RBC Global Asset Management

RBC U.S. Discount Bond ETF

RUDB

Investment objective

RBC U.S. Discount Bond ETF seeks to provide unitholders with exposure to the performance of a diversified portfolio of primarily short term fixed-income securities issued in the U.S. market by U.S. governments and U.S. and foreign corporations which at the time of purchase are trading below the weighted average price of the universe of U.S. short term bonds to provide regular income while preserving capital.

Reasons to invest

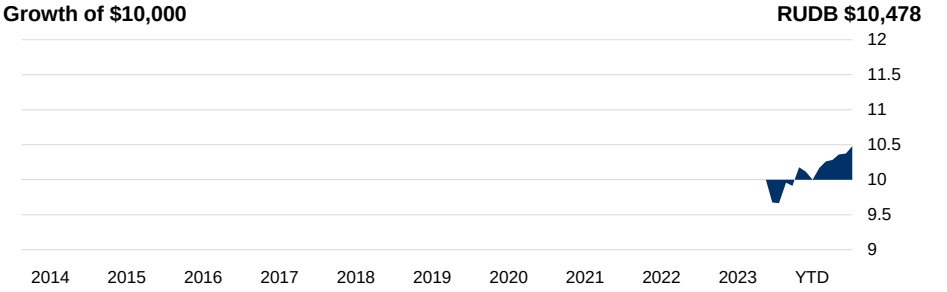
- Generate capital gains and lower interest income which creates lower taxes today. Capital gains taxed at half the rate of interest and deferred until maturity
- A solution for taxable accounts and clients that have aversion to declining capital values and loss of principal
- Minimum credit quality and concentration maximums ensure a high-quality, diversified portfolio
- Provides regular monthly income while preserving capital

Fund details

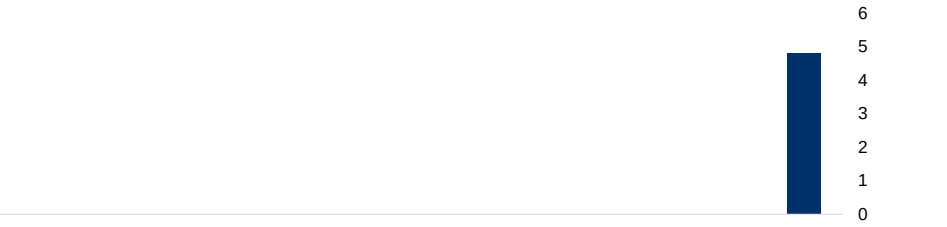
Ticker	RUDB
CUSIP	75528Q107
Stock exchange	TSX
Inception date	May 2023
Currency	CAD
Net assets $MM	67.8
Units outstanding	3,300,000
NAV/unit	20.54
Market price/unit	20.55
Management fee %	0.25
MER %	0.29
Income distribution	Monthly
Capital gains distribution	Annually
Distribution yield %	1.46
Trailing distribution yield %	1.84
Risk rating	Low to Medium
Fund category	Fixed Income

Performance analysis as of June 30, 2024

Growth of $10,000



Calendar returns %



2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD	
–	–	–	–	–	–	–	–	–	–	4.8	NAV

1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since incep.	Trailing return %
1.0	1.9	4.8	8.3	–	–	–	4.9	NAV

Portfolio analysis as of June 30, 2024

Fixed income breakdown

	% Assets
Government Bonds	56.2
Corporate Bonds	43.8

Credit rating

	% Assets
Cash / Cash Equiv.	0.0
AAA	0.0
AA	59.4
A	26.8
BBB	13.4
Below BBB	0.0

Characteristics

Yield to maturity (%)	4.9
Current yield (%)	1.6
Duration (years)	2.6
Coupon (%)	1.5
Average credit rating	AA-

Portfolio analysis continued as of June 30, 2024

Top 25 holdings	% Assets
United States Treasury Note/Bond 0.375% Jan 31, 2026	9.2
United States Treasury Note/Bond 0.625% Jul 31, 2026	8.2
United States Treasury Note/Bond 1.375% Oct 31, 2028	7.9
United States Treasury Note/Bond 1.250% Apr 30, 2028	7.1
United States Treasury Note/Bond 0.500% May 31, 2027	6.6
United States Treasury Note/Bond 0.375% Apr 30, 2025	5.6
United States Treasury Note/Bond 0.500% Oct 31, 2027	4.9
United States Treasury Note/Bond 1.625% Aug 15, 2029	3.2
United States Treasury Note/Bond 1.875% Feb 28, 2029	3.2
Barclays PLC 2.279% Nov 24, 2027	0.7
Bank of Montreal 0.949% Jan 22, 2027	0.7
Citigroup Inc 1.122% Jan 28, 2027	0.7
Mitsubishi UFJ Financial Group Inc 3.195% Jul 18, 2029	0.7
MidAmerican Energy Co 3.650% Apr 15, 2029	0.6
JPMorgan Chase & Co 2.947% Feb 24, 2028	0.6
NextEra Energy Capital Holdings Inc 1.900% Jun 15, 2028	0.5
Wells Fargo & Co 2.188% Apr 30, 2026	0.5
Morgan Stanley 3.772% Jan 24, 2029	0.5
Bank of America Corp 1.319% Jun 19, 2026	0.5
Cisco Systems Inc 2.500% Sep 20, 2026	0.5
Goldman Sachs Group Inc 3.814% Apr 23, 2029	0.5
Visa Inc 2.750% Sep 15, 2027	0.5
Texas Instruments Inc 2.900% Nov 03, 2027	0.5
JPMorgan Chase & Co 1.045% Nov 19, 2026	0.5
Goldman Sachs Group Inc 1.093% Dec 09, 2026	0.5
Total % of top 25 holdings	65.0
Total number of portfolio holdings	**141**

Distributions ($)/unit*	YTD	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Interest	—	0.02	—	—	—	—	—	—	—	—	—
Canadian dividends	—	—	—	—	—	—	—	—	—	—	—
Foreign dividends	—	0.12	—	—	—	—	—	—	—	—	—
Foreign taxes paid	—	—	—	—	—	—	—	—	—	—	—
Capital gains	—	0.07	—	—	—	—	—	—	—	—	—
Return of capital	—	0.03	—	—	—	—	—	—	—	—	—
Total distributions	**0.18**	**0.24**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**

*Income type characterization and foreign taxes paid for the previous year, are reported at or around February month-end. Distributions reported are for the same series as the performance analysis. For distributions on other series please visit rbcgam.com/etfs.

Manager bios

John Northup, RBC Global Asset Management (U.S.) Inc.

John is a BlueBay portfolio manager on the BlueBay Fixed Income team at RBC Global Asset Management (US) Inc., focusing on U.S. fixed income. In this role, he provides trading and portfolio management support for several cash management and credit-focused strategies. John started his career in the investment industry in 2000. John holds a Bachelor of Business Administration in Economics from the University of Wisconsin-Eau Claire and is a CFA charterholder.

Kelsey Bosshardt, RBC Global Asset Management (U.S.) Inc.

Kelsey is a BlueBay portfolio manager on the BlueBay Fixed Income team at RBC Global Asset Management (US) Inc., focusing on U.S. fixed income. She manages investment grade short and intermediate duration strategies. Previously, Kelsey was an assistant portfolio manager at RBC GAM. She began her career in the investment industry in 2017. Kelsey holds a Bachelor of Business Administration in Economics from Loyola University Chicago and is a CFA charterholder.

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