

RBC Canadian Government Bond Index Fund



Investment objective

To provide a total return consisting of income and moderate capital growth by tracking the performance of the FTSE Canada Federal Bond Index, either directly or indirectly through investment in units of other mutual funds managed by RBC GAM.

Fund details

Series	Load structure	Currency	Fund code
A	No load	CAD	RBF563

Inception date	June 2000
Total fund assets \$MM	271.7
Series A NAV \$	12.44
Series A MER %	0.61

Income distribution	Quarterly
Capital gains distribution	Annually
Sales status	Open
Minimum investment \$	500
Subsequent investment \$	25
Risk rating	Low
Fund category	Canadian Fixed Income

Benchmark

100% FTSE Canada Federal Bond Index

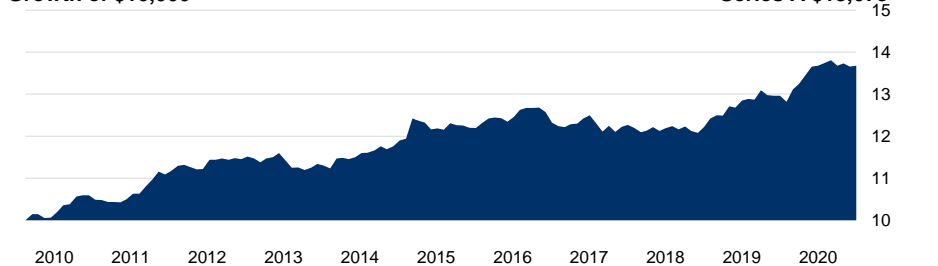
Notes

Fund's investment objective changed April 9, 2019 and June 30, 2017.

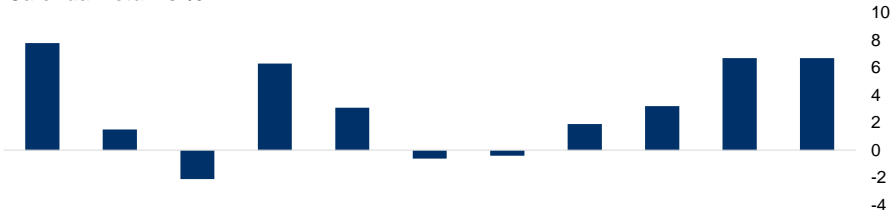
Performance analysis for Series A as of December 31, 2020

Growth of \$10,000

Series A \$13,673



Calendar returns %



2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	YTD	
7.8	1.5	-2.1	6.3	3.1	-0.6	-0.4	1.9	3.2	6.7	6.7	Fund
2 nd	4 th	3 rd	3 rd	1 st	4 th	4 th	1 st	4 th	4 th	4 th	Quartile

1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since incep.	Trailing return %
0.0	-0.4	-0.5	6.7	3.9	2.1	2.7	4.1	Fund
4 th	4 th	4 th	4 th	4 th	4 th	4 th	—	Quartile
554	544	529	518	446	355	181	—	# of funds in category

Portfolio analysis as of December 31, 2020

Asset mix



	% Assets
• Cash	0.1
• Fixed income	99.9
• Canadian equities	0.0
• U.S. equities	0.0
• European equities	0.0
• Asia-Pacific equities	0.0
• Emerging markets equities	0.0

Fixed income characteristics

Yield to maturity (%)	0.6
Current yield (%)	1.8
Duration (years)	6.5
Average term to maturity (years)	7.6
Average credit rating	AAA

Fixed income breakdown

	%
Government Bonds	99.9
Corporate Bonds	0.0
Other Bonds	0.0
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	0.1
Asset Backed Securities	0.0

Portfolio analysis continued as of December 31, 2020

Top 25 holdings	% Assets	Credit rating	%	Fixed income geographic allocation	%
Canada Housing Trust No 1 2.65% Dec 15, 2028	8.1	Cash / Cash Equiv.	0.1	Canada	100.0
Canadian Government Bond 1.25% Jun 01, 2030	8.0	AAA	99.9	United States	0.0
Canadian Government Bond 1.25% Mar 01, 2025	7.1	AA	0.0	International (ex-Emerging Markets)	0.0
Canada Housing Trust No 1 2.35% Sep 15, 2023	6.4	A	0.0	Emerging Markets	0.0
Canada Housing Trust No 1 1.75% Jun 15, 2022	6.1	BBB	0.0		
Canada Housing Trust No 1 0.95% Jun 15, 2025	4.7	Below BBB	0.0		
Canada Housing Trust No 1 1.25% Jun 15, 2021	4.4	Mortgages	0.0		
Canada Housing Trust No 1 2.9% Jun 15, 2024	4.1	Other	0.0		
Canada Housing Trust No 1 1.9% Sep 15, 2026	4.0				
Canadian Government Bond 4% Jun 01, 2041	3.8				
Canadian Government Bond 2% Jun 01, 2028	3.7				
Canadian Government Bond 0.5% Sep 01, 2025	3.6				
Canadian Government Bond 3.5% Dec 01, 2045	3.2				
Canadian Government Bond 2% Dec 01, 2051	2.9				
Canadian Government Bond 1.5% Jun 01, 2026	2.7				
Canadian Government Bond 2.75% Dec 01, 2048	2.7				
Canada Housing Trust No 1 2.65% Mar 15, 2022	2.6				
Canadian Government Bond 0.5% Mar 01, 2022	2.3				
Canada Housing Trust No 1 2.55% Dec 15, 2023	2.3				
Canadian Government Bond 5.75% Jun 01, 2029	2.2				
Canadian Government Bond 1.5% May 01, 2022	1.8				
Canadian Government Bond 0.25% Apr 01, 2024	1.8				
Inter-American Development Bank 4.4% Jan 26, 2026	1.8				
Canadian Government Bond 1% Jun 01, 2027	1.5				
Canadian Government Bond 5% Jun 01, 2037	1.5				
Total % of top 25 holdings	93.5				
Total number of holdings	34				

Distributions (\$)/unit*	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Interest	—	0.19	0.21	0.20	0.21	0.21	0.22	0.25	0.26	0.31	0.36
Canadian dividends	—	—	—	—	—	—	—	—	—	—	—
Foreign dividends	—	—	—	—	—	—	—	—	—	—	—
Foreign taxes paid	—	—	—	—	—	—	—	—	—	—	—
Capital gains	—	—	—	—	0.01	—	—	0.06	—	—	—
Return of capital	—	—	—	—	—	—	—	—	—	—	—
Total distributions	0.17	0.19	0.21	0.20	0.22	0.21	0.22	0.31	0.26	0.31	0.36

*Income type characterization and foreign taxes paid are reported at or around January month-end.

Manager bios**Suzanne Gaynor, RBC Global Asset Management Inc.**

Suzanne Gaynor is Vice President and Senior Portfolio Manager, Global Fixed Income and Currencies at RBC GAM. She began her career in the Canadian money market department of Royal Bank of Canada in 1981. Suzanne is a member of the Global Fixed Income & Currencies Committee and the RBC Investment Policy Committee. As an advisor to the RBC Investment Strategy Committee, she helps establish global asset mix strategies for the firm.

Joanne Lee, RBC Global Asset Management Inc.

Since joining the Fixed Income Team at RBC GAM in 2006 as an analyst, Joanne has been responsible for research on new investment strategies and opportunities using various investment instruments in developed bond markets. Joanne currently co-manages two Canadian bond mutual funds and is actively involved in the management of global fixed income portfolios and fixed income derivatives. Joanne holds a Master of Finance Degree, and is a CFA charterholder.

Disclosure

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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.

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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.

Growth of \$10K chart shown represents a hypothetical investment of the Fund over the last 10 years, or from the last day of the since inception month for funds with less than 10 years performance history.

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