



# 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	October 1999
Total Fund Assets \$Mil	36.1
Series A NAV \$	11.58
Series A MER %	0.92
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.
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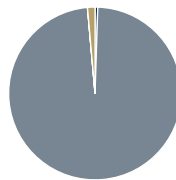
Web Site	www.rbcgam.com
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## Notes

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

## Portfolio Analysis as of December 31, 2017

### Asset Mix



	% Assets
Cash	0.5
Fixed Income	98.1
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	1.4

### Top 25 Holdings

	% Assets
Canada Hsg Tr No 1 3.35% 15-12-2020	3.6
Canada Hsg Tr No 1 1.25% 15-06-2021	3.2
Canada Govt 3.5% 01-12-2045	2.5
Quebec Prov Cda 9.5% 30-03-2023	2.3
Canada Govt 0.5% 01-02-2019	2.3
Canada Govt 1.5% 01-06-2026	2.3
Ontario Prov Cda 2.6% 02-06-2025	2.1
Canada Hsg Tr No 1 2.35% 15-09-2023	2.0
Quebec Prov Medium Term Nt 5% 01-12-2041	1.8
Ontario Prov Cda 2.9% 02-12-2046	1.8
Canada Govt 1.5% 01-06-2023	1.5
Tchc Issuer Tr 4.877% 11-05-2037	1.4
Prov Of Quebec 3.5% 01-12-2045	1.4
Royal Bank Of Canada 2.03% 15-03-2021	1.2
Canada Govt 0.75% 01-05-2019	1.2
Canada Govt 4% 01-06-2041	1.2
Canada Govt 0.75% 01-08-2019	1.2
Canada Govt 1% 01-06-2027	1.1
Ontario Prov Cda 2.1% 08-09-2019	1.1
Greater Toronto Arpt Ath 3.04% 21-09-2022	1.0
Canada Hsg Tr No 1 1.95% 15-06-2019	1.0
Ontario Prov Cda 3.15% 02-06-2022	1.0
Ontario Prov Cda 3.45% 02-06-2045	1.0
Hydro One 5.36% 20-05-2036	0.9
Bank of Montreal 1.88% 31-03-2021	0.9
<b>Total % of Top 25 Holdings</b>	<b>41.2</b>
Total Number of Stock Holdings	0
Total Number of Bond Holdings	274
Total Number of Other Holdings	3
<b>Total Number of Holdings</b>	<b>277</b>

### Fixed Income Breakdown

	% Fixed Income
Government Bonds	68.7
Corporate Bonds	30.6
Other Bonds	0.0
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	0.5
Asset Backed Securities	0.0

### Bond Rating

	%
Cash / Cash Equiv.	0.5
AAA	0.0
AA	99.5
A	0.0
BBB	0.0
Below BBB	0.0
Mortgages	0.0
NR/NA	0.0

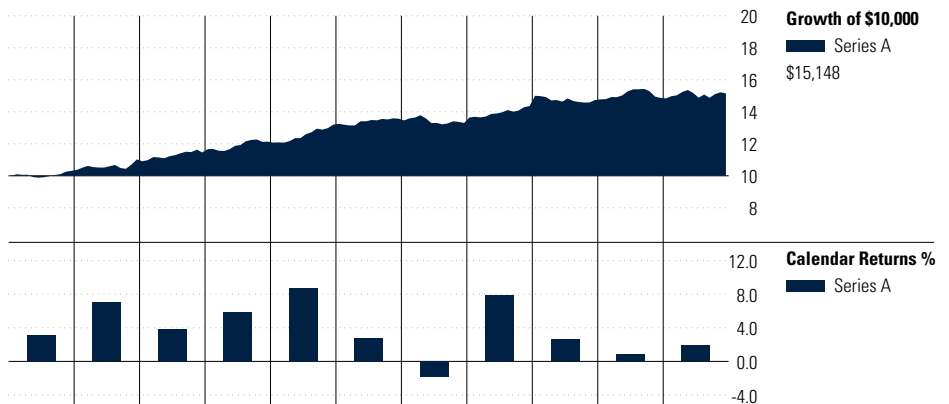
### Term to Maturity

	%
Under 1 year	0.0
1 - 5 Yrs	0.0
5 - 10 Yrs	0.0
Over 10 Yrs	100.0
Avg. Term to maturity (Yrs)	10.2
Duration (Yrs)	7.5
Yield to Maturity	2.5

### Geographic Allocations

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

## Performance Analysis as of December 31, 2017



Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
Return %	3.1	7.0	3.9	5.9	8.7	2.8	-1.9	7.9	2.6	0.9	1.9	Fund
Rank	1 <sup>st</sup>	1 <sup>st</sup>	4 <sup>th</sup>	3 <sup>rd</sup>	1 <sup>st</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	4 <sup>th</sup>	2 <sup>nd</sup>	Quartile

Period	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Return %	-0.5	1.8	-0.2	1.9	1.8	2.2	3.9	4.7	Fund
Rank	3 <sup>rd</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	—	Quartile
No. of Funds in Category	608	604	598	584	465	373	151	—	



# 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 December 31, 2017

Distributions (\$)/Unit	2017*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Distributions	0.48	0.34	0.30	0.33	0.35	0.34	0.38	0.41	0.42	0.44	0.45
Interest	0.32	0.30	0.30	0.33	0.35	0.34	0.38	0.41	0.42	0.44	0.45
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	12-2017	1.8	9-2017	1.9	12-2017	3.9
Average		4.9		5.0		4.9		4.9
No. of Periods		206		182		158		98
Pct. Positive		92.2		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

Canadian government bonds recorded negligible returns in 2017, with gains on longer-term fixed income offset by losses on shorter-term securities. The low global interest-rate environment created demand for longer-maturity government bonds as investors searched for higher-yielding investments. Meanwhile, the yield on the two-year government security doubled in 2017 after the Bank of Canada raised interest rates twice, the first increases in seven years, amid stronger-than-expected growth earlier in the year. However, yields soon retreated as the central bank became more cautious about high consumer debt, uncertainty surrounding the

survival of NAFTA and concern about an overheated housing market.

Effective September 21, 2017, the Fund was invested primarily in units of RBC Canadian Bond Index ETF.

As of December 31, 2017, about 32% of the Fund's assets were invested in corporate bonds, about 35% in provincial bonds, and about 33% in federal-government bonds or bonds guaranteed by the federal government.



# 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 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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