



RBC Private Canadian Corporate Bond Pool

Investment Objective

To provide long-term returns consisting primarily of interest income and moderate capital growth. The Fund invests primarily in investment grade fixed-income securities issued by Canadian corporations. It may also hold similar securities of U.S. corporations.

In constructing the portfolio, the investment team considers the direction of interest rates in Canada, the U.S. and other major economies. The expected changes in interest rate spreads between and within different segments of the market (e.g. federal, provincial and corporate) are also considered. The Fund can hold up to 20% in debt rated below BBB, but the average credit quality of the Fund cannot fall below BBB.

Fund Details

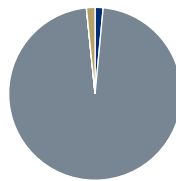
Series	Currency	Fund Code
O	CAD	RBF10500
Inception Date August 2003		
Total Fund Assets \$Mil 1,042.6		
Benchmark FTSE Canada All Corporate Bond Index		

Notes

Securities have been classified as 'NR/NA' if the security has not been rated by a rating agency such as DBRS, S&P or Moody's. Typically, unrated securities are bond issues for which the issuer has not sought a credit rating.

Portfolio Analysis as of June 30, 2019

Asset Mix



	% Assets
Cash	1.5
Fixed Income	96.9
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	1.6

Fixed Income Breakdown

	% Fixed Income
Government Bonds	2.0
Corporate Bonds	97.2
Other Bonds	0.0
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	0.7
Asset Backed Securities	0.0

Bond Rating

	%
Cash / Cash Equiv.	0.7
AAA	2.2
AA	19.3
A	29.4
BBB	47.4
Below BBB	0.9
Mortgages	0.0
NR/NA	0.0

Term to Maturity

	%
Under 1 year	3.7
1 - 5 Yrs	47.0
5 - 10 Yrs	19.6
Over 10 Yrs	29.7
Avg. Term to maturity (Yrs)	9.3
Duration (Yrs)	6.5
Yield to Maturity	2.7

Geographic Allocations

	% Assets
Canada	98.8
United States	1.2
International (ex-Emerging Markets)	0.0
Emerging Markets	0.0

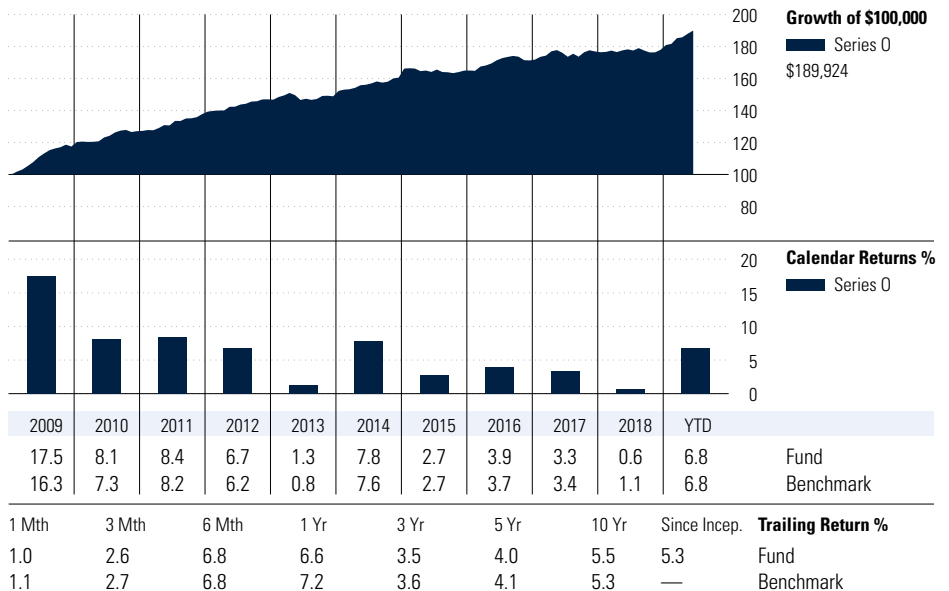
Risk Measures

	Fund	Benchmark
3 Year Std Dev	2.9	3.0
5 Year Std Dev	3.0	3.1

Top 25 Holdings

	% Assets
Canada (Government of) 2.75% 01-12-2048	1.3
407 International Inc. 5.75% 14-02-2036	1.2
Toronto Dominion Bk 1.91% 18-07-2023	1.2
Transcanada Pipelines 5.65% 20-06-2029	1.1
Loblaw Companies Limited 5.9% 18-01-2036	1.1
Hydro One Inc. 6.03% 03-03-2039	1.1
Enbridge Gas Inc 5.21% 25-02-2036	1.0
Telus Corporation 4.4% 01-04-2043	1.0
Toronto Dominion Bk 2.62% 22-12-2021	1.0
Rogers Communications 6.11% 25-08-2040	1.0
CIBC 2.04% 21-03-2022	1.0
Bank of Nova Scotia 1.83% 27-04-2022	1.0
Bank of Montreal 1.61% 28-10-2021	1.0
FortisAlberta Inc. 6.22% 31-10-2034	0.9
FortisBC Energy Inc. 5.9% 26-02-2035	0.9
Hydro One Inc. 5.36% 20-05-2036	0.9
GT Airports Authority 6.98% 15-10-2032	0.9
Shaw Communications 6.75% 09-11-2039	0.8
Bank of Nova Scotia 2.09% 09-09-2020	0.8
AltaLink, L.P. 3.72% 03-12-2046	0.8
Bank of Nova Scotia 2.29% 28-06-2024	0.8
Choice Properties REIT 2.3 14-09-2020	0.8
Telus Corporation 3.6% 26-01-2021	0.8
407 International Inc. 3.83% 11-05-2046	0.8
Bell Canada 3.55% 02-03-2026	0.8
Total % of Top 25 Holdings	23.8
Total Number of Stock Holdings	0
Total Number of Bond Holdings	221
Total Number of Other Holdings	27
Total Number of Holdings	248

Performance Analysis as of June 30, 2019





RBC Private Canadian Corporate Bond Pool

Management Overview

Manager Bios

Marty Balch

RBC Global Asset Management Inc.

Marty Balch is Senior Portfolio Manager, Global Fixed Income and Currencies. He has been in the investment industry since 1991.

Performance Analysis Cont'd as of June 30, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	0.21	0.41	0.40	0.40	0.42	0.45	0.47	0.49	0.53	0.54	0.54
Interest	0.21	0.39	0.39	0.40	0.42	0.45	0.47	0.49	0.53	0.54	0.54
Dividends	—	0.02	0.01	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	1-2010	19.5	1-2012	11.4	1-2014	8.6	1-2019	6.0
Worst	12-2008	-3.5	12-2008	0.5	2-2009	2.6	11-2016	5.2
Average		5.1		5.2		5.4		5.6
No. of Periods		179		155		131		71
Pct. Positive		91.1		100.0		100.0		100.0

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

Commentary as at June 30, 2019

Canadian bonds recorded above-average returns in the first half of 2019, joining a global rally led by fixed-income markets in the U.S. and Europe. The yield on Canada's 10-year government yield dropped about ½ percentage point during the period, while the Bank of Canada (the "BOC") left its benchmark interest rate at 1.75%.

Corporate bonds recovered from early-January lows given a combination of lower government bond yields and a narrowing gap between yields on corporate bonds and government fixed income.

The Fund benefited from its exposure to bonds in infrastructure, as bonds in industries that tend to issue longer-dated debt outperformed. Exposure to reset preferred shares, which tend to move in the opposite direction of bonds, had a negative impact on the Fund's returns, and portfolio holdings of preferred stock were pared during the period.

Inflation in Canada is at its highest level since

February 2012, while the unemployment rate is at the lowest since 1974. This state of affairs may force the Bank of Canada to keep interest rates unchanged at least over the next quarter, whereas many investors expect the U.S. Federal Reserve to cut rates during that time frame. With the European Central Bank also looking to cut interest rates as insurance against the negative effects of trade wars and geopolitical issues such as Brexit and Iran, corporate-bond valuations could become stretched.

The portfolio manager believes that any further significant decline in yields will require an even weaker outlook for growth and trade, or the outbreak of war between the U.S. and Iran. The risk of a near-term recession remains low, in the view of the portfolio manager, and any signs of economic stabilization and/or an easing in trade tensions could push yields sharply higher and lead to sharp declines in bonds.



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Disclosure

RBC Funds, RBC Private Pools, BlueBay Funds, PH&N Funds and RBC Corporate Class Funds are offered by RBC Global Asset Management Inc. and distributed through authorized dealers.

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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.

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MER (%) for RBC Funds, RBC Private Pools, 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.

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.

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