

# 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

FTSE World Government Bond Index (USD)

## FUND SIZE (USD)

185.9m

## Fund information

Share class	Mgmt fees	Total expense ratio	NAV per share	Bloomberg code	ISIN code
O (acc) USD	0.55%	0.65%	127.90	RBCGBDO LX	LU0820967361
O (dist) GBP (H)	0.55%	0.65%	112.67	RBCODGH LX	LU0877923408
A (acc) USD	1.20%	1.50%	123.29	RBCGBDA LX	LU0953692869
B (acc) USD	0.70%	1.00%	127.37	RBCGBDB LX	LU0953692943
B (dist) GBP (H)	0.70%	1.00%	118.89	RBCGBBH 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	1.0%	1.6%	8.6%	4.7%	3.5%	3.2%	27-Aug-12
O (dist) GBP (H)	0.9%	1.3%	6.8%	3.0%	2.4%	2.8%	12-Feb-13
A (acc) USD	0.9%	1.4%	7.7%	3.8%	2.6%	3.1%	22-Aug-13
B (acc) USD	0.9%	1.5%	8.3%	4.3%	3.2%	3.6%	22-Aug-13
B (dist) GBP (H)	0.9%	1.4%	6.7%	2.7%	2.1%	2.9%	29-Aug-13
Benchmark (USD)	0.9%	2.6%	10.1%	5.5%	4.2%	4.1%	--

## Net Calendar Year Performance

Share class	2019	2018	2017	2016	2015	Cumulative Since Inception
O (acc) USD	7.2%	1.9%	2.1%	4.1%	0.1%	27.4%
O (dist) GBP (H)	5.3%	0.2%	0.8%	3.7%	0.2%	21.6%
A (acc) USD	6.3%	1.0%	1.2%	3.2%	(0.7)%	22.9%
B (acc) USD	6.8%	1.5%	1.7%	3.7%	(0.2)%	27.0%
B (dist) GBP (H)	4.9%	(0.3)%	0.4%	3.4%	(0.1)%	20.8%
Benchmark (USD)	7.6%	2.6%	2.1%	3.8%	1.3%	36.6%

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.

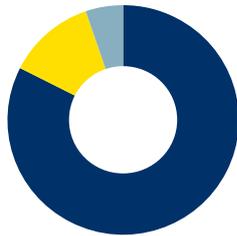
## Top 10 holdings

	Current
United States Treasury Note/Bond 2.5% 15-02-2045	4.3%
Japan Government Twenty Year Bond 0.4% 20-03-2039	4.2%
United States Treasury Note/Bond 1.75% 15-05-2023	3.6%
Italy Buoni Poliennali Del Tesoro 1.45% 15-09-2022	3.3%
French Republic Government Bond OAT 1.25% 25-05-2036	3.2%
United States Treasury Note/Bond 4.38% 15-11-2039	2.7%
United States Treasury Note/Bond 1.63% 31-07-2020	2.7%
UK Tsy 3.25% 22/01/2044	2.7%
United States Treasury Note/Bond 1.63% 15-08-2029	2.6%
Japan Government Ten Year Bond 0.1% 20-09-2027	2.6%

<b>Total</b>	<b>32.1%</b>
<b>Cash and Equivalents</b>	<b>14.3%</b>
<b>No. of Holdings</b>	<b>88</b>

**Credit quality**

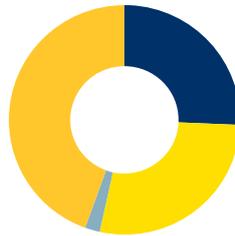
(As at April 30, 2020)



- AAA/AA 82.4%
- A 12.3%
- BBB 5.3%
- <BBB 0.0%

**Maturity distribution**

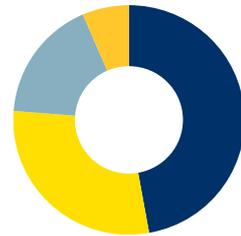
(As at April 30, 2020)



- 1 to 5 years 25.7%
- 5 to 10 years 27.8%
- 10 to 15 years 2.1%
- > 15 years 44.4%

**Geographic exposure**

(As at April 30, 2020)



- Europe 47.2%
- U.S. 29.0%
- Asia 17.3%
- Other 6.5%

**Investment performance**

**Top 5 contributors**

(for the month)

	Beginning weight	Security return	Security contribution
UK Tsy 3.25% 22/01/2044	2.8%	5.9	0.17
United Kingdom Gilt 1.5% 22-07-2047	0.9%	7.4	0.07
Japan Government Twenty Year Bond 0.4% 20-03-2039	4.7%	1.4	0.07
United States Treasury Inflation Indexed Bonds 1% 15-02-2048	1.1%	5.0	0.06
Australia Government Bond 2.25% 21-05-2028	0.8%	5.9	0.05

**Bottom 5 contributors**

(for the month)

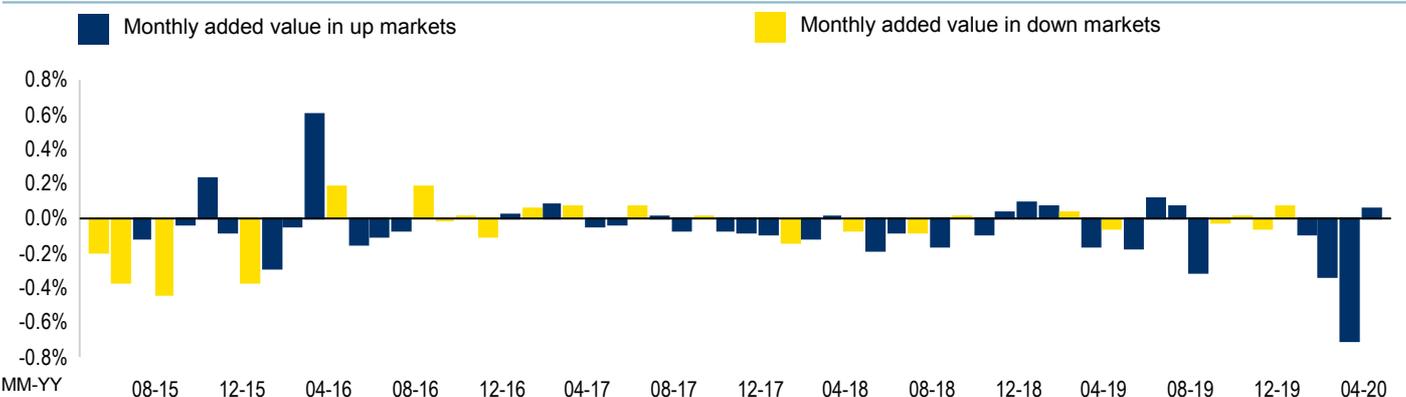
	Beginning weight	Security return	Security contribution
Italy Buoni Poliennali Del Tesoro 1.6% 01-06-2026	2.8%	(2.0)	(0.06)
Italy Buoni Poliennali Del Tesoro 1.45% 15-09-2022	3.8%	(0.9)	(0.03)
Italy Buoni Poliennali Del Tesoro 2.8% 01-12-2028	1.1%	(2.6)	(0.03)
Italy Buoni Poliennali Del Tesoro 2.25% 01-09-2036	0.9%	(2.8)	(0.03)
Spain Government Bond 1.15% 30-07-2020	2.8%	(0.6)	(0.02)

**Portfolio characteristics**

(As at April 30, 2020)

	Portfolio	Benchmark
Convexity	185.15	159.61
Modified Duration	9.97	8.74
Yield to Maturity	0.53	0.37

**Value added chart**



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

**Important Risk Considerations:**

<b>General Investment and Taxation Risk:</b>	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.
<b>Credit Risk:</b>	There is a potential that a borrower is unable or unwilling to repay the loan or obligation, either on time or at all.
<b>Currency Risk:</b>	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.
<b>Currency Hedging Risk:</b>	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.
<b>Derivative Risk:</b>	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.
<b>Interest Rate Risk:</b>	The value of the Sub-Fund is highly affected by fluctuations in interest rates.
<b>Large Shareholder Risk:</b>	Investors holding a large portion of issued and outstanding shares of a Sub-Fund are likely to incur transaction costs in case of redemptions.
<b>Liquidity Risk:</b>	Under highly volatile markets, securities may not be sold as quickly or easily, which could have an influence on meeting redemption requests on demand.

**Important Information:** This information is intended for Professional Investors and shareholders of the retail investor share class only. This document may only be distributed in countries where RBC Funds (Lux) is registered, with the exception of Belgium. The Financial Services and Markets Authority ("FSMA") in Belgium has not approved this document.

RBC Funds (Lux) is an open-ended investment company incorporated under the laws of the Grand Duchy of Luxembourg (société d'investissement à capital variable or the "SICAV") and qualifies as an Undertaking for Collective Investment in Transferable Securities ("UCITS") under Article 1, paragraph 2, points a) and b) of the Directive 2009/65/EC of July 13, 2009, as amended.

This is a marketing document and as such any information contained herein including investment and economic outlook information, opinions and estimates (collectively, the "Materials") is provided for information purposes only and does not constitute advice or an offer, solicitation, recommendation or invitation to buy or sell any securities or related financial instruments. The Materials are not directed at or intended for use by any person resident or located in any jurisdiction where (1) the distribution of such information or functionality is contrary to the laws of such jurisdiction or (2) such distribution is prohibited without obtaining the necessary licenses and such authorizations have not been obtained. The SICAV's Sub-Funds mentioned in the Materials ("Sub-Funds") may not be eligible for sale or available to residents of certain countries or to certain categories of investors.

Prospective investors should review the Prospectus and the Key Investor Information Documents ("KIIDs") of the SICAV carefully and in their entirety, and consult with their legal, tax and financial advisors in relation to (i) the legal and regulatory requirements within their own countries for the subscribing, purchasing, holding, converting, redeeming or disposing of the SICAV's Shares (the "Shares"); (ii) any foreign exchange restrictions to which they are subject in their own countries in relation to the subscribing, purchasing, holding, converting, redeeming or disposing of Shares; (iii) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, converting, redeeming or disposing of Shares; and (iv) any other consequences of such activities.

Past performance is not a reliable guide to future performance. The value of investments and any income from them is not guaranteed and may fall or rise and the investor may not get back the original investment. Exchange rate movement could increase or decrease the value of underlying investments/ holdings. The Sub-Fund may be invested in securities denominated in a number of 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. While it is the intention of the Sub-Fund to achieve its investment objective, there can be no assurance that it will.

Index returns are for illustrative purposes only, do not represent actual fund performance and do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index.

The value of the Sub-Fund can change from day to day because the value of the securities in which it invests can be affected by changes in interest rates, the general financial market and economic conditions or individual company news. As a result, at the time of redemption, Sub-Fund Shares may be worth more or less than the original purchase price. There can be a number of risk factors that impact the value of an investment in a Sub-Fund. Investors should refer to the section called "Risk Factors" in the Prospectus before investing.

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.

Copies of the Articles of Incorporation of the SICAV, the current Prospectus, the KIIDs and the latest financial reports may be obtained free of charge during normal office hours at the registered office of the SICAV in Luxembourg: 14, Porte de France, L-4360 Esch-sur-Alzette, Grand Duchy of Luxembourg, or at [rbcgam.lu](http://rbcgam.lu). The Prospectus is available in the English and French languages. The KIIDs are available in the local language(s) of the jurisdictions in which the Sub-Fund(s) are registered.

The Materials are provided on an "as is, where is" basis and the SICAV, RBC Global Asset Management Inc. and its affiliates and subsidiaries ("RBC Companies") do not make any express or implied warranties, representations, or endorsements with respect to the Materials, including without limitation, warranties as to merchantability, operation, non-infringement, usefulness, completeness, accuracy, currency, reliability, correctness and fitness for a particular purpose. All opinions and estimates contained in the Materials constitute our judgment as of the indicated date of the information and are subject to change without notice. Interest rates and market conditions are subject to change.

None of the RBC Companies are responsible, and will not be liable to you or anyone else, for any damages whatsoever and howsoever caused (including direct, indirect, incidental, special, consequential, exemplary or punitive damages) arising out of or in connection with the Materials or any action or decision made by you in reliance on the Materials, or any errors in or omissions or any unauthorized use or reproduction of the Materials, even if an RBC Company has been advised of the possibility of these damages.

All rights in the "FTSE World Government Bond Index" vest in FTSE Global Debt Capital Markets Inc. FTSE® is a trademark of FTSE International Limited and is used by FTSE under licence. The Sub-Fund is not sponsored, endorsed, sold or promoted by FTSE International Limited or its licensors, and they make no representation, warranty, or condition regarding the results to be obtained from the use of the index or the advisability of investing in the Sub-Fund.

The full list of sources of data is available upon request. Please go to [www.rbcgam.lu](http://www.rbcgam.lu) for contact information.

©/TM Trademark(s) of Royal Bank of Canada. Used under licence.

© RBC Global Asset Management Inc. 2020.

## **Disclosures**

This document is distributed to you upon your request and it is for information purposes only.

### **Additional Disclosure for Hong Kong:**

The SICAV is not authorized by the Securities and Futures Commission for sale to the retail public and only persons who are qualified as professional investors under the Securities and Futures Ordinance (Cap 571) are eligible to purchase the Shares of such Sub-Fund.

This document has been prepared for general circulation and does not take into account the objectives, financial situation, or needs of any recipient.

### **Additional Disclosure for China:**

The SICAV are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China (the "PRC", which for such purposes, does not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities and funds laws of the PRC. The information relating to any Sub-Fund referred to in this document has not been submitted to or approved by the PRC Securities Regulatory Commission or any other relevant governmental authorities in the PRC. The Sub-Fund referred to in this document may only be offered or sold to the PRC investors who are authorised to buy and sell securities in private investments denominated in foreign currencies. Potential investors resident in the PRC are responsible for obtaining all relevant approvals from, and registration with, the relevant the PRC government authorities, including but not limited to the State Administration of Foreign Exchange, Ministry of Commerce before purchasing interests in any Sub-Fund referred to in this document.

### **Additional Disclosure for Taiwan:**

The SICAV may be made available to Taiwan resident investors outside Taiwan for purchase outside Taiwan by such investors but may not be sold, issued, or offered in Taiwan.

### **Additional Disclosure of Korea:**

This document is provided to you upon your specific request, without any marketing or solicitation conducted by RBC Global Asset Management (Asia) Limited and is for your information purposes only. This is being provided to you on a strictly confidential basis and you agree that you will not transmit, deliver or forward this to any other party. By accepting this document, you are deemed to agree to be bound by the terms and limitations set out herein.

This document does not constitute an offer or a solicitation to buy or to sell any security, product or service in any jurisdiction, nor is it intended to provide any advice of any kind. RBC GAM Asia is not making any representation with respect to the eligibility of any recipients of this material to acquire this strategy herein under the laws of Korea, including but without limitation the Foreign Exchange Transaction Act and Regulations thereunder. This strategy has not been registered under the Financial Investment Services and Capital Markets Act of Korea, and may not be offered, sold or delivered, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to applicable laws and regulations of Korea.

### **Additional Disclosure for Singapore:**

The offer or invitation of the Shares of the SICAV, which is the subject of this Material, does not relate to a collective investment scheme which is authorised under Section 286 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA") or recognised under Section 287 of the SFA. The SICAV is not authorised or recognised by the Monetary Authority of Singapore (the "MAS") and the Shares are not allowed to be offered to the retail public. This Material and any other document or material issued in connection with the offer or sale is not a prospectus as defined in the SFA and accordingly, statutory liability under the SFA in relation to the content of prospectuses does not apply, and you should consider carefully whether the investment is suitable for you.

This Material has not been registered as a prospectus with the MAS. Accordingly, this Material and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Shares may not be circulated or distributed, nor may Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 304 of the SFA, (ii) to a relevant person pursuant to Section 305(1), or any person pursuant to Section 305(2), and in accordance with the conditions specified in Section 305 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Shares are subscribed or purchased under Section 305 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Shares pursuant to an offer made under Section 305 of the SFA except:

(1) to an institutional investor or to a relevant person defined in Section 305(5) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 305A(3)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 305A(5) of the SFA; or

(5) as specified in Regulation 36 of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 of Singapore.

The contents of this document have not been reviewed by any regulatory authority in the Asian jurisdictions. You are advised to exercise caution in relation to this document. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.