	3.4	—	3.6	Fund
	4 th	1 st	1 st	1 st	4 th	1 st	—	—	Quartile
	467	463	456	452	331	222	48	—	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 January 31, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	0.50	0.34	0.55	0.63	0.40	0.11	—	—	—	—
Interest	—	0.44	0.32	0.39	0.43	0.34	0.07	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.06	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	1-2019	6.9	1-2019	3.4	—	—
Worst	2-2016	-6.3	5-2018	3.4	12-2018	2.5	—	—
Average		3.2		4.3		3.0		—
No. of Periods		52		28		4		—
Pct. Positive		73.1		100.0		100.0		—

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

Quarterly Commentary as at December 31, 2018

U.S. High-yield bonds fell in price during the fourth quarter of 2018 as various headwinds emerged and contributed to heightened risk aversion. Credit spreads (the premium required by investors to invest in lower-rated debt) which had been falling for most of the year, hit the lows of this credit cycle in early October before widening meaningfully by the end of the year, causing prices to fall. Key factors that influenced returns included lower oil prices, fears of slowing global growth, an increase in global trade tensions and the U.S. Federal Reserve Board's continued tightening of monetary policy.

The lowest rated corporate credits, which had outperformed for most of the year, reversed course late in the fourth quarter and were the worst performing part of the corporate bond market by year end. Even so, measures of the health of the

corporate bond market improved slightly, and defaults fell, remaining at low levels. The Fund was negatively impacted on a relative basis by its exposure to specific issuers in the Technology and Automotive sectors. The Fund benefitted from its cash holdings and from its lower exposure to the Telecommunications industry.

Valuations of high-yield bonds have improved as credit spreads widened, although they remain below long-term averages and we anticipate more volatility if central banks continue tightening monetary policy. While modest returns are expected in the near term, credit defaults remain low and we are adding opportunistically to bonds that have fallen in price and now offer the potential for more attractive returns.



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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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