



# RBC Managed Payout Solution

## Investment Objective

To provide a high regular monthly income with a potential for modest capital appreciation and to provide relatively tax efficient distributions consisting primarily of interest income and, to a lesser degree, dividend income, realized capital gains and a return of capital.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF581
Adv	Deferred Sales	CAD	RBF854
Adv	Front End	CAD	RBF754
Adv	Low Load	CAD	RBF121

Inception Date	August 2004
Total Fund Assets \$Mil	3,801.5
Series A NAV \$	8.95
Series A MER %	1.62
Benchmark	2% FTSE TMX Canadian 30 Day T-Bill Index 18% FTSE TMX Canada Short Term Overall Bond Index 50% FTSE TMX Canada Universe Bond Index 2.5% BoA Merrill Lynch U.S. High Yield BB-B Index (Hedged to C\$) 2.5% JP Morgan EMBI Global Diversified Index (Hedged to C\$) 20% S&P/TSX Capped Composite Total Return Index 5% S&P 500 Total Return Index (C\$)

Income Distribution	Monthly
Capital Gains Distribution	Annually
Monthly Distribution (¢/unit)	3.80
Current Payout Rate (%)*	5.09

\*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

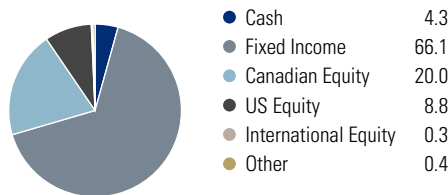
Fund Category	Canadian Fixed Income Balanced
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Management Company	RBC Global Asset Management Inc.
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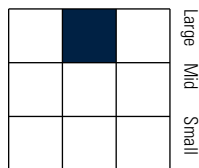
Web Site	www.rbcgam.com
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## Portfolio Analysis as of September 30, 2017

### Asset Mix



### Equity Style



Value Blend Growth

Statistics	Value
P/B Ratio	2.0
P/E Ratio	17.1
Avg. Mkt Cap. \$B	43.0

### Top 5 Sectors

Sector	% Equity
Financials	36.2
Energy	16.0
Industrials	9.9
Information Technology	8.1
Consumer Discretionary	7.3

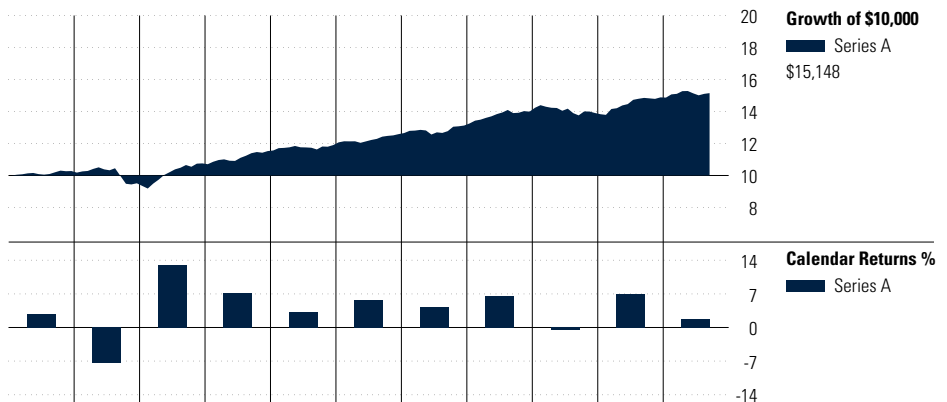
### Income-Generating Asset-Class

Asset-Class	% Assets
Common Shares	29.1
Government Bonds	28.2
Investment-Grade Corporate Bonds	27.9
High Yield Bonds	10.0
Other	4.4
Preferred Shares	0.4

### Top 25 Holdings

Top 25 Holdings	% Assets
RBC Bond Fund	20.1
RBC Global Corporate Bond Fund	18.8
RBC Canadian Short -Term Income Fund	16.9
RBC Monthly Income Fund	15.1
PH&N Canadian Income Fund	8.1
RBC Canadian Dividend Fund	7.3
RBC Global High Yield Bond Fund	4.8
PH&N US Multi-Style All-Cap Equity Fund	3.6
RBC QUBE US Equity Fund	3.6
Total % of Top 25 Holdings	98.2
Total Number of Portfolio Holdings	10
Total Number of Stock Holdings	2,679
Total Number of Bond Holdings	4,877
Total Number of Other Holdings	56
<b>Total Number of Underlying Holdings</b>	<b>7,612</b>

## Performance Analysis as of September 30, 2017



Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	YTD	Fund Quartile
Growth of \$10,000	2.8	-7.5	13.1	7.2	3.2	5.8	4.3	6.6	-0.6	7.0	1.8	3 <sup>rd</sup>
Calendar Returns %	1 <sup>st</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	1 <sup>st</sup>	3 <sup>rd</sup>	

Period	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
1 Mth	0.3	0.1	0.3	2.0	2.9	4.0	4.0	4.3	Fund
3 Mth	2 <sup>nd</sup>	1 <sup>st</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	2 <sup>nd</sup>	—	Quartile
6 Mth	563	557	549	541	421	310	127	—	No. of Funds in Category



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## Management Overview

### Manager Bios

#### Sarah Riopelle

#### RBC Global Asset Management Inc.

Sarah Riopelle is Vice President and Senior Portfolio Manager, Investment Solutions. Sarah began her investment career in 1996. She is a member of the RBC Investment Strategy Committee and is responsible for the firm's Portfolio Solutions. Sarah has a Bachelor of Commerce in Finance and International Management from the University of Ottawa and is a CFA charterholder.

### Performance Analysis Cont'd as of September 30, 2017

Distributions (\$)/Unit	YTD*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.34	0.45	0.47	0.47	0.47	0.47	0.47	0.46	0.45	0.51	0.69
Interest	0.34	0.06	0.09	0.07	0.09	0.09	0.07	0.15	0.14	0.16	0.23
Dividends	—	0.06	0.06	0.07	0.07	0.07	0.06	0.07	0.06	0.06	0.04
Capital Gains	—	0.02	0.21	0.19	0.05	0.03	0.02	—	—	—	0.33
Return Of Capital	—	0.30	0.11	0.13	0.26	0.28	0.32	0.24	0.25	0.30	0.10

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	2-2010	18.2	2-2012	9.7	2-2014	7.9	8-2014	4.9
Worst	2-2009	-10.4	2-2009	-1.5	6-2010	3.3	2-2016	3.7
Average		4.4		4.3		4.5		4.2
No. of Periods		146		122		98		38
Pct. Positive		87.7		95.9		100.0		100.0

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

### Quarterly Commentary as at September 30, 2017

The global acceleration in economic growth that began last year has been largely sustained. The need for extreme monetary stimulus is fading and central banks including the U.S. Federal Reserve and the Bank of Canada (BoC) are gradually shifting toward tighter policy.

The Fund's overweight position in equities and underweight position in fixed income had a neutral impact on performance. Returns on global government bonds were low to slightly negative during the period. Canadian bonds underperformed after the BoC boosted short-term interest rates given faster-than-expected economic growth. Returns were aided by exposure to the RBC Global Corporate Bond Fund and the RBC Global High Yield Bond Fund. The RBC Bond Fund had a negative impact on performance.

Global equities posted gains, led by emerging-market and Canadian equities, as prices for oil and

other commodities strengthened. The S&P 500 finished the period at a record high, but a weaker U.S. dollar offset most of the returns when translated back into Canadian dollars. Performance benefited from allocations to the Phillips, Hager & North Canadian Income Fund and the RBC Canadian Dividend Fund.

Our models continue to suggest the long-term direction for bond yields is higher, which would weigh on total returns for bond holders. Prospective returns for equities are much better than for fixed income, but the valuation tailwind from falling interest rates may be exhausted so earnings growth is now critical for the continuity of the bull market. The Fund has been dialing back the risk exposure in the asset mix as the business cycle matures, trimming the equity-overweight allocation and splitting the proceeds between cash and fixed income.



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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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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](http://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 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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