



RBC Canadian Bond Index Fund

Investment Objective

To provide a total return consisting of income and moderate capital growth by tracking the performance of its benchmark, 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	RBF700

Inception Date	October 1999
Total Fund Assets \$Mil	38.6
Series A NAV \$	11.83
Series A MER %	0.92
Benchmark	FTSE TMX Canada Universe Bond Index

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

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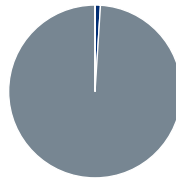
Web Site	www.rbcgam.com
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Notes

Fund's investment objective and name changed effective June 30, 2017.

Portfolio Analysis as of August 31, 2017

Asset Mix



	% Assets
Cash	1.0
Fixed Income	99.0
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.0

Top 10 Holdings

	% Assets
Canada Hsg Tr No 1 3.35% 15-12-2020	5.0
Canada Govt 3.5% 01-12-2045	3.8
Ontario Prov Cda 2.6% 02-06-2025	3.7
Newfoundland Prov Cda 6.15% 17-04-2028	3.4
Canada Hsg Tr No 1 1.25% 15-06-2021	3.3
Tchc Issuer Tr 4.877% 11-05-2037	3.1
Canada Govt 1.5% 01-06-2023	2.7
Ontario Prov Cda 2.9% 02-12-2046	2.6
Quebec Prov Cda 9.5% 30-03-2023	2.5
Quebec Prov Medium Term Nt 5% 01-12-2041	2.4
Total % of Top 10 Holdings	32.5
Total Number of Stock Holdings	0
Total Number of Bond Holdings	113
Total Number of Other Holdings	1
Total Number of Holdings	114

Fixed Income Breakdown

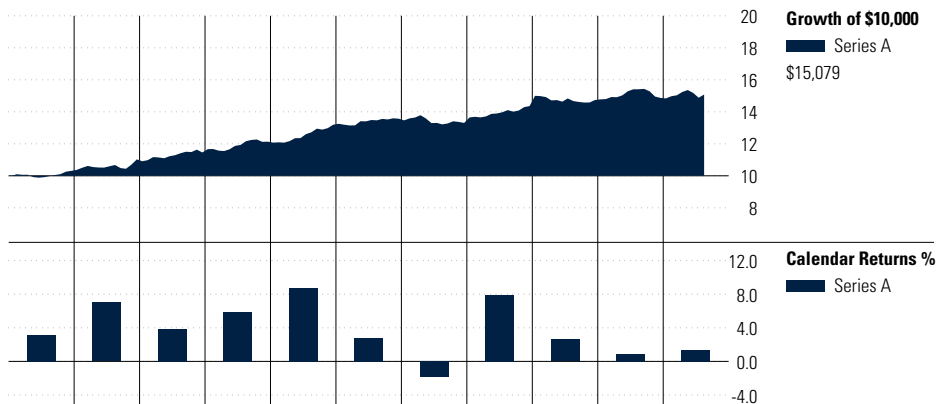
	% Fixed Income
Government Bonds	67.3
Corporate Bonds	31.7
Other Bonds	0.0
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	1.0
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	1.0	Under 1 year	0.7
AAA	24.5	1 - 5 Yrs	39.6
AA	43.0	5 - 10 Yrs	24.8
A	19.7	Over 10 Yrs	34.9
BBB	11.8		
Below BBB	0.0	Avg. Term to maturity (Yrs)	10.2
Mortgages	0.0	Duration (Yrs)	7.4
NR/NA	0.0	Yield to Maturity	2.5

Geographic Allocations

	% Assets
Canada	100.0
United States	0.0
International (ex-Emerging Markets)	0.0
Emerging Markets	0.0

Performance Analysis as of August 31, 2017



Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	YTD	
Return %	3.1	7.0	3.9	5.9	8.7	2.8	-1.9	7.9	2.6	0.9	1.4	Fund Quartile
Rank	1 st	1 st	4 th	3 rd	1 st	4 th	3 rd	2 nd	2 nd	4 th	2 nd	

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Return %	1.3	-1.8	0.7	-2.1	2.2	2.3	4.2	4.8	Fund Quartile
Rank	1 st	3 rd	2 nd	4 th	2 nd	3 rd	2 nd	—	Quartile
No. of Funds in Category	613	609	602	579	452	366	146	—	No. of Funds in Category



RBC Canadian Bond Index Fund

Management Overview

Manager Bios

State Street Global Advisors (Montreal)

SSgA's focus has been on providing highly disciplined risk controlled investment strategies to the global marketplace. SSgA has offices in 28 location around the world, with on-site portfolio management services in Boston, London, Montreal, Munich, Paris, Hong Kong, Sydney and Tokyo.

Performance Analysis Cont'd as of August 31, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.17	0.34	0.30	0.33	0.35	0.34	0.38	0.41	0.42	0.44	0.45
Interest	0.17	0.30	0.30	0.33	0.35	0.34	0.38	0.41	0.42	0.44	0.45
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.04	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	10-2001	11.7	5-2003	8.3	1-2005	7.5	1-2010	6.1
Worst	7-2017	-3.4	7-2017	2.1	7-2017	2.0	2-2017	4.0
Average		5.0		5.0		5.0		5.0
No. of Periods		202		178		154		94
Pct. Positive		93.1		100.0		100.0		100.0

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

Quarterly Commentary as at June 30, 2017

The Canadian economy continued to strengthen in Q2, all but eliminating the need for the Bank of Canada (BoC) to reduce short-term interest rates. Yields trended lower in April and May, and bonds recovered most of the losses recorded following Trump's election in late 2016, as it appeared that the administration would struggle to get policies enacted. However, Canadian bond yields spiked up in June after the BoC stated that the strength in the economy would warrant higher rates.

The Fund's performance benefited from an overweight allocation to investment-grade corporate bonds and provincial fixed-income securities, as investors sought higher-yielding assets that are perceived to come with a degree of safety. While shorter maturity bond yields rose rapidly in June, longer maturities fell as they are less impacted by monetary policy and more by inflation concerns. The fund's provincial bond

allocation is mainly in 10 years and longer and this was a boost to performance.

Going forward, the portfolio manager expects bond yields to rise slowly in the coming quarters as the global economic expansion and fading threat of disinflation have led major central banks to consider tighter monetary policies. In the second half of 2017 the BoC is expected to remove the emergency cuts that weak oil markets justified in 2015. In addition to hiking rates, the portfolio manager expects the U.S. Federal Reserve to begin gradually reducing the amount of bonds on its balance sheet; an approach that the portfolio manager does not believe will disrupt fixed-income markets. Long-maturity yields are likely to remain range-bound in the near term and move higher as growth improves and inflation firms.



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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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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, 2017, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the full-year period, April 1, 2016 to March 31, 2017, expressed on an annualized basis.

Adjusted MER is provided for funds with management fee changes effective June 30, 2016. The Adjusted MER represents what the reported MER would have been had management fee changes been in effect throughout 2016.

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 August 31, 2017.

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