



RBC \$U.S. Investment Grade Corporate Bond Fund

Investment Objective

To provide interest income with the potential for modest capital growth by investing primarily in U.S. corporate bonds. The fund invests primarily in a portfolio of diversified investment grade fixed-income securities issued by U.S. corporations.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	USD	RBF484
Adv	Deferred Sales	USD	RBF884
Adv	Front End	USD	RBF724
Adv	Low Load	USD	RBF084

Inception Date	August 2013
Total Fund Assets \$Mil	198.3
Series A NAV \$	9.19
Series A MER %	1.27
Benchmark	Bloomberg Barclays U.S. Corporate Bond Index (US\$)

Income Distribution	Quarterly
Capital Gains Distribution	Annually

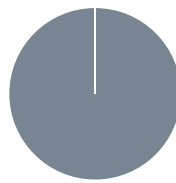
Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

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

Portfolio Analysis as of June 30, 2018

Asset Mix



	% Assets
Cash	0.0
Fixed Income	100.0
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	99.7
Other Bonds	0.0
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	0.3
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	0.3	Under 1 year	2.4
AAA	0.9	1 - 5 Yrs	38.5
AA	2.4	5 - 10 Yrs	32.1
A	39.1	Over 10 Yrs	26.9
BBB	57.3		
Below BBB	0.0	Avg. Term to maturity (Yrs)	10.8
Mortgages	0.0	Duration (Yrs)	7.2
NR/NA	0.0	Yield to Maturity	4.1

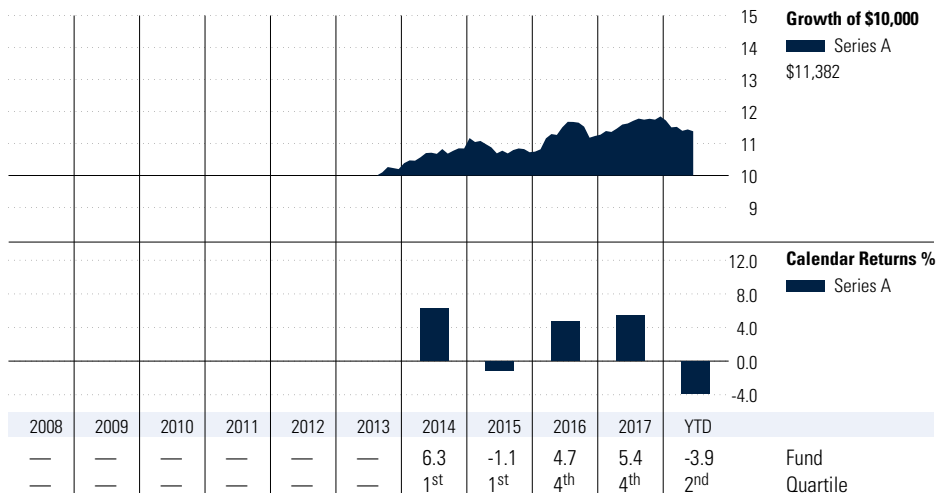
Geographic Allocations

	% Assets
Canada	0.5
United States	85.1
International (ex-Emerging Markets)	14.4
Emerging Markets	0.0

Top 25 Holdings

	% Assets
Cooperatieve Rabobank 4.38% 04-08-2025	1.3
Australia&N Zealand Bkg 4.4% 19-05-2026	1.0
Southern Power Company 4.95% 15-12-2046	0.9
Bank of America Corp 3.88% 01-08-2025	0.9
Appalachian Power Company 7% 01-04-2038	0.9
Duke Energy Corp 3.75% 01-09-2046	0.9
Lloyds Banking Group 2.91% 07-11-2023	0.9
Morgan Stanley 3.59% 22-07-2028	0.9
Citigroup Inc. 3.67% 24-07-2028	0.8
Citigroup Inc. 3.2% 21-10-2026	0.8
Newell Brands Inc. 3.85% 01-04-2023	0.8
Delta Air Lines Inc 2.88% 13-03-2020	0.8
ConocoPhillips 6.95% 15-04-2029	0.8
Morgan Stanley 3.88% 27-01-2026	0.8
Exelon Corporation 5.62% 15-06-2035	0.8
Goldman Sachs Group 3.75% 22-05-2025	0.8
Apache Corporation 3.25% 15-04-2022	0.8
JPMorgan Chase & Co. 3.22% 01-03-2025	0.8
General Motors Financial Company Inc 4.38% 25-09-2021	0.8
Wells Fargo & Company 3% 23-10-2026	0.8
American Express Company 3% 30-10-2024	0.8
Rockwell Collins Incorporated 3.2% 15-03-2024	0.8
Medtronic, Inc. 3.15% 15-03-2022	0.8
Kinder Morgan Energy Partners LP 6.95% 15-01-2038	0.8
CVS Health Corp 4.78% 25-03-2038	0.8
Total % of Top 25 Holdings	21.2
Total Number of Stock Holdings	0
Total Number of Bond Holdings	225
Total Number of Other Holdings	3
Total Number of Holdings	228

Performance Analysis as of June 30, 2018



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
-0.5	-1.2	-3.9	-2.1	2.1	—	—	2.6	Fund
2 nd	2 nd	2 nd	3 rd	1 st	—	—	—	Quartile
116	110	106	103	80	58	11	—	No. of Funds in Category



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Management Overview

Manager Bios

James Weinand

RBC Global Asset Management (U.S.) Inc.

Jim Weinand is a portfolio manager in our fixed income group. He researches the telecommunications, media, technology, consumer, health care and REIT sectors of the corporate market. Before joining the firm in 2010, Jim conducted high yield credit and quantitative equity research at Columbia Management. He earned a BS in finance from the University of Minnesota, Carlson School of Management and is a CFA charterholder.

Performance Analysis Cont'd as of June 30, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.14	0.27	0.49	0.81	0.27	0.08	—	—	—	—	—
Interest	0.14	0.22	0.26	0.28	0.20	0.06	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.05	0.23	0.53	0.07	0.02	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	8-2016	9.2	8-2016	5.3	—	—	—	—
Worst	1-2016	-3.8	4-2018	1.3	—	—	—	—
Average		3.0		2.8		—		—
No. of Periods		47		23		—		—
Pct. Positive		80.9		100.0		—		—

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

Quarterly Commentary as at June 30, 2018

Overall performance was negatively impacted by rising interest rates and widening spreads relative to U.S. Treasuries. Shorter-maturity bonds outperformed their longer counterparts during the quarter.

Security selection was the primary driver of positive relative performance for the Fund, particularly in Industrials. The Fund's security selection in longer-dated bonds also positively impacted performance as the Fund was more defensively positioned in 20- to 30-year bonds, which were more negatively impacted by changes in interest rates. From an issuer perspective, the Fund's underweights in Comcast Corp. and Charter Communications Inc. were the largest contributors to performance as spreads in the cable industry were negatively impacted by a spate in merger and acquisition activity. The largest detractor from relative performance was the Fund's overweight to Utilities as utility issuers generally have a longer duration profile, which adversely impacted the

sector.

We continue to favour large companies with stable to improving credit profiles. We avoid companies that are likely to finance large acquisitions with debt or engage in shareholder-friendly activity at the expense of bondholders. Sector overweights are in the Banking and Utilities sectors. We prefer companies that focus on the U. S. market, generate consistent cash flow and are in the process of reducing debt. We continue to believe that the positive regulatory environment in banking and utilities has a favourable impact on the credit profile of these companies.

Interest-rate positioning relative to the benchmark continues to be neutral. Our philosophy is grounded in a tight risk management focus, which reinforces our belief that interest-rate calls are difficult to time and expensive when wrong.



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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 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 full year period, April 1, 2017 to March 31, 2018.

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 June 30, 2018.

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