



## 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)

165.3m

### Fund information

| Share class      | Mgmt fees | Total expense ratio | NAV per share | Bloomberg code | ISIN code    |
|------------------|-----------|---------------------|---------------|----------------|--------------|
| O (acc) USD      | 0.55%     | 0.65%               | 112.67        | RBCGBDO LX     | LU0820967361 |
| O (dist) GBP (H) | 0.55%     | 0.65%               | 103.89        | RBCODGH LX     | LU0877923408 |
| A (acc) USD      | 1.20%     | 1.50%               | 110.16        | RBCGBDA LX     | LU0953692869 |
| B (acc) USD      | 0.70%     | 1.00%               | 112.86        | RBCGBDB LX     | LU0953692943 |
| B (dist) GBP (H) | 0.70%     | 1.00%               | 108.79        | RBCGBGH LX     | LU0954298666 |

### Investment performance (total return) - Annualised

| Share class      | 1 mo.  | 3 mo.  | 1 yr.  | 3 yr. | 5 yr. | Since inception | Inception date |
|------------------|--------|--------|--------|-------|-------|-----------------|----------------|
| O (acc) USD      | 0.0%   | 0.0%   | (0.2)% | 2.2%  | 2.8%  | 1.9%            | 27-Aug-12      |
| O (dist) GBP (H) | (0.2)% | (0.4)% | (1.8)% | 1.3%  | 2.3%  | 1.8%            | 12-Feb-13      |
| A (acc) USD      | (0.1)% | (0.2)% | (1.1)% | 1.4%  | 1.9%  | 1.9%            | 22-Aug-13      |
| B (acc) USD      | (0.1)% | (0.1)% | (0.6)% | 1.9%  | 2.4%  | 2.4%            | 22-Aug-13      |
| B (dist) GBP (H) | (0.2)% | (0.6)% | (2.2)% | 0.9%  | 1.9%  | 1.9%            | 29-Aug-13      |
| Benchmark (USD)  | 0.1%   | 0.3%   | 0.8%   | 2.5%  | 3.4%  | 2.9%            | --             |

### Net Calendar Year Performance

| Share class      | 2017 | 2016 | 2015   | 2014 | 2013   | Cumulative Since Inception |
|------------------|------|------|--------|------|--------|----------------------------|
| O (acc) USD      | 2.1% | 4.1% | 0.1%   | 6.8% | (0.7)% | 12.2%                      |
| O (dist) GBP (H) | 0.8% | 3.7% | 0.2%   | 7.0% | --     | 10.2%                      |
| A (acc) USD      | 1.2% | 3.2% | (0.7)% | 5.9% | --     | 9.8%                       |
| B (acc) USD      | 1.7% | 3.7% | (0.2)% | 6.4% | --     | 12.5%                      |
| B (dist) GBP (H) | 0.4% | 3.4% | (0.1)% | 6.7% | --     | 9.9%                       |
| Benchmark (USD)  | 2.1% | 3.8% | 1.3%   | 8.4% | 0.2%   | 18.7%                      |

Since inception, share class performance & benchmark performance are calculated from the first month-end following the inception of the respective share classes.

Past performance is not indicative of future results and returns may increase or decrease as a result of currency fluctuations.

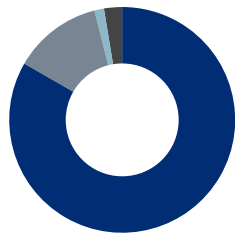
### Top 10 holdings

Current

|  |       |              |
|--|-------|--------------|
| United States Treasury Note/Bond 31-01-2022          | 1.5%  | 6.4%         |
| United States Treasury Note/Bond 31-07-2020          | 1.63% | 4.7%         |
| United States Treasury Note/Bond 15-05-2027          | 2.38% | 4.1%         |
| United States Treasury Note/Bond 15-05-2023          | 1.75% | 3.8%         |
| Gov-t of France 1% 25/05/2019                        |       | 3.2%         |
| United Kingdom Gilt 1.25% 22-07-2027                 |       | 3.1%         |
| United States Treasury Note/Bond 30-11-2019          | 1.5%  | 3.1%         |
| Spain Government Bond 30-07-2020                     | 1.15% | 3.1%         |
| Italy Buoni Poliennali Del Tesoro 15-09-2022         | 1.45% | 3.0%         |
| French Republic Government Bond OAT 1.25% 25-05-2036 |       | 2.8%         |
| <b>Total</b>   |       | <b>37.4%</b> |
| <b>Cash and Equivalents</b>                          |       | <b>1.5%</b>  |
| <b>No. of Holdings</b>                               |       | <b>85</b>    |

**Credit quality**

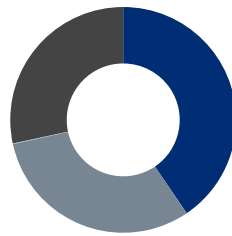
(As at August 31, 2018)



- AAA/AA 83.3%
- A 12.7%
- BBB 1.4%
- <BBB 2.6%

**Maturity distribution**

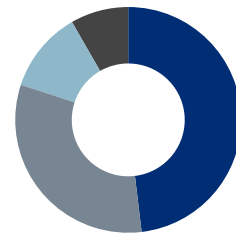
(As at August 31, 2018)



- 1 to 5 years 40.5%
- 5 to 10 years 31.0%
- 10 to 15 years 0.1%
- > 15 years 28.4%

**Geographic exposure**

(As at August 31, 2018)



- Europe 48.1%
- U.S. 31.9%
- Asia 11.7%
- Other 8.3%

**Investment performance**

**Top 5 contributors**

(for the month)

|   | Beginning weight | Security return | Security contribution |
|---|------------------|-----------------|-----------------------|
| United States Treasury Note/Bond 2.38% 15-05-2027 | 4.0%             | 1.1             | 0.04                  |
| United States Treasury Note/Bond 2.5% 15-02-2045  | 2.5%             | 1.4             | 0.04                  |
| United States Treasury Note/Bond 1.5% 31-01-2022  | 6.1%             | 0.5             | 0.03                  |
| United States Treasury Note/Bond 2% 15-02-2025    | 2.8%             | 0.9             | 0.03                  |
| United States Treasury Note/Bond 1.75% 15-05-2023 | 3.7%             | 0.7             | 0.03                  |

**Bottom 5 contributors**

(for the month)

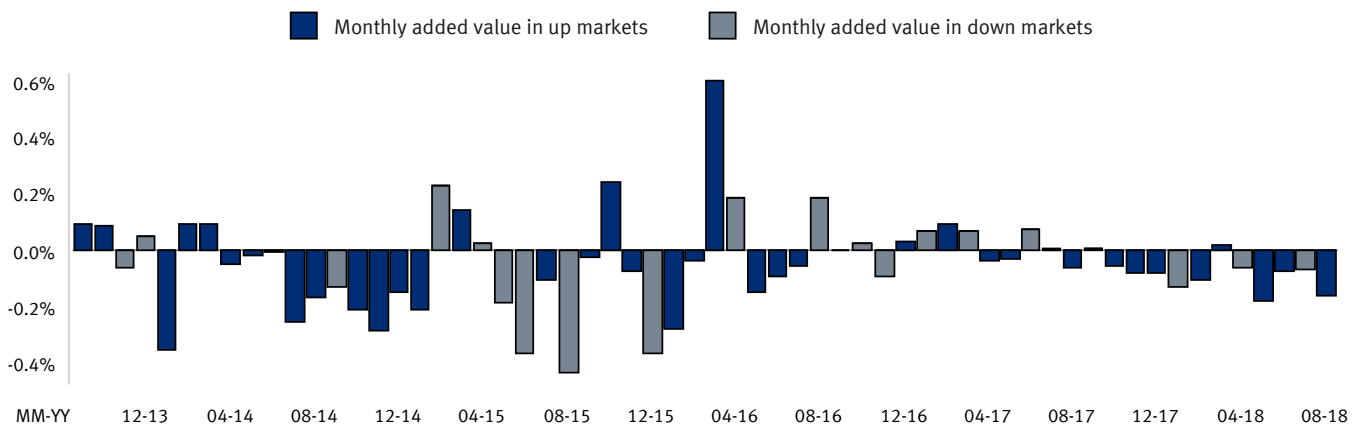
|   | Beginning weight | Security return | Security contribution |
|---|------------------|-----------------|-----------------------|
| Republic of South Africa Government Bond 10.5% 21-12-2026 | 1.0%             | (12.1)          | (0.12)                |
| Italy Buoni Poliennali Del Tesoro 1.45% 15-09-2022        | 3.0%             | (3.7)           | (0.11)                |
| Italy Buoni Poliennali Del Tesoro 2% 01-02-2028           | 1.8%             | (4.7)           | (0.09)                |
| Italy Buoni Poliennali Del Tesoro 1.6% 01-06-2026         | 1.8%             | (4.8)           | (0.09)                |
| Italy Buoni Poliennali Del Tesoro 2.25% 01-09-2036        | 0.8%             | (6.1)           | (0.05)                |

**Portfolio characteristics**

(As at August 31, 2018)

|                   | Portfolio | Benchmark |
|-------------------|-----------|-----------|
| Convexity         | 136.46    | 128.20    |
| Modified Duration | 8.18      | 7.77      |
| Yield to Maturity | 1.74      | 1.61      |

**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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None of the Shares of the Sub-Funds has been or will be registered for sale or distribution in Canada or in the United States.

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