



Investment objective

To provide a combination of regular U.S. dollar monthly income and modest capital growth. The fund invests primarily in U.S. fixed-income securities such as government and corporate bonds, notes, asset-backed securities and preferred shares. The fund also invests in high-quality equity securities of U.S. companies. It may also invest in high-yield debt securities and emerging market sovereign and corporate bonds.

Fund details

Series	Load structure	Currency	Fund code
A	No load	USD	RBF587

Inception date	May 2005
Total fund assets \$MM	1,523.1
Series A NAV \$	10.14
Series A MER %	1.60

Sales status	Open
Minimum investment \$	500
Subsequent investment \$	25
Risk rating	Low to Medium
Fund category	Global Neutral Balanced

Income distribution	Monthly
Capital gains distribution	Annually
Monthly distribution (\$/unit)	3.00
Current payout rate (%)*	3.55

* 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.

Benchmark

47.5%	Bloomberg U.S. Aggregate Bond Index
45.0%	S&P 500 Total Return Index
2.7%	ICE BofA U.S. HY BB-B Index
2.7%	JPM EM Bond Index Gbl Diversified (USD)
2.0%	FTSE 1-Month T-Bill Index

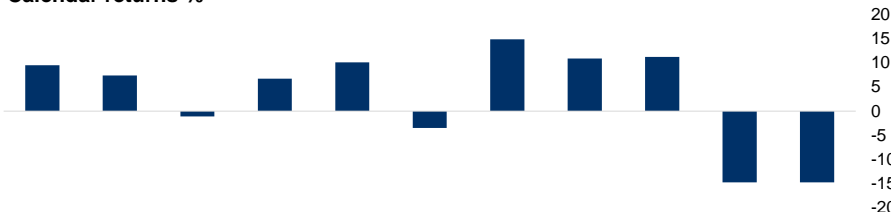
Performance analysis for Series A as of December 31, 2022

Growth of \$10,000

Series A \$15,892



Calendar returns %



2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD	
9.5	7.4	-1.1	6.7	10.1	-3.5	14.9	10.9	11.2	-14.8	-14.8	Fund
1 st	1 st	1 st	3 rd	4 th	1 st	4 th	2 nd	2 nd	1 st	1 st	Quartile

1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since incep.	Trailing return %	
-2.4	5.5	0.1	-14.8	1.7	3.1	4.7	4.5	Fund	
2 nd	3 rd	1 st	1 st	1 st	1 st	1 st	—	Quartile	
1,733	1,726	1,683	1,612	1,369	1,149	526	—	# of funds in category	

Portfolio analysis as of December 31, 2022

Asset mix



	% Assets
Cash	5.0
Fixed income	48.4
Canadian equities	0.0
U.S. equities	46.6
European equities	0.0
Asia-Pacific equities	0.0
Emerging markets equities	0.0

Equity style

	Value	Blend	Growth	Weight %
Large	22	45	28	> 50
Mid	3	1	1	25-50
Small	0	0	0	10-25
				0-10

Value Blend Growth

Equity characteristics

Dividend yield (%)	2.2
Price to earnings ratio (forward)	15.3
Price to book ratio	4.0
Weighted average market capitalization (\$Bn)	421.3

Portfolio analysis continued as of December 31, 2022

Top 25 holdings	% Assets	Equity sector allocation	%	Fixed income characteristics	
Synthetic Cash CDX SWAP CDX IG S39	8.5	Health Care	22.4	Yield to maturity (%)	5.9
DEC-27 ICE CBMSU		Information Technology	21.9	Current yield (%)	5.2
Synthetic Cash CDX SWAP CDX IG S39	7.9	Consumer Staples	9.2	Duration (years)	6.3
DEC-27 ICE CBMSU		Energy	9.1	Average term to maturity (years)	14.2
Microsoft Corp	2.5	Industrials	8.2	Average credit rating	A
Apple Inc	2.3	Financials	7.9		
United States Treasury Note/Bond 1.875% Nov 15, 2051	1.9	Consumer Discretionary	7.6		
Synthetic Cash CDX SWAP CDX IG S39	1.7	Communication Services	5.2		
DEC-27 ICE CBMSU		Utilities	4.1		
Synthetic Cash CDX SWAP CDX IG S39	1.7	Real Estate	2.2	Fixed income breakdown	%
DEC-27 ICE CBMSU		Materials	2.0	Government Bonds	4.9
Johnson & Johnson	1.6	Unclassified	0.0	Corporate Bonds	42.7
Alphabet Inc - Class A Shares	1.5			Other Bonds	-0.6
United States Treasury Note/Bond 2.375% Feb 15, 2042	1.4			Mortgage Backed Securities	45.0
iShares JP Morgan USD Emerging Markets Bond ETF	1.4			ST Investments (Cash & Other)	8.0
UnitedHealth Group Inc	1.3			Asset Backed Securities	0.0
Elevance Health Inc	1.1				
Philip Morris International Inc	1.1				
AbbVie Inc	1.1				
Exxon Mobil Corp	1.0				
Vanguard Real Estate ETF	1.0				
Synthetic Cash CDX SWAP CDX IG S39	1.0				
DEC-27 ICE CBMSU					
Procter & Gamble Co	1.0				
Home Depot Inc	1.0				
CVS Health Corp	0.9				
Raytheon Technologies Corp	0.9				
Chevron Corp	0.8				
Pfizer Inc	0.8				
PepsiCo Inc	0.8				
Total % of top 25 holdings	46.3				

Distributions (\$)/unit*	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Interest	—	—	0.02	0.04	0.04	0.03	0.05	0.05	0.04	0.08	—
Canadian dividends	—	—	—	—	—	—	—	—	—	—	—
Foreign dividends	—	0.08	0.12	0.11	0.11	0.12	0.14	0.14	0.11	0.14	—
Foreign taxes paid	—	-0.01	-0.02	-0.02	-0.02	-0.01	-0.02	-0.02	—	0.00	—
Capital gains	—	0.48	0.50	0.24	0.25	0.13	0.14	0.72	0.65	0.57	—
Return of capital	—	—	—	—	—	0.06	0.02	—	—	—	—
Total distributions	0.36	0.55	0.63	0.38	0.39	0.32	0.32	0.89	0.80	0.79	—

*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.

Manager bios

Sarah Riopelle, RBC Global Asset Management Inc.

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

Brad Willock, RBC Global Asset Management Inc.

Brad Willock joined Royal Bank of Canada in May 1996 and RBC GAM in July 2002. In his current role, he is responsible for core and income-oriented U.S. equity mandates. Brad has a Bachelor of Commerce from the University of Calgary and a Bachelor of Science from the University of British Columbia. He is also a CFA charterholder.

Brandon Swensen, RBC Global Asset Management (U.S.) Inc.

Brandon Swensen oversees fixed income research, portfolio management and trading at RBC GAM U.S. In addition to shaping the firm's overall fixed income philosophy and process, he is a portfolio manager for several cash management and core solutions. Brandon joined the company in 2000 and most recently was a portfolio manager on the mortgage and government team before being promoted to Co-Head. Brandon is a CFA charterholder.

Andrzej Skiba, RBC Global Asset Management (U.S.) Inc.

Andrzej is Senior Portfolio Manager responsible for the Developed Markets Team at BlueBay. Andrzej started with the firm as a credit analyst covering Technology, Media & Telecommunications, Utilities and Retail sectors for the Investment Grade Debt Team. Prior to joining BlueBay, Andrzej worked for a major investment bank as a credit analyst covering European investment-grade telecom, Media and Utility sectors. Andrzej is a CFA charterholder.

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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. © 2023 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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