



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	7,276.6
Series A NAV \$	10.63
Series A MER %	1.61
Benchmark	FTSE 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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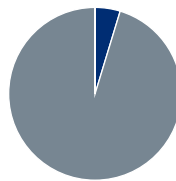
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

Notes

This is a continuing fund resulting from a merger effective June 27, 2014.

Portfolio Analysis as of March 31, 2018

Asset Mix



	% Assets
Cash	4.7
Fixed Income	95.3
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.0

Fixed Income Breakdown

	% Fixed Income
Government Bonds	90.5
Corporate Bonds	7.0
Other Bonds	0.0
Mortgage Backed Securities	0.1
ST Investments (Cash & Other)	2.4
Asset Backed Securities	0.0

Bond Rating

	%	Term to Maturity	%
Cash / Cash Equiv.	2.4	Under 1 year	1.7
AAA	44.1	1 - 5 Yrs	37.9
AA	7.7	5 - 10 Yrs	33.6
A	16.5	Over 10 Yrs	26.8
BBB	24.0	Avg. Term to maturity (Yrs)	9.5
Below BBB	5.1	Duration (Yrs)	8.0
Mortgages	0.1	Yield to Maturity	2.5
NR/NA	0.1		

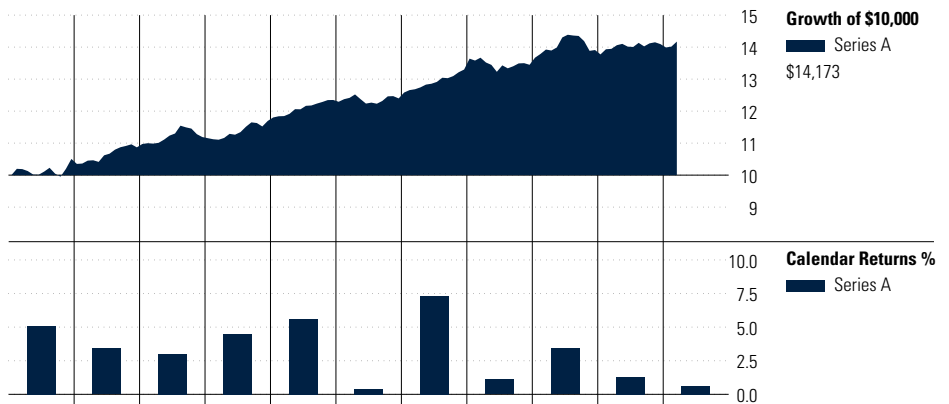
Geographic Allocations

	% Assets
Canada	2.2
United States	29.2
International (ex-Emerging Markets)	63.1
Emerging Markets	5.5

Top 25 Holdings

	% Assets
US Treasury Note 1.5% 30-11-2019	6.1
US Treasury Note 1.5% 31-01-2022	3.2
US Treasury Note 2.375% 15-05-2027	3.1
Spain(Kingdom Of) 1.15% 30-07-2020	2.7
UNIT KING OF GRT BRIT AND NORTH IREL 22-01-2044	2.6
France(Govt Of) 1.25% 25-05-2036	2.5
Australia(Cmnwlth) 2.25% 21-05-2028	2.3
United States 10-Year Note Fut 20-06-2018	2.2
Italy(Rep Of) 0.65% 01-11-2020	2.2
Japan(Govt Of) 0.2% 20-06-2036	2.1
Italy(Rep Of) 1.6% 01-06-2026	2.1
US Treasury Bond 2.5% 15-02-2045	2.1
Spain(Kingdom Of) 2.75% 30-04-2019	2.1
Japan(Govt Of) 0.3% 20-06-2046	1.9
US Treasury Note 1.75% 15-05-2023	1.8
Germany (Federal Rep) 1.5% 04-09-2022	1.7
Spain (Kingdom of) 0.45% 31-10-2022	1.7
Japan (Government Of) 0.5% 20-09-2036	1.7
Italy(Rep Of) 1.45% 15-09-2022	1.7
Denmark(Kingdom) 1.5% 15-11-2023	1.6
UNIT KING OF GRT BRIT AND NORTH IREL 22-07-2027	1.6
Belgium(Kingdom) 2.6% 22-06-2024	1.6
France(Govt Of) 0.5% 25-05-2026	1.5
Japan (Government Of) 0.6% 20-12-2036	1.5
Italy(Rep Of) 0.45% 01-06-2021	1.4
Total % of Top 25 Holdings	55.1
Total Number of Stock Holdings	6
Total Number of Bond Holdings	1,389
Total Number of Other Holdings	14
Total Number of Holdings	1,409

Performance Analysis as of March 31, 2018



Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	YTD	
Calendar Returns %	5.1	3.4	3.0	4.5	5.6	0.4	7.3	1.1	3.4	1.3	0.6	Fund Quartile
	4 th	2 nd	2 nd	3 rd	2 nd	2 nd	2 nd	3 rd	1 st	3 rd	2 nd	

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	1.1	0.6	1.1	1.6	1.2	2.7	3.4	4.8	Fund
	2 nd	2 nd	3 rd	2 nd	3 rd	3 rd	3 rd	—	Quartile
	413	381	349	303	184	109	44	—	No. of Funds in Category



RBC Global Bond Fund

Management Overview

Manager Bios

Dagmara Fijalkowski

RBC Global Asset Management Inc.

As Head of Global Fixed Income and Currencies, Dagmara leads investment teams in Toronto, London and Minneapolis in charge of almost \$100 billion in fixed income assets. She heads management of several bond funds and manages foreign-exchange hedging and active currency overlay programs across a number of funds. Dagmara, who began her investment career in 1994, holds an MBA from the Richard Ivey School of Business, a Master's degree in economics from the University of Lodz in Poland 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 March 31, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.01	0.32	0.45	0.09	0.37	0.13	0.47	0.17	0.17	0.23	0.34
Interest	0.01	0.05	0.05	0.09	0.10	0.13	0.12	0.17	0.17	0.23	0.34
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.27	0.40	—	0.27	—	0.35	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-1998	19.8	10-1998	10.2	12-1998	8.5	3-2003	5.0
Worst	1-2000	-12.5	12-2001	-2.9	10-2003	-0.3	10-2008	1.1
Average		3.9		3.8		3.7		3.5
No. of Periods		289		265		241		181
Pct. Positive		88.9		96.6		99.2		100.0

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

Quarterly Commentary as at March 31, 2018

Global government bonds posted modest returns in Q1, benefiting from investors seeking safety in government bonds. In the first half of the quarter, global government bond yields surged, driven by the ongoing synchronized global economic growth; however, yields reversed course in mid-February amid intensified trade disputes between the U.S. and China. Global yield curves continued to flatten into quarter end with short-dated bond yields rising more than their long-maturity peers. As a result, the benchmark's positive performance was mostly in long-maturity bonds. U.S. Treasuries underperformed other developed markets in Q1 as the U.S. Federal Reserve (Fed) continued to raise short-term interest rates and scale back reinvesting matured Treasuries and mortgage-backed securities.

The European Central Bank (ECB) kept its policy rate and asset-purchasing program unchanged and pledged easing bias until its inflation target of 2% is reached, which contributed to European bond

markets outperforming their peers. Italian, Spanish and French government bonds performed best. An above-benchmark allocation to Italian and Portuguese bonds contributed to outperformance. Part of the gains from country selection was offset by the Fund's exposure to riskier corporate and emerging-market debt that performed poorly in a risk-off environment.

The portfolio manager expects global bond yields to rise slowly in the coming quarters with short-term yields continuing to rise faster than those on longer-term bonds. The Fed is expected to continue tightening its monetary policy while the ECB and Bank of Japan should roll back their easing, given the upbeat growth outlook, which is likely to push bond yields higher. However, uncertainty about trade wars will add volatility to the riskier asset markets, which will restrain yields in the near term.



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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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MER (%) for RBC Funds, PH&N Funds and BlueBay Funds is based on actual expenses for the full year period, January 1 to December 31, 2017, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the half-year period, April 1, to September 30, 2017, expressed on an annualized basis.

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.

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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 March 31, 2018.

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