



# RBC Global Bond Fund

## Investment Objective

To achieve above average long-term total returns comprised of interest income and some capital growth, by taking advantage of interest rate and currency fluctuations in world fixed-income markets.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF267
Adv	Front End	CAD	RBF765
Adv	Low Load	CAD	RBF117

Inception Date	October 1991
Total Fund Assets \$Mil	6,378.5
Series A NAV \$	10.81
Series A MER %	1.69
Series A Adjusted MER %	1.61
Benchmark	Citigroup World Gov Bond (C\$ hedged)

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

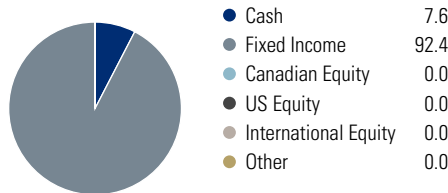
Fund Category	Global Fixed Income
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Management Company	RBC Global Asset Management Inc.
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Web Site	www.rbcgam.com
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## Portfolio Analysis as of June 30, 2017

### Asset Mix



### Fixed Income Breakdown

Fixed Income Category	% Fixed Income
Government Bonds	83.9
Corporate Bonds	7.0
Other Bonds	0.0
Mortgage Backed Securities	0.1
ST Investments (Cash & Other)	9.0
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	9.0	Under 1 year	2.5
AAA	38.9	1 - 5 Yrs	40.4
AA	9.8	5 - 10 Yrs	30.0
A	15.6	Over 10 Yrs	27.2
BBB	21.1		
Below BBB	5.4	Avg. Term to maturity (Yrs)	8.5
Mortgages	0.1	Duration (Yrs)	7.3
NR/NA	0.1	Yield to Maturity	2.0

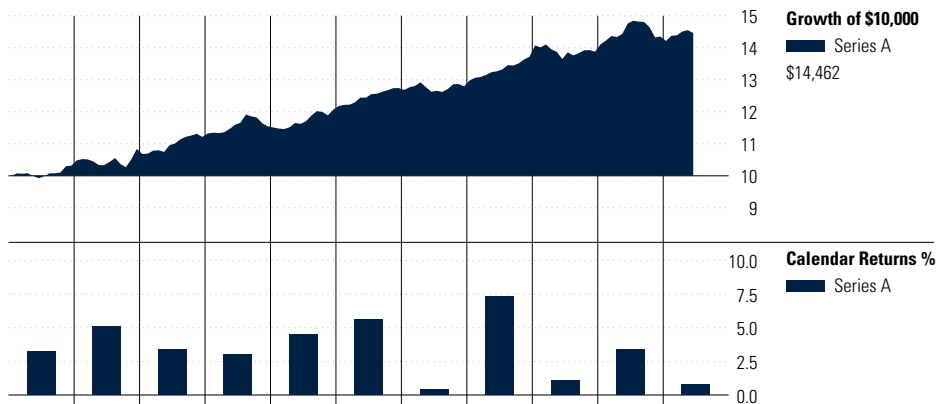
### Geographic Allocations

Geographic Allocation	% Assets
Canada	3.2
United States	32.1
International (ex-Emerging Markets)	59.0
Emerging Markets	5.8

### Top 25 Holdings

Top 25 Holdings	% Assets
US Treasury Note 1.5% 30-11-2019	6.3
US Treasury Note 1.5% 31-01-2022	3.9
Spain(Kingdom Of) 2.75% 30-04-2019	3.5
Italy(Rep Of) 1.5% 01-08-2019	3.4
United Kingdom (Govt Of) 1.25% 22-07-2027	3.2
US Treasury Bond 2.5% 15-02-2045	2.7
Italy(Rep Of) 1.6% 01-06-2026	2.4
Italy(Rep Of) 0.65% 01-11-2020	2.4
Spain(Kingdom Of) 1.15% 30-07-2020	2.4
Japan(Govt Of) 0.2% 20-06-2036	2.1
France(Govt Of) 0.5% 25-05-2026	2.1
Japan(Govt Of) 0.3% 20-06-2046	2.1
United States 10-Year Nt Fut 20-09-2017	2.0
Belgium(Kingdom) 2.6% 22-06-2024	2.0
Germany (Federal Rep Of) 1.5% 04-09-2022	1.9
Japan(Govt Of) 0.5% 20-09-2036	1.9
France(Govt Of) 1.25% 25-05-2036	1.7
US Treasury Note 1.625% 31-07-2020	1.6
United Kingdom (Govt Of) 3.25% 22-01-2044	1.6
US Treasury Note 1.75% 15-05-2023	1.4
Germany (Federal Rep Of) 2.5% 15-08-2046	1.4
Ontario Prov Cda 2% 30-01-2019	1.3
US Treasury Note 1% 15-05-2018	1.3
Sweden(Kingdom Of) 1.5% 13-11-2023	1.2
US Treasury Note 2.375% 15-05-2027	1.2
Total % of Top 25 Holdings	56.8
Total Number of Stock Holdings	2
Total Number of Bond Holdings	1,406
Total Number of Other Holdings	12
<b>Total Number of Holdings</b>	<b>1,420</b>

## Performance Analysis as of June 30, 2017



Year	1st	3rd	2nd	3rd	3rd	2nd	3rd	3rd	2nd	4th	Fund Quartile
2007	3.2	5.1	3.4	3.0	4.5	5.6	0.4	7.3	1.1	3.4	0.8

Period	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Return	-0.6	0.5	0.8	-2.0	2.9	3.1	3.8	4.9	Fund
Rank	2nd	2nd	3rd	4th	3rd	3rd	3rd	—	Quartile
No. of Funds	386	371	362	342	190	99	43	—	No. of Funds in Category



# RBC Global Bond Fund

## Management Overview

### Manager Bios

#### Dagmara Fijalkowski

##### RBC Global Asset Management Inc.

Dagmara is Sr. Vice President & Sr. Portfolio Manager, and Head, Global Fixed Income & Currencies at RBC Global Asset Management. She leads a team of over 20 professionals with more than \$50 billion in assets under management. Dagmara also co-manages several of the firms' bond funds and manages foreign exchange hedging and active currency management programs. She has an MBA from the Richard Ivey School of Business and a Master's in economics from the University of Lodz, and is a CFA charterholder.

#### Soo Boo Cheah

##### RBC Global Asset Management (UK) Limited

Soo Boo is Senior Portfolio Manager, Global Fixed Income & Currencies, at RBC Global Asset Management (UK) Ltd. He joined the firm in 2000 as a Fixed Income Analyst and has been active in all aspects of global fixed income management. Soo Boo is a member of the Global Fixed Income & Currencies Committee and the RBC Investment Strategy Committee's Fixed Income & Currencies Advisory Committee. He earned an MBA from the University of New Brunswick and is a CFA charterholder.

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

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.03	0.45	0.09	0.37	0.13	0.47	0.17	0.17	0.23	0.34	0.51
Interest	0.03	0.05	0.09	0.10	0.13	0.12	0.17	0.17	0.23	0.34	0.28
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.40	—	0.27	—	0.35	—	—	—	—	0.23
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	8-1993	22.6	6-1995	12.9	7-1997	9.1	6-2002	6.0
Worst	1-2000	-12.5	12-2001	-2.9	10-2003	-0.3	10-2008	1.1
Average		4.5		4.1		3.9		3.6
No. of Periods		289		265		241		181
Pct. Positive		90.3		96.6		99.2		100.0

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

### Quarterly Commentary as at June 30, 2017

All active decisions contributed to outperformance.

Global government bond yields settled down after investors grew skeptical that the Trump administration would be able to get Congress to enact his pro-growth policies. U.S. 10-year Treasury yields almost finished the quarter at the same levels they started. Bond investors stayed calm after the U.S. Federal Reserve (Fed) delivered the hike in policy rates, raising the lower bound to 1.0%.

The election of French President Emmanuel Macron boosted bonds of countries other than Germany. The win eased concern that Europe would support leaders promoting anti-trade and anti-immigration policies. European economic momentum strengthened, prompting speculation that the European Central Bank (ECB) would step away from bond buying program earlier than expected. Yields on longer-maturity bonds edged higher, underperforming shorter-maturity securities.

The Fund's underweight position in longer-term bonds, higher exposures to Mexican and Polish bonds contributed to performance, as did exposure to non-government debt. The Fund benefited from higher income provided by higher-risk corporate, emerging-market debt, capital appreciation and exposure to foreign currencies.

Expectations are global bond yields will rise slowly in coming quarters. The global economic expansion and fading threat of disinflation have led major central banks to consider tighter monetary policies, epitomized by the Fed's decision to begin reducing the amount of bonds on its balance sheet. Pro-growth policies remain in place at the ECB and the Bank of Japan, this helped keep bond yields from moving too high. Any surge in bond yields would provide opportunities to accumulate bonds at more attractive rates. Continued strength in non-government bonds may lead to further reductions in this area and a further overall reduction in portfolio risk over the second half of the year.



# RBC Global 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.

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MER (%) for RBC Funds and PH&N Funds is based on actual expenses for the full-year period, January 1 to December 31, 2016, 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 April 30, 2017.

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