



RBC Monthly Income Bond Fund

Investment Objective

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

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF495
Adv	Deferred Sales	CAD	RBF895
Adv	Front End	CAD	RBF795
Adv	Low Load	CAD	RBF095

Inception Date	October 2010
Total Fund Assets \$Mil	879.4
Series A NAV \$	9.68
Series A MER %	1.09
Benchmark	40% FTSE Canada Short Term Overall Bond Index 60% FTSE Canada Universe Bond Index

Income Distribution	Monthly
Capital Gains Distribution	Annually
Monthly Distribution (¢/unit)	2.25
Current Payout Rate (%)*	2.79

*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

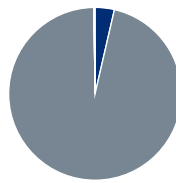
Fund Category Canadian Fixed Income

Management Company RBC Global Asset Management Inc.

Web Site www.rbcgam.com

Portfolio Analysis as of January 31, 2019

Asset Mix



	% Assets
Cash	3.6
Fixed Income	96.2
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.2

Fixed Income Breakdown

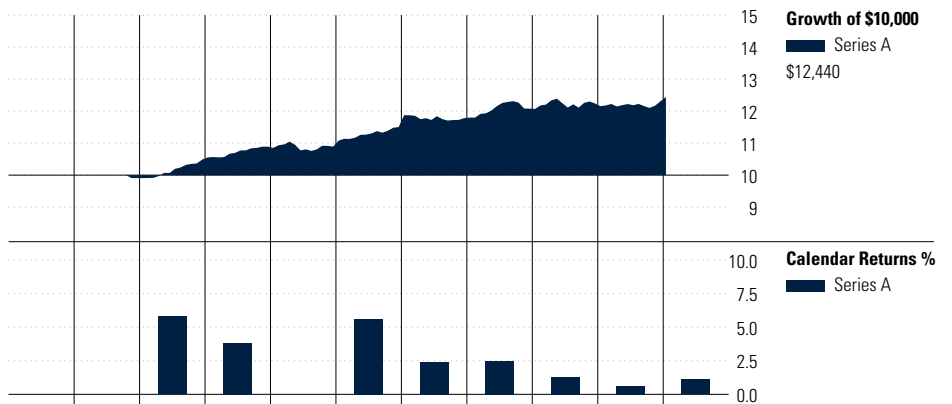
	% Fixed Income
Government Bonds	48.7
Corporate Bonds	45.7
Other Bonds	0.0
Mortgage Backed Securities	2.6
ST Investments (Cash & Other)	3.0
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	3.0	Under 1 year	6.0
AAA	26.4	1 - 5 Yrs	55.3
AA	21.3	5 - 10 Yrs	20.2
A	21.5	Over 10 Yrs	18.5
BBB	17.8		
Below BBB	7.1	Avg. Term to maturity (Yrs)	7.1
Mortgages	2.6	Duration (Yrs)	5.3
NR/NA	0.2	Yield to Maturity	3.1

Geographic Allocations

	% Assets
Canada	83.6
United States	7.5
International (ex-Emerging Markets)	2.3
Emerging Markets	6.7

Performance Analysis as of January 31, 2019



Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD	Fund Quartile
Calendar Returns %	—	—	5.8	3.8	0.0	5.6	2.4	2.5	1.3	0.6	1.1	—
	—	—	4 th	2 nd	1 st	4 th	2 nd	1 st	3 rd	3 rd	4 th	—

Period	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Calendar Returns %	1.1	2.8	2.1	2.3	1.8	2.3	—	2.7	Fund
	4 th	4 th	3 rd	3 rd	2 nd	3 rd	—	—	Quartile
No. of Funds in Category	563	558	540	529	407	341	154	—	—



RBC Monthly 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	0.02	0.27	0.27	0.30	0.27	0.27	0.30	0.33	0.31	0.16	—
Interest	0.02	0.18	0.20	0.22	0.23	0.21	0.23	0.30	0.31	0.10	—
Dividends	—	—	0.00	—	—	—	—	—	—	—	—
Capital Gains	—	—	0.01	0.08	0.02	—	—	0.03	—	0.06	—
Return Of Capital	—	0.09	0.06	—	0.02	0.06	0.07	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	1-2015	7.1	8-2016	4.5	6-2016	3.8	—	—
Worst	9-2017	-1.6	1-2018	0.8	4-2018	1.9	—	—
Average		2.7		2.8		2.9		—
No. of Periods		88		64		40		—
Pct. Positive		85.2		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.

Canadian bond prices posted gains in the fourth quarter, outperforming U.S. Treasuries, as yields were pressured lower by a weakening economic expansion and falling oil prices. These economic developments, as well as rising global trade tensions, prompted the Bank of Canada, in December, to express reluctance at pushing forward with additional rate increases after hiking three times earlier in the year. The U.S. Federal Reserve boosted the fed funds rate again in the quarter, putting the benchmark rate at its highest level since 2008, and continued scaling back bond purchases. The extra yield offered to own bonds issued by provinces and corporations increased

relative to Government of Canada bonds.

All but one of the Fund's holdings contributed to portfolio returns, with the Phillips, Hager & North Short Term Bond & Mortgage Fund having the largest positive impact on performance. The Phillips, Hager & North High Yield Bond Fund had a slight negative impact on the Fund's returns.

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 might continue to rise faster than those on longer-term bonds as long as central banks seem committed to higher benchmark rates. However, the bulk of U.S. Federal Reserve rate increases are likely behind us, while trade tensions and slowing economic growth could keep bond yields within the recent range.



RBC Monthly Income 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 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.

® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © RBC Global Asset Management Inc. 2019