



# RBC Canadian T-Bill Fund

## Investment Objective

To preserve the value of investment and to provide current income and liquidity consistent with short-term money market rates. The fund invests in high-quality, short-term (one year or less) debt securities, such as Canadian federal government treasury bills, federal government-guaranteed notes, provincial government treasury bills and promissory notes.

## Fund Details

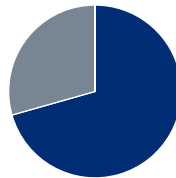
Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF262
Inception Date		January 1991	
Total Fund Assets \$Mil		332.1	
Series A Current Yield%		0.52	
Series A MER %		0.44	
Benchmark		FTSE TMX Canada 91 Day T-Bill Index	
Income Distribution		Monthly	
Capital Gains Distribution		N/A	
Sales Status		Open	
Min. Investment \$		500	
Subsequent Investment \$		25	
Fund Category		Canadian Money Market	
Management Company		RBC Global Asset Management Inc.	
Web Site		www.rbcgam.com	

## Notes

The current yield is an annualized yield based on the seven day period ended on September 30, 2017 and does not represent an actual one year return.

## Portfolio Analysis as of September 30, 2017

### Asset Mix



	% Assets
Cash	70.6
Fixed Income	29.4
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.0

### Top 25 Holdings

	% Assets
Prov Of New Brunswick 0.910% 02-11-2017	13.5
Province Of Quebec 0.908% 16-10-2017	9.9
Province Of Alberta 0.730% 02-01-2018	9.0
Province Of Alberta 0.848% 17-10-2017	8.0
Province Of Quebec 1.300% 16-02-2018	6.4
Province Of Alberta 0.770% 30-05-2018	4.9
Province Of Ontario 1.309% 07-03-2018	4.5
Province Of BC 0.808% 19-10-2017	4.2
Province Of Saskatchewan 1.029% (ST)	3.8
Province Of New Brunswick 1.074% (ST)	3.6
Province Of Manitoba 1.090% 08-11-2017	3.6
National Bank Of Canada 0.950% (ST)	3.6
Province Of Ontario 1.083% 08-11-2017	3.5
Province Of Ontario 0.909% 18-10-2017	3.2
Prov Of New Brunswick 0.748% 26-03-2018	3.1
Province Of Newfoundland And Labrador 1.189% (ST)	2.4
Province Of Quebec 0.640% 13-10-2017	2.4
Province Of Manitoba 1.044% 02-10-2017	1.9
Province Of Alberta 0.869% 15-12-2017	1.9
Financement-Québec 0.780% 01-12-2017	1.9
Province Of Quebec 0.649% 03-11-2017	1.6
Prov Of New Brunswick 0.909% 19-10-2017	1.5
Province Of BC 1.069% 12-01-2018	1.5
Total % of Top 25 Holdings	100.0
Total Number of Stock Holdings	0
Total Number of Bond Holdings	6
Total Number of Other Holdings	17
<b>Total Number of Holdings</b>	<b>23</b>

### Term to Maturity

	%
0 - 30 days	40
31 - 60 days	25
61 - 90 days	0
90 + days	35
Avg. Term to maturity (days)	62

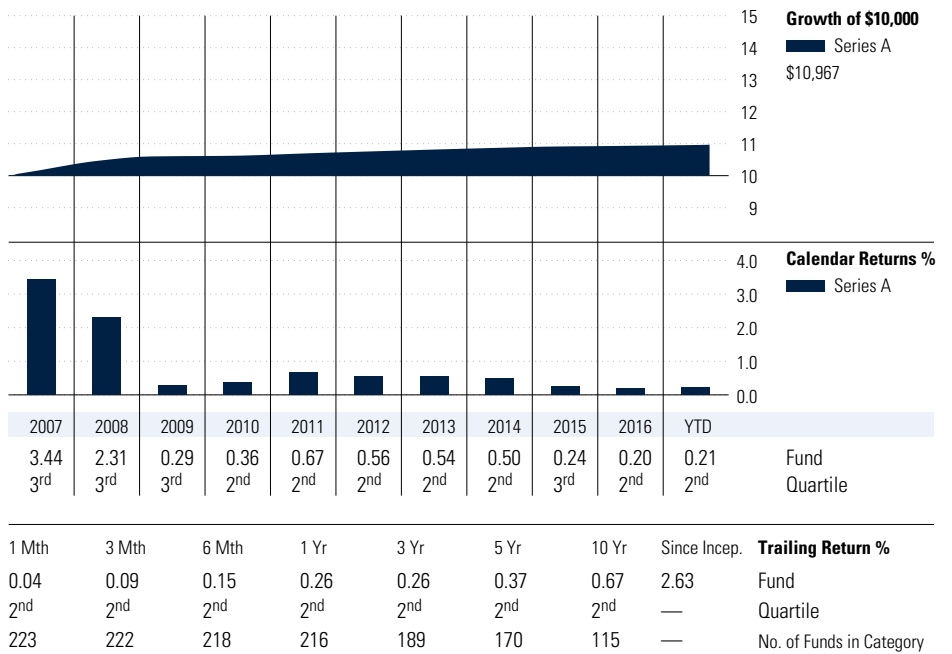
### Cash Breakdown

	Cash (%)
Treasury Bills	0.0
Provincial Bills	96.0
Bankers Acceptance	0.0
Commercial Paper	0.0
Bank Deposits	4.0

### Credit Quality

	%
R1 High	33.3
R1 Medium	64.3
R1 Low	2.4
Avg. Rating	R1M

## Performance Analysis as of September 30, 2017





# RBC Canadian T-Bill Fund

## Management Overview

### Manager Bios

**Walter Posiewko**

**RBC Global Asset Management Inc.**

Walter Posiewko is Vice President and Senior Portfolio Manager, Global Fixed Income and Money Markets. He has been in the investment industry since 1985.

### Performance Analysis Cont'd as of September 30, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.02	0.02	0.02	0.05	0.05	0.06	0.07	0.04	0.03	0.23	0.34
Interest	0.02	0.02	0.02	0.05	0.05	0.06	0.07	0.04	0.03	0.23	0.34
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-1995	6.14	11-1995	4.91	9-1997	4.32	9-2002	3.94
Worst	4-2010	0.14	9-2017	0.26	9-2017	0.37	9-2017	0.67
Average		2.28		2.31		2.28		2.30
No. of Periods		289		265		241		181
Pct. Positive		100.00		100.00		100.00		100.00

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

### Quarterly Commentary as at September 30, 2017

Immediately following its surprise announcement that ultra-easy monetary policy would no longer be appropriate, the Bank of Canada (BoC) tightened twice in quick succession during Q3. While the first hike of 0.25% came as no surprise, the second one did catch some participants off guard as the BoC stipulated the tightening would be gradual, and dependent on forthcoming data. While the data was firm, inflation pressures were not, leaving many market participants thinking the BoC would be less aggressive in its timing. This was particularly evident when some data releases suggested the Canadian economy would start slowing down in Q3. The Canadian dollar jumped higher on the moves, particularly as there was no tightening action in the U.S. over the quarter to offset the Canadian tightening.

In the RBC Canadian T-Bill Fund, provincial paper dominated the Fund's holdings as spreads widened after the two rate hikes. Average term to maturity dropped steadily in anticipation of further tightening over the medium term. The Fund's

holdings of longer dated investments increased, reflecting more attractive yields further out the curve following the rate hikes, and the fact that those higher yields protected the fund in case the BoC delayed before further tightening.

The BoC's two quick rate hikes jarred markets out of their multiyear complacency. Further rate hikes are likely, although timing has become somewhat of a guessing game, reliant on economic releases and the market's interpretation of how much the ongoing low inflation environment will influence the BoC's policy deliberations. Given that the Canadian economy is recovering and is more sustainable, policy bias in Canada is firmly in the direction of higher rates, although the path of increases is expected to be uneven and unpredictable. Going forward, this uncertainty will necessitate a strategy combining liquidity with occasional forays out the yield curve to secure higher yields.



# RBC Canadian T-Bill 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.

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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](http://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 September 30, 2017.

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