

Fund Overview

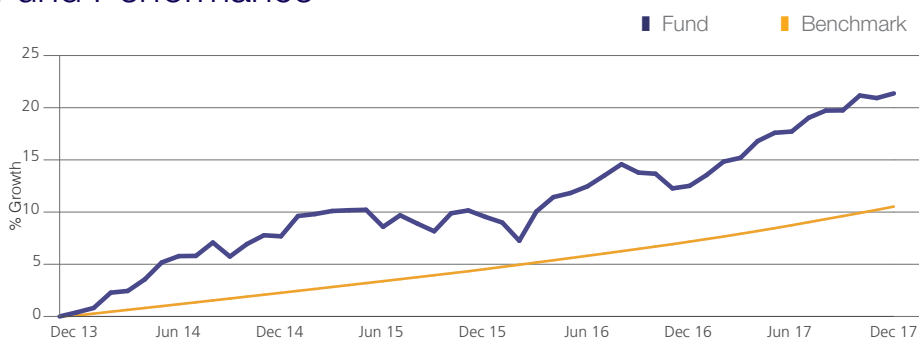
The investment objective of the Fund is to seek to provide absolute growth through investments in a full range of global fixed income securities including government bonds and corporate bonds with the aim of producing balanced investment returns with a moderate level of volatility (below 8% over a business cycle).

Market & Portfolio Commentary

The highlight event for December was the passing of the US tax bill, which finally got through Congress after much deliberation; the headline grabber was the cut in corporate tax from 35% to 21%, and the package comes with an estimated cost to the Treasury of \$1.5tr over 10 years. Domestic data in the US continued to paint a picture of steady growth with manageable inflation, providing ammunition for the Fed to raise the official rate by 0.25% (as expected) to 1.25%-1.5%. Elsewhere, UK Consumer Price Index (CPI) rose to 3.1% year-on-year, taking it above the 3% upper band set by the UK Treasury; the Monetary Policy Committee (MPC) however elected to keep rates unchanged, suggesting most of the inflation jump came from non-demand driven sources such as food and clothing. European economic activity remained buoyant with most EU nations maintaining the strong momentum into year end.

Markets generally trod water in December with little change to US and German sovereign debt yields. The Fund's GBP allocation contributed strongly to this month's return, as did the exposure to hybrid securities such as Total and Orange. The holding in the local Indian market also did well. A new, attractively priced subordinated bond by Brazilian bank Itau was bought. In response to the US tax deal, the Fund's duration was reduced through purchases of put options on Treasuries. As we enter 2018, the dominant themes should be continued; US and Eurozone economic growth with relatively tame inflation – an environment that should underpin most forms of credit.

Fund Performance*



Monthly Returns (%) USD*

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|------|-------|-------|------|------|------|-------|------|-------|-------|-------|-------|-------|------|
| 2014 | 0.42 | 1.45 | 0.16 | 1.08 | 1.57 | 0.57 | 0.02 | 1.21 | -1.25 | 1.13 | 0.79 | -0.09 | 7.27 |
| 2015 | 1.80 | 0.17 | 0.27 | 0.07 | 0.04 | -1.48 | 1.02 | -0.72 | -0.68 | 1.60 | 0.25 | -0.56 | 1.73 |
| 2016 | -0.50 | -1.60 | 2.61 | 1.26 | 0.35 | 0.58 | 0.93 | 0.95 | -0.70 | -0.10 | -1.23 | 0.22 | 2.71 |
| 2017 | 0.92 | 1.13 | 0.32 | 1.39 | 0.68 | 0.10 | 1.12 | 0.58 | 0.02 | 1.19 | -0.20 | 0.37 | 7.87 |

Discrete Annual Performance (%)*

| | 31.12.16 31.12.17 | 31.12.15 31.12.16 | 31.12.14 31.12.15 | 31.12.13 31.12.14 | 31.12.12 31.12.13 |
|-----------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Fund | 7.87 | 2.71 | 1.73 | 7.68 | - |
| Benchmark | 3.14 | 2.52 | 2.22 | 2.26 | - |

Fund Highlights (%)*

| | 1 mth | 3 mths | 6 mths | Year to Date | Since Launch | Best Month | Worst Month |
|-----------|-------|--------|--------|--------------|--------------|------------|-------------|
| Fund | 0.37 | 1.36 | 3.10 | 7.87 | 21.37 | 2.61 | -1.60 |
| Benchmark | 0.29 | 0.83 | 1.65 | 3.14 | 10.53 | - | - |

*Source: RBC. Fund performance relates to Class X USD and is net of fees with dividends reinvested. Discrete annual performance is based on data since inception.

Issued January 2018. All data as at 31 December 2017

Key facts about the Fund

- Average Rating **BBB-**
- Average Duration **3.8 years**
- Yield to Maturity **3.9%**
- Total Number of Holdings **74**

Fund Details

| | |
|---------------|----------------------------------|
| Fund Type | UCITS IV, Dublin domiciled |
| Launch Date | 16 December 2013 |
| Benchmark | 1 Month US\$ LIBOR + 2% |
| Fund AuM | \$93.3m (all share classes) |
| Administrator | RBC Investor & Treasury Services |

Dealing & Pricing

| | |
|-------------------|------------------------------------|
| Pricing | Daily |
| Pricing Time | 12 noon T+1 UK time |
| Dealing Frequency | Daily |
| Dealing Line | + 353 1 440 6555 |
| Fax | + 353 1 613 0401 |
| Email | Dublin_TA_Customer_Support@rbc.com |

Potential Risk / Rewards



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Portfolio Breakdown

Issued January 2018. All data as at 31 December 2017

Top Ten Holdings

| Name | Coupon | Maturity/Call | % |
|-------------------------------------|--------|---------------|-------------|
| Total | 3.37% | 6/10/2026c | 2.9 |
| Handelsbanken | 5.25% | 01/03/2021c | 2.8 |
| NTPC | 7.38% | 10/08/2021 | 2.6 |
| RWE | 3.50% | 21/04/2025c | 2.5 |
| CK Hutchinson | 4.00% | 12/05/2022c | 2.2 |
| Volkswagen International Finance NV | 2.70% | 14/12/2022c | 2.1 |
| Centrica | 3.00% | 10/04/2021c | 2.1 |
| Orange | 5.25% | 07/02/2024c | 2.0 |
| State Bank of India, Dubai | 5.50% | 22/09/2021c | 1.9 |
| SSE | 3.88% | 10/09/2020c | 1.8 |
| Total | | | 22.9 |

Currency Breakdown (%)

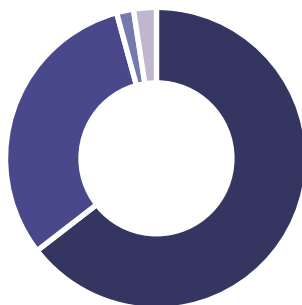
| Currency | Gross | Net |
|----------|-------|------|
| USD | 68.2 | 97.2 |
| EUR | 15.7 | 0.1 |
| GBP | 12.4 | 0.1 |
| Other | 3.8 | 2.6 |

Credit Breakdown (%)

| | |
|---------|------|
| AAA | 0.0 |
| AA | 6.2 |
| A | 7.6 |
| BBB | 55.0 |
| HY | 31.2 |
| Unrated | 0.0 |

Sector Breakdown (%)

| | |
|---------------------------------------|-------------|
| Investment Grade | 64.5 |
| Corporate | 25.0 |
| Financial | 19.6 |
| Emerging Markets | 19.9 |
| High Yield | 31.2 |
| Corporate | 10.4 |
| Financial | 8.9 |
| Emerging Markets | 11.9 |
| Government & Supranational | 1.8 |
| Cash | 2.4 |



Source: London & Capital and RBC Investor & Treasury Services.

Awards



AI - International Fund Awards 2016
Best Private Client Investment Team
UK and Best Global Equity Fund



Global Fund Awards 2015
Global Fixed Income Securities Fund of the Year



Portfolio Adviser Wealth Manager Awards 2015
Best Balanced Portfolio Manager

Share Class Details

| Share Class | Initial Charge | AMC | ISIN | Bloomberg | SEDOL |
|-------------|----------------|-------|--------------|------------|---------|
| Class X USD | 0.00% | 0.00% | IE00BDV0B733 | LOGIBXU ID | BDV0B73 |
| Class X GBP | 0.00% | 0.00% | IE00BDV0B519 | LOGIBXG ID | BDV0B51 |
| Class X EUR | 0.00% | 0.00% | IE00BYJR3K05 | LOGIBXE ID | BYJR3K0 |
| Class I USD | 0.00% | 1.00% | IE00BDV0B840 | LCGBFIU ID | BDV0B84 |
| Class I GBP | 0.00% | 1.00% | IE00BDV0B626 | LCGBFIG ID | BDV0B62 |

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