



# RBC Funds (Lux) – Global Bond Fund

## Investment objective

To maximize total returns by investing primarily in a diversified portfolio of high quality debt securities from anywhere around the world.

### INVESTMENT MANAGER

RBC Global Asset Management Inc.

### BENCHMARK

Citigroup WGBI Index (Hedged to USD)

### FUND SIZE (USD)

165.8mm

## Fund information

Share class	Mgmt fees	Total expense ratio	NAV per share	Bloomberg code	ISIN code
O (acc) USD	0.55%	0.65%	111.88	RBCGBDO LX	LU0820967361
O (dist) GBP (H)	0.55%	0.65%	104.75	RBCODGH LX	LU0877923408
A (acc) USD	1.20%	1.50%	109.92	RBCGBDA LX	LU0953692869
B (acc) USD	0.70%	1.00%	112.29	RBCGBDB LX	LU0953692943
B (dist) GBP (H)	0.70%	1.00%	109.92	RBCGBBH LX	LU0954298666

## Investment performance (total return) \*

Share class	1 mo.	3 mo.	1 yr.	3 yr.	5 yr.	Since inception	Launch date
O (acc) USD	(0.8)%	(0.7)%	2.0%	1.2%	2.4%	2.0%	27-Aug-12
O (dist) GBP (H)	(1.0)%	(1.1)%	0.6%	0.6%	--	2.0%	12-Feb-13
A (acc) USD	(0.9)%	(0.9)%	1.1%	0.3%	--	2.1%	22-Aug-13
B (acc) USD	(0.8)%	(0.8)%	1.6%	0.8%	--	2.6%	22-Aug-13
B (dist) GBP (H)	(0.9)%	(1.1)%	0.4%	0.3%	--	2.3%	29-Aug-13
Benchmark (USD)	(0.7)%	(0.4)%	2.2%	1.5%	3.1%	3.0%	--

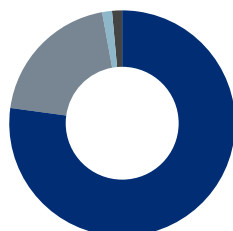
\*Since inception, share class performance & benchmark performance are calculated from the first month-end following the inception of the respective share classes.  
\*Returns more than one year are annualized. Returns may increase or decrease as a result of currency fluctuations.

## Top 10 holdings

	Current
United States Treasury Note/Bond 1.5% 31-01-2022	9.3%
Japan Government Ten Year Bond 0.1% 20-09-2027	6.5%
United States Treasury Note/Bond 2.38% 15-05-2027	4.4%
United States Treasury Note/Bond 1.63% 31-07-2020	4.2%
United States Treasury Note/Bond 1.75% 15-05-2023	3.8%
Italy Buoni Poliennali Del Tesoro 1.6% 01-06-2026	3.6%
Spain Government Bond 1.15% 30-07-2020	3.3%
Spain Government Bond 5.5% 30-04-2021	2.7%
United Kingdom Gilt 1.25% 22-07-2027	2.6%
French Republic Government Bond OAT 0.5% 25-05-2026	2.5%
<b>Total</b>	<b>43.0%</b>
<b>Cash and Equivalents</b>	<b>3.9%</b>
<b>No. of Holdings</b>	<b>81</b>

## Credit quality

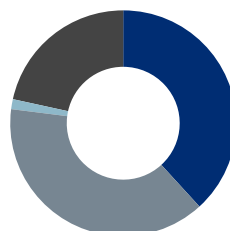
(As at January 31, 2018)



AAA/AA	77.2%
A	20.0%
BBB	1.4%
<BBB	1.4%

## Maturity distribution

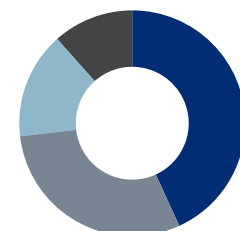
(As at January 31, 2018)



1 to 5 years	38.2%
5 to 10 years	38.8%
10 to 15 years	1.4%
> 15 years	21.6%

## Geographic exposure

(As at January 31, 2018)



Europe	43.2%
U.S.	30.0%
Asia	15.3%
Other	11.6%

## Investment performance

### Top 5 contributors (for the month)

	Beginning weight	Security return	Security contribution
Italy Buoni Poliennali Del Tesoro 1.6% 01-06-2026	4.5%	3.6	0.16
Spain Government Bond 1.15% 30-07-2020	3.9%	3.5	0.14
Spain Government Bond 2.75% 30-04-2019	3.5%	3.6	0.13
Japan Government Twenty Year Bond 0.2% 20-06-2036	4.1%	2.8	0.11
Japan Government Ten Year Bond 0.1% 20-09-2027	3.5%	2.8	0.10

### Bottom 5 contributors (for the month)

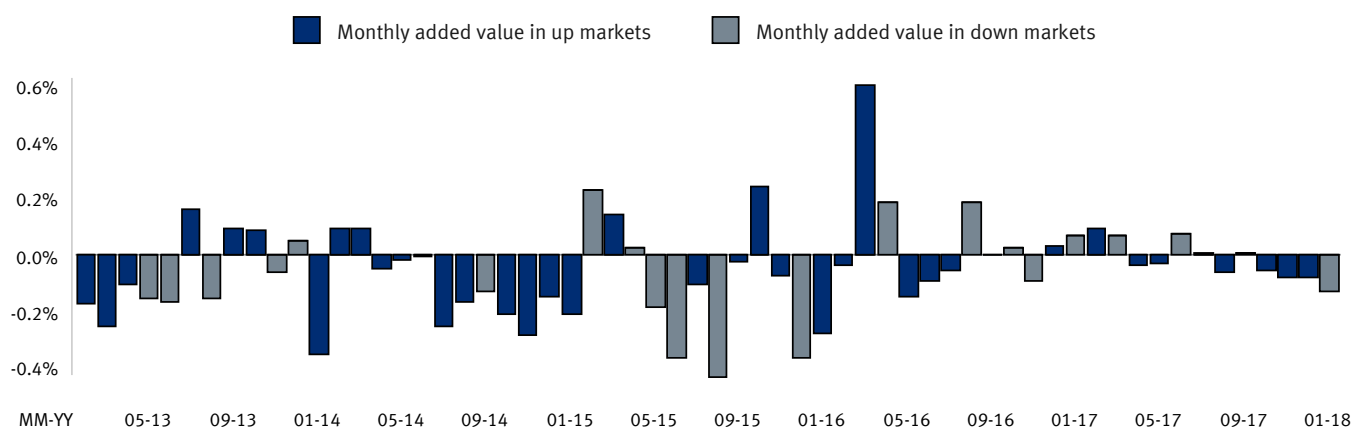
	Beginning weight	Security return	Security contribution
United States Treasury Note/Bond 2.38% 15-05-2027	6.5%	(2.5)	(0.16)
United States Treasury Note/Bond 2.5% 15-02-2045	2.4%	(3.6)	(0.09)
United States Treasury Note/Bond 1.5% 31-01-2022	6.9%	(1.1)	(0.08)
United States Treasury Note/Bond 1.75% 15-05-2023	3.7%	(1.5)	(0.06)
US Treasury N/B 3.5% 15/02/2039	1.0%	(3.5)	(0.03)

### Portfolio characteristics

(As at January 31, 2018)

	Portfolio	Benchmark
Convexity	120.08	125.31
Modified Duration	7.89	7.70
Yield to Maturity	1.56	1.40

### Value added chart



Value added calculation is based on performance of Class O (acc) USD shares.

**Important Risk Considerations:**

- **General Investment and Taxation Risk:** The value of a Sub-Fund is highly sensitive to changes in interest rates, the general financial market and economic conditions or individual company news.
- **Credit Risk:** There is a potential that a borrower is unable or unwilling to repay the loan or obligation, either on time or at all.
- **Currency Risk:** Sub-Funds are invested in securities denominated in different currencies other than the Reference currency. As a result, changes in the value of the Reference Currency compared to other currencies will affect the value in the Reference Currency of any securities denominated in another currency.
- **Currency Hedging Risk:** Hedging currency risks may protect investors against a decrease in the value of the Reference Currency relative to the Hedged Share Class, but it may also preclude investors from benefiting from an increase in the value of such currencies. All costs and gains/losses of hedging transactions are borne by the relevant Hedged Share Classes.
- **Derivative Risk:** Derivative instruments are highly sensitive to changes in the value of the underlying asset that they are based on. Certain derivatives may result in losses greater than the amount originally invested.
- **Interest Rate Risk:** The value of the Sub-Fund is highly affected by fluctuations in interest rates.
- **Large Shareholder Risk:** Investors holding a large portion of issued and outstanding shares of a Sub-Fund are likely to incur transaction costs in case of redemptions.
- **Liquidity Risk:** Under highly volatile markets, securities may not be sold as quickly or easily, which could have an influence on meeting redemption requests on demand.

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