



RBC Emerging Markets Bond Fund

Investment Objective

To provide total returns comprised of interest income and capital growth. The fund invests primarily in government debt securities of emerging market countries. The fund may also invest in emerging market corporate bonds and government debt securities of developed countries.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF497
A	No Load	USD	RBF402
Adv	Deferred Sales	CAD	RBF897
Adv	Front End	CAD	RBF797
Adv	Low Load	CAD	RBF097
Adv	Low Load	USD	RBF4402

Inception Date	August 2010
Total Fund Assets \$Mil	799.9
Series A NAV \$	11.35
Series A MER %	1.77
Benchmark	JPM EMBI Global Diversified (C\$)

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

Fund Category	High Yield Fixed Income
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Management Company	RBC Global Asset Management Inc.
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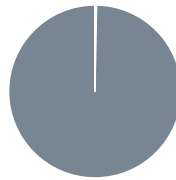
Web Site	www.rbcgam.com
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Notes

Performance Analysis is in CAD and for CAD series A fund (RBF497).

Portfolio Analysis as of September 30, 2017

Asset Mix



	% Assets
Cash	0.3
Fixed Income	99.7
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.0

Top 25 Holdings

	% Assets
US Treasury Note 2.25% 15-02-2027	3.0
Peru Rep 8.75% 21-11-2033	2.8
Dominican Republic 7.45% 30-04-2044	1.9
State Treas Repu Poland 5.125% 21-04-2021	1.7
Russian Federation 4.75% 27-05-2026	1.7
Serbia Rep 7.25% 28-09-2021	1.6
Pemex Proj Fdg Maste Tr 6.625% 15-06-2035	1.6
Panama Rep 7.125% 29-01-2026	1.5
Vietnam Socialist Rep 4.8% 19-11-2024	1.5
Imdb Engy Limited 5.99% 11-05-2022	1.5
Hungary Rep 5.375% 25-03-2024	1.4
Export Cr Bk Turkey 5.375% 08-02-2021	1.4
United Mexican Sts Mtn 5.75% 12-10-2110	1.4
Philippines Rep 7.75% 14-01-2031	1.3
Croatia Rep 6.75% 05-11-2019	1.3
Indonesia Rep 5.25% 17-01-2042	1.3
Biz Fin 9.625% 27-04-2022	1.3
Indonesia Rep 4.875% 05-05-2021	1.2
Colombia Rep 8.125% 21-05-2024	1.2
Hungary Rep 6.25% 29-01-2020	1.2
Poland Rep 3.25% 06-04-2026	1.2
Colombia Rep 6.125% 18-01-2041	1.1
Russia Fedn Ministry 4.875% 16-09-2023	1.1
Ministry Fin Ukraine 7.75% 01-09-2022	1.1
Republic Of Ecuador 7.95% 20-06-2024	1.1

Fixed Income Breakdown

	% Fixed Income
Government Bonds	63.7
Corporate Bonds	35.6
Other Bonds	0.0
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	0.4
Asset Backed Securities	0.0

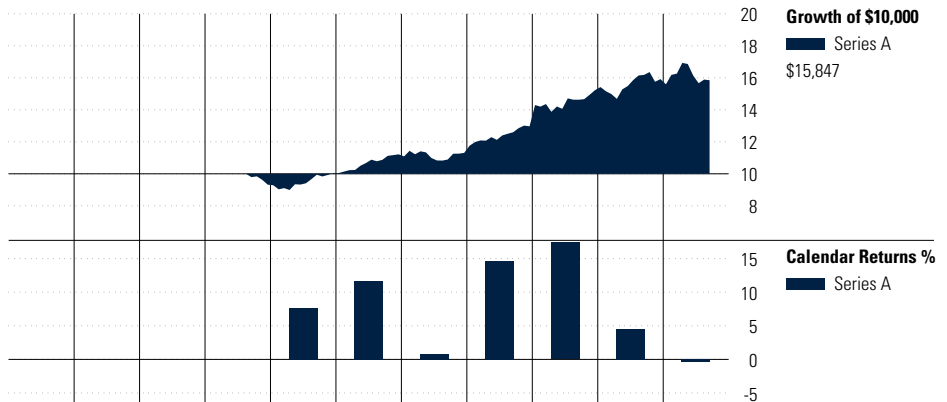
Bond Rating

	%	Term to Maturity	%
Cash / Cash Equiv.	0.4	Under 1 year	3.1
AAA	3.0	1 - 5 Yrs	33.2
AA	1.3	5 - 10 Yrs	36.9
A	7.5	Over 10 Yrs	26.9
BBB	33.6		
Below BBB	51.4	Avg. Term to maturity (Yrs)	10.6
Mortgages	0.0	Duration (Yrs)	6.5
NR/NA	2.7	Yield to Maturity	4.4

Geographic Allocations

	% Assets
Canada	0.0
United States	3.0
International (ex-Emerging Markets)	0.0
Emerging Markets	97.0

Performance Analysis as of September 30, 2017



Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	YTD	
Calendar Returns %	—	—	—	—	7.7	11.7	0.8	14.7	17.4	4.5	-0.4	Fund
	—	—	—	—	1st	2nd	4th	1st	1st	4th	4th	Quartile

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	-0.3	-1.8	-2.5	-2.1	7.9	7.8	—	6.7	Fund
	4th	4th	4th	4th	1st	1st	—	—	Quartile
	571	569	506	490	351	216	48	—	No. of Funds in Category



RBC Emerging Markets Bond Fund

Management Overview

Manager Bios

Jane Lesslie

RBC Global Asset Management Inc.

Jane Lesslie is Senior Portfolio Manager, Global Fixed Income and Currencies. She has been in the investment industry since 1988.

Performance Analysis Cont'd as of September 30, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.32	0.70	0.86	0.58	0.42	0.34	0.39	0.08	—	—	—
Interest	0.32	0.43	0.44	0.37	0.38	0.34	0.39	0.08	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.27	0.41	0.21	0.04	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	1-2015	21.6	8-2016	14.3	7-2016	11.0	—	—
Worst	8-2011	-3.4	8-2013	2.7	7-2017	7.6	—	—
Average		9.3		9.9		9.7		—
No. of Periods		74		50		26		—
Pct. Positive		91.9		100.0		100.0		—

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

Quarterly Commentary as at September 30, 2017

Emerging market (EM) bonds continued to enjoy strong returns in Q3 during the quarter. The performance of the Fund trailed its benchmark by several basis points. While performance was strong in our investment grade holdings, we once again lagged in poor quality credits due to more conservative country selection. A higher than index weighting in shorter maturity bonds helped offset this impact.

Stronger than expected growth out of China and Europe, and a pick-up in global trade data which benefits EM countries, have reinforced optimism. Markets have become more sanguine about potential protectionist policies from the United States. We have reduced investments in countries such as the Dominican Republic and Mexico which have done well year to date as well as exposure to a number of poorer quality African credits.

Risk premiums for EM bonds are at three year lows, volatility is subdued and investors have shrugged off rising geopolitical risk. We are concerned about complacency among EM investors as inflows year to date, according to JP Morgan, have been triple the level for the same period in 2016. Nonetheless, it has permitted poorer quality credits to pre-finance upcoming debt maturities and extend terms, reducing their vulnerability to rising interest rates. As the quarter came to a close, concerns about the impact of tightening by the U.S. Federal Reserve (Fed) and the reduction in holdings of U.S. Treasuries by the Fed began to weigh on markets. We have reduced our exposure to some larger countries such as Turkey and South Africa which have made little headway in reducing their current account deficits since 2013.



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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 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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