



RBC Monthly Income Bond Fund

Investment Objective

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

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF495
Adv	Deferred Sales	CAD	RBF895
Adv	Front End	CAD	RBF795
Adv	Low Load	CAD	RBF095

Inception Date	October 2010
Total Fund Assets \$Mil	937.5
Series A NAV \$	9.91
Series A MER %	1.09
Benchmark	40% FTSE Canada Short Term Overall Bond Index 60% FTSE Canada Universe Bond Index

Income Distribution	Monthly
Capital Gains Distribution	Annually
Monthly Distribution (¢/unit)	2.25
Current Payout Rate (%)*	2.72

*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

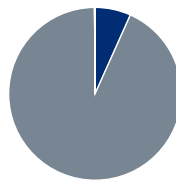
Fund Category: Canadian Fixed Income

Management Company: RBC Global Asset Management Inc.

Web Site: www.rbcgam.com

Portfolio Analysis as of July 31, 2019

Asset Mix



	% Assets
Cash	6.7
Fixed Income	93.2
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.1

Fixed Income Breakdown

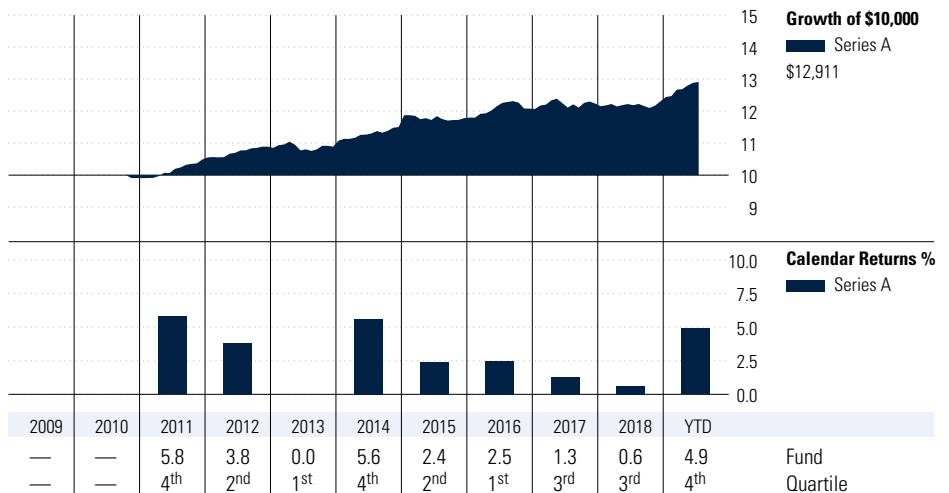
	% Fixed Income
Government Bonds	46.7
Corporate Bonds	45.0
Other Bonds	0.0
Mortgage Backed Securities	2.2
ST Investments (Cash & Other)	6.1
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	6.1	Under 1 year	7.6
AAA	23.8	1 - 5 Yrs	54.5
AA	22.1	5 - 10 Yrs	19.6
A	21.2	Over 10 Yrs	18.3
BBB	17.5		
Below BBB	7.0	Avg. Term to maturity (Yrs)	6.9
Mortgages	2.2	Duration (Yrs)	5.3
NR/NA	0.2	Yield to Maturity	2.4

Geographic Allocations

	% Assets
Canada	83.8
United States	6.9
International (ex-Emerging Markets)	2.4
Emerging Markets	6.9

Performance Analysis as of July 31, 2019



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
0.2	1.8	3.8	6.0	1.8	2.7	—	3.0	Fund
2 nd	4 th	4 th	4 th	3 rd	3 rd	—	—	Quartile
622	610	601	559	450	343	157	—	No. of Funds in Category



RBC Monthly Income Bond Fund

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.

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.

Performance Analysis Cont'd as of July 31, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	0.16	0.27	0.27	0.30	0.27	0.27	0.30	0.33	0.31	0.16	—
Interest	0.16	0.18	0.20	0.22	0.23	0.21	0.23	0.30	0.31	0.10	—
Dividends	—	—	0.00	—	—	—	—	—	—	—	—
Capital Gains	—	—	0.01	0.08	0.02	—	—	0.03	—	0.06	—
Return Of Capital	—	0.09	0.06	—	0.02	0.06	0.07	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	1-2015	7.1	8-2016	4.5	6-2016	3.8	—	—
Worst	9-2017	-1.6	1-2018	0.8	4-2018	1.9	—	—
Average		2.9		2.8		2.8		—
No. of Periods		94		70		46		—
Pct. Positive		86.2		100.0		100.0		—

* 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 toward China and threatened Mexico with tariffs. The U.S. Federal Reserve acknowledged these cumulative threats to the outlook with a willingness to lower short-term interest rates in support of economic growth.

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 left its benchmark interest rate at 1.75% and said the level of short-term interest rates will depend on whether domestic economic growth continues to rebound.

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. 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

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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

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