



RBC Global Corporate Bond Fund

Investment Objective

To provide a high level of interest income with the potential for modest capital growth by investing primarily in global corporate bonds.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF580
Adv	Deferred Sales	CAD	RBF853
Adv	Front End	CAD	RBF753
Adv	Low Load	CAD	RBF118

Inception Date	August 2004
Total Fund Assets \$Mil	9,910.5
Series A NAV \$	9.83
Series A MER %	1.74
Benchmark	40% Barclay US Corp Bond* 20% Barclay PanEuro Agg* 15% FTSE TMX CAN All Corp Bond Index 10% JPM EMBI Gbl Div* 10% BoA ML US HY BB-B* 5% Barclay AP Corp*

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

Fund Category	Global Fixed Income
---------------	---------------------

Management Company	RBC Global Asset Management Inc.
--------------------	----------------------------------

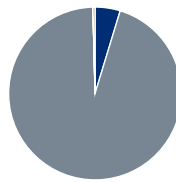
Web Site	www.rbcgam.com
----------	----------------

Notes

* Hedged into Canadian dollars

Portfolio Analysis as of December 31, 2017

Asset Mix



	% Assets
Cash	4.7
Fixed Income	94.9
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.4

Top 25 Holdings

	% Assets
iShares iBoxx \$ Invmt Grade Corp Bd ETF	3.2
RBC Emerging Markets Bond Fund	2.1
BlueBay Emerging Markets Corp Bond Fund	2.0
United States 10 Year Nte Fut 20-03-2018	1.1
RBC Emerging Markets Foreign Exchange Fd	1.0
SPDR® Blmbg Barclays High Yield Bd ETF	0.9
iShares iBoxx \$ High Yield Corp Bd ETF	0.9
Bk Of Amer 07-02-2022	0.5
Great West Lifeco 2.5% 18-04-2023	0.3
Apple 3.85% 04-08-2046	0.3
Ubs Gr Fdg Switzer 1.5% 30-11-2024	0.3
Ing Groep N.V. 0.75% 09-03-2022	0.3
Barclays Bk 6% 14-01-2021	0.3
Morgan Stanley 0.7333% 28-07-2021	0.3
Shell Intl Fin Bv 6.375% 15-12-2038	0.3
Wells Fargo Co Mtn Be 4.6% 01-04-2021	0.3
Jpmorgan Chase 3.2% 15-06-2026	0.3
Jpmorgan Chase 4.5% 24-01-2022	0.3
Bio Rad Labs 4.875% 15-12-2020	0.3
Iberdrola Finanzas 1% 07-03-2024	0.3
Hsbc Hldgs 5.1% 05-04-2021	0.2
Cisco Sys 5.9% 15-02-2039	0.2
Verizon Comms 4.862% 21-08-2046	0.2
Bk Of Nova Scotia 2.45% 19-09-2022	0.2
Microsoft 4.45% 03-11-2045	0.2
Total % of Top 25 Holdings	16.4
Total Number of Portfolio Holdings	1,211
Total Number of Stock Holdings	6
Total Number of Bond Holdings	4,744
Total Number of Other Holdings	77
Total Number of Underlying Holdings	4,827

Fixed Income Breakdown

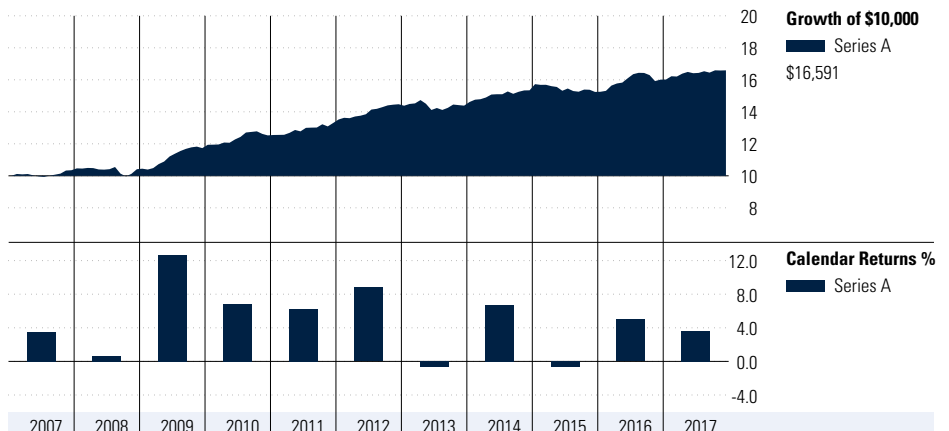
	% Fixed Income
Government Bonds	5.7
Corporate Bonds	89.6
Other Bonds	0.0
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	4.7
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	4.7	Under 1 year	1.3
AAA	1.3	1 - 5 Yrs	35.0
AA	8.0	5 - 10 Yrs	34.8
A	32.5	Over 10 Yrs	28.9
BBB	37.7		
Below BBB	15.6	Avg. Term to maturity (Yrs)	8.7
Mortgages	0.0	Duration (Yrs)	6.3
NR/NA	0.2	Yield to Maturity	3.0

Geographic Allocations

	% Assets
Canada	17.6
United States	49.8
International (ex-Emerging Markets)	22.3
Emerging Markets	10.2

Performance Analysis as of December 31, 2017



Year	Return %	Rank
2007	3.5	1 st
2008	0.6	4 th
2009	12.7	1 st
2010	6.8	1 st
2011	6.2	2 nd
2012	8.8	1 st
2013	-0.6	3 rd
2014	6.7	3 rd
2015	-0.7	4 th
2016	5.0	1 st
2017	3.6	1 st

Period	Return %	Rank	No. of Funds in Category
1 Mth	0.1	1 st	426
3 Mth	0.9	2 nd	404
6 Mth	1.1	1 st	394
1 Yr	3.6	1 st	368
3 Yr	2.6	3 rd	227
5 Yr	2.8	3 rd	136
10 Yr	4.8	2 nd	50
Since Incep.	4.3	—	—
Trailing Return %	Fund	Quartile	



RBC Global Corporate Bond Fund

Management Overview

Manager Bios

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.

Marty Balch

RBC Global Asset Management Inc.

Marty Balch is Senior Portfolio Manager, Global Fixed Income and Currencies. He has been in the investment industry since 1991.

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 December 31, 2017

Distributions (\$)/Unit	2017*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.17	0.21	0.24	0.31	0.31	0.44	0.33	0.35	0.31	0.48	1.14
Interest	0.17	0.21	0.24	0.31	0.31	0.28	0.33	0.32	0.31	0.48	0.32
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	0.16	—	0.03	—	—	0.82
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	10-2009	18.2	10-2011	9.9	10-2013	7.7	7-2016	5.3
Worst	1-2016	-3.0	10-2008	0.8	12-2017	2.8	8-2015	4.4
Average		4.4		4.8		5.3		4.9
No. of Periods		149		125		101		41
Pct. Positive		87.9		100.0		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

Corporate bonds outperformed government fixed income in Q4, as companies benefited from a strengthening world economy, persistent demand for higher-yielding assets and optimism about the impact of business-friendly U.S. tax reform. Moreover, relatively low inflation boosted borrowing by businesses and consumers. Central banks in the U.S., Canada, and U.K. all raised interest rates by 0.25% in Q4, and as a consequence, gains were limited in high-quality government bonds.

Adding to the performance of corporate bonds during the period were provisions in the U.S. tax-reform law that will likely result in a reduction in supply. The environment favored riskier areas of global fixed income such as high-yield bonds and emerging-market bonds.

The Fund outperformed due mostly to positioning in corporate bonds in the Asia-Pacific region and U.S. high yield, along with returns from currency investments. Hurting the Fund's performance were cash holdings and exposure to high quality U.S.

corporate bonds.

The shift toward tighter monetary policies could have a negative impact on global fixed-income returns in the year ahead. Better global economic growth and expectations that inflation will quicken may result in volatility. As well, a reduction in bond purchases by the European Central Bank would remove an important source of demand for investment-grade corporate debt in Europe.

The Fund is positioned in such a way that changes in market interest rates will not have a significant impact on relative returns, and has increased exposure to bonds of companies with strong balance sheets and dependable earnings. The portfolio manager has reduced holdings of higher-yield securities to below-benchmark levels as these types of securities have performed well and offer less potential for gains in 2018. The Fund's holdings in emerging markets have also been lowered, and increased for U.S. and Canadian investment-grade securities.



RBC Global Corporate 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.

This document has been compiled by RBC Global Asset Management Inc. (RBC GAM) from sources believed to be reliable, but no representations or warranty, express or

implied, are made by RBC GAM, its affiliates or any other person as to its accuracy, completeness or correctness. All opinions 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, 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.

® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © RBC Global Asset Management Inc. 2018