



RBC Monthly Income Fund

Investment Objective

To provide relatively tax efficient monthly distributions consisting of dividend income, interest income and capital gains, as well as the potential for modest capital growth. The fund aims to provide as high a regular monthly income as possible.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF448
Adv	Front End	CAD	RBF763
Adv	Low Load	CAD	RBF115

Inception Date	August 1997
Total Fund Assets \$Mil	8,233.0
Series A NAV \$	14.37
Series A MER %	1.20
Benchmark	57% FTSE TMX Canada Universe Bond Index 43% S&P/TSX Capped Composite Total Return Index

Income Distribution	Monthly
Capital Gains Distribution	Annually
Monthly Distribution (¢/unit)	4.25
Current Payout Rate (%)*	3.55

*Assuming 12 consecutive months at the monthly distribution set out above. The estimate does not include any year-end capital gains distributions paid in addition to the regular monthly distribution nor should it be confused with performance or rates of return.

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

Fund Category	Canadian Neutral Balanced
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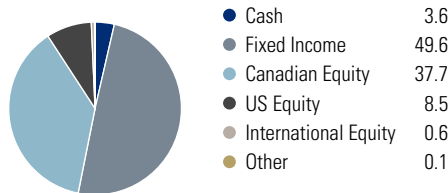
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

Notes

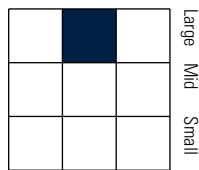
No longer available for investment through registered plans and TFSAs.

Portfolio Analysis as of March 31, 2017

Asset Mix



Equity Style



Value Blend Growth

Statistics

P/B Ratio	1.9
P/E Ratio	16.8
Avg. Mkt Cap. \$B	37.3

Top 5 Sectors

Sector	% Equity
Financials	36.3
Energy	18.5
Industrials	8.6
Materials	6.1
Consumer Staples	5.9

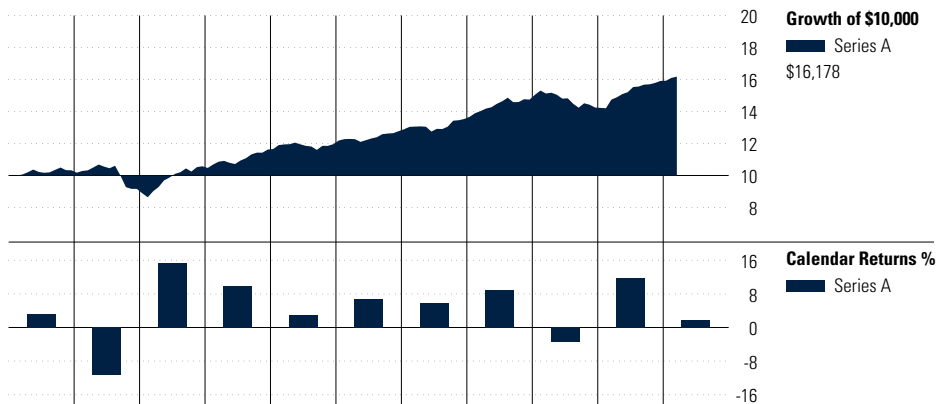
Income-Generating Asset-Class

Asset-Class	% Assets
Common Shares	46.8
Government Bonds	29.1
Investment-Grade Corporate Bonds	17.8
Other	3.7
High Yield Bonds	2.7
Preferred Shares	0.0

Top 25 Holdings

Holder	% Assets
Royal Bank of Canada	3.1
The Toronto-Dominion Bank	2.7
Bank of Nova Scotia	2.1
Canada Govt 0.75% 01-09-2021	1.8
Enbridge Inc	1.8
Canadian National Railway Co	1.5
Manulife Financial Corp	1.4
TransCanada Corp	1.3
Brookfield Asset Management Inc Class A	1.3
Ontario Prov Cda 4.6% 02-06-2039	1.3
Bank of Montreal	1.2
Ontario Prov Cda 4.65% 02-06-2041	1.2
Suncor Energy Inc	1.1
Canada Govt 1.5% 01-06-2026	1.1
Ontario Hydro 8.25% 22-06-2026	1.1
Ontario Prov Cda 6.5% 08-03-2029	1.1
Ontario Prov Cda 3.45% 02-06-2045	1.0
Prov Of Quebec 3% 01-09-2023	1.0
CIBC	1.0
Canada Govt 4% 01-06-2041	0.9
Loblaw Companies Ltd	0.9
Ontario Prov Cda 3.15% 02-06-2022	0.9
Canadian Natural Resources Ltd	0.8
Quebec Prov Medium Term Nt 5% 01-12-2041	0.8
Ontario Prov Cda 4.4% 02-06-2019	0.8
Total % of Top 25 Holdings	33.4
Total Number of Stock Holdings	330
Total Number of Bond Holdings	1,519
Total Number of Other Holdings	14
Total Number of Holdings	1,863

Performance Analysis as of March 31, 2017



Year	Return %	Rank
2007	3.2	2 nd
2008	-11.3	1 st
2009	15.4	3 rd
2010	9.9	2 nd
2011	2.9	1 st
2012	6.8	2 nd
2013	5.9	4 th
2014	9.0	2 nd
2015	-3.4	4 th
2016	11.7	1 st
YTD	1.7	3 rd

Period	Return %	Rank	No. of Funds in Category
1 Mth	0.5	4 th	670
3 Mth	1.7	3 rd	667
6 Mth	3.2	2 nd	660
1 Yr	9.8	2 nd	634
3 Yr	4.9	3 rd	494
5 Yr	5.7	3 rd	356
10 Yr	4.9	2 nd	147
Since Incep.	6.9	—	—



RBC Monthly Income Fund

Management Overview

Manager Bios

Suzanne Gaynor

RBC Global Asset Management Inc.

Suzanne Gaynor is Vice President and Senior Portfolio Manager, Global Fixed Income and Currencies. She has been in the investment industry since 1988.

Irene Matsyalko

RBC Global Asset Management Inc.

Irene Matsyalko is a Portfolio Manager and senior North American equities research analyst. She earned a Commerce degree from University of Toronto and is a CFA charterholder.

Sarah Neilson

RBC Global Asset Management Inc.

Sarah Neilson is a Portfolio Manager and senior North American equities research analyst. Sarah earned a Bachelor of Science in Mechanical Engineering at Queens University, and an MBA from McGill University. Sarah is a CFA charterholder.

Performance Analysis Cont'd as of March 31, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.13	0.51	0.51	0.51	0.56	0.51	0.57	0.57	0.57	0.57	1.14
Interest	0.13	0.15	0.14	0.15	0.14	0.15	—	0.30	0.43	0.41	0.39
Dividends	—	0.20	0.22	0.19	0.20	0.17	0.17	0.15	0.14	0.16	0.17
Capital Gains	—	0.13	0.12	—	0.22	0.19	0.18	—	—	—	0.58
Return Of Capital	—	0.03	0.04	0.17	—	—	0.22	0.11	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	2-2001	25.7	3-2006	16.1	2-2005	13.3	2-2010	9.3
Worst	2-2009	-16.0	2-2009	-2.9	5-2012	3.1	2-2016	4.2
Average		7.0		7.5		7.5		7.2
No. of Periods		224		200		176		116
Pct. Positive		84.4		97.5		100.0		100.0

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

Quarterly Commentary as at March 31, 2017

The performance of the fixed income portion of the Fund benefited from being overweight in shorter-maturity corporate bonds, although it's underweight in Energy bonds detracted slightly.

Q1 results are positive, reversing much of the U.S. election-driven selloff near the end of 2016. The shift in part reflected investor skepticism that the new administrations would be able to deliver on the president's election promises to cut taxes, boost infrastructure spending and scale back business regulation.

The Fed in the U.S. is expected to continue raising policy rates and could begin to reduce its balance sheet later this year which could pressure bond yields higher. Canadian government bonds will likely outperform their U.S. counterparts given that the BoC is likely to keep interest rates unchanged. We are maintaining overweight positions in corporate and provincial bonds.

Among Equities, asset weighting in the Energy and

Consumer Discretionary sectors detracted from performance. However, security selection in the Industrials and Utilities sectors benefited performance. Overweight exposure to the Energy sector dragged down performance, due to weakness in oil prices in March, concern about the near term balancing of fundamental supply and demand. Exposure to the U.S. equity market through a position in the RBC U.S. Dividend Fund significantly benefited the Fund performance as the S&P 500 outperformed the S&P/TSX Composite Index in Q1.

We remain constructive on equity returns given the solid economic backdrop, and look for continued improvement in earnings to drive outperformance. However, we are cautious about the uncertainty surrounding the U.S. Public policy and how that could impact expectations for economic growth. The outlook for the resource sectors remains solid, however we have reduced our exposure slightly.



RBC Monthly Income 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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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 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 half-year period, April 1, 2016 to September 30, 2016, 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.

PH&N Funds Series A formerly known as Series C.

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 March 31, 2017.

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