



BALANCED FUND

RBC U.S. MONTHLY INCOME FUND

June 30, 2022

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (U.S.) Inc., Minneapolis, Minnesota
(for a portion of the Fund)

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England
(for a portion of the Fund)

The Board of Directors of RBC Global Asset Management Inc. approved this interim management report of fund performance on August 9, 2022.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This interim management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete interim financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/regulatorydocuments or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



MANAGEMENT DISCUSSION OF FUND PERFORMANCE (in USD)

Investment Objective and Strategies

The Fund seeks to provide regular U.S. dollar monthly income and modest capital growth.

The Fund invests primarily in U.S. government bonds, corporate fixed-income securities, asset-backed bonds and high-quality equity securities of U.S. companies. Investments may also include high-yield debt and U.S. dollar-denominated debt issued in emerging markets.

The Fund's target weightings for each asset class are 55% for fixed income and 45% for equities. The target weightings for each asset class may be adjusted based on changes in the market outlook for each asset class. The actual allocation to each class will be no more than 15% above or below its target weighting.

Results of Operations

The Fund's net asset value was \$1.6 billion as of June 30, 2022.

Over the past six months, the Fund's Series A units lost 14.9%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

The Fund made monthly distributions of 3.00 cents per Series A unit in the first half of 2022.

U.S. stocks had their worst first half of a year since 1970. The S&P 500 Index, the U.S. stock benchmark, dropped 22%, after the highest inflation in four decades and a related surge in interest rates led to concern that the U.S. economy would fall into a recession. Growth stocks performed particularly poorly, given that rising interest rates make their earnings stream less attractive. The Energy sector was the bright spot for U.S. equity investors as improving demand and the impact of Russia's invasion of Ukraine in February led to higher oil and gas prices.

Fixed-income markets declined significantly during the first half of 2022, as bond yields rose across the board amid the highest U.S. inflation in four decades. The inflation rate exceeded 8% in June, far above the U.S. Federal Reserve's (the "Fed") 2% target range, prompting the Fed to increase interest rates and tighten overall financial conditions to cool down the economy. Higher rates and tighter financial conditions led to rising risks of a recession this year or in 2023.

In the equity portion of the Fund, relative exposure to Meta Platforms, Amazon.com and AbbVie had the most positive impact on the Fund's returns, while exposure to Walt Disney, Target and Lam Research

was negative for performance. The Fund had overweight positions in Vanguard Real Estate ETF, CVS Health and AbbVie and underweight positions in Amazon.com, Tesla and Alphabet.

The equity sectors that had the most positive impact on the Fund's returns were Energy, Health Care and Communication Services, while exposure to Information Technology, Real Estate and Financials had a negative impact. At the sector level, the Fund had overweight exposure to Health Care, Energy and Information Technology and underweight exposure to Consumer Discretionary, Financials and Communication Services.

Portfolio turnover is normally high for this Fund, as the portfolio manager attempts to generate better returns through active security selection.

Recent Developments

The consistent macroeconomic backdrop that has existed since the end of 2009 is fading: that period of low inflation and relatively predictable central-bank policies is giving way to the highest levels of U.S. inflation since the 1970s, forcing central banks to hurriedly raise interest rates in an effort to gain control of the economic narrative.

Many investors worry about a possible recession, and U.S. earnings estimates are no longer rising at the same pace as they have for the past 18 months. The portfolio manager recognizes that even current earnings estimates are likely optimistic and, should a recession or significant slowdown take place, financial markets could be headed for another leg lower.

Related-Party Transactions

Manager, Trustee and Portfolio Manager

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio manager of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund. Both the management fee and fixed administration fee are calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. RBC GAM, as trustee, earns a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as banking, brokerage, securities lending, foreign exchange and derivatives transactions. RBC GAM or its affiliates may earn a



foreign exchange spread when unitholders switch between series of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with Royal Bank for which Royal Bank may earn a fee. Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisors

RBC Global Asset Management (U.S.) Inc. and RBC Global Asset Management (UK) Limited are the sub-advisors and provide investment advice for the Fund. The sub-advisors earn a fee which is calculated and accrued daily as a percentage of the net asset value of each series of units of the Fund. The sub-advisors are paid by the manager from the management fee paid by the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or may distribute certain series of units of, the Fund. Dealers may receive an ongoing commission based on the total value of their clients' investment in certain series of units of the Fund.

Registrars

RBC GAM, RBC Investor Services Trust ("RBC IS") or Royal Bank (or a combination thereof) are the registrars of the Fund and keep records of who owns units of the Fund. The registrars earn a fee, which is paid by the manager from the fixed administration fee paid by the Fund.

Custodian

RBC IS is the custodian and holds the assets of the Fund. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Fund.

Securities Lending Agent

To the extent the Fund may engage in securities lending transactions, RBC IS may act as the Fund's securities lending agent. Any revenue earned on such securities lending is split between the Fund and the securities lending agent.

Brokers and Dealers

The Fund has established standard brokerage and dealing agreements at market rates with related parties. For the periods ended June 30, 2022 and 2021, the related-party commissions were \$18,000 (2021 – \$25,000) or 4% (2021 – 7%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

- (a) trades in securities of Royal Bank;
- (b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;
- (c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

- (d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the Independent Review Committee of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.



FINANCIAL HIGHLIGHTS (in USD)

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2022), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited interim financial statements and audited annual financial statements.

Change in Net Assets Per Unit

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations ¹					Annual Distributions ²				Net Assets End of Year/Period	
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital		
Series A												
June 30, 2022	12.31	0.13	(0.09)	(0.17)	(1.69)	(1.82)	(0.18)	–	–	–	(0.18)	10.31
Dec. 31, 2021	11.58	0.24	(0.19)	0.89	0.34	1.28	–	(0.07)	(0.48)	–	(0.55)	12.31
Dec. 31, 2020	11.05	0.29	(0.18)	0.44	0.54	1.09	(0.02)	(0.11)	(0.50)	–	(0.63)	11.58
Dec. 31, 2019	9.96	0.29	(0.17)	0.38	0.97	1.47	(0.04)	(0.10)	(0.24)	–	(0.38)	11.05
Dec. 31, 2018	10.72	0.30	(0.17)	0.29	(0.79)	(0.37)	(0.04)	(0.10)	(0.25)	–	(0.39)	9.96
Dec. 31, 2017	10.05	0.30	(0.17)	0.29	0.57	0.99	(0.03)	(0.10)	(0.13)	(0.06)	(0.32)	10.72
Series D												
June 30, 2022	13.79	0.14	(0.06)	(0.19)	(1.65)	(1.76)	(0.20)	–	–	–	(0.20)	11.59
Dec. 31, 2021	12.88	0.27	(0.12)	1.00	0.36	1.51	–	(0.07)	(0.53)	–	(0.60)	13.79
Dec. 31, 2020	12.20	0.32	(0.11)	0.49	0.65	1.35	(0.02)	(0.11)	(0.56)	–	(0.69)	12.88
Dec. 31, 2019	10.92	0.32	(0.11)	0.42	1.07	1.70	(0.04)	(0.11)	(0.26)	–	(0.41)	12.20
Dec. 31, 2018	11.66	0.32	(0.11)	0.31	(0.85)	(0.33)	(0.05)	(0.10)	(0.27)	–	(0.42)	10.92
Dec. 31, 2017	10.84	0.32	(0.11)	0.31	0.64	1.16	(0.03)	(0.12)	(0.13)	(0.06)	(0.34)	11.66
Series F												
June 30, 2022	13.50	0.14	(0.05)	(0.19)	(1.89)	(1.99)	(0.20)	–	–	–	(0.20)	11.36
Dec. 31, 2021	12.60	0.26	(0.10)	0.98	0.37	1.51	–	(0.08)	(0.51)	–	(0.59)	13.50
Dec. 31, 2020	11.91	0.31	(0.09)	0.48	0.65	1.35	(0.02)	(0.12)	(0.54)	–	(0.68)	12.60
Dec. 31, 2019	10.64	0.31	(0.09)	0.41	1.03	1.66	(0.04)	(0.10)	(0.26)	–	(0.40)	11.91
Dec. 31, 2018	11.34	0.32	(0.09)	0.30	(0.83)	(0.30)	(0.04)	(0.10)	(0.26)	–	(0.40)	10.64
Dec. 31, 2017	10.53	0.31	(0.08)	0.30	0.61	1.14	(0.03)	(0.11)	(0.13)	(0.06)	(0.33)	11.34
Series I												
June 30, 2022	13.62	0.14	(0.04)	(0.19)	(1.87)	(1.96)	(0.20)	–	–	–	(0.20)	11.47
Dec. 31, 2021	12.70	0.27	(0.09)	0.99	0.36	1.53	–	(0.08)	(0.51)	–	(0.59)	13.62
Dec. 31, 2020	11.99	0.31	(0.08)	0.48	0.64	1.35	(0.02)	(0.12)	(0.54)	–	(0.68)	12.70
Dec. 31, 2019	10.71	0.32	(0.08)	0.41	1.05	1.70	(0.04)	(0.10)	(0.26)	–	(0.40)	11.99
Dec. 31, 2018	11.41	0.32	(0.08)	0.31	(0.81)	(0.26)	(0.04)	(0.10)	(0.27)	–	(0.41)	10.71
Dec. 31, 2017	10.58	0.32	(0.08)	0.30	0.63	1.17	(0.03)	(0.11)	(0.13)	(0.06)	(0.33)	11.41
Series O												
June 30, 2022	12.30	0.13	–	(0.17)	(1.50)	(1.54)	(0.17)	–	–	–	(0.17)	10.39
Dec. 31, 2021	11.39	0.24	–	0.88	0.31	1.43	–	(0.07)	(0.47)	–	(0.54)	12.30
Dec. 31, 2020	10.69	0.28	–	0.43	1.38	2.09	(0.02)	(0.11)	(0.48)	–	(0.61)	11.39
Dec. 31, 2019	9.48	0.28	–	0.36	1.01	1.65	(0.04)	(0.09)	(0.23)	–	(0.36)	10.69
Dec. 31, 2018 ³	10.00 [†]	0.10	–	0.10	(1.69)	(1.49)	(0.02)	(0.03)	(0.12)	–	(0.17)	9.48

¹ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

² Distributions are reinvested in additional units of the Fund or paid in cash.

³ From August 16, 2018.

[†] Initial offering net asset value per unit.



FINANCIAL HIGHLIGHTS (in USD) (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit (\$)	Net Asset Value (\$000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%) ¹	MER Before Absorption (%) ¹	Portfolio Turnover Rate (%) ²	Trading Expense Ratio (%) ³
Series A							
June 30, 2022	10.31	1 317 558	127 803	1.60	1.60	160.69	0.02
Dec. 31, 2021	12.31	1 621 743	131 765	1.60	1.60	90.52	0.04
Dec. 31, 2020	11.58	1 229 030	106 110	1.60	1.60	146.92	0.05
Dec. 31, 2019	11.05	1 137 794	102 997	1.65	1.65	68.80	0.05
Dec. 31, 2018	9.96	1 014 900	101 873	1.65	1.65	75.02	0.05
Dec. 31, 2017	10.72	1 109 029	103 458	1.66	1.66	54.52	0.04
Series D							
June 30, 2022	11.59	4 607	397	0.95	0.95	160.69	0.02
Dec. 31, 2021	13.79	64 443	4 673	0.94	0.94	90.52	0.04
Dec. 31, 2020	12.88	50 429	3 914	0.94	0.94	146.92	0.05
Dec. 31, 2019	12.20	43 686	3 582	0.94	0.94	68.80	0.05
Dec. 31, 2018	10.92	38 143	3 494	0.94	0.94	75.02	0.05
Dec. 31, 2017	11.66	41 897	3 594	0.94	0.94	54.52	0.04
Series F							
June 30, 2022	11.36	273 700	24 096	0.77	0.77	160.69	0.02
Dec. 31, 2021	13.50	256 543	19 001	0.77	0.77	90.52	0.04
Dec. 31, 2020	12.60	185 521	14 727	0.77	0.77	146.92	0.05
Dec. 31, 2019	11.91	142 651	11 976	0.77	0.77	68.80	0.05
Dec. 31, 2018	10.64	99 358	9 337	0.78	0.78	75.02	0.05
Dec. 31, 2017	11.34	86 396	7 616	0.78	0.78	54.52	0.04
Series I							
June 30, 2022	11.47	44 880	3 914	0.71	0.71	160.69	0.02
Dec. 31, 2021	13.62	51 816	3 804	0.70	0.70	90.52	0.04
Dec. 31, 2020	12.70	46 681	3 677	0.70	0.70	146.92	0.05
Dec. 31, 2019	11.99	45 392	3 785	0.70	0.70	68.80	0.05
Dec. 31, 2018	10.71	51 337	4 794	0.70	0.70	75.02	0.05
Dec. 31, 2017	11.41	57 157	5 008	0.71	0.71	54.52	0.04
Series O							
June 30, 2022	10.39	4 447	428	0.04	0.04	160.69	0.02
Dec. 31, 2021	12.30	5 905	480	0.03	0.03	90.52	0.04
Dec. 31, 2020	11.39	2 709	238	0.03	0.03	146.92	0.05
Dec. 31, 2019	10.69	2 144	201	0.03	0.03	68.80	0.05
Dec. 31, 2018 ⁴	9.48	1 697	179	0.02	0.02	75.02	0.05

¹ The management expense ratio ("MER") is based on the direct expenses charged to the Fund and the Fund's proportionate share of the expenses of underlying funds, if any, for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

² The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

³ The trading expense ratio represents total commissions and other portfolio transaction costs of the Fund and the Fund's proportionate share of such costs of underlying funds expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

⁴ From August 16, 2018.

Effective March 1, 2020, the administration fees for Series A units were reduced to 0.05% from 0.10%. If the changes to the administration fees would have been in effect throughout the financial year ended December 31, 2020, the adjusted MER for each series of the Fund would be: Series A – 1.60%.



FINANCIAL HIGHLIGHTS (in USD) (cont.)

Management Fees and Administration Fees

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The management fee, breakdown of services received in consideration of the management fee, as a percentage of the management fee, and the administration fee for each series are as follows:

	Management Fees	Breakdown of Services		Administration Fees
		Distribution	Other*	
Series A	1.40%	54%	46%	0.05%
Series D	0.80%	19%	81%	0.05%
Series F	0.65%	–	100%	0.05%
Series I	0.60%	–	100%	0.05%
Series O	n/a	n/a	n/a	0.02%

Series O – no management fees are paid by the Fund with respect to Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

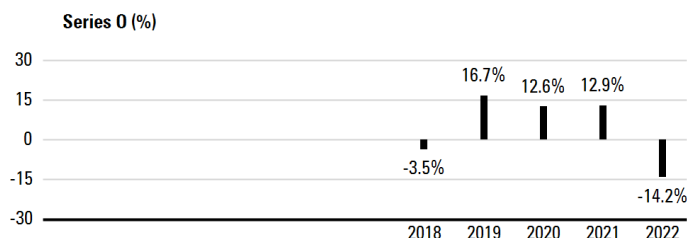
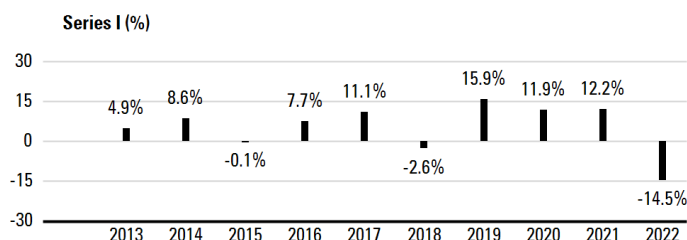
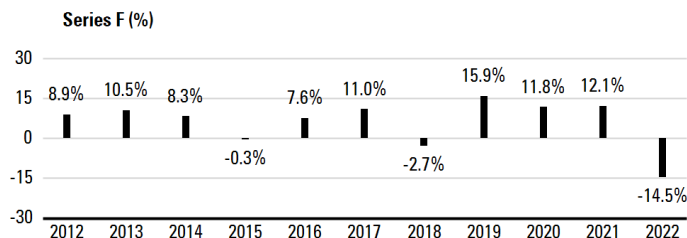
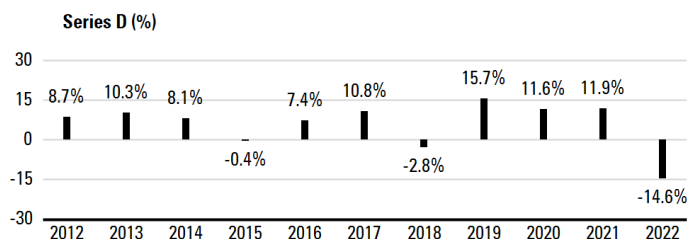
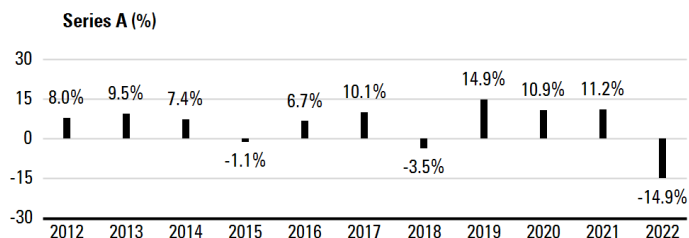
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE (in USD)

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.



Series O units have been available for sale to unitholders since August 20, 2018, and Series I units since August 12, 2013.

Inception dates are not provided for series that have been in existence for more than 10 years.

Advisor Series units were re-designated as Series A units effective August 4, 2020.

Series I units of the Fund are capped and are no longer available for purchase by new investors effective June 30, 2016.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2022.



SUMMARY OF INVESTMENT PORTFOLIO (in USD)

(after consideration of derivative products, if any)

As at June 30, 2022

Investment Mix

	% of Net Asset Value
Equities	45.8
Bonds	29.2
Mortgage-Backed Securities	19.6
Underlying Funds	2.4
Cash/Other	3.0

Top 25 Holdings

	% of Net Asset Value
Apple Inc.	3.0
Microsoft Corp.	2.9
United States Treasury Note/Bond 1.875% Nov 15, 2051	2.1
United States Treasury Note/Bond 1.750% Jan 31, 2029	1.6
Johnson & Johnson	1.5
United States Treasury Note/Bond 2.375% Feb 15, 2042	1.4
UnitedHealth Group Inc.	1.4
Alphabet Inc.	1.4
iShares JP Morgan USD Emerging Markets Bond ETF	1.3
AbbVie Inc.	1.2
Vanguard Real Estate ETF	1.1
Anthem Inc.	1.0
CVS Health Corp.	1.0
Cisco Systems Inc.	1.0
Exxon Mobil Corp.	0.9
United States Treasury Note/Bond 1.875% Feb 28, 2027	0.9
Pfizer Inc.	0.8
Raytheon Technologies Corp.	0.8
Philip Morris International Inc.	0.8
Home Depot Inc.	0.8
Broadcom Inc.	0.8
Visa Inc.	0.7
Chevron Corp.	0.7
Procter & Gamble Co.	0.7
PepsiCo Inc.	0.7
Top 25 Holdings	30.5

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/regulatorydocuments.