

# Insights

## RBC Global Portfolios

Winter 2025



123187 (01/2025)

### A glimpse inside RBC Global Portfolios

Trillions of dollars move across stock and bond markets worldwide every day. Global financial markets are changing rapidly. New investment options are constantly being introduced. Navigating your portfolio through all this complexity is more than any one person can manage on a daily basis.

With RBC Global Portfolios, you have an entire firm of investment professionals managing your portfolio. It starts with the Portfolio Solutions team who oversee your portfolio's day-to-day management, led by Sarah Riopelle, Managing Director and Senior Portfolio Manager. But the team doesn't work in isolation.

They are supported by hundreds of experienced and talented investment professionals based around the world.

Each investment professional involved with the management of your portfolio is constantly watching the economy and areas of the markets such as fixed income, equities, derivatives, currencies and more. The latest views of these investment experts are reflected in your portfolio, from the top level asset mix to each fund invested within. With investment teams located in key markets around the world, your portfolio is managed around the clock – whether the opening bell is ringing in North America, Europe, or Asia.

**RBC Global Portfolios can seem simple on the surface. Digging deeper reveals a sophisticated network of people, processes and tools.**

Across the portfolios there are:

**4** asset classes

**12** sub-asset classes

**15** underlying funds

across **25+** countries

Your portfolio is supported by:

**4** members of the Portfolio Solutions team

**17** investment teams

**4** specialty and research teams

**390+** investment professionals



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# Inside the mind of your investment team

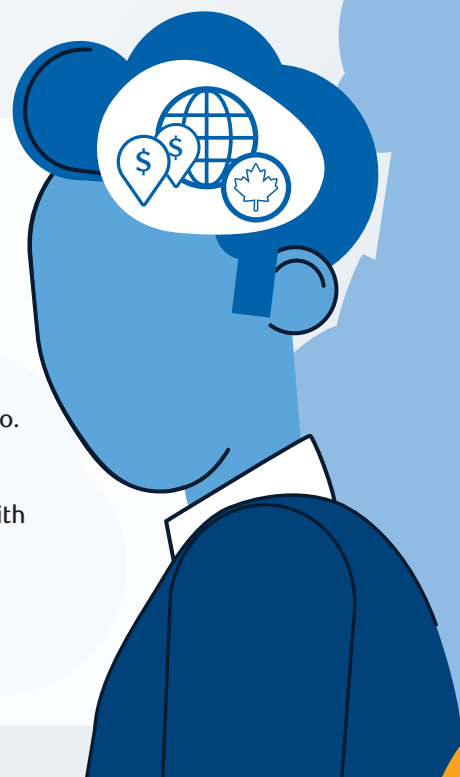
The Portfolio Solutions team is constantly monitoring your portfolio and making adjustments where needed to keep your investment on track. Here are few things the team is always thinking about.

## What is our outlook for the economy and markets?

A massive volume of data flows in from across the globe every day. To make sense of it all, RBC Global Asset Management (RBC GAM) has developed sophisticated models and dashboards. These tools interpret short- and medium-term changes in the economy, credit conditions, market fundamentals and technical indicators. The Portfolio Solutions team uses this information to manage and adjust your portfolio to changing circumstances.

The Portfolio Solutions team uses a macro-dashboard that has **60** different indicators to understand how market developments may affect your portfolio.

Our chief economist maintains a database with **1,000+** charts as he tracks changing markets.



## How can we prepare your portfolio for changing market conditions?

Your portfolio's asset mix is actively managed to respond to market opportunities and risks. These are identified by the Portfolio Solutions team and the RBC GAM Investment Policy Committee (IPC). The latter meets at least monthly to discuss their outlook and decide whether to change the asset mix or maintain the current positioning based on their views.

Every day, market movements cause your portfolio to drift from its target allocation to specific asset classes. Left unchecked, drift can increase risk or decrease expected returns. Sarah and her team monitor and manage this drift in your portfolio to keep it in line with expectations.

RBC GAM Investment Policy Committee (IPC) consists of:



**13** senior investment professionals  
**27** average years of industry experience

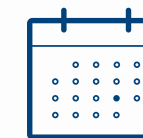
In 2024, we've had:

**12** IPC meetings    **12** IPC asset mix decisions  
**4** tactical asset mix changes    **4** regional equity shifts



## Are the funds in your portfolio fulfilling their role?

The portfolio managers of the 15 mutual funds in RBC Global Portfolios are experts in their individual markets. When they invest in specific securities, they engage with each company to deeply understand the firm's strategy and activities. The Portfolio Solutions team works closely with these managers to monitor performance and ensure the funds are adding value to your portfolio.



The investment team at GAM meets weekly, bringing together specialists in economics, fixed income, equities, currencies, and technical analysis.

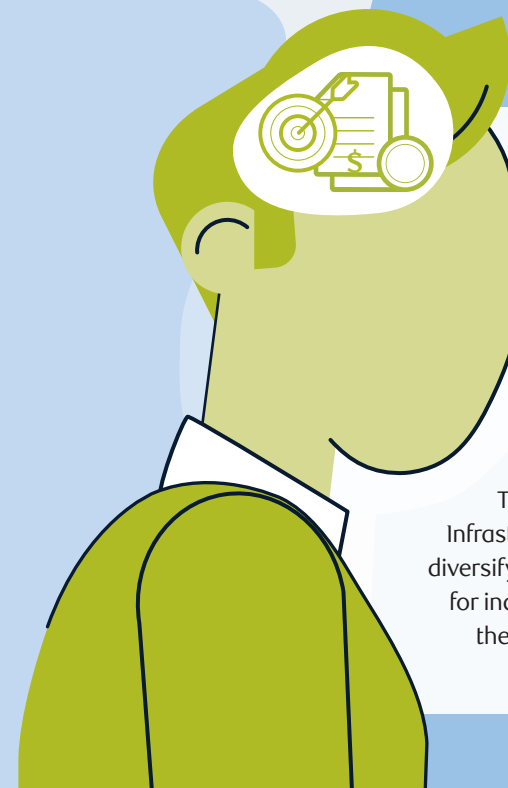


Each team shares their respective views on their markets.

## Can diversification be enhanced by adding new funds to your portfolio?

RBC GAM has an evolving shelf of over 250 mutual funds which provides a broad set of choices. With increased access to new markets and the introduction of new asset classes, RBC Global Portfolios are constantly evolving too.

This year, we've added to our existing investment in RBC Global Infrastructure Fund LP. Alternative investments like this one help diversify your portfolio beyond stocks and bonds. It's often harder for individual investors to invest in these types of investments on their own.



## Expertly engineered solutions

While choosing to invest in RBC Global Portfolios is simple, the investment process within is anything but. The Portfolio Solutions team has access to the latest regional insights from experts based around the world. Paired with a sophisticated oversight process, this ensures your portfolio remains well positioned at all times. Learn more at [rbcgam.com/global](https://rbcgam.com/global).

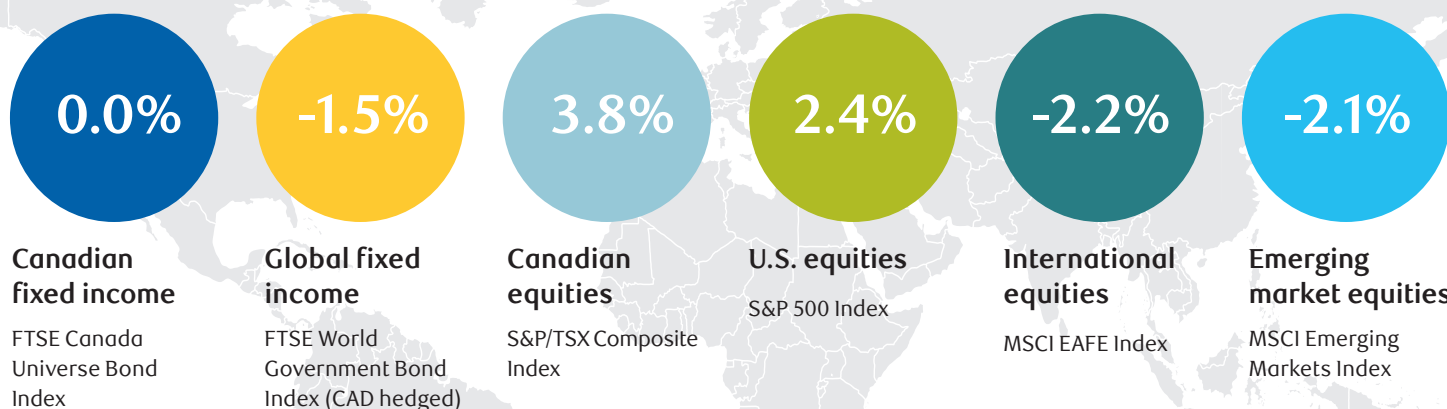


## Portfolio manager viewpoint

**Sarah Riopelle, CFA, Managing Director & Senior Portfolio Manager, Investment Solutions**

The economy has stabilized as inflation concerns moderate and headwinds created by higher borrowing costs fade amid interest-rate cuts. Recession risk has declined further and we now assign a mere 15% probability of recession for the U.S. economy. Bonds appear to be reasonably priced and yields are likely to trade within our equilibrium range over the year ahead, providing fixed-income investors with low- to mid-single-digit returns with modest valuation risk. Stocks offer better return potential than bonds, although we are concerned that a handful of mega-cap stocks make up the bulk of the weighting and returns in the U.S. equity market. This quarter we added to our fixed-income position as yields jumped above 4%, eliminating the underweight that was introduced in the prior quarter when yields plunged. Fixing our asset mix at its neutral position allows us to take advantage of upside opportunities, while maintaining appropriate diversification without excessive risk taking.

### Markets this quarter\*



For our complete New Year 2025 Global Investment Outlook, please visit [rbcgam.com/gio](https://rbcgam.com/gio)

\*Source: Bloomberg. As of December 31, 2024. All returns are in C\$ except where indicated. Canadian, U.S., International and Emerging Markets index returns are total returns. An investment cannot be made directly into an index. The above does not reflect transaction costs, investment management fees or taxes. If such costs and fees were reflected, returns would be lower. Past performance is not a guarantee of future results.

We thank you for your ongoing trust in continuing to hold RBC Global Portfolios as part of your investment plan. If you have any questions or comments, please contact your advisor.

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