RBC PH&N Short Term Canadian Bond ETF

RBC PH&N Short Term Canadian Bond ETF (RPSB) is a diversified, actively managed Canadian fixed income ETF that aims to provide competitively high yields and stability of capital by investing primarily in a well-diversified portfolio of short duration Canadian government and corporate bonds, as well as Canadian bonds issued by foreign corporations (Maple Bonds).

Why use an actively managed bond ETF?

- **Multi-strategy approach** – Maintaining the right balance of government and investment grade corporate bonds can help ensure that a fixed income portfolio is well positioned in various interest rate or economic environments.
- **Active security selection** – By analyzing relative bond valuations and relevant economic fundamentals, an active bond manager can add value relative to their benchmark.
- **Minimize volatility and downside risk** – Through detailed bond analysis and by identifying and managing potential risks, active managers can design a quality portfolio to minimize volatility and downside risk.

Why invest in RPSB?

- Attractive monthly income and stability of capital
- Experienced, award-winning* fixed income investment team
- A well-diversified portfolio of maturities ranging from 1 to 5 years

The case for Canadian short term bonds

With only 1 year of negative returns over 30 years, Canadian short term bonds helped provide the portfolio stability today’s investors are looking for.

Source: RBC GAM. Performance reflective of calendar year returns for FTSE TMX Canada Short Term Overall Bond Index, denoted in Canadian dollars as of December 31, 2016. An investment cannot be made directly into an index. The above graph does not reflect transaction costs, investment management fees or taxes. If such costs were reflected, returns would be lower. Past performance is not a guarantee of future performance.
Why fixed income managed by Phillips, Hager & North Investment Management (PH&N IM)?

- **An experienced and accomplished team** – The award-winning team has been managing fixed income for over 40 years. A team approach with a specialty focus allows PH&N IM to focus on all segments of the bond market.

- **Emphasis on risk management** – PH&N IM’s proprietary risk management system – known as BondLab – allows the team to identify, measure and manage the risks that impact the value of the portfolio on a daily basis. Risk is further managed through adherence to strict investment guidelines that place an emphasis on owning high-quality bonds.

- **A multi-strategy approach to adding value** – The management team utilizes three main strategies when looking to add value to the portfolio: liquidity, credit and interest rate anticipation.

Why RBC ETFs?

- Innovative, high-quality and professionally managed
- Designed to provide attractive risk-adjusted performance
- Invest with Canada’s leading provider of income solutions*
- Backed by the strength and experience of RBC Global Asset Management

RBC Global Asset Management offers a comprehensive lineup of ETFs and mutual funds designed to deliver effective investment solutions to help investors build better portfolios. Our investment solutions are backed by the strength of an experienced investment team at RBC Global Asset Management Inc. With offices in several financial centres around the world, RBC Global Asset Management Inc. is one of Canada’s largest money managers.

*Lipper Canada Best Bond Funds Group 2016 (PH&N Funds) and 2015 (RBC GAM), based on best risk-adjusted performance for periods ended July 31, 2016 and 2015 respectively. From Thomson Reuters Lipper Awards, © 2016 Thomson Reuters. All rights reserved. Used by permission and protected by the Copyright Laws of the United States. The printing, copying, redistribution, or retransmission of this Content without express written permission is prohibited. www.lipperfundawards.com. Source: RBC GAM, IFIC. Based on AUM including money market, fixed income, income oriented balanced and income oriented equity mutual fund solutions plus income oriented ETF solutions as of June 30, 2017.

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