



RBC Global High Yield Bond Fund

Investment Objective

To provide above-average total returns comprised of interest income and capital growth and achieve a yield advantage.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF579
Adv	Deferred Sales	CAD	RBF801
Adv	Front End	CAD	RBF701
Adv	Low Load	CAD	RBF119

Inception Date	July 2003
Total Fund Assets \$Mil	3,836.4
Series A NAV \$	10.21
Series A MER %	1.80
Benchmark	50% JPM EMBI G1b Div* 50% ICE BoA ML US HY BB-B*

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

Fund Category	High Yield Fixed Income
---------------	-------------------------

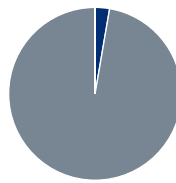
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

Notes

* Hedged to \$C

Portfolio Analysis as of September 30, 2018

Asset Mix



	% Assets
Cash	2.7
Fixed Income	97.3
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.0

Fixed Income Breakdown

	% Fixed Income
Government Bonds	32.8
Corporate Bonds	64.7
Other Bonds	0.0
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	2.5
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	2.5	Under 1 year	0.2
AAA	1.7	1 - 5 Yrs	23.7
AA	0.7	5 - 10 Yrs	56.6
A	3.0	Over 10 Yrs	19.5
BBB	19.8		
Below BBB	70.3	Avg. Term to maturity (Yrs)	8.9
Mortgages	0.0	Duration (Yrs)	6.0
NR/NA	1.9	Yield to Maturity	4.8

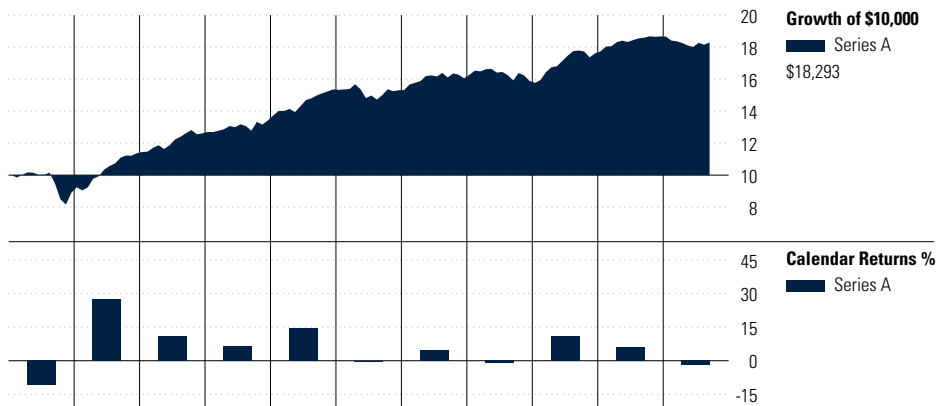
Geographic Allocations

	% Assets
Canada	2.9
United States	41.5
International (ex-Emerging Markets)	0.3
Emerging Markets	55.2

Top 25 Holdings

	% Assets
BlueBay Emerging Markets Corp Bond Fund	3.3
US Treasury Notes 2.25% 15-02-2027	1.7
The Republic of Peru 8.75% 21-11-2033	1.5
Serbia (Republic Of) 7.25% 28-09-2021	0.9
Sprint Capital Corp 6.88% 15-11-2028	0.9
Cco Hldgs Cap 144A 5.75% 15-02-2026	0.9
Republic of Colombia 6.12% 18-01-2041	0.8
ArcelorMittal S.A. 8% 15-10-2039	0.8
Dominican Republic 7.45% 30-04-2044	0.8
Lennar Corporation 5.25% 01-06-2026	0.8
VanEck Vectors JP Morgan EM LC Bd ETF	0.8
Ukraine (Republic of) 7.75% 01-09-2022	0.8
Pemex Project Master Tr 6.62% 15-06-2035	0.7
Vietnam Socialist Rep 4.8% 19-11-2024	0.7
Philippines Rep 7.75% 14-01-2031	0.7
HCA Inc. 5.88% 15-02-2026	0.7
CSC Holdings, LLC 5.5% 15-04-2027	0.7
1MDB Energy Limited 5.99% 11-05-2022	0.7
Turkey (Republic of) 4.88% 16-04-2043	0.7
Turkiye Ihracat Kred Bk 5.38% 08-02-2021	0.7
Western Digital Corp. 4.75% 15-02-2026	0.7
Poland (Republic of) 3.25% 06-04-2026	0.6
Pemerintah, Indonesia 5.25% 17-01-2042	0.6
Republic of Chile 3.86% 21-06-2047	0.6
Uruguay (Republic of) 7.62% 21-03-2036	0.6
Total % of Top 25 Holdings	22.8
Total Number of Portfolio Holdings	291
Total Number of Stock Holdings	7
Total Number of Bond Holdings	2,145
Total Number of Other Holdings	35
Total Number of Underlying Holdings	2,187

Performance Analysis as of September 30, 2018



Year	Calendar Returns %	Fund Quartile
2008	-10.9	2 nd
2009	27.6	2 nd
2010	11.0	2 nd
2011	6.3	1 st
2012	14.5	1 st
2013	-0.3	4 th
2014	4.9	2 nd
2015	-1.0	2 nd
2016	10.8	2 nd
2017	6.0	1 st
YTD	-2.0	4 th

Period	Trailing Return %	Fund Quartile	No. of Funds in Category
1 Mth	0.8	1 st	448
3 Mth	1.6	2 nd	445
6 Mth	-0.4	4 th	441
1 Yr	-1.6	4 th	431
3 Yr	4.7	3 rd	301
5 Yr	4.0	3 rd	204
10 Yr	6.8	1 st	46
Since Incep.	5.8	—	—



RBC Global High Yield Bond Fund

Management Overview

Manager Bios

Jane Lesslie

RBC Global Asset Management Inc.

Jane Lesslie is Senior Portfolio Manager, Global Fixed Income and Currencies. She has been in the investment industry since 1988.

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.

Performance Analysis Cont'd as of September 30, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.31	0.39	0.40	0.42	0.44	0.46	0.56	0.51	0.52	0.52	0.67
Interest	0.31	0.39	0.40	0.42	0.44	0.46	0.44	0.51	0.52	0.52	0.67
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	0.12	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	11-2009	37.4	11-2011	17.2	11-2013	13.3	5-2014	7.3
Worst	11-2008	-18.0	11-2008	-3.1	11-2008	0.3	1-2016	5.6
Average		6.2		6.3		6.5		6.5
No. of Periods		171		147		123		63
Pct. Positive		85.4		97.3		100.0		100.0

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

Quarterly Commentary as at September 30, 2018

The RBC Global High Yield Bond Fund posted positive returns in Q3, primarily due to strength in both emerging market (EM) bonds and high yield (HY) bonds.

The EM bond market is benefitting from limited supply as countries had issued heavily in the first half of the year. Demand has thus been strong for even poorer quality issues. Despite spurts of volatility in EM bonds during the quarter, the asset class still experienced strong returns. During the quarter, the high yield (HY) portion of EM bonds outperformed the investment grade (IG) portion, which benefitted the Fund as it is overweight HY through the BB sector.

U.S. HY bonds had modest positive returns during the period. Strong economic growth, supportive credit conditions, and low corporate stress are creating a market environment that remains encouraging for HY bonds. Rising interest rates

seem to have discouraged many issuers from bringing new bonds to the market, constraining supply and providing a key support for high yield bonds.

Demand for yield and a still decent economic backdrop should continue to support high yield and EM bonds. There are potential headwinds though. For high yield bonds, the credit cycle is at an advanced stage and valuations are relatively expensive, so future returns will likely be lower than in the recent past. The biggest risks for EM are increasing trade tensions between the U.S. and China, which notably would be negative for most of the world, not solely EM, and materially slower growth in China. Overall, we believe that the structural, long-term fundamentals for EM remain sound and the sell-off witnessed this year in EM debt is creating value and opportunities.



RBC Global High Yield 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 half-year period, January 1 to June 30, 2018, 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 September 30, 2018.

® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © RBC Global Asset Management Inc. 2018