



# RBC Global High Yield Bond Fund

## Investment Objective

To provide above-average total returns comprised of interest income and capital growth and achieve a yield advantage.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF579
Adv	Deferred Sales	CAD	RBF801
Adv	Front End	CAD	RBF701
Adv	Low Load	CAD	RBF119

Inception Date	July 2003
Total Fund Assets \$Mil	3,409.6
Series A NAV \$	10.58
Series A MER %	1.79
Benchmark	50% JPM EMBI G1b Div* 50% ICE BoA ML US HY BB-B*

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

Fund Category	High Yield Fixed Income
---------------	-------------------------

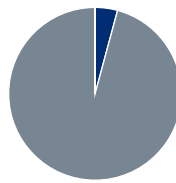
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

## Notes

\* Hedged to \$C

## Portfolio Analysis as of June 30, 2019

### Asset Mix



	% Assets
Cash	4.2
Fixed Income	95.8
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.0

### Fixed Income Breakdown

	% Fixed Income
Government Bonds	29.7
Corporate Bonds	67.2
Other Bonds	0.0
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	3.1
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	3.1	Under 1 year	0.2
AAA	1.0	1 - 5 Yrs	31.8
AA	1.5	5 - 10 Yrs	49.9
A	3.3	Over 10 Yrs	18.0
BBB	15.6		
Below BBB	74.0	Avg. Term to maturity (Yrs)	8.6
Mortgages	0.0	Duration (Yrs)	5.8
NR/NA	1.4	Yield to Maturity	4.5

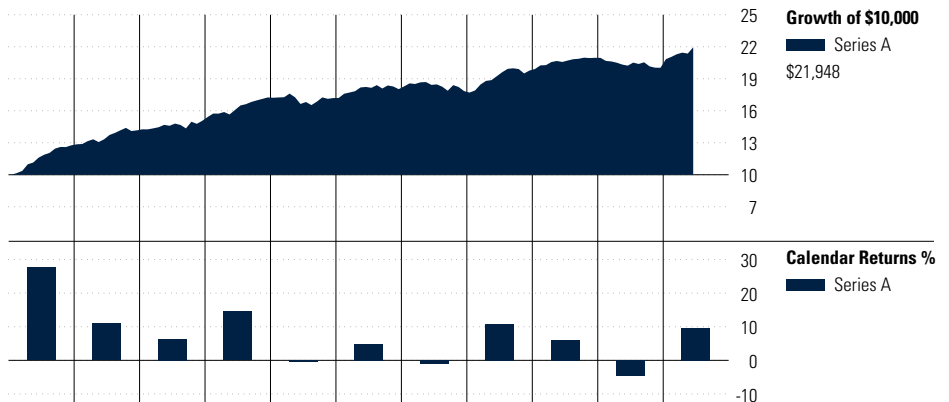
### Geographic Allocations

	% Assets
Canada	3.4
United States	46.2
International (ex-Emerging Markets)	0.3
Emerging Markets	50.1

### Top 25 Holdings

	% Assets
BlueBay Emerging Markets Corp Bd O	3.5
iShares 0-5 Year High Yield Corp Bd ETF	1.3
SPDR® Blmbg BarclaysST HY Bd ETF	1.3
The Republic of Peru 8.75% 21-11-2033	1.2
Cco Hldgs Cap 144A 5.75% 15-02-2026	1.2
US Treasury Notes 2.25% 15-02-2027	1.0
CSC Holdings, LLC 5.5% 15-04-2027	0.8
Dominican Republic 7.45% 30-04-2044	0.7
State of Qatar 6.4% 20-01-2040	0.7
VanEck Vectors JP Morgan EM LC Bd ETF	0.7
Saudi Arabia 4.5% 17-04-2030	0.7
HCA Inc. 5.88% 15-02-2026	0.7
Vietnam Socialist Rep 4.8% 19-11-2024	0.6
CenturyLink, Inc. 7.5% 01-04-2024	0.6
Philippines Rep 7.75% 14-01-2031	0.6
Seven Generations Engy 5.38% 30-09-2025	0.6
Tenet Healthcare Corp 4.62% 15-07-2024	0.6
Hilton Dom. Op. Co 5.12% 01-05-2026	0.6
Videotron Ltee 5.62% 15-06-2025	0.6
Republic of Chile 3.86% 21-06-2047	0.6
Republic of Colombia 6.12% 18-01-2041	0.6
Avis Budget Car Rental LLC 15-03-2025	0.6
Pemex Project Master Tr 6.62% 15-06-2035	0.6
Albertsons Comp LLC. 6.62% 15-06-2024	0.6
Poland (Republic of) 3.25% 06-04-2026	0.6
<b>Total % of Top 25 Holdings</b>	<b>21.8</b>
<b>Total Number of Portfolio Holdings</b>	<b>319</b>
<b>Total Number of Stock Holdings</b>	<b>18</b>
<b>Total Number of Bond Holdings</b>	<b>1,829</b>
<b>Total Number of Other Holdings</b>	<b>40</b>
<b>Total Number of Underlying Holdings</b>	<b>1,887</b>

## Performance Analysis as of June 30, 2019



Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD	
Return %	27.6	11.0	6.3	14.5	-0.3	4.9	-1.0	10.8	6.0	-4.5	9.6	Fund
Quartile	3 <sup>rd</sup>	2 <sup>nd</sup>	1 <sup>st</sup>	1 <sup>st</sup>	4 <sup>th</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	1 <sup>st</sup>	4 <sup>th</sup>	1 <sup>st</sup>	Quartile

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Return %	2.8	3.0	9.6	8.5	4.5	3.8	6.6	6.0	Fund
Quartile	1 <sup>st</sup>	1 <sup>st</sup>	1 <sup>st</sup>	1 <sup>st</sup>	3 <sup>rd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	—	Quartile
No. of Funds in Category	539	536	532	520	368	240	55	—	No. of Funds in Category



# RBC Global High Yield Bond Fund

## Management Overview

### Manager Bios

#### Frank Gambino

##### RBC Global Asset Management Inc.

Frank Gambino is Vice President and Senior Portfolio Manager, Global Fixed Income and Currencies. He has been in the investment industry since 1990.

#### David Nava

##### RBC Global Asset Management Inc.

David joined the Emerging Markets (EM) Bond team in 2004 and has been directly involved in the management of the firm's EM bond assets since 2010. He manages EM bond allocations for several of the firm's fixed income funds and is a member of the Fixed Income Strategy Committee.

David is a graduate (BSc Economics) of the prestigious Instituto Tecnológico Autónomo de México (ITAM). After moving to Canada in 2001, David completed his MBA at the Rotman School of Management in Toronto.

### Performance Analysis Cont'd as of June 30, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	0.24	0.40	0.39	0.40	0.42	0.44	0.46	0.56	0.51	0.52	0.52
Interest	0.24	0.40	0.39	0.40	0.42	0.44	0.46	0.44	0.51	0.52	0.52
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	0.12	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	11-2009	37.4	11-2011	17.2	11-2013	13.3	11-2018	8.1
Worst	11-2008	-18.0	11-2008	-3.1	11-2008	0.3	1-2016	5.6
Average		5.9		6.2		6.3		6.6
No. of Periods		180		156		132		72
Pct. Positive		83.9		97.4		100.0		100.0

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

### Commentary as at June 30, 2019

U.S. high-yield bonds and emerging-market debt securities rebounded in the first half of 2019, benefiting from lower interest rates and an increase in demand for investments perceived as carrying higher risks. The key to the recovery was a signaling by global central banks of the potential for lower interest rates due to increased concerns about economic growth and persistently weak inflation. Signs of stability in the Chinese economy, strong demand for securities with higher yields and limited supply also supported prices for corporate bonds.

The Fund's performance was helped by holdings of U.S. high-yield bonds, particularly in the areas of homebuilding, retail, energy and technology. Also aiding returns were foreign-exchange positions, while emerging-market holdings modestly hurt results in the period due mainly to a bias for higher-quality companies and a preference for

bonds that were less sensitive to the overall decline in interest rates during the period.

The potential for more accommodative central-bank policy and lower global interest rates should support prices of fixed-income securities. However, uncertainty regarding U.S.-China trade and slow global economic growth could hurt demand and returns for U.S. high-yield and emerging-market bonds.

The Fund's investments remain equally split between U.S. high yield and emerging markets, with a slight overall bias towards shorter-dated bonds. The Fund's U.S. high-yield position is structured in such a way that changes in interest rates should not overly affect returns, while the emerging-market component is biased to higher-quality and shorter-dated bonds.



# RBC Global High Yield 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.

This document has been compiled by RBC Global Asset Management Inc. (RBC GAM) from sources believed to be reliable, but no representations or warranty, express or implied, are made by RBC GAM, its affiliates

or any other person as to its accuracy, completeness or correctness. All opinions and estimates constitute RBC GAM's judgment as of the date of this document, are subject to change without notice and are provided in good faith but without legal responsibility. The Top Ten/25 Holdings may change due to ongoing portfolio transactions within the fund. The Prospectus and other information about the underlying investment funds are available at [www.sedar.com](http://www.sedar.com).

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).

® / ™ Trademark(s) of Royal Bank of Canada. Used under licence. © RBC Global Asset Management Inc. 2019