

# PH&N High Yield Bond Fund



### Investment objective

To provide a high level of income and the opportunity for capital appreciation by investing primarily in a well-diversified portfolio of fixed income securities issued by Canadian and/or foreign corporations and governments.

### Fund details

| Series | Load structure | Currency | Fund code |
|--------|----------------|----------|-----------|
| F      | No load        | CAD      | RBF5280   |

|                               |           |
|-------------------------------|-----------|
| <b>Inception date</b>         | June 2007 |
| <b>Total fund assets \$MM</b> | 9,167.9   |
| <b>Series F NAV \$</b>        | 11.13     |
| <b>Series F MER %</b>         | 0.88      |

|                                   |                         |
|-----------------------------------|-------------------------|
| <b>Income distribution</b>        | Quarterly               |
| <b>Capital gains distribution</b> | Annually                |
| <b>Sales status</b>               | Soft-Capped             |
| <b>Minimum investment \$</b>      | 500                     |
| <b>Subsequent investment \$</b>   | 25                      |
| <b>Risk rating</b>                | Low                     |
| <b>Fund category</b>              | High Yield Fixed Income |

### Benchmark

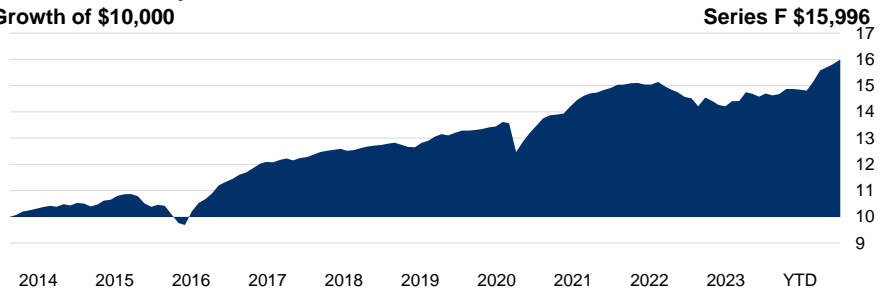
100% FTSE Canada Short-Term Overall Bond Index

### Notes

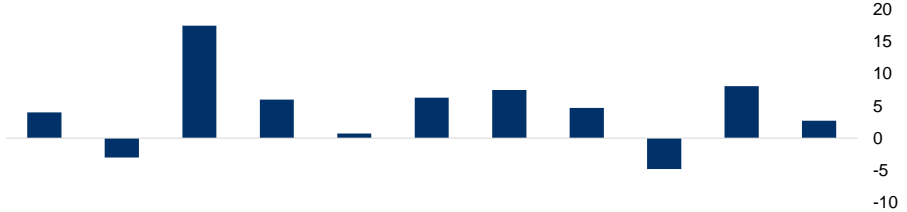
Effective July 29, 2022 units of this fund will not be available for purchase by new investors. Existing investors who hold units of the fund can continue to make additional investments into the fund.

### Performance analysis for Series F as of March 31, 2024

Growth of \$10,000



### Calendar returns %

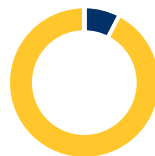


| 2014            | 2015            | 2016            | 2017            | 2018            | 2019            | 2020            | 2021            | 2022            | 2023            | YTD             |          |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------|
| 4.0             | -3.0            | 17.5            | 6.0             | 0.7             | 6.3             | 7.5             | 4.7             | -4.8            | 8.1             | 2.7             | Fund     |
| 2 <sup>nd</sup> | 3 <sup>rd</sup> | 1 <sup>st</sup> | 1 <sup>st</sup> | 1 <sup>st</sup> | 4 <sup>th</sup> | 1 <sup>st</sup> | 1 <sup>st</sup> | 1 <sup>st</sup> | 3 <sup>rd</sup> | 2 <sup>nd</sup> | Quartile |

| 1 Mth           | 3 Mth           | 6 Mth           | 1 Yr            | 3 Yr            | 5 Yr            | 10 Yr           | Since incep. | Trailing return %      |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------------|------------------------|
| 1.1             | 2.7             | 7.7             | 9.7             | 2.8             | 4.1             | 4.5             | 5.8          | Fund                   |
| 1 <sup>st</sup> | 2 <sup>nd</sup> | 2 <sup>nd</sup> | 2 <sup>nd</sup> | 2 <sup>nd</sup> | 1 <sup>st</sup> | 1 <sup>st</sup> | —            | Quartile               |
| 269             | 269             | 268             | 264             | 254             | 226             | 157             | —            | # of funds in category |

### Portfolio analysis as of March 31, 2024

#### Asset mix



|                             | % Assets |
|-----------------------------|----------|
| ● Cash                      | 7.7      |
| ● Fixed income              | 92.3     |
| ● Canadian equities         | 0.0      |
| ● U.S. equities             | 0.0      |
| ● European equities         | 0.0      |
| ● Asia-Pacific equities     | 0.0      |
| ● Emerging markets equities | 0.0      |

#### Fixed income characteristics

|                                  |     |
|----------------------------------|-----|
| Yield to maturity (%)            | 6.6 |
| Current yield (%)                | 5.9 |
| Duration (years)                 | 2.7 |
| Average term to maturity (years) | 5.0 |
| Average credit rating            | BBB |

#### Fixed income breakdown

|                               | %    |
|-------------------------------|------|
| Government Bonds              | 0.0  |
| Corporate Bonds               | 92.1 |
| Other Bonds                   | 0.0  |
| Securitized Debt              | 0.0  |
| ST Investments (Cash & Other) | 7.9  |
| Direct Mortgages              | 0.0  |

## Portfolio analysis continued as of March 31, 2024

| Top 25 holdings                                                                                      | % Assets   | Credit rating      | %    | Fixed income geographic allocation  | %    |
|------------------------------------------------------------------------------------------------------|------------|--------------------|------|-------------------------------------|------|
| Brookfield Property REIT Inc / BPR Cumulus LLC / BPR Nimbus LLC / GGSI Sellco LL 5.750% May 15, 2026 | 7.1        | Cash / Cash Equiv. | 7.9  | Canada                              | 87.3 |
| Royal Bank of Canada 4.500% Nov 24, 2080                                                             | 5.5        | AAA                | 0.0  | United States                       | 12.7 |
| Bank of Nova Scotia 7.023% Jul 27, 2082                                                              | 4.4        | AA                 | 0.0  | International (ex-Emerging Markets) | 0.0  |
| Bank of Montreal 4.300% Nov 26, 2080                                                                 | 4.3        | A                  | 0.0  | Emerging Markets                    | 0.0  |
| Brookfield Property Finance ULC 7.125% Feb 13, 2028                                                  | 4.3        | BBB                | 43.5 |                                     |      |
| Inter Pipeline Ltd/AB 6.875% Mar 26, 2079                                                            | 4.0        | Below BBB          | 48.6 |                                     |      |
| Royal Bank of Canada 4.000% Feb 24, 2081                                                             | 4.0        | Mortgages          | 0.0  |                                     |      |
| Rogers Communications Inc 5.000% Dec 17, 2081                                                        | 4.0        | Other              | 0.0  |                                     |      |
| Toronto-Dominion Bank 7.283% Oct 31, 2082                                                            | 3.5        |                    |      |                                     |      |
| Inter Pipeline Ltd/AB 6.625% Nov 19, 2079                                                            | 3.2        |                    |      |                                     |      |
| National Bank of Canada 4.300% Nov 15, 2080                                                          | 2.8        |                    |      |                                     |      |
| Canadian Imperial Bank of Commerce 7.150% Jul 28, 2082                                               | 2.5        |                    |      |                                     |      |
| Canadian Imperial Bank of Commerce 4.000% Jan 28, 2082                                               | 2.4        |                    |      |                                     |      |
| Brookfield Property Finance ULC 4.000% Sep 30, 2026                                                  | 2.2        |                    |      |                                     |      |
| Bank of Montreal 7.057% PERPETUAL                                                                    | 2.1        |                    |      |                                     |      |
| National Bank of Canada 7.500% Nov 16, 2082                                                          | 2.0        |                    |      |                                     |      |
| Bank of Montreal 7.325% Nov 26, 2082                                                                 | 1.9        |                    |      |                                     |      |
| Vermilion Energy Inc 5.625% Mar 15, 2025                                                             | 1.8        |                    |      |                                     |      |
| Canadian Imperial Bank of Commerce 4.375% Oct 28, 2080                                               | 1.8        |                    |      |                                     |      |
| Keyera Corp 6.875% Jun 13, 2079                                                                      | 1.7        |                    |      |                                     |      |
| AutoCanada Inc 5.750% Feb 07, 2029                                                                   | 1.6        |                    |      |                                     |      |
| National Bank of Canada 4.050% Aug 15, 2081                                                          | 1.4        |                    |      |                                     |      |
| Doman Building Materials Group Ltd 5.250% May 15, 2026                                               | 1.4        |                    |      |                                     |      |
| Teine Energy Ltd 6.875% Apr 15, 2029                                                                 | 1.3        |                    |      |                                     |      |
| Canadian Imperial Bank of Commerce 7.365% PERPETUAL                                                  | 1.2        |                    |      |                                     |      |
| Total % of top 25 holdings                                                                           | 72.3       |                    |      |                                     |      |
| <b>Total number of holdings</b>                                                                      | <b>103</b> |                    |      |                                     |      |

| Distributions (\$)/unit*   | YTD         | 2023        | 2022        | 2021        | 2020        | 2019        | 2018        | 2017        | 2016        | 2015        | 2014        |
|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Interest                   | —           | 0.54        | 0.49        | 0.48        | 0.49        | 0.51        | 0.56        | 0.58        | 0.60        | 0.67        | 0.69        |
| Canadian dividends         | —           | —           | —           | —           | —           | —           | —           | —           | —           | —           | —           |
| Foreign dividends          | —           | —           | —           | —           | —           | —           | —           | —           | —           | —           | —           |
| Foreign taxes paid         | —           | —           | —           | —           | —           | —           | —           | —           | —           | —           | —           |
| Capital gains              | —           | —           | —           | 0.17        | 0.15        | —           | —           | 0.30        | 0.09        | —           | —           |
| Return of capital          | —           | —           | —           | —           | —           | —           | —           | —           | —           | —           | —           |
| <b>Total distributions</b> | <b>0.15</b> | <b>0.54</b> | <b>0.49</b> | <b>0.65</b> | <b>0.64</b> | <b>0.51</b> | <b>0.56</b> | <b>0.88</b> | <b>0.69</b> | <b>0.67</b> | <b>0.69</b> |

\*Income type characterization and foreign taxes paid for the previous year, are reported at or around January month-end. Distributions reported are for the same series as the performance analysis. For distributions on other series please visit [rbcgam.com/funds](http://rbcgam.com/funds).

### Manager bios

#### Hanif Mamdani, RBC Global Asset Management Inc.

Hanif is Managing Director & and Head of Alternative Investments at RBC GAM. He is also a member of the PH&N Asset Mix Committee and the RBC GAM Investment Strategy Committee. In addition, Hanif is lead manager of a high yield bond strategy, a multi-strategy hedge fund, and a proprietary multi-strategy hedge fund-of-funds solution. He holds a master's degree from Harvard University and a bachelor's degree with honours from the California Institute of Technology.

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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. Growth of \$10K chart shown represents a hypothetical investment of the Fund over the last 10 years, or from the last day of the since inception month for funds with less than 10 years performance history. The chart assumes reinvestment of all distributions and is net of fees.

MER (%) for RBC Funds, PH&N Funds and BlueBay Funds is based on actual expenses for the preceding calendar year or most recent half-year period ended June 30 expressed on an annualized basis, depending on availability of data at the time of publication. Net asset figures include all series of a fund. Fund category is determined by the Canadian Investment Funds Standards Committee (CIFSC).

Quartile rankings and equity style box information are determined by Morningstar Research Inc., an independent research firm. Quartile rankings are comparisons of the performance of a fund to other funds in the applicable Fund 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). The Morningstar Equity Style Box™ is a nine-square grid that illustrates the investment style of a security. Morningstar information contained herein is proprietary to Morningstar and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. © 2024 Morningstar Research Inc.

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Series H and Series I units 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.

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