



# RBC Bond Fund

## Investment Objective

To provide above average, long-term total returns consisting of interest income and moderate capital growth by investing primarily in high-quality fixed-income securities issued by Canadian governments and corporations.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF270
Adv	Deferred Sales	CAD	RBF850
Adv	Front End	CAD	RBF750
Adv	Low Load	CAD	RBF114

Inception Date	July 1966
Total Fund Assets \$Mil	22,126.7
Series A NAV \$	6.91
Series A MER %	1.11
Benchmark	FTSE Canada Universe 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

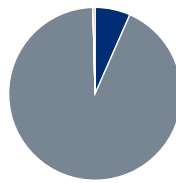
## Notes

Please note the "Since Inception" rate of return includes data from October 1972 only.

This is a continuing fund resulting from a merger effective November 27, 2015.

## Portfolio Analysis as of August 31, 2019

### Asset Mix



	% Assets
Cash	6.6
Fixed Income	93.0
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.4

### Fixed Income Breakdown

	% Fixed Income
Government Bonds	50.7
Corporate Bonds	41.2
Other Bonds	0.0
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	8.1
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	8.1	Under 1 year	1.9
AAA	9.7	1 - 5 Yrs	36.7
AA	22.6	5 - 10 Yrs	28.0
A	41.4	Over 10 Yrs	33.4
BBB	14.7		
Below BBB	3.5	Avg. Term to maturity (Yrs)	10.3
Mortgages	0.0	Duration (Yrs)	7.9
NR/NA	0.0	Yield to Maturity	2.2

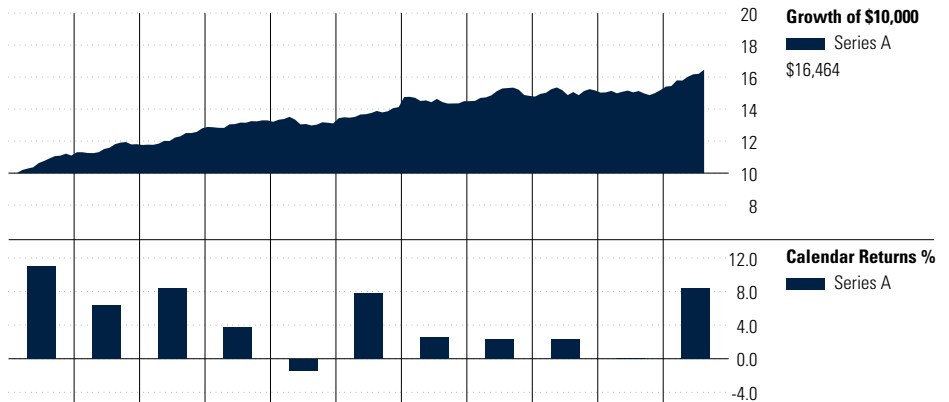
### Geographic Allocations

	% Assets
Canada	96.5
United States	0.4
International (ex-Emerging Markets)	0.1
Emerging Markets	3.0

### Top 10 Holdings

	% Assets
Ontario (Province Of) 3.45% 02-06-2045	2.9
Ontario (Province Of) 3.5% 02-06-2043	2.3
Ontario (Province Of) 2.9% 02-12-2046	2.2
Ontario (Province Of) 2.9% 02-06-2049	2.1
Ontario (Province Of) 2.6% 02-06-2027	2.1
Ontario (Province Of) 2.6% 02-06-2025	2.0
Ontario (Province Of) 2.8% 02-06-2048	1.9
Ontario (Province Of) 4.6% 02-06-2039	1.8
Ontario (Province Of) 4.65% 02-06-2041	1.6
Canada (Government of) 2.75% 01-12-2048	1.6
<b>Total % of Top 10 Holdings</b>	<b>20.6</b>
<b>Total Number of Stock Holdings</b>	<b>17</b>
<b>Total Number of Bond Holdings</b>	<b>2,508</b>
<b>Total Number of Other Holdings</b>	<b>63</b>
<b>Total Number of Holdings</b>	<b>2,588</b>

## Performance Analysis as of August 31, 2019



Year	Calendar Returns %	Fund Quartile
2009	11.0 1 <sup>st</sup>	
2010	6.4 2 <sup>nd</sup>	
2011	8.4 2 <sup>nd</sup>	
2012	3.8 2 <sup>nd</sup>	
2013	-1.4 2 <sup>nd</sup>	
2014	7.8 2 <sup>nd</sup>	
2015	2.6 2 <sup>nd</sup>	
2016	2.3 1 <sup>st</sup>	
2017	2.3 2 <sup>nd</sup>	
2018	0.1 3 <sup>rd</sup>	
YTD	8.4 2 <sup>nd</sup>	

Period	Trailing Return %	Fund Quartile	No. of Funds in Category
1 Mth	1.6 3 <sup>rd</sup>		579
3 Mth	2.8 2 <sup>nd</sup>		567
6 Mth	6.6 2 <sup>nd</sup>		558
1 Yr	8.8 2 <sup>nd</sup>		534
3 Yr	2.4 2 <sup>nd</sup>		454
5 Yr	3.5 2 <sup>nd</sup>		342
10 Yr	4.2 1 <sup>st</sup>		157
Since Incep.	7.3		—



# RBC Bond Fund

## Management Overview

### Manager Bios

#### Dagmara Fijalkowski

#### RBC Global Asset Management Inc.

As Head of Global Fixed Income and Currencies, Dagmara leads investment teams in Toronto, London and Minneapolis in charge of almost \$100 billion in fixed income assets. She heads management of several bond funds and manages foreign-exchange hedging and active currency overlay programs across a number of funds. Dagmara, who began her investment career in 1994, holds an MBA from the Richard Ivey School of Business, a Master's degree in economics from the University of Lodz in Poland and is a CFA charterholder.

#### RBC GAM Gbl Fix Inc & Currencies Cmttee

Chaired by Dagmara Fijalkowski, Senior Vice President and Senior Portfolio Manager, Head, Global Fixed Income and Currencies. Dagmara has been in the investment industry since 1994.

### Performance Analysis Cont'd as of August 31, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	0.07	0.14	0.15	0.20	0.15	0.15	0.19	0.21	0.17	0.21	0.26
Interest	0.07	0.14	0.14	0.14	0.14	0.15	0.18	0.17	0.17	0.21	0.26
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	0.00	0.06	0.00	—	0.01	0.04	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	1-1996	20.7	1-1998	14.2	9-1999	8.8	1-2005	7.3
Worst	1-2000	-5.4	2-2018	0.6	4-2018	2.1	10-2008	3.2
Average		5.2		5.0		4.8		4.8
No. of Periods		289		265		241		181
Pct. Positive		87.2		100.0		100.0		100.0

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

### Commentary as at June 30, 2019

Canadian bonds recorded solid returns in the first half of 2019, joining a global rally led by fixed-income markets in the U.S. and Europe. Concerns about a slowdown in the global economic expansion and worsening trade tensions prompted major central banks to shift to a preference for lower interest rates after having indicated that rates would rise for most of last year. The yield on Canada's 10-year government yield dropped about ½ percentage point during the period, while the Bank of Canada (the "BOC") left its benchmark interest rate at 1.75%. Meanwhile, the U.S. Federal Reserve (the "Fed") acknowledged the threats to the economic outlook and indicated a willingness to lower short-term interest rates to support the economy. The European Central Bank (the "ECB") in June affirmed its readiness to stimulate borrowing if the economic outlook further deteriorates.

Provincial and corporate bonds outperformed Government of Canada securities, with longer-term provincial bonds boasting double-digit gains. A significant allocation to non-government bonds

contributed to the Fund's performance. Especially helpful were holdings of investment-grade-corporate, higher-yield-corporate and emerging-market debt.

The portfolio manager believes that any further significant decline in yields will require an even weaker outlook for growth and trade, or the outbreak of war between the U.S. and Iran. The risk of a near-term recession remains low, in the view of the portfolio manager, and any signs of economic stabilization and/or an easing in trade tensions could push yields sharply higher and lead to sharp declines in bond prices.

As a result, the portfolio manager expects higher-than-normal financial-market volatility in the second half of 2019 given that investors are divided on the outlook for economic growth and financial markets. The portfolio manager has increased the Fund's cash holdings and is reducing exposure to assets perceived as having higher risks.



## RBC Bond 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 preceding calendar year or most recent half-year period ended June 30 expressed on an annualized basis, depending on availability of data at the time of publication.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the preceding full year period ended March 31 or half-year period ended September 30 expressed on an annualized basis, depending on availability of data at the time of publication.

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).

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