



# RBC Canadian Bond Index Fund

## Investment Objective

To provide a total return consisting of income and moderate capital growth by tracking the performance of its benchmark through investment in units of the RBC Canadian Bond Index ETF.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF700

Inception Date	November 1999
Total Fund Assets \$Mil	33.5
Series A NAV \$	11.45
Series A MER %	0.81
Benchmark	FTSE TMX Canada Universe + Maple Bond Index

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

Fund Category	Canadian Fixed Income
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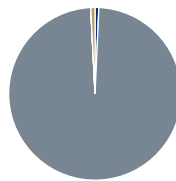
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

## Notes

Fund's investment objective and name changed effective June 30, 2017.

## Portfolio Analysis as of June 30, 2018

### Asset Mix



	% Assets
Cash	0.7
Fixed Income	98.5
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.8

### Fixed Income Breakdown

	% Fixed Income
Government Bonds	65.8
Corporate Bonds	33.9
Other Bonds	0.0
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	0.2
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	0.2	Under 1 year	0.4
AAA	33.7	1 - 5 Yrs	44.8
AA	38.8	5 - 10 Yrs	23.5
A	14.7	Over 10 Yrs	31.3
BBB	12.5		
Below BBB	0.1	Avg. Term to maturity (Yrs)	10.2
Mortgages	0.0	Duration (Yrs)	7.5
NR/NA	0.0	Yield to Maturity	2.7

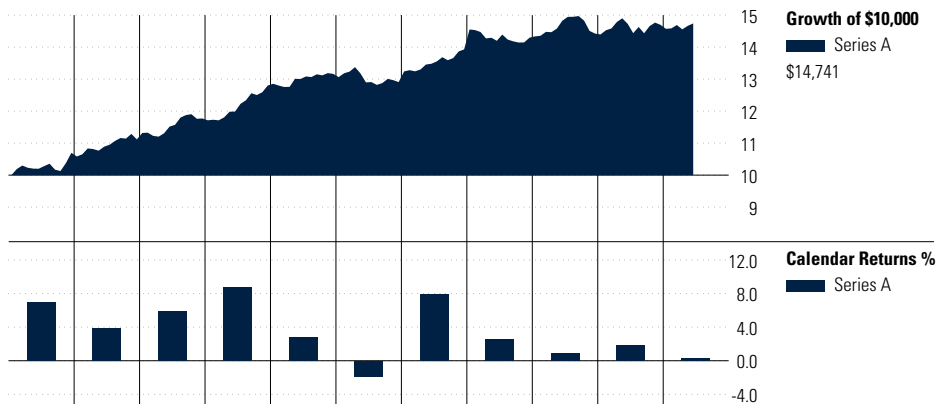
### Geographic Allocations

	% Assets
Canada	100.0
United States	0.0
International (ex-Emerging Markets)	0.0
Emerging Markets	0.0

### Top 25 Holdings

	% Assets
Canada Hsg Tr No 1 3.35% 15-12-2020	2.9
Canada Housing Tr No.1 1.25% 15-06-2021	2.5
Canada (Government of) 3.5% 01-12-2045	2.4
Quebec (Province Of) 9.5% 30-03-2023	2.2
Canada (Government of) 1.5% 01-06-2026	2.1
Canada Hsg Tr No 1 2.35% 15-09-2023	1.8
Ontario (Province Of) 2.6% 02-06-2025	1.7
TCHC Issuer Trust 11-05-2037	1.4
Canada (Government of) 2.75% 01-12-2048	1.4
Royal Bank of Canada 2.03% 15-03-2021	1.2
Canada (Government of) 0.75% 01-08-2019	1.2
Canada (Government of) 1% 01-06-2027	1.1
Quebec (Province Of) 5% 01-12-2041	1.1
Canada (Government of) 0.75% 01-03-2021	1.1
GT Airports Ath 3.04% 21-09-2022	1.0
Canada (Government of) 1% 01-09-2022	1.0
Bank of Montreal 1.88% 31-03-2021	0.9
Loblaw Cos 6.05% 09-06-2034	0.9
Quebec (Province Of) 3.5% 01-12-2045	0.9
Ontario (Province Of) 2.9% 02-12-2046	0.8
Ontario (Province Of) 3.15% 02-06-2022	0.8
Ontario (Province Of) 3.45% 02-06-2045	0.8
Canada (Government of) 1.5% 01-03-2020	0.8
Canada (Government of) 2.25% 01-06-2025	0.8
Ontario (Province Of) 4.2% 02-06-2020	0.8
<b>Total % of Top 25 Holdings</b>	<b>33.6</b>
Total Number of Stock Holdings	0
Total Number of Bond Holdings	405
Total Number of Other Holdings	4
<b>Total Number of Holdings</b>	<b>409</b>

## Performance Analysis as of June 30, 2018



Year	Calendar Returns %	YTD	Fund Quartile
2008	7.0 1 <sup>st</sup>		
2009	3.9 4 <sup>th</sup>		
2010	5.9 3 <sup>rd</sup>		
2011	8.7 1 <sup>st</sup>		
2012	2.8 3 <sup>rd</sup>		
2013	-1.9 3 <sup>rd</sup>		
2014	7.9 2 <sup>nd</sup>		
2015	2.6 2 <sup>nd</sup>		
2016	0.9 3 <sup>rd</sup>		
2017	1.9 2 <sup>nd</sup>		
YTD	0.3 2 <sup>nd</sup>		

Period	Trailing Return %	No. of Funds in Category
1 Mth	0.5 2 <sup>nd</sup>	512
3 Mth	0.3 2 <sup>nd</sup>	507
6 Mth	0.3 2 <sup>nd</sup>	502
1 Yr	0.1 3 <sup>rd</sup>	491
3 Yr	1.3 3 <sup>rd</sup>	397
5 Yr	2.7 2 <sup>nd</sup>	320
10 Yr	3.8 2 <sup>nd</sup>	148
Since Incep.	4.6	—



# RBC Canadian Bond Index Fund

## Management Overview

### Manager Bios

#### State Street Global Advisors (Montreal)

SSgA's focus has been on providing highly disciplined risk controlled investment strategies to the global marketplace. SSgA has offices in 28 location around the world, with on-site portfolio management services in Boston, London, Montreal, Munich, Paris, Hong Kong, Sydney and Tokyo.

### Performance Analysis Cont'd as of June 30, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.16	0.48	0.34	0.30	0.33	0.35	0.34	0.38	0.41	0.42	0.44
Interest	0.16	0.32	0.30	0.30	0.33	0.35	0.34	0.38	0.41	0.42	0.44
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.16	0.04	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	10-2001	11.7	5-2003	8.3	1-2005	7.5	1-2010	6.1
Worst	9-2017	-3.6	1-2018	0.0	4-2018	1.7	4-2018	3.6
Average		4.7		4.8		4.8		4.9
No. of Periods		212		188		164		104
Pct. Positive		91.5		100.0		100.0		100.0

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

### Quarterly Commentary as at June 30, 2018

Canadian bonds posted modest gains in the second quarter of 2018, as trade tensions and a hint of slowing global economic growth capped interest rates. The U.S. Federal Reserve raised short-term interest rates again during the period and continued to reduce the size of its balance sheet, both of which tended to push up yields. The Bank of Canada (BOC) stood pat on rates during the period. Although the BOC implied in May that it would continue to raise rates, trade tensions with the U.S. and weak economic data suggested that higher Canadian rates may be further delayed. Canada government bonds outperformed U.S.

Treasuries on fears that the escalating trade conflict could derail Canadian economic growth.

The portfolio manager expects bond yields to rise marginally over the next six months, given tightening financial conditions, the potential for temporarily higher inflation and expectations that central banks will continue to gradually raise rates. Short-term yields should continue to rise faster than those on longer-term bonds, in the view of the portfolio manager.



# RBC Canadian Bond Index 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 full year period, January 1 to December 31, 2017, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the full year period, April 1, 2017 to March 31, 2018.

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 June 30, 2018.

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