



RBC Global Bond Fund

Investment Objective

To achieve above average long-term total returns comprised of interest income and some capital growth, by taking advantage of interest rate and currency fluctuations in world fixed-income markets.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF267
Adv	Front End	CAD	RBF765
Adv	Low Load	CAD	RBF117

Inception Date	October 1991
Total Fund Assets \$Mil	8,675.0
Series A NAV \$	11.08
Series A MER %	1.61
Benchmark	FTSE World Gov Bond (C\$ hedged)

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

Fund Category	Global Fixed Income
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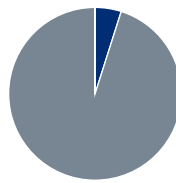
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

Notes

This is a continuing fund resulting from a merger effective June 27, 2014.

Portfolio Analysis as of June 30, 2019

Asset Mix



	% Assets
Cash	4.9
Fixed Income	95.1
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.0

Fixed Income Breakdown

	% Fixed Income
Government Bonds	88.7
Corporate Bonds	7.1
Other Bonds	0.0
Mortgage Backed Securities	0.1
ST Investments (Cash & Other)	4.1
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	4.1	Under 1 year	21.0
AAA	24.5	1 - 5 Yrs	33.8
AA	13.6	5 - 10 Yrs	18.9
A	32.7	Over 10 Yrs	26.3
BBB	17.9		
Below BBB	7.0	Avg. Term to maturity (Yrs)	9.7
Mortgages	0.1	Duration (Yrs)	8.0
NR/NA	0.0	Yield to Maturity	2.2

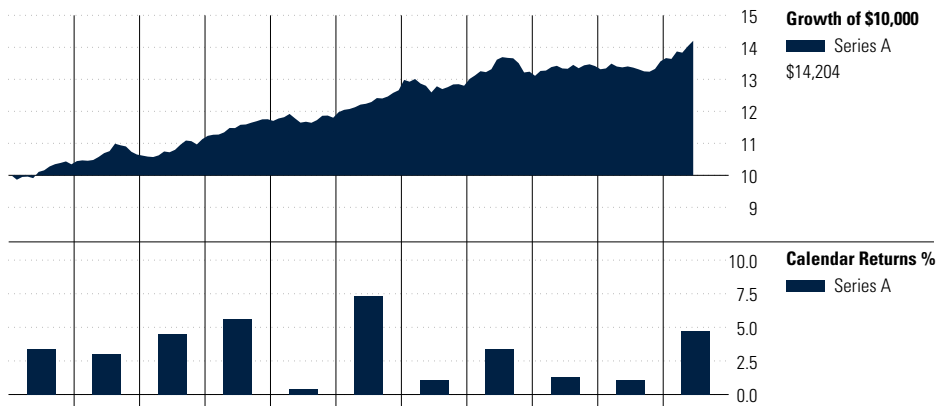
Geographic Allocations

	% Assets
Canada	3.1
United States	27.4
International (ex-Emerging Markets)	64.4
Emerging Markets	5.1

Top 25 Holdings

	% Assets
Euro Schatz Sept19 06-09-2019	4.4
Spain (Kingdom of) 1.15% 30-07-2020	4.0
United States 2-Yr Nt Future 30-09-2019	3.7
US Treasury Notes 1.5% 31-01-2022	2.9
United States 10-Year Nt Fut 19-09-2019	2.8
France (Republic Of) 0.5% 25-05-2026	2.7
Euro BOBL Future Sept19 06-09-2019	2.5
UK OF GRT BRIT AND NORTH IREL 22-01-2044	2.5
US Treasury Long Bond Future 19-09-2019	2.4
Italy (Republic Of) 1.45% 15-09-2022	2.4
Belgium (Kingdom Of) 2.6% 22-06-2024	2.2
Japan (Government Of) 0.4% 20-03-2039	2.1
Japan (Government Of) 0.2% 20-06-2036	2.1
US Treasury Bonds 2.5% 15-02-2045	2.0
Japan (Government Of) 0.3% 20-06-2046	1.9
US Treasury Bonds 3.5% 15-02-2039	1.8
France (Republic Of) 1.25% 25-05-2036	1.7
Japan (Government Of) 0.6% 20-09-2037	1.6
Italy (Republic Of) 0.45% 01-06-2021	1.5
US Treasury Notes 1.75% 15-05-2023	1.5
Denmark (Kingdom Of) 1.5% 15-11-2023	1.5
Italy (Republic Of) 0.65% 01-11-2020	1.5
Spain (Kingdom of) 0.45% 31-10-2022	1.4
Australia(Cmnwlth) 2.25% 21-05-2028	1.4
Rep Of South Africa 10.5% 21-12-2026	1.4
Total % of Top 25 Holdings	56.0
Total Number of Stock Holdings	18
Total Number of Bond Holdings	1,644
Total Number of Other Holdings	21
Total Number of Holdings	1,683

Performance Analysis as of June 30, 2019



Year	Calendar Returns %	Fund Quartile
2009	3.4 2nd	
2010	3.0 3rd	
2011	4.5 3rd	
2012	5.6 2nd	
2013	0.4 3rd	
2014	7.3 2nd	
2015	1.1 3rd	
2016	3.4 2nd	
2017	1.3 3rd	
2018	1.1 2nd	
YTD	4.7 2nd	

Period	Trailing Return %	No. of Funds in Category
1 Mth	1.2 1st	592
3 Mth	2.4 2nd	590
6 Mth	4.7 2nd	580
1 Yr	6.0 2nd	546
3 Yr	1.4 3rd	318
5 Yr	3.0 3rd	155
10 Yr	3.5 2nd	56
Since Incep.	4.8	—



RBC Global 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.

Soo Boo Cheah

RBC Global Asset Management (UK) Limited

Soo Boo is Senior Portfolio Manager, Global Fixed Income & Currencies, at RBC Global Asset Management (UK) Ltd. He joined the firm in 2000 as a Fixed Income Analyst and has been active in all aspects of global fixed income management. Soo Boo is a member of the Global Fixed Income & Currencies Committee and the RBC Investment Strategy Committee's Fixed Income & Currencies Advisory Committee. He earned an MBA from the University of New Brunswick and is a CFA charterholder.

Performance Analysis Cont'd as of June 30, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	0.08	0.04	0.32	0.45	0.09	0.37	0.13	0.47	0.17	0.17	0.23
Interest	0.08	0.04	0.05	0.05	0.09	0.10	0.13	0.12	0.17	0.17	0.23
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	0.27	0.40	—	0.27	—	0.35	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-1998	19.8	10-1998	10.2	9-1999	7.0	9-2004	4.6
Worst	1-2000	-12.5	12-2001	-2.9	10-2003	-0.3	10-2008	1.1
Average		3.7		3.5		3.4		3.4
No. of Periods		289		265		241		181
Pct. Positive		88.6		96.6		99.2		100.0

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

Commentary as at June 30, 2019

Government bonds in major developed markets recorded solid returns in the first half of 2019, led by 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 U.S. 10-year Treasury dropped a significant 0.70% during the period. The European Central Bank (the "ECB") in June affirmed its readiness to stimulate borrowing if the economic outlook further deteriorates. The 10-year German yield fell to an all-time low, and worried investors were actually paying to hold German bonds.

Returns were aided by exposure to eurozone bonds, a small allocation to corporate bonds and emerging-market debt. The portfolio manager's decision to emphasize longer-maturity Japanese government bonds was also positive for returns. However, returns were held back by the portfolio manager's decision to reduce its position in U.S.

Treasuries in exchange for Chinese government bonds, which underperformed.

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 rapid 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.



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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.

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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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