



RBC Global High Yield Bond Fund

Investment Objective

To provide above-average total returns comprised of interest income and capital growth and achieve a yield advantage.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF579
Adv	Deferred Sales	CAD	RBF801
Adv	Front End	CAD	RBF701
Adv	Low Load	CAD	RBF119

Inception Date	July 2003
Total Fund Assets \$Mil	3,660.6
Series A NAV \$	10.74
Series A MER %	1.78
Benchmark	50% JPM EMBI Gib Div* 50% BoA ML US HY BB-B*

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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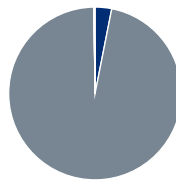
Web Site	www.rbcgam.com
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Notes

* Hedged to \$C

Portfolio Analysis as of December 31, 2017

Asset Mix



	% Assets
Cash	3.1
Fixed Income	96.7
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.2

Top 25 Holdings

	% Assets
BlueBay Emerging Markets Corp Bond Fund	3.6
iShares iBoxx \$ High Yield Corp Bd ETF	3.0
SPDR® Blmbg Barclays High Yield Bd ETF	3.0
iShares JP Morgan USD Em Mkts Bd ETF	1.7
US Treasury Note 2.25% 15-02-2027	1.6
Peru Rep 8.75% 21-11-2033	1.5
Hca 5.875% 15-02-2026	1.1
Dominican Republic 7.45% 30-04-2044	1.1
Russian Federation 4.75% 27-05-2026	0.9
Cco Hldgs LLC /Cap 144A 5.75% 15-02-2026	0.9
Pemex Proj Fdg Maste Tr 6.625% 15-06-2035	0.8
Serbia Rep 7.25% 28-09-2021	0.8
State Treas Repu Poland 5.125% 21-04-2021	0.8
Ministry Fin Ukraine 7.75% 01-09-2022	0.7
Sprint Cap 6.875% 15-11-2028	0.7
Imdb Engy Limited 5.99% 11-05-2022	0.7
Vietnam Socialist Rep 4.8% 19-11-2024	0.7
Panama Rep 7.125% 29-01-2026	0.7
Republic Of Ecuador 7.95% 20-06-2024	0.7
Philippines Rep 7.75% 14-01-2031	0.7
Colombia Rep 6.125% 18-01-2041	0.7
Export Cr Bk Turkey 5.375% 08-02-2021	0.7
Poland Rep 3.25% 06-04-2026	0.6
Indonesia Rep 5.25% 17-01-2042	0.6
VanEck Vectors JP Morgan EM LC Bd ETF	0.6
Total % of Top 25 Holdings	28.9
Total Number of Portfolio Holdings	268
Total Number of Stock Holdings	6
Total Number of Bond Holdings	2,139
Total Number of Other Holdings	47
Total Number of Underlying Holdings	2,192

Fixed Income Breakdown

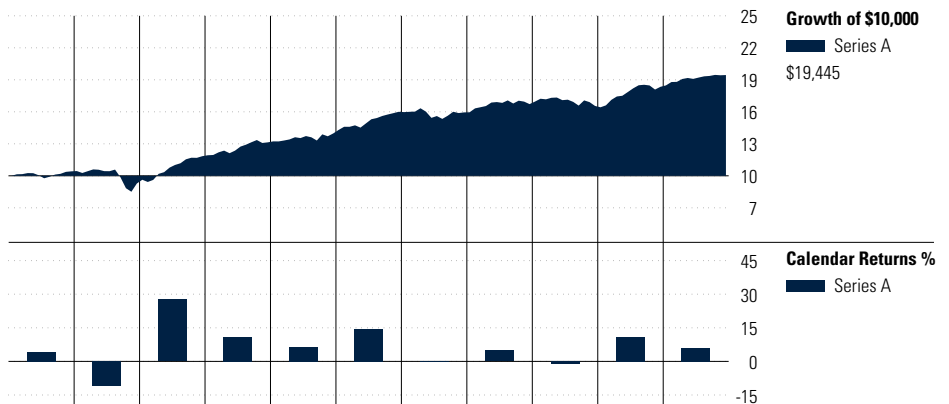
	% Fixed Income
Government Bonds	33.2
Corporate Bonds	63.1
Other Bonds	0.0
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	3.5
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	3.5	Under 1 year	0.4
AAA	1.6	1 - 5 Yrs	28.3
AA	0.7	5 - 10 Yrs	52.1
A	3.7	Over 10 Yrs	19.2
BBB	17.5		
Below BBB	71.1	Avg. Term to maturity (Yrs)	8.4
Mortgages	0.0	Duration (Yrs)	6.0
NR/NA	1.8	Yield to Maturity	4.5

Geographic Allocations

	% Assets
Canada	2.8
United States	41.2
International (ex-Emerging Markets)	0.5
Emerging Markets	55.5

Performance Analysis as of December 31, 2017



2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
4.2 1 st	-10.9 2 nd	27.6 2 nd	11.0 2 nd	6.3 1 st	14.5 1 st	-0.3 4 th	4.9 2 nd	-1.0 3 rd	10.8 2 nd	6.0 1 st	Fund Quartile

1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
0.1	0.4	1.9	6.0	5.2	4.0	6.4	6.3	Fund
2 nd	3 rd	2 nd	1 st	2 nd	3 rd	1 st	—	Quartile
587	565	560	487	352	242	48	—	No. of Funds in Category



RBC Global High Yield 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.

Frank Gambino

RBC Global Asset Management Inc.

Frank Gambino is Vice President and Senior Portfolio Manager, Global Fixed Income and Currencies. He has been in the investment industry since 1990.

Performance Analysis Cont'd as of December 31, 2017

Distributions (\$)/Unit	2017*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.39	0.40	0.42	0.44	0.46	0.56	0.51	0.52	0.52	0.67	1.50
Interest	0.39	0.40	0.42	0.44	0.46	0.44	0.51	0.52	0.52	0.67	0.55
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	0.12	—	—	—	—	0.95
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	11-2009	37.4	11-2011	17.2	11-2013	13.3	5-2014	7.3
Worst	11-2008	-18.0	11-2008	-3.1	11-2008	0.3	1-2016	5.6
Average		6.5		6.4		6.7		6.5
No. of Periods		162		138		114		54
Pct. Positive		88.3		97.1		100.0		100.0

* Final distribution attribution (interest, dividends, capital gains and return of capital) for 2017 will be reflected with January month-end profiles.

Quarterly Commentary as at December 31, 2017

High yield and emerging market (EM) bonds capped off what was a good year for these asset classes with modest but positive returns in Q4. Investors had to contend with both rising U.S. government bond yields and an increase in the premium required by investors to invest in lower rated corporate bonds. The quarter saw an increase in issuer-specific and sector specific risks, notably in the retail and telecommunication high yield sectors. Meanwhile, key supports for the high yield market remained in place. Credit conditions were benign, corporate health continued to improve slightly, the net supply of newly issued bonds remained manageable, the price of oil continued to recover and the corporate default rate remained low.

Better than expected growth from China and other developed markets, coupled with higher commodity prices sparked record inflows into EM bonds during the year. EM bond spreads moved higher early in Q4, but then drifted back to finish at

similar levels to where they started. Longer term bonds broadly outperformed shorter term bonds during Q4, so the Fund's bias towards shorter-term bonds was a slight detractor from performance.

Demand for yield and a healthy economic backdrop should continue to support high yield and EM bonds. Given that central banks are beginning to lean toward tighter monetary policies, we believe that high-yield and EM bonds remain attractive relative to other fixed-income assets. However, it is likely that future returns will be lower than those experienced in the recent past as valuations become less compelling and possible headwinds emerge. Risk premiums remain close to three year lows, volatility is subdued and investors have shrugged off rising geopolitical risk. We intend to closely monitor the credit quality of the Fund, and look to add attractively valued bonds as they become available.



RBC Global High Yield 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, 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 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.

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 December 31, 2017.

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