



RBC \$U.S. Strategic Income Bond Fund

Investment Objective

To provide regular monthly income with a potential for modest capital appreciation. The fund invests primarily in units of other mutual funds managed by RBC GAM or an affiliate of RBC GAM (called the underlying funds), emphasizing mutual funds that invest in higher yielding fixed-income securities.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	USD	RBF442
Adv	Low Load	USD	RBF4442
Adv	No Load	USD	RBF6442

Inception Date	January 2018
Total Fund Assets \$Mil	53.6
Series A NAV \$	9.66
Series A MER %	1.77

Benchmark: Bloomberg Barclays U.S. Aggregate Index (USD)

Income Distribution	Monthly
Capital Gains Distribution	Annually
Monthly Distribution (¢/unit)	3.35
Current Payout Rate (%)*	4.16

*Assuming 12 consecutive months at the monthly distribution set out above. The estimate does not include any year-end capital gains distributions paid in addition to the regular monthly distribution nor should it be confused with performance or rates of return.

Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

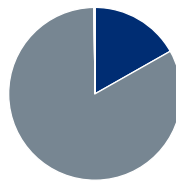
Fund Category: High Yield Fixed Income

Management Company: RBC Global Asset Management Inc.

Web Site: www.rbcgam.com

Portfolio Analysis as of August 31, 2019

Asset Mix



	% Assets
Cash	18.8
Fixed Income	83.0
Canadian Equity	0.0
US Equity	0.0
International Equity	0.2
Other	0.0

Fixed Income Breakdown

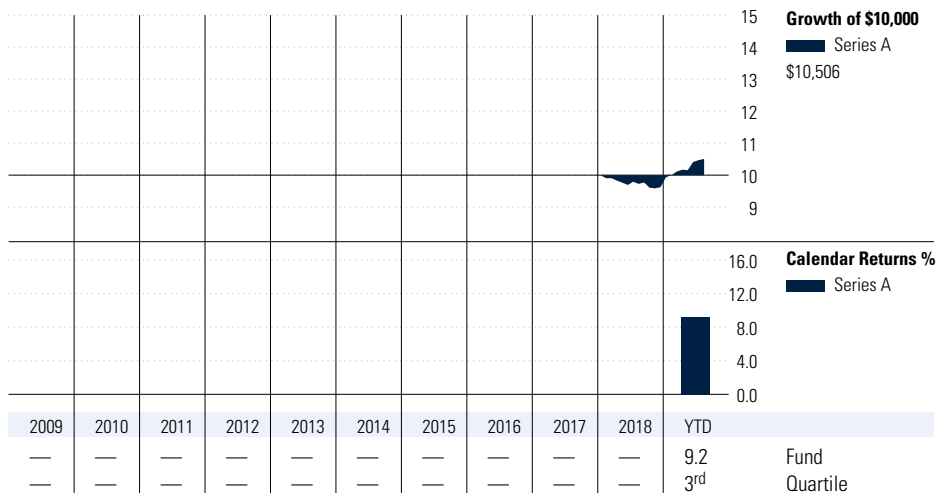
	% Fixed Income
Government Bonds	18.9
Corporate Bonds	63.9
Other Bonds	10.1
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	7.0
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	7.0	Under 1 year	14.1
AAA	1.1	1 - 5 Yrs	33.2
AA	2.3	5 - 10 Yrs	33.0
A	14.8	Over 10 Yrs	19.8
BBB	30.1		
Below BBB	44.3	Avg. Term to maturity (Yrs)	7.7
Mortgages	0.0	Duration (Yrs)	4.9
NR/NA	0.4	Yield to Maturity	4.2

Geographic Allocations

	% Assets
Canada	0.9
United States	45.6
International (ex-Emerging Markets)	4.1
Emerging Markets	49.4

Performance Analysis as of August 31, 2019



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	0.4	3.5	5.1	8.0	—	—	—	3.1	Fund
	1 st	3 rd	1 st	1 st	—	—	—	—	Quartile
	472	471	468	457	370	247	57	—	No. of Funds in Category



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Management Overview

Manager Bios

Sarah Riopelle

RBC Global Asset Management Inc.

Sarah Riopelle is Vice President and Senior Portfolio Manager, Investment Solutions. Sarah began her investment career in 1996. She is a member of the RBC Investment Strategy Committee and is responsible for the firm's Portfolio Solutions. Sarah has a Bachelor of Commerce in Finance and International Management from the University of Ottawa and is a CFA charterholder.

Performance Analysis Cont'd as of August 31, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	0.27	0.51	—	—	—	—	—	—	—	—	—
Interest	0.27	0.38	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.14	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	8-2019	8.0	—	—	—	—	—	—
Worst	1-2019	-0.7	—	—	—	—	—	—
Average		4.0		—		—		—
No. of Periods		8		—		—		—
Pct. Positive		87.5		—		—		—

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

Commentary as at June 30, 2019

The global economic backdrop deteriorated during the first half of 2019, as weaker growth in Europe and emerging markets offset a solid expansion in North America. Geopolitics took on greater prominence during the period. In Europe, Italy faced demands to get a handle on its debt and budget deficit, and President Trump ramped up pressure on Iran, pursued an aggressive stance on trade toward China and threatened Mexico with tariffs. The U.S. Federal Reserve (Fed) acknowledged these cumulative threats to the outlook with a willingness to lower short-term interest rates in support of economic growth.

Fixed income rose broadly in the first half, recovering from declines in late 2018 as the Fed signaled an end to its current round of interest-rate hikes amid increased concerns about slowing global economic growth and persistently weak inflation. The renewed search for higher-yielding assets in a low-interest-rate environment contributed to particularly strong returns for lower-quality U.S. corporate bonds and emerging-market debt. U.S. investment-grade bonds also delivered

strong results, though companies sensitive to China's economy such as automobile parts and technology were hurt by escalating trade tensions between China and the U.S.

The drop in bond yields now reflects expectations for slower global economic growth, geopolitical concerns and the current state of the trade conflict between the U.S. and China. As a result, 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 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.



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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.

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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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