



# RBC Global Corporate Bond Fund

## Investment Objective

To provide a high level of interest income with the potential for modest capital growth by investing primarily in global corporate bonds.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF580
Adv	Deferred Sales	CAD	RBF853
Adv	Front End	CAD	RBF753
Adv	Low Load	CAD	RBF118

Inception Date	August 2004
Total Fund Assets \$Mil	11,730.6
Series A NAV \$	9.98
Series A MER %	1.75
Benchmark	40% Bloomberg Barclays US Corp Bond* 20% Bloomberg Barclays PanEuro Agg* 15% FTSE CAN All Corp Bond Index 10% JPM EMBI Gbl Div* 10% ICE BofAML US HY BB-B* 5% Bloomberg Barclays AP Corp*

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

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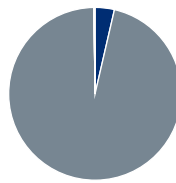
Web Site	www.rbcgam.com
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## Notes

\* Hedged into Canadian dollars

## Portfolio Analysis as of June 30, 2019

### Asset Mix



	% Assets
Cash	3.6
Fixed Income	96.1
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.2

### Fixed Income Breakdown

	% Fixed Income
Government Bonds	4.1
Corporate Bonds	93.8
Other Bonds	0.0
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	2.1
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
Cash / Cash Equiv.	2.1	Under 1 year	2.0
AAA	0.7	1 - 5 Yrs	40.9
AA	8.7	5 - 10 Yrs	32.3
A	33.0	Over 10 Yrs	24.8
BBB	37.0		
Below BBB	18.2	Avg. Term to maturity (Yrs)	8.1
Mortgages	0.0	Duration (Yrs)	6.2
NR/NA	0.2	Yield to Maturity	2.9

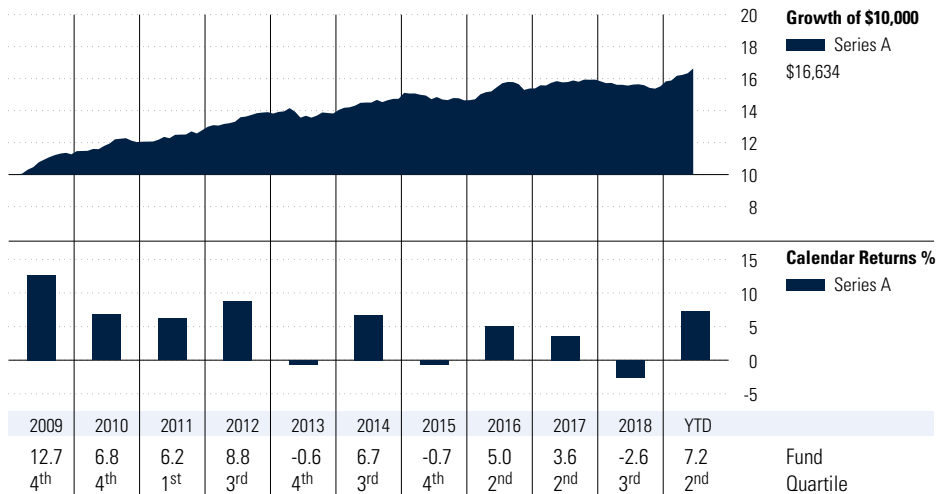
### Geographic Allocations

	% Assets
Canada	18.2
United States	49.3
International (ex-Emerging Markets)	21.9
Emerging Markets	10.7

### Top 25 Holdings

	% Assets
RBC Emerging Markets Bond Fund O	2.1
BlueBay Emerging Markets Corp Bd O	2.1
Vanguard Interm-Term Corp Bd ETF	1.8
Vanguard Short-Term Corporate Bond ETF	1.7
SPDR® BImbg Barclays High Yield Bd ETF	1.5
iShares iBoxx \$ High Yield Corp Bd ETF 19-07-2019	1.5
Vanguard Long-Term Corporate Bd ETF	1.2
BMO Short Corporate Bond ETF	1.1
RBC Target 2020 Corporate Bond ETF	0.6
iShares JP Morgan USD Em Mkts Bd ETF	0.5
iShares Canadian Corporate Bond ETF	0.5
Bank of America Corp 0.74% 07-02-2021	0.4
Starbucks Corporation 3.55% 15-08-2029	0.3
Verizon Communications 4.86% 21-08-2046	0.3
Rogers Communications 4.3% 15-02-2048	0.3
Apple Inc. 3.85% 04-08-2046	0.3
The Toronto-Dominion Bank 3.25% 11-06-2021	0.3
Great West Lifeco 2.5% 18-04-2023	0.3
Consolidated Edison NY 4.12 15-05-2049	0.3
Bank of America Corp 0.81% 09-05-2025	0.3
ING Groep N.V. 0.75% 09-03-2022	0.3
Cisco Systems, Inc. 5.9% 15-02-2039	0.3
BPCE SA 1% 15-07-2024	0.2
RBC Emerging Markets Foreign Exchange O	0.2
JPMorgan Chase & Co. 3.2% 15-06-2026	0.2
Total % of Top 25 Holdings	18.5
Total Number of Portfolio Holdings	1,271
Total Number of Stock Holdings	19
Total Number of Bond Holdings	9,550
Total Number of Other Holdings	174
<b>Total Number of Underlying Holdings</b>	<b>9,743</b>

## Performance Analysis as of June 30, 2019



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
1.8	2.8	7.2	6.9	2.5	2.8	4.4	4.1	Fund
2 <sup>nd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	—	Quartile
132	132	129	128	93	68	13	—	No. of Funds in Category



# RBC Global Corporate 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.

#### Marty Balch

##### RBC Global Asset Management Inc.

Marty Balch is Senior Portfolio Manager, Global Fixed Income and Currencies. He has been in the investment industry since 1991.

#### 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	0.10	0.17	0.17	0.21	0.24	0.31	0.31	0.44	0.33	0.35	0.31
Interest	0.10	0.17	0.17	0.21	0.24	0.31	0.31	0.28	0.33	0.32	0.31
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	0.16	—	0.03	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	10-2009	18.2	10-2011	9.9	10-2013	7.7	7-2016	5.3
Worst	11-2018	-3.5	10-2008	0.8	4-2018	2.0	8-2015	4.4
Average		4.0		4.5		4.9		4.8
No. of Periods		167		143		119		59
Pct. Positive		83.2		100.0		100.0		100.0

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

### Commentary as at June 30, 2019

Corporate bonds rose in the first half of 2019, recovering from declines in late 2018, as the U.S. Federal Reserve (the "Fed") signaled an end to its current round of interest-rate hikes. Increased concerns about slowing global economic growth and persistently weak inflation led the Fed to take steps viewed as positive for supporting economic growth and corporate profitability. The European Central Bank (the "ECB") echoed this outlook, offering more monetary stimulus if European economic activity did not improve. Together these actions translated into increased investor demand for corporate bonds.

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. As a result, the Fund's higher-quality corporate bonds had more of a domestic

focus and tended to operate in industries that are less sensitive to swings in economic growth. In Europe, political developments in Italy and the U.K. dampened investor appetite for European corporate bonds, though a strong rebound in bonds issued by financial-services companies contributed to the Fund's returns. Exposure to Canadian investment-grade reset preferred shares hurt the Fund's results, as they tend to perform poorly when interest rates fall.

The decision by the Fed and the ECB to pivot to more accommodative monetary policies will support global fixed-income assets, though the uncertainty around trade protectionism, the aging business cycle and Chinese economic growth could hold back returns. The Fund is positioned to reflect increased uncertainty.

The portfolio has a small bias toward corporate bonds of higher-quality companies and is also positioned such that relative returns will not be unduly affected by changes in interest rates.



# RBC Global Corporate 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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