RBC Global
Asset Management

RBC FUNDS AND RBC PRIVATE POOLS

2014 Semi-Annual Management Report of Fund Performance

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MONEY MARKET FUND

RBC CANADIAN T-BILL FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide current income and liquidity consistent with short-term money-market interest rates while preserving the value of the investment.

The Fund is invested primarily in short-term government debt securities with a maximum term of 365 days. Investments include Government of Canada Treasury bills, notes guaranteed by the federal government, provincial Treasury bills, floating-rate notes and short-term bank deposits.

Results of Operations

The Fund's net asset value was $486 million as of June 30, 2014.

As of June 30, 2014, the current yields were 0.5% for Series A units and 0.5% for Series D units.

Over the past six months, the Fund's Series A units gained 0.25%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses. In response to an extremely low interest rate environment and to support the yield to unitholders, the management fees of the Fund have been temporarily reduced by RBC GAM. The decision to temporarily reduce management fees is determined at the discretion of RBC GAM.

The onset of faster economic growth stirred expectations in early 2014 that the U.S. Federal Reserve (the "Fed") would begin retreating from a period of extraordinarily loose monetary policy, and that the Bank of Canada (the "BOC") might soon raise short-term interest rates. While the harsh winter proved to be a temporary stumbling block to that scenario, the Fed continued to scale back its bond-buying program to a point where it was more than half completed, and appeared committed to eliminating it outright. In Canada, economic growth remained lethargic, with consumers continuing to increase debt and businesses wary of investing. The depreciation of the Canadian dollar during the period raised confidence that exports would pick up.

The portfolio manager maintained a longer average term to maturity during the period, as expectations that policy rates would stay low allowed the Fund to take advantage of the higher yields available on longer-term securities. Additionally, the portfolio manager increased exposure to discounted federal treasury bills, which offer higher returns than interest-bearing securities of comparable term. Provincial debt, which offers attractive premium yields, continued to be the largest class of holding in the Fund.

Recent Developments

Monetary policy in most industrialized nations continues to support economic growth while stemming the threat of deflation. Projections of global economic growth have stabilized at a lacklustre pace. The portfolio manager believes that short-term rates set by the BOC will remain unchanged in 2014, leaving government yields in the territory where they have been over the past few years. Accordingly, the Fund will continue to focus on higher-yielding provincial debt, as well as longer-term investments that offer occasional higher yields when appropriate, and occasional purchases of federal treasury bills. This positioning should help enhance returns over the short term.

However, uncertainty persists, as geopolitical hot spots in Ukraine and the Middle East impose themselves on energy prices and market sentiment. Accordingly, the BOC is approaching any changes to monetary policy very cautiously, as evidenced by widespread expectations of no change to the benchmark rate for another year. Recent signs of recovering labour markets and stable inflation in the U.S. have been heartening.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.00**	**0.05**	**(0.03)**	**–**	**–**	**0.02**	**(0.02)**	**–**	**–**	**–**	**(0.02)**	**10.00**
Dec. 31, 2013	10.00	0.11	(0.05)	–	–	0.06	(0.05)	–	–	–	(0.05)	10.00
Dec. 31, 2012	10.00	0.07	(0.05)	–	–	0.02	(0.06)	–	–	–	(0.06)	10.00
Dec. 31, 2011	10.00	0.12	(0.05)	–	–	0.07	(0.07)	–	–	–	(0.07)	10.00
Dec. 31, 2010	10.00	0.07	(0.03)	–	–	0.04	(0.04)	–	–	–	(0.04)	10.00
Dec. 31, 2009	10.00	0.09	(0.06)	–	–	0.03	(0.03)	–	–	–	(0.03)	10.00
Series D												
June 30, 2014	**10.00**	**0.05**	**(0.03)**	**–**	**–**	**0.02**	**(0.02)**	**–**	**–**	**–**	**(0.02)**	**10.00**
Dec. 31, 2013	10.00	0.11	(0.06)	–	–	0.05	(0.05)	–	–	–	(0.05)	10.00
Dec. 31, 2012	10.00	0.07	(0.05)	–	–	0.02	(0.06)	–	–	–	(0.06)	10.00
Dec. 31, 2011	10.00	0.12	(0.05)	–	–	0.07	(0.07)	–	–	–	(0.07)	10.00
Dec. 31, 2010	10.00	0.07	(0.03)	–	–	0.04	(0.04)	–	–	–	(0.04)	10.00
Dec. 31, 2009	10.00	0.09	(0.05)	–	–	0.04	(0.04)	–	–	–	(0.04)	10.00

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**10.00**	**420 441**	**42 044**	**0.55**	**0.55**	**n/a**	**–**
Dec. 31, 2013	10.00	475 213	47 521	0.55	0.55	n/a	–
Dec. 31, 2012	10.00	575 024	57 502	0.52	0.52	n/a	–
Dec. 31, 2011	10.00	696 676	69 668	0.47	0.47	n/a	–
Dec. 31, 2010	10.00	844 239	84 424	0.27	0.27	n/a	–
Dec. 31, 2009	10.00	1 073 236	107 324	0.60	0.60	n/a	–
Series D							
June 30, 2014	**10.00**	**65 444**	**6 544**	**0.55**	**0.55**	**n/a**	**–**
Dec. 31, 2013	10.00	68 099	6 810	0.55	0.55	n/a	–
Dec. 31, 2012	10.00	75 553	7 555	0.52	0.52	n/a	–
Dec. 31, 2011	10.00	95 845	9 585	0.47	0.47	n/a	–
Dec. 31, 2010	10.00	103 488	10 349	0.27	0.27	n/a	–
Dec. 31, 2009	10.00	119 644	11 964	0.50	0.50	n/a	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated up to the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	0.75%	33%	67%
Series D	0.60%	17%	83%

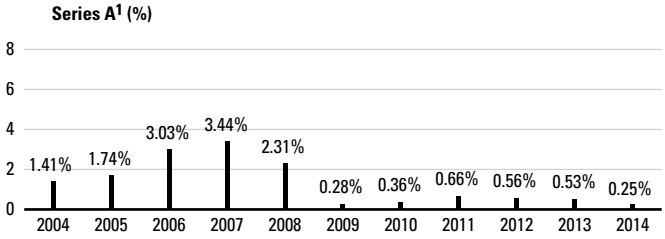
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

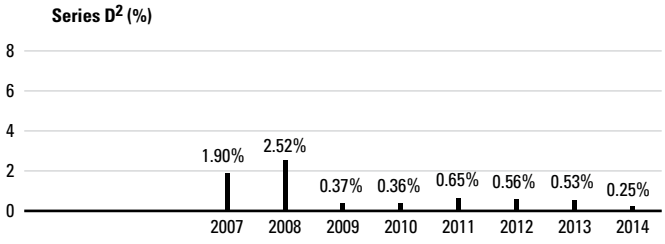
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





1 Inception date January 25, 1991.
2 Inception date July 3, 2007.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Provincial Obligations	66.6
Federal Obligations	31.3
Term Deposits	2.0
Cash/Other	0.1

Top 25 Holdings*

	% of Net Asset Value
Canada Housing Trust No. 1 1.028% Dec 15 14	10.4
Province of British Columbia 0.996% Jul 22 14	10.3
Government of Canada Treasury Bills 0.939% Nov 6 14	10.2
Province of British Columbia 0.991% Aug 14 14	6.2
Province of Ontario 1.010% Jul 16 14	5.6
Government of Canada Treasury Bills 0.960% Oct 9 14	5.5
Province of British Columbia 1.030% Oct 10 14	5.1
Government of Canada Treasury Bills 0.949% Sep 25 14	5.1
Province of Ontario 1.005% Jul 23 14	5.1
Province of Quebec 1.050% Jan 23 15	4.3
Province of Nova Scotia 1.008% Jul 7 14	4.1
Province of Ontario 1.090% Oct 15 14	4.1
Province of Ontario 1.040% Nov 12 14	3.9
Province of Ontario 1.160% Aug 20 14	3.6
Canadian Imperial Bank of Commerce 1.000% Jul 2 14	2.0
Province of New Brunswick 1.115% Aug 1 14	2.0
Financement-Québec 1.170% Sep 2 14	2.0
Alberta Capital Finance Authority 1.115% Jul 2 14	2.0
Province of Nova Scotia 1.295% Sep 3 14	1.9
Province of Ontario 1.175% Jul 14 14	1.9
Province of Newfoundland 1.008% Jul 10 14	1.6
Province of Nova Scotia 1.010% Aug 20 14	1.5
Province of Saskatchewan 1.009% Jul 15 14	1.2
Province of Saskatchewan 1.009% Jul 7 14	0.4
Total	100.0

* The Fund holds fewer than 25 holdings.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

MONEY MARKET FUND

RBC CANADIAN MONEY MARKET FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide current income and liquidity consistent with short-term money-market interest rates while preserving the value of the investment.

The Fund is invested primarily in high-quality short-term government- and corporate-debt securities with a maximum term of 365 days. The Fund's corporate-debt holdings are deemed by major debt-rating agencies to be suitable for conservative investors. The Fund also includes short-term debt issued by Canadian chartered banks and promissory notes issued or guaranteed by Canadian governments or their agencies.

Results of Operations

The Fund's net asset value was $2.0 billion as of June 30, 2014.

As of June 30, 2014, the current yields were 0.6% for Series A units, 0.6% for Advisor Series units, 0.6% for Series D units, 0.7% for Series F units and 1.2% for Series O units.

Over the past six months, the Fund's Series A units gained 0.31%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses. In response to an extremely low interest rate environment and to support the yield to unitholders, the management fees of the Fund have been temporarily reduced by RBC GAM. The decision to temporarily reduce management fees is determined at the discretion of RBC GAM.

The onset of faster economic growth stirred expectations in early 2014 that the U.S. Federal Reserve (the "Fed") would begin retreating from a period of extraordinarily loose monetary policy, and that the Bank of Canada (the "BOC") might soon raise short-term interest rates. While the harsh winter proved to be a temporary stumbling block to that scenario, the Fed continued to scale back its bond-buying program to a point where it was more than half completed, and appeared committed to eliminating it outright. In Canada, economic growth remained lethargic, with consumers continuing to increase debt and businesses wary of investing. The depreciation of the Canadian dollar during the period raised confidence that exports would pick up.

The portfolio manager maintained a slightly longer average term to maturity during the period, as expectations that policy rates would stay low allowed the Fund to take advantage of the higher yields available on longer-term securities. The fulfillment of regulatory fund liquidity was exercised through the active management of maturities, as well as the addition of government securities to the Fund's overall mix.

Recent Developments

Monetary policy in most industrialized nations continues to support economic growth while stemming the threat of deflation. Projections of global economic growth have stabilized at a lacklustre pace. The portfolio manager believes that short-term rates set by the BOC will remain unchanged in 2014, leaving government yields in the territory where they have been over the past few years. Accordingly, the Fund's asset allocation will continue to focus on higher-yielding, bank-sponsored, asset-backed commercial paper, as well as longer-term investments that offer higher yields. This positioning should help enhance returns over the short term.

However, uncertainty persists, as geopolitical hot spots in Ukraine and the Middle East impose themselves on energy prices and market sentiment. Accordingly, the BOC is approaching any changes to monetary policy very cautiously, as evidenced by widespread expectations of no change to the benchmark rate for another year. Recent signs of recovering labour markets and stable inflation in the U.S. have been heartening.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.00**	**0.06**	**(0.03)**	**–**	**–**	**0.03**	**(0.03)**	**–**	**–**	**–**	**(0.03)**	**10.00**
Dec. 31, 2013	10.00	0.12	(0.06)	–	–	0.06	(0.06)	–	–	–	(0.06)	10.00
Dec. 31, 2012	10.00	0.12	(0.06)	–	–	0.06	(0.06)	–	–	–	(0.06)	10.00
Dec. 31, 2011	10.00	0.12	(0.05)	–	–	0.07	(0.07)	–	–	–	(0.07)	10.00
Dec. 31, 2010	10.00	0.07	(0.04)	–	–	0.03	(0.03)	–	–	–	(0.03)	10.00
Dec. 31, 2009	10.00	0.13	(0.07)	–	–	0.06	(0.06)	–	–	–	(0.06)	10.00
Advisor Series												
June 30, 2014	**10.00**	**0.06**	**(0.03)**	**–**	**–**	**0.03**	**(0.03)**	**–**	**–**	**–**	**(0.03)**	**10.00**
Dec. 31, 2013	10.00	0.12	(0.06)	–	–	0.06	(0.06)	–	–	–	(0.06)	10.00
Dec. 31, 2012	10.00	0.12	(0.06)	–	–	0.06	(0.06)	–	–	–	(0.06)	10.00
Dec. 31, 2011	10.00	0.12	(0.05)	–	–	0.07	(0.07)	–	–	–	(0.07)	10.00
Dec. 31, 2010	10.00	0.07	(0.04)	–	–	0.03	(0.03)	–	–	–	(0.03)	10.00
Dec. 31, 2009	10.00	0.13	(0.06)	–	–	0.07	(0.06)	–	–	–	(0.06)	10.00
Series D												
June 30, 2014	**10.00**	**0.06**	**(0.03)**	**–**	**–**	**0.03**	**(0.03)**	**–**	**–**	**–**	**(0.03)**	**10.00**
Dec. 31, 2013	10.00	0.12	(0.06)	–	–	0.06	(0.06)	–	–	–	(0.06)	10.00
Dec. 31, 2012	10.00	0.12	(0.06)	–	–	0.06	(0.06)	–	–	–	(0.06)	10.00
Dec. 31, 2011	10.00	0.12	(0.05)	–	–	0.07	(0.07)	–	–	–	(0.07)	10.00
Dec. 31, 2010	10.00	0.07	(0.04)	–	–	0.03	(0.03)	–	–	–	(0.03)	10.00
Dec. 31, 2009	10.00	0.13	(0.06)	–	–	0.07	(0.07)	–	–	–	(0.07)	10.00
Series F												
June 30, 2014	**10.00**	**0.06**	**(0.03)**	**–**	**–**	**0.03**	**(0.03)**	**–**	**–**	**–**	**(0.03)**	**10.00**
Dec. 31, 2013	10.00	0.12	(0.06)	–	–	0.06	(0.07)	–	–	–	(0.07)	10.00
Dec. 31, 2012	10.00	0.12	(0.05)	–	–	0.07	(0.07)	–	–	–	(0.07)	10.00
Dec. 31, 2011	10.00	0.12	(0.05)	–	–	0.07	(0.07)	–	–	–	(0.07)	10.00
Dec. 31, 2010	10.00	0.07	(0.03)	–	–	0.04	(0.04)	–	–	–	(0.04)	10.00
Dec. 31, 2009	10.00	0.13	(0.05)	–	–	0.08	(0.07)	–	–	–	(0.07)	10.00

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**10.00**	**0.06**	**–**	**–**	**–**	**0.06**	**(0.06)**	**–**	**–**	**–**	**(0.06)**	**10.00**
Dec. 31, 2013	10.00	0.12	–	–	–	0.12	(0.12)	–	–	–	(0.12)	10.00
Dec. 31, 2012	10.00	0.12	–	–	–	0.12	(0.12)	–	–	–	(0.12)	10.00
Dec. 31, 2011	10.00	0.12	–	–	–	0.12	(0.12)	–	–	–	(0.12)	10.00
Dec. 31, 2010	10.00	0.07	–	–	–	0.07	(0.07)	–	–	–	(0.07)	10.00
Dec. 31, 2009	10.00	0.13	–	–	–	0.13	(0.12)	–	–	–	(0.12)	10.00

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**10.00**	**1 324 720**	**132 472**	**0.61**	**0.61**	**n/a**	**–**
Dec. 31, 2013	10.00	1 477 907	147 791	0.61	0.61	n/a	–
Dec. 31, 2012	10.00	1 743 639	174 364	0.58	0.58	n/a	–
Dec. 31, 2011	10.00	2 079 683	207 968	0.55	0.55	n/a	–
Dec. 31, 2010	10.00	2 465 410	246 541	0.41	0.41	n/a	–
Dec. 31, 2009	10.00	3 221 582	322 158	0.68	0.68	n/a	–
Advisor Series							
June 30, 2014	**10.00**	**11 644**	**1 164**	**0.61**	**0.61**	**n/a**	**–**
Dec. 31, 2013	10.00	11 647	1 165	0.61	0.61	n/a	–
Dec. 31, 2012	10.00	10 860	1 086	0.57	0.57	n/a	–
Dec. 31, 2011	10.00	13 098	1 310	0.55	0.55	n/a	–
Dec. 31, 2010	10.00	11 338	1 134	0.41	0.41	n/a	–
Dec. 31, 2009	10.00	20 299	2 030	0.64	0.64	n/a	–
Series D							
June 30, 2014	**10.00**	**186 316**	**18 632**	**0.61**	**0.61**	**n/a**	**–**
Dec. 31, 2013	10.00	192 022	19 202	0.61	0.61	n/a	–
Dec. 31, 2012	10.00	192 346	19 235	0.58	0.58	n/a	–
Dec. 31, 2011	10.00	211 994	21 199	0.55	0.55	n/a	–
Dec. 31, 2010	10.00	262 008	26 201	0.41	0.41	n/a	–
Dec. 31, 2009	10.00	342 730	34 273	0.57	0.57	n/a	–
Series F							
June 30, 2014	**10.00**	**16 282**	**1 628**	**0.56**	**0.56**	**n/a**	**–**
Dec. 31, 2013	10.00	19 691	1 969	0.56	0.56	n/a	–
Dec. 31, 2012	10.00	25 449	2 545	0.52	0.52	n/a	–
Dec. 31, 2011	10.00	38 106	3 811	0.50	0.50	n/a	–
Dec. 31, 2010	10.00	66 089	6 609	0.35	0.35	n/a	–
Dec. 31, 2009	10.00	168 841	16 884	0.53	0.53	n/a	–

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series O							
June 30, 2014	**10.00**	**424 795**	**42 480**	**0.02**	**0.02**	**n/a**	**–**
Dec. 31, 2013	10.00	441 689	44 169	0.02	0.02	n/a	–
Dec. 31, 2012	10.00	696 135	69 614	0.02	0.02	n/a	–
Dec. 31, 2011	10.00	806 713	80 671	0.02	0.02	n/a	–
Dec. 31, 2010	10.00	208 855	20 885	0.02	0.02	n/a	–
Dec. 31, 2009	10.00	1 008 512	100 851	0.02	0.02	n/a	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated up to the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	0.75%	33%	67%
Advisor Series	0.75%	33%	67%
Series D	0.60%	17%	83%
Series F	0.50%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

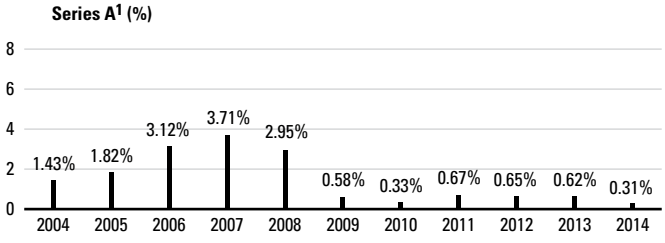
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

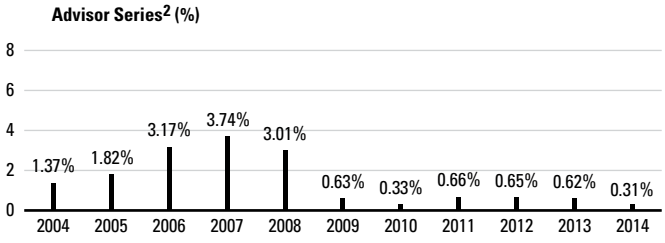
PAST PERFORMANCE

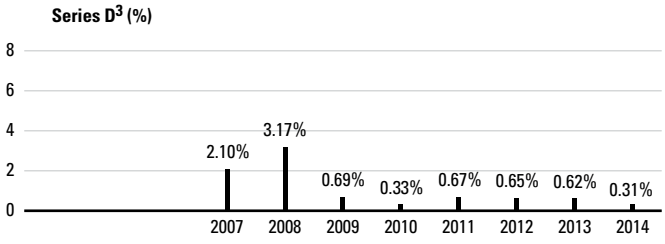
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

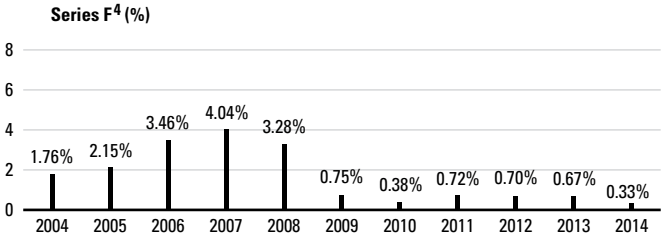
Year-by-Year Returns (%)

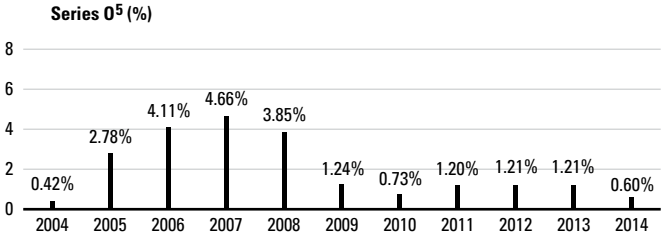
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











1 Inception date November 30, 1986.
2 Inception date January 12, 2004.
3 Inception date July 3, 2007.
4 Inception date July 22, 2002.
5 Inception date November 2, 2004.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Commercial Paper	63.4
Bankers Acceptances and Bank Obligations	29.2
Provincial Obligations	7.4

Top 25 Holdings

	% of Net Asset Value
National Bank of Canada 1.181% Aug 18 14	3.8
Bank of Nova Scotia 1.159% Aug 28 14	3.4
JPMorgan Chase & Co. 1.226% Sep 3 14	3.3
Bank of Nova Scotia 1.190% Sep 22 14	2.6
Province of Nova Scotia 1.295% Sep 3 14	2.0
Zeus Receivables Trust - Senior Notes 1.147% Jul 3 14	1.9
Province of New Brunswick 0.999% Aug 28 14	1.8
Prime Trust - Senior Notes 1.198% Jul 11 14	1.8
Canadian Imperial Bank of Commerce 1.200% Dec 1 14	1.7
JPMorgan Chase & Co. 1.401% Nov 12 14	1.6
Reliant Trust 1.147% Jul 4 14	1.6
Wells Fargo Financial Canada Corp. 1.390% Nov 3 14	1.6
Canadian Imperial Bank of Commerce 1.138% Jul 21 14	1.5
Canadian Imperial Bank of Commerce 1.150% Jul 16 14	1.5
Canadian Imperial Bank of Commerce 1.350% Nov 27 14	1.4
SOUND Trust 1.164% Jul 7 14	1.4
Ridge Trust 1.280% Jul 8 14	1.4
SAFE Trust - Series 1996-1 1.165% Jul 25 14	1.3
Bay Street Funding Trust - Class A 1.167% Jul 17 14	1.3
Fusion Trust 1.253% Aug 18 14	1.3
HSBC Bank Canada 1.201% Aug 18 14	1.3
King Street Funding Trust 1.250% Aug 20 14	1.3
King Street Funding Trust 1.271% Nov 19 14	1.3
Canadian Imperial Bank of Commerce 1.350% Sep 15 14	1.3
Darwin Receivables Trust - Senior Notes 1.199% Jul 21 14	1.2
Top 25 Holdings	44.6

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

MONEY MARKET FUND

RBC PREMIUM MONEY MARKET FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide current income and liquidity consistent with short-term money market rates for investors who have at least $100,000 to invest.

To preserve the value of the investment, the Fund is invested primarily in high-quality, short-term (one year or less) debt securities, including Treasury bills, bankers acceptances and commercial paper.

Results of Operations

The Fund's net asset value was $2.0 billion as of June 30, 2014.

As of June 30, 2014, the current yields were 0.9% for Series A units, 1.0% for Series F units and 1.1% for Series I units.

Over the past six months, the Fund's Series A units gained 0.43%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The onset of faster economic growth stirred expectations in early 2014 that the U.S. Federal Reserve (the "Fed") would begin retreating from a period of extraordinarily loose monetary policy, and that the Bank of Canada (the "BOC") might soon raise short-term interest rates. While the harsh winter proved to be a temporary stumbling block to that scenario, the Fed continued to scale back its bond-buying program to a point where it was more than half completed, and appeared committed to eliminating it outright. In Canada, economic growth remained lethargic, with consumers continuing to increase debt and businesses wary of investing. The depreciation of the Canadian dollar during the period raised confidence that exports would pick up.

The portfolio manager maintained a slightly longer average term to maturity during the period, as expectations that policy rates would stay low allowed the Fund to take advantage of the higher yields available on longer-term securities. The fulfillment of regulatory fund liquidity was exercised through the active management of maturities, as well as the addition of government securities to the Fund's overall mix.

Recent Developments

Monetary policy in most industrialized nations continues to support economic growth while stemming the threat of deflation. Projections of global economic growth have stabilized at a lacklustre pace. The portfolio manager believes that short-term rates set by the BOC will remain unchanged in 2014, leaving government yields in the territory where they have been over the past few years. Accordingly, the Fund's asset allocation will continue to focus on higher-yielding, bank-sponsored, asset-backed commercial paper, as well as longer-term investments that offer higher yields. This positioning should help enhance returns over the short term.

However, uncertainty persists, as geopolitical hot spots in Ukraine and the Middle East impose themselves on energy prices and market sentiment. Accordingly, the BOC is approaching any changes to monetary policy very cautiously, as evidenced by widespread expectations of no change to the benchmark rate for another year. Recent signs of recovering labour markets and stable inflation in the U.S. have been heartening.

Related-Party Transactions

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(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

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The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.00**	**0.06**	**(0.02)**	**–**	**–**	**0.04**	**(0.04)**	**–**	**–**	**–**	**(0.04)**	**10.00**
Dec. 31, 2013	10.00	0.12	(0.04)	–	–	0.08	(0.09)	–	–	–	(0.09)	10.00
Dec. 31, 2012	10.00	0.12	(0.03)	–	–	0.09	(0.09)	–	–	–	(0.09)	10.00
Dec. 31, 2011	10.00	0.12	(0.03)	–	–	0.09	(0.09)	–	–	–	(0.09)	10.00
Dec. 31, 2010	10.00	0.07	(0.03)	–	–	0.04	(0.04)	–	–	–	(0.04)	10.00
Dec. 31, 2009	10.00	0.13	(0.03)	–	–	0.10	(0.09)	–	–	–	(0.09)	10.00
Series F												
June 30, 2014	**10.00**	**0.06**	**(0.01)**	**–**	**–**	**0.05**	**(0.05)**	**–**	**–**	**–**	**(0.05)**	**10.00**
Dec. 31, 2013	10.00	0.12	(0.02)	–	–	0.10	(0.10)	–	–	–	(0.10)	10.00
Dec. 31, 2012	10.00	0.12	(0.02)	–	–	0.10	(0.10)	–	–	–	(0.10)	10.00
Dec. 31, 2011	10.00	0.12	(0.02)	–	–	0.10	(0.10)	–	–	–	(0.10)	10.00
Dec. 31, 2010	10.00	0.07	(0.02)	–	–	0.05	(0.05)	–	–	–	(0.05)	10.00
Dec. 31, 2009	10.00	0.13	(0.02)	–	–	0.11	(0.10)	–	–	–	(0.10)	10.00
Series I												
June 30, 2014	**10.00**	**0.06**	**(0.01)**	**–**	**–**	**0.05**	**(0.05)**	**–**	**–**	**–**	**(0.05)**	**10.00**
Dec. 31, 2013	10.00	0.12	(0.01)	–	–	0.11	(0.11)	–	–	–	(0.11)	10.00
Dec. 31, 2012	10.00	0.12	(0.01)	–	–	0.11	(0.11)	–	–	–	(0.11)	10.00
Dec. 31, 2011	10.00	0.12	(0.01)	–	–	0.11	(0.11)	–	–	–	(0.11)	10.00
Dec. 31, 2010	10.00	0.07	(0.01)	–	–	0.06	(0.06)	–	–	–	(0.06)	10.00
Dec. 31, 2009	10.00	0.13	(0.01)	–	–	0.12	(0.11)	–	–	–	(0.11)	10.00

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**10.00**	**1 980 892**	**198 089**	**0.35**	**0.35**	**n/a**	**–**
Dec. 31, 2013	10.00	2 249 586	224 959	0.35	0.35	n/a	–
Dec. 31, 2012	10.00	2 795 422	279 542	0.35	0.35	n/a	–
Dec. 31, 2011	10.00	3 794 478	379 448	0.35	0.35	n/a	–
Dec. 31, 2010	10.00	5 388 003	538 800	0.34	0.34	n/a	–
Dec. 31, 2009	10.00	10 065 786	1 006 579	0.34	0.34	n/a	–
Series F							
June 30, 2014	**10.00**	**12 571**	**1 257**	**0.24**	**0.24**	**n/a**	**–**
Dec. 31, 2013	10.00	14 559	1 456	0.24	0.24	n/a	–
Dec. 31, 2012	10.00	27 419	2 742	0.24	0.24	n/a	–
Dec. 31, 2011	10.00	58 648	5 865	0.24	0.24	n/a	–
Dec. 31, 2010	10.00	123 078	12 308	0.24	0.24	n/a	–
Dec. 31, 2009	10.00	399 648	39 965	0.23	0.23	n/a	–
Series I							
June 30, 2014	**10.00**	**12 750**	**1 275**	**0.13**	**0.13**	**n/a**	**–**
Dec. 31, 2013	10.00	15 767	1 577	0.13	0.13	n/a	–
Dec. 31, 2012	10.00	19 122	1 912	0.13	0.13	n/a	–
Dec. 31, 2011	10.00	26 334	2 633	0.13	0.13	n/a	–
Dec. 31, 2010	10.00	48 903	4 890	0.13	0.13	n/a	–
Dec. 31, 2009	10.00	73 926	7 393	0.13	0.13	n/a	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated up to the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	0.30%	83%	17%
Series F	0.20%	–	100%
Series I	0.10%	–	100%

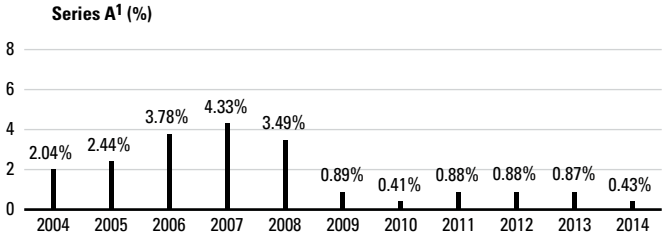
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

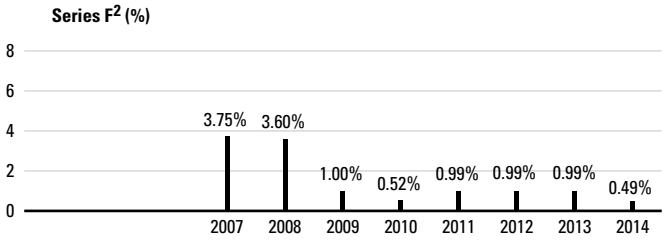
PAST PERFORMANCE

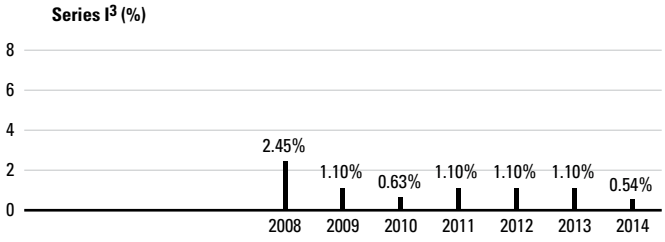
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.







[1] Inception date March 17, 1997.
[2] Inception date March 7, 2007.
[3] Inception date May 12, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Commercial Paper	61.4
Bankers Acceptances and Bank Obligations	31.1
Provincial Obligations	7.5

Top 25 Holdings

	% of Net Asset Value
Canadian Imperial Bank of Commerce 1.095% Jul 2 14	3.4
Bank of Nova Scotia 1.162% Sep 2 14	3.1
National Bank of Canada 1.200% Oct 17 14	2.8
Reliant Trust 1.201% Sep 3 14	2.5
Bay Street Funding Trust - Class A 1.269% Sep 22 14	2.5
Zeus Receivables Trust - Senior Notes 1.199% Sep 2 14	2.3
SAFE Trust - Series 1996-1 1.269% Oct 20 14	2.1
Clarity Trust 1.220% Jul 22 14	2.0
Province of Nova Scotia 1.295% Sep 3 14	2.0
Merit Trust - Senior Notes 1.181% Aug 26 14	1.9
Canadian Imperial Bank of Commerce 1.160% Aug 5 14	1.9
Canadian Imperial Bank of Commerce 1.350% Sep 15 14	1.9
JPMorgan Chase & Co. 1.401% Nov 12 14	1.8
Fusion Trust 1.220% Jul 22 14	1.8
Darwin Receivables Trust - Senior Notes 1.202% Aug 13 14	1.7
SAFE Trust - Series 1996-1 1.249% Aug 19 14	1.7
National Bank of Canada 1.181% Aug 18 14	1.7
Banner Trust 1.270% Nov 20 14	1.7
HSBC Bank Canada 1.200% Sep 22 14	1.6
Toronto-Dominion Bank 1.154% Jul 2 14	1.6
Province of Ontario 1.009% Jul 30 14	1.6
Banner Trust 1.260% Aug 18 14	1.5
TransCanada PipeLines Ltd. 1.095% Jul 2 14	1.5
HSBC Bank Canada 1.182% Jul 9 14	1.3
Ridge Trust 1.280% Jul 8 14	1.2
Top 25 Holdings	49.1

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

MONEY MARKET FUND

RBC $U.S. MONEY MARKET FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE (in USD)

Investment Objective and Strategies

The Fund seeks to provide U.S. dollar current income and liquidity consistent with short-term U.S. money-market rates.

To preserve the value of the investment, the Fund is invested primarily in high-quality short-term (one year or less) debt securities including Treasury bills, bankers acceptances and commercial paper.

Results of Operations

The Fund's net asset value was $183 million as of June 30, 2014.

As of June 30, 2014, the current yields were 0.1% for Series A units, 0.1% for Series D units and 0.2% for Series O units.

Over the past six months, the Fund's Series A units gained 0.05%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses. In response to an extremely low interest rate environment and to support the yield to unitholders, the management fees of the Fund have been temporarily reduced by RBC GAM. The decision to temporarily reduce management fees is determined at the discretion of RBC GAM.

The onset of faster economic growth stirred expectations in early 2014 that the U.S. Federal Reserve (the "Fed") would begin retreating from a period of extraordinarily loose monetary policy, and that the Bank of Canada might soon raise short-term interest rates. While the harsh winter proved to be a temporary stumbling block to that scenario, the Fed continued to scale back its bond-buying program to a point where it was more than half completed, and appeared committed to eliminating it outright.

The portfolio manager maintained a longer average term to maturity during the period at the higher end of its allowed range, as expectations that policy rates would stay low allowed the Fund to take advantage of the higher yields available on longer-term securities. The fulfillment of regulatory fund liquidity was exercised through the active management of maturities, as well as the addition of provincial-government securities to the Fund's overall mix.

Recent Developments

Monetary policy in most industrialized nations continues to support economic growth while combating the threat of deflation. Projections for global economic growth have stabilized at a lacklustre pace. The portfolio manager believes that short-term rates set by the Fed will remain unchanged through 2014, leaving government yields in the territory where they have been over the past few years.

However, uncertainty persists, as geopolitical hot spots in Ukraine and the Middle East impose themselves on energy prices and market sentiment. Accordingly, the Fund's asset allocation will continue to focus on higher-yielding, bank-sponsored, asset-backed commercial paper, as well as longer-term investments that offer higher yields. This positioning should help enhance returns over the short term, in the view of the portfolio manager.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS (in USD)

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.00**	**0.01**	**(0.01)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**10.00**
Dec. 31, 2013	10.00	0.03	(0.02)	–	–	0.01	(0.01)	–	–	–	(0.01)	10.00
Dec. 31, 2012	10.00	0.04	(0.02)	–	–	0.02	(0.02)	–	–	–	(0.02)	10.00
Dec. 31, 2011	10.00	0.03	(0.02)	–	–	0.01	(0.01)	–	–	–	(0.01)	10.00
Dec. 31, 2010	10.00	0.04	(0.03)	–	–	0.01	(0.01)	–	–	–	(0.01)	10.00
Dec. 31, 2009	10.00	0.13	(0.08)	–	–	0.05	(0.06)	–	–	–	(0.06)	10.00
Series D												
June 30, 2014	**10.00**	**0.01**	**(0.01)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**10.00**
Dec. 31, 2013	10.00	0.03	(0.02)	–	–	0.01	(0.02)	–	–	–	(0.02)	10.00
Dec. 31, 2012	10.00	0.04	(0.02)	–	–	0.02	(0.02)	–	–	–	(0.02)	10.00
Dec. 31, 2011	10.00	0.03	(0.02)	–	–	0.01	(0.01)	–	–	–	(0.01)	10.00
Dec. 31, 2010	10.00	0.04	(0.03)	–	–	0.01	(0.01)	–	–	–	(0.01)	10.00
Dec. 31, 2009	10.00	0.13	(0.06)	–	–	0.07	(0.08)	–	–	–	(0.08)	10.00
Series O												
June 30, 2014	**10.00**	**0.01**	**–**	**–**	**–**	**0.01**	**(0.01)**	**–**	**–**	**–**	**(0.01)**	**10.00**
Dec. 31, 2013	10.00	0.03	–	–	–	0.03	(0.04)	–	–	–	(0.04)	10.00
Dec. 31, 2012	10.00	0.04	–	–	–	0.04	(0.04)	–	–	–	(0.04)	10.00
Dec. 31, 2011	10.00	0.03	–	–	–	0.03	(0.03)	–	–	–	(0.03)	10.00
Dec. 31, 2010	10.00	0.04	–	–	–	0.04	(0.04)	–	–	–	(0.04)	10.00
Dec. 31, 2009	10.00	0.14	–	–	–	0.14	(0.13)	–	–	–	(0.13)	10.00

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (in USD) (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**10.00**	**156 958**	**15 696**	**0.17**	**0.17**	**n/a**	**–**
Dec. 31, 2013	10.00	171 061	17 106	0.21	0.21	n/a	–
Dec. 31, 2012	10.00	253 402	25 340	0.22	0.22	n/a	–
Dec. 31, 2011	10.00	317 759	31 776	0.22	0.22	n/a	–
Dec. 31, 2010	10.00	406 817	40 682	0.27	0.27	n/a	–
Dec. 31, 2009	10.00	452 334	45 233	0.77	0.77	n/a	–
Series D							
June 30, 2014	**10.00**	**25 369**	**2 537**	**0.17**	**0.17**	**n/a**	**–**
Dec. 31, 2013	10.00	27 081	2 708	0.21	0.21	n/a	–
Dec. 31, 2012	10.00	26 545	2 654	0.22	0.22	n/a	–
Dec. 31, 2011	10.00	28 862	2 886	0.22	0.22	n/a	–
Dec. 31, 2010	10.00	33 676	3 368	0.26	0.26	n/a	–
Dec. 31, 2009	10.00	39 104	3 910	0.60	0.60	n/a	–
Series O							
June 30, 2014	**10.00**	**751**	**75**	**0.02**	**0.02**	**n/a**	**–**
Dec. 31, 2013	10.00	1 811	181	0.02	0.02	n/a	–
Dec. 31, 2012	10.00	3 107	311	0.02	0.02	n/a	–
Dec. 31, 2011	10.00	35 071	3 507	0.02	0.02	n/a	–
Dec. 31, 2010	10.00	113 561	11 356	0.02	0.02	n/a	–
Dec. 31, 2009	10.00	78 141	7 814	0.02	0.02	n/a	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated up to the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	0.85%	29%	71%
Series D	0.60%	17%	83%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

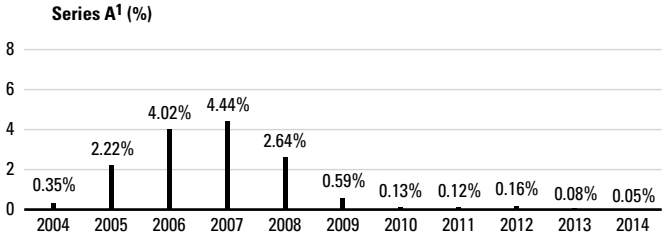
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

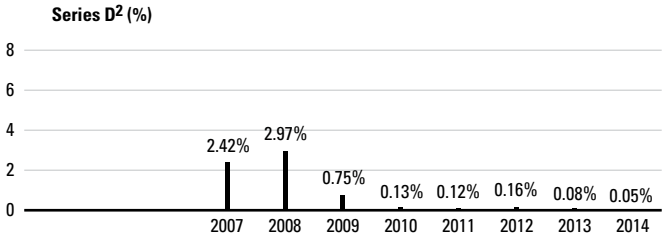
PAST PERFORMANCE (in USD)

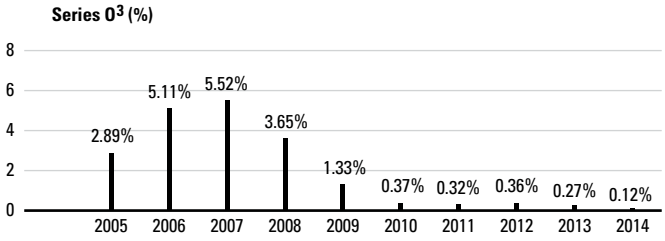
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.







1 Inception date July 31, 1990.
2 Inception date July 3, 2007.
3 Inception date March 1, 2005.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO (in USD)

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Commercial Paper	70.4
Bankers Acceptances and Bank Obligations	16.1
Provincial Obligations	14.2
Cash/Other	(0.7)

Top 25 Holdings

	% of Net Asset Value
Province of Quebec 0.111% Aug 1 14	12.3
Ridge Trust 0.309% Dec 15 14	6.8
Prime Trust - Senior Notes 0.256% Jul 31 14	5.0
Enbridge Inc. 0.159% Sep 11 14	4.9
Toronto-Dominion Bank 0.105% Jul 7 14	4.8
HSBC Bank Canada 0.259% Nov 13 14	4.3
SOUND Trust 0.351% Jul 14 14	3.9
Zeus Receivables Trust - Senior Notes 0.320% Sep 8 14	3.7
Banner Trust 0.256% Jul 31 14	3.7
Darwin Receivables Trust - Senior Notes 0.310% Nov 13 14	3.4
Clarity Trust 0.351% Jul 7 14	3.2
SAFE Trust - Series 1996-1 0.351% Sep 25 14	3.1
Reliant Trust 0.351% Oct 3 14	3.0
HSBC Bank Canada 0.249% Dec 22 14	3.0
Banner Trust 0.329% Jul 21 14	2.8
SOUND Trust 0.310% Jul 2 14	2.7
SAFE Trust - Series 1996-1 0.351% Oct 3 14	2.5
Caisse Centrale Desjardins 0.135% Jul 7 14	2.2
Province of Ontario 0.308% Jul 2 14	2.0
SOUND Trust 0.339% Sep 4 14	1.8
Merit Trust - Senior Notes 0.244% Jul 18 14	1.8
HSBC Bank Canada 0.259% Nov 26 14	1.8
Bank of Nova Scotia 0.199% Jul 10 14	1.5
Darwin Receivables Trust - Senior Notes 0.351% Oct 3 14	1.4
Merit Trust - Senior Notes 0.232% Jul 24 14	1.4
Top 25 Holdings	87.0

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

MONEY MARKET FUND

RBC PREMIUM $U.S. MONEY MARKET FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE (in USD)

Investment Objective and Strategies

The Fund seeks to provide current income and liquidity consistent with short-term money market rates for investors who have at least US$100,000 to invest.

To preserve the value of the investment, the Fund is invested primarily in high-quality, short-term (one year or less) debt securities denominated in U.S. dollars. These include treasury bills issued or guaranteed by Canadian or foreign governments, bankers acceptances and commercial paper issued by Canadian or foreign corporations and agencies such as the World Bank.

Results of Operations

The Fund's net asset value was $441 million as of June 30, 2014.

As of June 30, 2014, the current yields were 0.1% for Series A units, 0.1% for Series F units and 0.1% for Series I units.

Over the past six months, the Fund's Series A units gained 0.06%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses. In response to an extremely low interest rate environment and to support the yield to unitholders, the management fees of the Fund have been temporarily reduced by RBC GAM. The decision to temporarily reduce management fees is determined at the discretion of RBC GAM.

The onset of faster economic growth stirred expectations in early 2014 that the U.S. Federal Reserve (the "Fed") would begin retreating from a period of extraordinarily loose monetary policy, and that the Bank of Canada might soon raise short-term interest rates. While the harsh winter proved to be a temporary stumbling block to that scenario, the Fed continued to scale back its bond-buying program to a point where it was more than half completed, and appeared committed to eliminating it outright.

The portfolio manager maintained a longer average term to maturity during the period at the higher end of its allowed range, as expectations that policy rates would stay low allowed the Fund to take advantage of the higher yields available on longer-term securities. The fulfillment of regulatory fund liquidity was exercised through the active management of maturities, as well as the addition of provincial-government securities to the Fund's overall mix.

Recent Developments

Monetary policy in most industrialized nations continues to support economic growth while combating the threat of deflation. Projections for global economic growth have stabilized at a lacklustre pace. The portfolio manager believes that short-term rates set by the Fed will remain unchanged through 2014, leaving government yields in the territory where they have been over the past few years.

However, uncertainty persists, as geopolitical hot spots in Ukraine and the Middle East impose themselves on energy prices and market sentiment. Accordingly, the Fund's asset allocation will continue to focus on higher-yielding, bank-sponsored, asset-backed commercial paper, as well as longer-term investments that offer higher yields. This positioning should help enhance returns over the short term, in the view of the portfolio manager.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank and RBC IS are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS (in USD)

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.00**	**0.01**	**(0.01)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**10.00**
Dec. 31, 2013	10.02	0.03	(0.02)	–	–	0.01	(0.01)	–	–	–	(0.01)	10.02
Dec. 31, 2012	10.02	0.04	(0.02)	–	–	0.02	(0.02)	–	–	–	(0.02)	10.02
Dec. 31, 2011	10.02	0.03	(0.02)	–	–	0.01	(0.01)	–	–	–	(0.01)	10.02
Dec. 31, 2010	10.00	0.04	(0.03)	0.02	–	0.03	(0.01)	–	–	–	(0.01)	10.02
Dec. 31, 2009	10.00	0.12	(0.04)	–	–	0.08	(0.09)	–	–	–	(0.09)	10.00
Series F												
June 30, 2014	**10.00**	**0.01**	**(0.01)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**10.00**
Dec. 31, 2013	10.02	0.03	(0.02)	–	–	0.01	(0.01)	–	–	–	(0.01)	10.02
Dec. 31, 2012	10.02	0.04	(0.02)	–	–	0.02	(0.02)	–	–	–	(0.02)	10.02
Dec. 31, 2011	10.02	0.03	(0.01)	–	–	0.02	(0.02)	–	–	–	(0.02)	10.02
Dec. 31, 2010	10.00	0.04	(0.02)	0.02	–	0.04	(0.02)	–	–	–	(0.02)	10.02
Dec. 31, 2009	10.00	0.12	(0.03)	–	–	0.09	(0.10)	–	–	–	(0.10)	10.00
Series I												
June 30, 2014	**10.00**	**0.01**	**(0.01)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**10.00**
Dec. 31, 2013	10.02	0.03	(0.02)	–	–	0.01	(0.01)	–	–	–	(0.01)	10.02
Dec. 31, 2012	10.02	0.04	(0.02)	–	–	0.02	(0.02)	–	–	–	(0.02)	10.02
Dec. 31, 2011	10.02	0.03	(0.01)	–	–	0.02	(0.02)	–	–	–	(0.02)	10.02
Dec. 31, 2010	10.00	0.05	(0.02)	0.02	–	0.05	(0.03)	–	–	–	(0.03)	10.02
Dec. 31, 2009	10.00	0.12	(0.02)	–	–	0.10	(0.11)	–	–	–	(0.11)	10.00

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (in USD) (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**10.00**	**423 808**	**42 146**	**0.13**	**0.13**	**n/a**	**–**
Dec. 31, 2013	10.00	433 996	43 400	0.18	0.18	n/a	–
Dec. 31, 2012	10.00	554 940	55 494	0.19	0.19	n/a	–
Dec. 31, 2011	10.00	609 543	60 954	0.24	0.24	n/a	–
Dec. 31, 2010	10.00	1 176 861	117 686	0.30	0.30	n/a	–
Dec. 31, 2009	10.00	1 336 868	133 687	0.39	0.39	n/a	–
Series F							
June 30, 2014	**10.00**	**19 475**	**1 937**	**0.13**	**0.13**	**n/a**	**–**
Dec. 31, 2013	10.00	19 614	1 961	0.18	0.18	n/a	–
Dec. 31, 2012	10.00	34 160	3 416	0.19	0.19	n/a	–
Dec. 31, 2011	10.00	41 808	4 181	0.19	0.19	n/a	–
Dec. 31, 2010	10.00	93 726	9 373	0.24	0.24	n/a	–
Dec. 31, 2009	10.00	115 508	11 551	0.28	0.28	n/a	–
Series I							
June 30, 2014	**10.00**	**334**	**33**	**0.13**	**0.13**	**n/a**	**–**
Dec. 31, 2013	10.00	192	19	0.19	0.19	n/a	–
Dec. 31, 2012	10.00	1 166	117	0.19	0.19	n/a	–
Dec. 31, 2011	10.00	1 091	109	0.18	0.18	n/a	–
Dec. 31, 2010	10.00	6 212	621	0.18	0.18	n/a	–
Dec. 31, 2009	10.00	31 424	3 142	0.18	0.18	n/a	–

[1] The management expense ratio ("MER) is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated up to the annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	0.35%	71%	29%
Series F	0.25%	–	100%
Series I	0.15%	–	100%

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

RBC PREMIUM $U.S. MONEY MARKET FUND

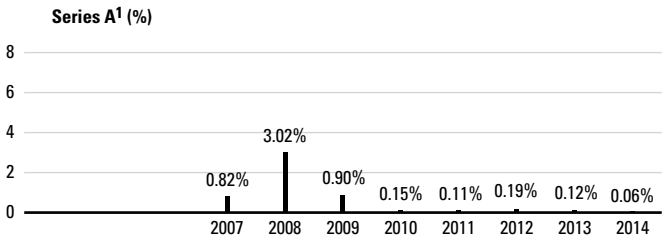
(IN U.S. DOLLARS)

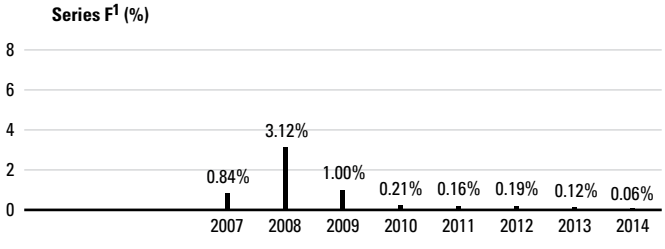
PAST PERFORMANCE (in USD)

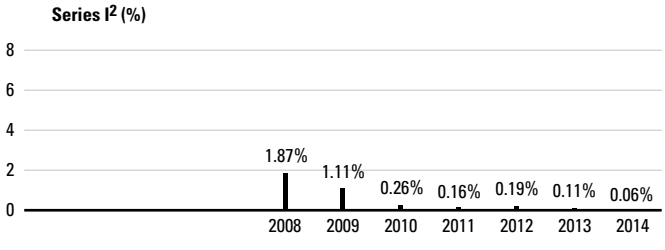
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.







[1] Inception date November 1, 2007.
[2] Inception date May 12, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO (in USD)

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Commercial Paper	70.5
Bankers Acceptances and Bank Obligations	16.2
Provincial Obligations	13.4
Cash/Other	(0.1)

Top 25 Holdings

	% of Net Asset Value
Ridge Trust 0.309% Dec 15 14	7.2
Province of Quebec 0.111% Aug 1 14	6.1
Province of Ontario 0.109% Sep 2 14	5.1
Darwin Receivables Trust - Senior Notes 0.329% Jul 21 14	4.3
Toronto-Dominion Bank 0.200% Aug 5 14	4.3
Caisse Centrale Desjardins 0.178% Jul 30 14	3.3
Clarity Trust 0.300% Aug 12 14	3.2
Fusion Trust 0.256% Jul 7 14	2.6
CPPIB Capital Inc. 0.149% Jul 25 14	2.4
HSBC Bank Canada 0.169% Sep 9 14	2.3
SOUND Trust 0.420% Apr 1 15	2.3
Zeus Receivables Trust - Senior Notes 0.335% Sep 25 14	2.2
Banner Trust 0.420% Apr 1 15	2.2
HSBC Bank Canada 0.170% Jul 23 14	2.2
HSBC Bank Canada 0.281% Jul 10 14	2.2
Prime Trust - Senior Notes 0.331% Jul 7 14	2.0
Clarity Trust 0.351% Jul 7 14	1.9
Province of Ontario 0.308% Jul 2 14	1.7
Fusion Trust 0.301% Sep 29 14	1.6
Toronto-Dominion Bank 0.105% Jul 7 14	1.6
Zeus Receivables Trust - Senior Notes 0.310% Oct 22 14	1.5
Reliant Trust 0.291% Oct 2 14	1.5
HSBC Bank Canada 0.168% Jul 31 14	1.4
Enbridge Inc. 0.148% Aug 29 14	1.4
Darwin Receivables Trust - Senior Notes 0.400% May 11 15	1.4
Top 25 Holdings	67.9

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

FIXED-INCOME FUND

RBC CANADIAN SHORT-TERM INCOME FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

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Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide a competitive level of monthly income by investing primarily in short-term, high-quality fixed-income securities issued or guaranteed by Canadian federal, provincial or municipal governments or corporations. The Fund may also invest in high-quality first mortgages on Canadian residential property.

The Fund's assets have an average maturity of two to five years.

Results of Operations

The Fund's net asset value was $5.1 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 1.3%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Fixed-income yields fell during the first half of 2014, sending bond prices higher. Geopolitical events in Ukraine and the Middle East and efforts by the European Central Bank (the "ECB") to bolster the economy outweighed signs that economic recoveries had taken hold in most major industrialized countries. Many investors had anticipated that interest rates would rise slowly as central banks retreated from aggressive monetary easing. The ECB measures, aimed at encouraging banks to lend, and signals from the central bank that it might initiate bond purchases supported the fixed-income rally and also helped hold down yields in North America. The U.S. Federal Reserve (the "Fed") continued cutting back on bond-buying amid accelerating economic growth, and was on track to complete the program by the end of the year.

The portfolio manager kept the Fund's exposure to corporate debt unchanged during the period, as corporate earnings and balance sheets were healthy. The portfolio manager cut the Fund's cash position to a minimum while seeking opportunities in provincial bonds and making few bets on the direction of interest rates. This strategy was successful in generating as much income as possible in the persistent low-yield environment.

Recent Developments

Monetary policy in most industrialized nations continues to support economic growth while stemming the threat of deflation. Projections of global economic growth have stabilized at a lacklustre pace. The portfolio manager believes that short-term interest rates set by the Bank of Canada will not rise appreciably in 2014, and given the likelihood of open-ended monetary policies by the Fed and the ECB, that Canadian bond yields will remain in a range. Accordingly, the portfolio manager will continue to focus on higher-yielding corporate debt, and this positioning should help enhance returns over the short term.

Effective January 1, 2014, the administration fee for Series A units has been reduced to 0.05% from 0.10%.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.80**	**0.16**	**(0.06)**	**(0.01)**	**0.06**	**0.15**	**(0.10)**	**–**	**–**	**–**	**(0.10)**	**10.84**
Dec. 31, 2013	10.90	0.34	(0.13)	(0.05)	(0.05)	0.11	(0.20)	–	–	–	(0.20)	10.79
Dec. 31, 2012	10.99	0.38	(0.13)	(0.03)	(0.06)	0.16	(0.25)	–	–	–	(0.25)	10.90
Dec. 31, 2011	10.88	0.41	(0.13)	0.02	0.09	0.39	(0.28)	–	–	–	(0.28)	10.99
Dec. 31, 2010	10.92	0.43	(0.13)	0.05	(0.08)	0.27	(0.30)	–	–	–	(0.30)	10.88
Dec. 31, 2009	10.92	0.46	(0.13)	0.06	(0.08)	0.31	(0.33)	–	–	–	(0.33)	10.92
Advisor Series												
June 30, 2014	**10.86**	**0.16**	**(0.06)**	**(0.01)**	**0.06**	**0.15**	**(0.10)**	**–**	**–**	**–**	**(0.10)**	**10.90**
Dec. 31, 2013	10.95	0.34	(0.13)	(0.05)	(0.05)	0.11	(0.21)	–	–	–	(0.21)	10.85
Dec. 31, 2012	11.04	0.39	(0.13)	(0.03)	(0.06)	0.17	(0.26)	–	–	–	(0.26)	10.95
Dec. 31, 2011	10.93	0.42	(0.12)	0.02	0.09	0.41	(0.29)	–	–	–	(0.29)	11.04
Dec. 31, 2010	10.97	0.43	(0.12)	0.05	(0.08)	0.28	(0.31)	–	–	–	(0.31)	10.93
Dec. 31, 2009	10.97	0.46	(0.12)	0.06	(0.08)	0.32	(0.33)	–	–	–	(0.33)	10.97
Series D												
June 30, 2014	**10.83**	**0.16**	**(0.04)**	**(0.01)**	**0.06**	**0.17**	**(0.12)**	**–**	**–**	**–**	**(0.12)**	**10.87**
Dec. 31, 2013	10.93	0.34	(0.08)	(0.05)	(0.05)	0.16	(0.26)	–	–	–	(0.26)	10.82
Dec. 31, 2012	11.02	0.38	(0.08)	(0.03)	(0.06)	0.21	(0.30)	–	–	–	(0.30)	10.93
Dec. 31, 2011	10.91	0.42	(0.08)	0.02	0.09	0.45	(0.33)	–	–	–	(0.33)	11.02
Dec. 31, 2010	10.95	0.43	(0.08)	0.05	(0.08)	0.32	(0.35)	–	–	–	(0.35)	10.91
Dec. 31, 2009	10.95	0.46	(0.08)	0.06	(0.08)	0.36	(0.37)	–	–	–	(0.37)	10.95
Series F												
June 30, 2014	**10.89**	**0.16**	**(0.03)**	**(0.01)**	**0.06**	**0.18**	**(0.14)**	**–**	**–**	**–**	**(0.14)**	**10.93**
Dec. 31, 2013	10.99	0.34	(0.07)	(0.05)	(0.05)	0.17	(0.27)	–	–	–	(0.27)	10.88
Dec. 31, 2012	11.07	0.38	(0.07)	(0.03)	(0.06)	0.22	(0.31)	–	–	–	(0.31)	10.99
Dec. 31, 2011	10.96	0.42	(0.06)	0.02	0.09	0.47	(0.35)	–	–	–	(0.35)	11.07
Dec. 31, 2010	11.01	0.44	(0.06)	0.05	(0.08)	0.35	(0.37)	–	–	–	(0.37)	10.96
Dec. 31, 2009	11.00	0.45	(0.06)	0.05	(0.08)	0.36	(0.38)	–	–	–	(0.38)	11.01
Series O												
June 30, 2014	**10.87**	**0.16**	**–**	**(0.01)**	**0.06**	**0.21**	**(0.16)**	**–**	**–**	**–**	**(0.16)**	**10.91**
Dec. 31, 2013	10.96	0.34	–	(0.05)	(0.05)	0.24	(0.34)	–	–	–	(0.34)	10.86
Dec. 31, 2012	11.05	0.38	–	(0.03)	(0.06)	0.29	(0.38)	–	–	–	(0.38)	10.96
Dec. 31, 2011	10.94	0.42	–	0.02	0.09	0.53	(0.41)	–	–	–	(0.41)	11.05
Dec. 31, 2010	10.98	0.43	–	0.05	(0.08)	0.40	(0.44)	–	–	–	(0.44)	10.94
Dec. 31, 2009	10.99	0.46	–	0.06	(0.08)	0.44	(0.46)	–	–	–	(0.46)	10.98

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**10.84**	**1 263 664**	**116 521**	**1.16**	**1.16**	**39.02**	**–**
Dec. 31, 2013	10.80	1 531 387	141 754	1.22	1.22	45.34	–
Dec. 31, 2012	10.91	1 977 968	181 352	1.21	1.21	21.62	–
Dec. 31, 2011	11.00	1 453 464	132 151	1.21	1.21	50.58	–
Dec. 31, 2010	10.89	1 228 219	112 798	1.18	1.18	81.96	–
Dec. 31, 2009	10.93	1 051 478	96 203	1.16	1.16	41.06	–
Advisor Series							
June 30, 2014	**10.90**	**27 811**	**2 551**	**1.16**	**1.16**	**39.02**	**–**
Dec. 31, 2013	10.86	33 727	3 106	1.16	1.16	45.34	–
Dec. 31, 2012	10.96	33 377	3 045	1.16	1.16	21.62	–
Dec. 31, 2011	11.06	31 915	2 887	1.15	1.15	50.58	–
Dec. 31, 2010	10.95	30 330	2 771	1.13	1.13	81.96	–
Dec. 31, 2009	10.99	28 111	2 559	1.10	1.10	41.06	–
Series D							
June 30, 2014	**10.87**	**26 436**	**2 431**	**0.76**	**0.76**	**39.02**	**–**
Dec. 31, 2013	10.83	27 435	2 532	0.77	0.77	45.34	–
Dec. 31, 2012	10.94	28 191	2 577	0.77	0.77	21.62	–
Dec. 31, 2011	11.03	27 471	2 490	0.77	0.77	50.58	–
Dec. 31, 2010	10.92	26 905	2 464	0.75	0.75	81.96	–
Dec. 31, 2009	10.96	18 547	1 692	0.74	0.74	41.06	–
Series F							
June 30, 2014	**10.93**	**10 831**	**991**	**0.60**	**0.60**	**39.02**	**–**
Dec. 31, 2013	10.89	11 870	1 090	0.61	0.61	45.34	–
Dec. 31, 2012	11.00	11 357	1 033	0.61	0.61	21.62	–
Dec. 31, 2011	11.09	7 659	691	0.60	0.60	50.58	–
Dec. 31, 2010	10.98	7 172	653	0.59	0.59	81.96	–
Dec. 31, 2009	11.02	10 122	919	0.58	0.58	41.06	–
Series O							
June 30, 2014	**10.91**	**3 731 974**	**342 122**	**0.02**	**0.02**	**39.02**	**–**
Dec. 31, 2013	10.87	3 200 651	294 524	0.02	0.02	45.34	–
Dec. 31, 2012	10.97	2 483 513	226 334	0.02	0.02	21.62	–
Dec. 31, 2011	11.06	1 875 073	169 516	0.02	0.02	50.58	–
Dec. 31, 2010	10.95	1 466 382	133 887	0.02	0.02	81.96	–
Dec. 31, 2009	11.00	1 565 497	142 335	0.02	0.02	41.06	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.00%	50%	50%
Advisor Series	1.00%	50%	50%
Series D	0.65%	23%	77%
Series F	0.50%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

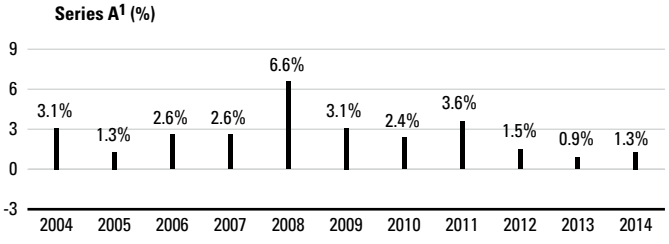
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

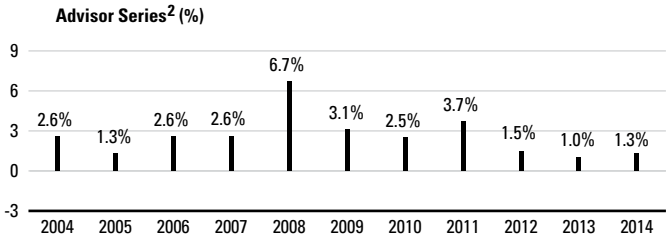
PAST PERFORMANCE

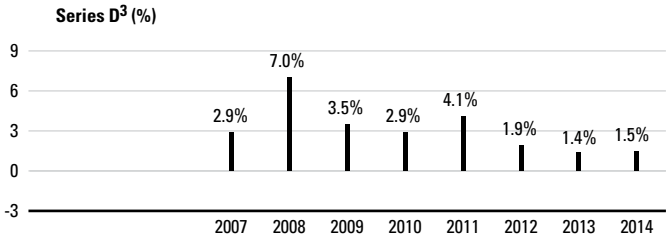
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

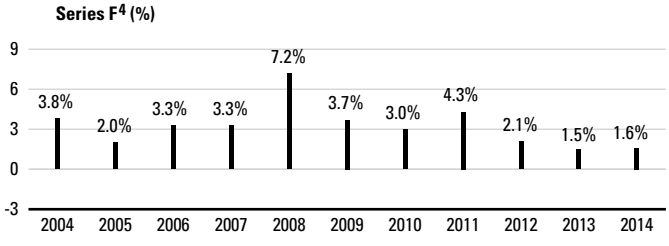
Year-by-Year Returns (%)

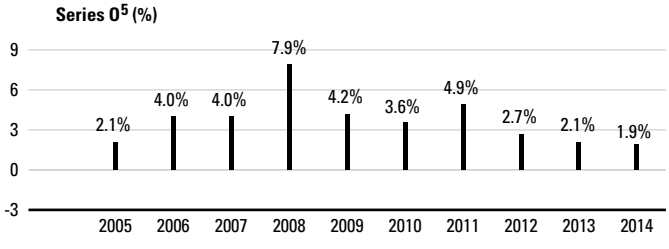
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











[1] Inception date January 27, 1992.
[2] Inception date January 13, 2004.
[3] Inception date July 3, 2007.
[4] Inception date July 17, 2003.
[5] Inception date March 8, 2005.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Corporate Bonds	58.5
Provincial/Municipal Bonds	21.9
Federal Bonds	17.2
Mortgage-Backed Securities	0.3
Cash/Other	2.1

Top 25 Holdings

	% of Net Asset Value
Canada Housing Trust No. 1 3.350% Dec 15 20	3.2
Province of Ontario 2.100% Sep 8 18	2.7
Province of Ontario 4.300% Mar 8 17	2.7
Canada Housing Trust No. 1 1.700% Dec 15 17	2.6
Province of Quebec 4.500% Dec 1 17	2.3
Canadian Imperial Bank of Commerce 2.650% Nov 8 16	2.0
Province of Ontario 1.900% Sep 8 17	2.0
Bank of Montreal 3.210% Sep 13 18	1.9
Government of Canada 2.750% Sep 1 16	1.9
Bank of Montreal 2.240% Dec 11 17	1.8
Canada Housing Trust No. 1 2.450% Dec 15 15	1.6
Province of Ontario 3.150% Sep 8 15	1.6
Cash & Cash Equivalents	1.5
Canada Housing Trust No. 1 2.750% Dec 15 15	1.5
HSBC Bank Canada 2.491% May 13 19	1.4
Government of Canada 1.500% Sep 1 17	1.4
Royal Bank of Canada 2.680% Dec 8 16	1.3
Bank of Nova Scotia 2.370% Jan 11 18	1.2
Province of Alberta 1.600% Jun 15 18	1.2
National Bank of Canada 2.794% Aug 9 18	1.1
Financement-Québec 3.500% Dec 1 16	1.1
Province of Quebec 5.500% Dec 1 14	1.1
Bank of Nova Scotia 2.598% Feb 27 17	1.1
Province of Ontario 2.100% Sep 8 19	1.1
Canada Housing Trust No. 1 2.050% Jun 15 17	1.0
Top 25 Holdings	42.3

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

FIXED-INCOME FUND

RBC MONTHLY INCOME BOND FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide regular monthly income with the potential for modest capital appreciation by investing primarily in units of fixed-income funds managed by RBC GAM or an affiliate (called the "underlying funds"). To achieve its objective, the Fund invests in underlying funds from the RBC Funds family or the PH&N Funds family.

The portfolio manager allocates and rebalances the Fund's assets among underlying funds based on the underlying funds' ability to help the Fund meet its investment objectives.

Results of Operations

The Fund's net asset value was $822 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 3.4%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund made monthly distributions of 2.25 cents per Series A unit in the first half of 2014.

Bond yields started 2014 near their highest levels in three years after a rally triggered by signs the U.S. Federal Reserve (the "Fed") would begin scaling back measures aimed at helping the economy recover from the financial crisis. However, yields fell for much of the period after a harsh winter dampened economic growth in much of North America. Also holding down yields was demand for fixed income from pension funds, bank demand for government bonds fulfilling new regulatory changes, geopolitical conflict and expectations of further monetary easing by the European Central Bank (the "ECB"). As the first half of 2014 came to a close, the major central banks were moving in opposite directions, with the Fed rolling back economic stimulus just as the ECB began unveiling a multi-pronged plan to bolster growth. The Bank of Canada (the "BOC") continued to emphasize that it has no plans to change benchmark interest rates before 2015.

All of the Fund's investments contributed to returns, led by the Phillips, Hager & North Total Return Bond Fund, the RBC Bond Fund and the Phillips, Hager & North Short Term Bond & Mortgage Fund. The RBC Global Corporate Bond Fund also had a positive impact on returns.

Recent Developments

The portfolio manager expects bond yields to gradually rise as the economy improves and the Fed ends its asset-purchase program. In Canada, short-term yields should stay low as long as relatively weak economic growth keeps the BOC from raising its benchmark rate. Assuming that this moderate expansion continues, corporate bonds would likely outperform government bonds, as default prospects remain low and earnings are likely to benefit from an improving economy.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Series H and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**9.76**	**0.17**	**(0.06)**	**(0.01)**	**0.23**	**0.33**	**(0.14)**	**–**	**–**	**–**	**(0.14)**	**9.96**
Dec. 31, 2013	10.06	0.35	(0.12)	(0.03)	(0.23)	(0.03)	(0.23)	–	–	(0.07)	(0.30)	9.76
Dec. 31, 2012	10.01	0.41	(0.12)	0.07	0.00	0.36	(0.30)	–	(0.03)	–	(0.33)	10.06
Dec. 31, 2011	9.76	0.44	(0.11)	0.02	0.26	0.61	(0.31)	–	–	–	(0.31)	10.01
Dec. 31, 2010[3]	10.00[†]	0.14	(0.02)	0.09	(0.26)	(0.05)	(0.10)	–	(0.06)	–	(0.16)	9.76
Advisor Series												
June 30, 2014	**9.77**	**0.17**	**(0.06)**	**(0.01)**	**0.24**	**0.34**	**(0.14)**	**–**	**–**	**–**	**(0.14)**	**9.97**
Dec. 31, 2013	10.07	0.35	(0.11)	(0.03)	(0.23)	(0.02)	(0.23)	–	–	(0.07)	(0.30)	9.77
Dec. 31, 2012	10.02	0.45	(0.12)	0.08	0.00	0.41	(0.30)	–	(0.03)	–	(0.33)	10.07
Dec. 31, 2011	9.77	0.43	(0.11)	0.02	0.25	0.59	(0.31)	–	–	–	(0.31)	10.02
Dec. 31, 2010[3]	10.00[†]	0.16	(0.02)	0.10	(0.31)	(0.07)	(0.10)	–	(0.06)	–	(0.16)	9.77
Series H												
June 30, 2014	**9.77**	**0.17**	**(0.05)**	**(0.01)**	**0.24**	**0.35**	**(0.14)**	**–**	**–**	**–**	**(0.14)**	**9.97**
Dec. 31, 2013[4]	9.80[†]	0.15	(0.04)	(0.01)	(0.10)	–	(0.10)	–	–	(0.03)	(0.13)	9.77
Series D												
June 30, 2014	**9.87**	**0.17**	**(0.04)**	**(0.01)**	**0.24**	**0.36**	**(0.14)**	**–**	**–**	**–**	**(0.14)**	**10.09**
Dec. 31, 2013	10.13	0.35	(0.08)	(0.03)	(0.23)	0.01	(0.23)	–	–	(0.07)	(0.30)	9.87
Dec. 31, 2012	10.04	0.45	(0.08)	0.08	0.00	0.45	(0.30)	–	(0.03)	–	(0.33)	10.13
Dec. 31, 2011	9.77	0.40	(0.07)	0.02	0.24	0.59	(0.34)	–	–	–	(0.34)	10.04
Dec. 31, 2010[3]	10.00[†]	0.12	(0.02)	0.08	(0.23)	(0.05)	(0.10)	–	(0.06)	–	(0.16)	9.77
Series F												
June 30, 2014	**9.91**	**0.17**	**(0.03)**	**(0.01)**	**0.24**	**0.37**	**(0.14)**	**–**	**–**	**–**	**(0.14)**	**10.14**
Dec. 31, 2013	10.15	0.36	(0.06)	(0.03)	(0.23)	0.04	(0.23)	–	–	(0.07)	(0.30)	9.91
Dec. 31, 2012	10.04	0.42	(0.06)	0.07	0.00	0.43	(0.30)	–	(0.03)	–	(0.33)	10.15
Dec. 31, 2011	9.79	0.45	(0.06)	0.02	0.27	0.68	(0.37)	–	–	–	(0.37)	10.04
Dec. 31, 2010[3]	10.00[†]	0.12	(0.01)	0.08	(0.23)	(0.04)	(0.10)	–	(0.06)	–	(0.16)	9.79
Series I												
June 30, 2014	**9.91**	**0.17**	**(0.02)**	**(0.01)**	**0.24**	**0.38**	**(0.14)**	**–**	**–**	**–**	**(0.14)**	**10.15**
Dec. 31, 2013[4]	9.92[†]	0.15	(0.02)	(0.01)	(0.10)	0.02	(0.10)	–	–	(0.03)	(0.13)	9.91

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**10.11**	**0.18**	**–**	**(0.01)**	**0.25**	**0.42**	**(0.14)**	**–**	**–**	**–**	**(0.14)**	**10.38**
Dec. 31, 2013	10.29	0.36	–	(0.03)	(0.24)	0.09	(0.23)	–	–	(0.07)	(0.30)	10.11
Dec. 31, 2012	10.11	0.45	–	0.09	0.00	0.54	(0.30)	–	(0.03)	–	(0.33)	10.29
Dec. 31, 2011	9.79	0.54	–	0.02	0.32	0.88	(0.35)	–	–	–	(0.35)	10.11
Dec. 31, 2010[3]	10.00[†]	0.20	–	0.13	(0.38)	(0.05)	(0.10)	–	(0.06)	–	(0.16)	9.79

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
[2] Distributions are reinvested in additional units of the Fund or paid in cash.
[3] From October 12, 2010.
[4] From August 12, 2013.
[†] Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**9.96**	**774 246**	**77 731**	**1.20**	**1.20**	**6.75**	**–**
Dec. 31, 2013	9.76	868 877	89 011	1.20	1.20	20.87	–
Dec. 31, 2012	10.06	1 051 721	104 538	1.20	1.20	3.39	–
Dec. 31, 2011	10.01	220 043	21 981	1.20	1.20	3.66	–
Dec. 31, 2010[4]	9.76	69 402	7 109	1.21	1.21	1.04	–
Advisor Series							
June 30, 2014	**9.97**	**22 400**	**2 246**	**1.20**	**1.20**	**6.75**	**–**
Dec. 31, 2013	9.77	20 505	2 098	1.19	1.19	20.87	–
Dec. 31, 2012	10.07	10 425	1 035	1.21	1.21	3.39	–
Dec. 31, 2011	10.02	4 489	448	1.19	1.19	3.66	–
Dec. 31, 2010[4]	9.77	1 019	104	1.19	1.19	1.04	–
Series H							
June 30, 2014	**9.97**	**3 368**	**338**	**1.07**	**1.07**	**6.75**	**–**
Dec. 31, 2013[5]	9.77	1 961	201	1.11	1.11	20.87	–
Series D							
June 30, 2014	**10.09**	**6 029**	**598**	**0.81**	**0.81**	**6.75**	**–**
Dec. 31, 2013	9.87	4 856	492	0.81	0.81	20.87	–
Dec. 31, 2012	10.13	5 199	513	0.83	0.83	3.39	–
Dec. 31, 2011	10.04	3 626	361	0.79	0.79	3.66	–
Dec. 31, 2010[4]	9.77	442	45	0.81	0.81	1.04	–
Series F							
June 30, 2014	**10.14**	**15 078**	**1 487**	**0.65**	**0.65**	**6.75**	**–**
Dec. 31, 2013	9.91	9 951	1 005	0.64	0.64	20.87	–
Dec. 31, 2012	10.15	4 738	467	0.65	0.65	3.39	–
Dec. 31, 2011	10.04	1 271	127	0.63	0.63	3.66	–
Dec. 31, 2010[4]	9.79	330	34	0.58	0.58	1.04	–

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series I							
June 30, 2014	**10.15**	**1 283**	**126**	**0.51**	**0.51**	**6.75**	**–**
Dec. 31, 2013[5]	9.91	931	94	0.55	0.55	20.87	–
Series O							
June 30, 2014	**10.38**	**1**	**–**	**0.06**	**0.06**	**6.75**	**–**
Dec. 31, 2013	10.11	1	–	0.06	0.06	20.87	–
Dec. 31, 2012	10.29	1	–	0.06	0.06	3.39	–
Dec. 31, 2011	10.11	5	–	0.06	0.06	3.66	–
Dec. 31, 2010[4]	9.79	23	2	0.06	0.06	1.04	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From October 12, 2010.

[5] From August 12, 2013.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees*	Distribution	Other†
Series A	1.00%	50%	50%
Advisor Series	1.00%	50%	50%
Series H	0.90%	56%	44%
Series D	0.65%	23%	77%
Series F	0.50%	–	100%
Series I	0.40%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Management fees represent the actual average management fee rate for the period ended June 30, 2014.

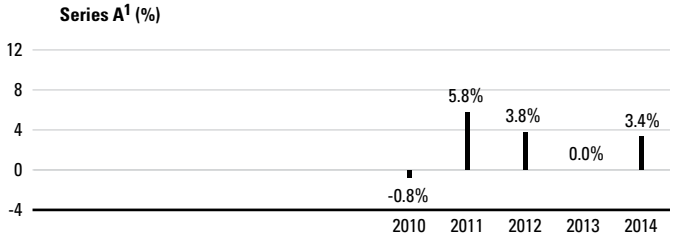
† Includes all costs related to management, trustee, investment advisory services, general administration and profit.

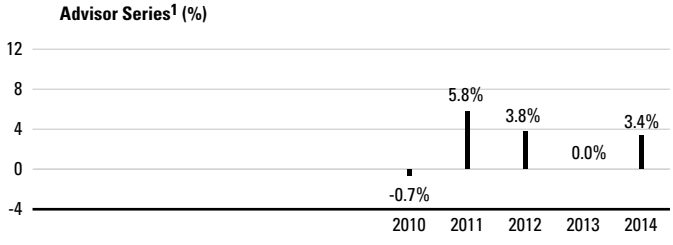
PAST PERFORMANCE

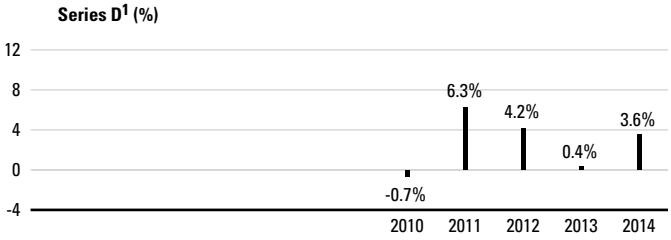
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

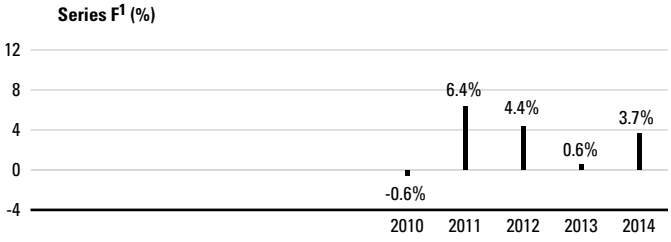
Year-by-Year Returns (%)

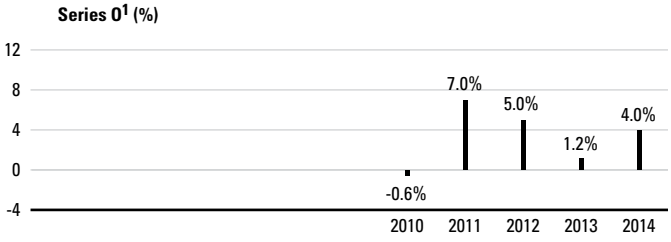
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











[1] Inception date October 12, 2010.
[2] Inception date August 12, 2013.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Income Funds	98.9
Cash/Other	1.1

Top 25 Holdings*

	% of Net Asset Value
Phillips, Hager & North Short Term Bond & Mortgage Fund	40.9
RBC Bond Fund	20.4
Phillips, Hager & North Total Return Bond Fund	20.4
RBC Global Corporate Bond Fund	10.2
RBC High Yield Bond Fund	3.7
RBC Emerging Markets Bond Fund	3.3
Cash & Cash Equivalents	1.1
Total	100.0

* The Fund holds fewer than 25 holdings.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying funds are available on SEDAR website at www.sedar.com.

FIXED-INCOME FUND

RBC BOND FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund pursues above-average long-term returns consisting of interest income and moderate capital growth by investing mainly in high-quality fixed-income securities issued by Canadian governments and corporations. Holdings within the portfolio in non-investment grade bonds are limited to 20% of assets.

The Fund may invest in similar securities outside of Canada.

Results of Operations

The Fund's net asset value was $13.4 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 4.4%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Bond yields started 2014 near their highest levels in almost three years after signs the U.S. Federal Reserve (the "Fed") would begin scaling back measures aimed at helping the economy recover from the financial crisis. However, yields were falling for much of the period after a harsh weather dampened economic growth in North America. Other factors that contributed to low yields were demand for fixed income from pension funds, bank demand for government bonds to fulfill regulatory changes and geopolitical conflict in Ukraine, and late in the period, Iraq. The period was also marked by diverging monetary policies, with the Fed continuing to roll back bond purchases while the European Central Bank (the "ECB") unveiled a multi-pronged stimulus package. Expectations that the ECB would act helped push down bond yields. The Bank of Canada continued emphasizing that it has no plans to change benchmark interest rates before 2015.

Non-government bonds outperformed Government of Canada bonds during the first half of 2014, as economic growth continued to be moderate and central banks kept very stimulative monetary policies in place. Yields on Canadian corporate bonds, which make up almost half of the Fund's assets, reached their lowest level in a year in part because investors sought income in a low-yield and low-volatility environment.

For the past six months, the Fund's allocation to Canadian investment-grade, U.S. high-yield corporate and emerging-market bonds contributed to relative returns. As the strong performance of non-government bonds led to historically high valuations, the portfolio manager gradually reduced exposure to high-yield and emerging-market bonds to reflect the lower potential for further significant gains. With interest rates near historic lows, the Fund's sensitivity to changes in interest rates, known as duration, was low to protect against the negative effect of a potential rise in the general level of rates.

Recent Developments

The portfolio manager expects that the Fed will complete its bond purchase program by the end of 2014. Global bond yields should rise slowly, led by the U.K. and the U.S., on the assumption of a better economic backdrop. The portfolio manager will adjust the Fund's holdings in an attempt to minimize losses tied to interest-rate sensitivity while taking advantage of opportunities caused by fixed-income price swings to accumulate attractively priced assets. Assuming that global economies improve, corporate bonds should continue to outperform government bonds, as default prospects remain low and earnings are likely to benefit from an improving economy. Investor demand for income makes corporate and provincial bonds even more attractive as their additional yield would help offset capital losses as yields start to rise. The Fund will maintain a preference for high-quality non-government bonds, and use currency trades to enhance returns and manage portfolio volatility.

Government of Ontario bonds remain a large holding in the Fund. The portfolio manager believes that the province's deteriorating fiscal position is largely reflected in the relatively high yields demanded by investors for owning the bonds.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
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Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund.

Distributors

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(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**6.26**	**0.11**	**(0.04)**	**0.01**	**0.19**	**0.27**	**(0.08)**	**–**	**–**	**–**	**(0.08)**	**6.46**
Dec. 31, 2013	6.54	0.26	(0.08)	0.01	(0.28)	(0.09)	(0.18)	–	(0.01)	–	(0.19)	6.25
Dec. 31, 2012	6.50	0.26	(0.08)	0.10	(0.03)	0.25	(0.17)	–	(0.04)	–	(0.21)	6.54
Dec. 31, 2011	6.16	0.24	(0.07)	0.05	0.30	0.52	(0.17)	–	–	–	(0.17)	6.50
Dec. 31, 2010	5.99	0.28	(0.07)	0.06	0.10	0.37	(0.21)	–	–	–	(0.21)	6.16
Dec. 31, 2009	5.63	0.33	(0.07)	0.11	0.22	0.59	(0.26)	–	–	–	(0.26)	5.99
Advisor Series												
June 30, 2014	**6.39**	**0.11**	**(0.04)**	**0.01**	**0.20**	**0.28**	**(0.08)**	**–**	**–**	**–**	**(0.08)**	**6.59**
Dec. 31, 2013	6.66	0.26	(0.08)	0.01	(0.28)	(0.09)	(0.19)	–	(0.01)	–	(0.20)	6.38
Dec. 31, 2012	6.62	0.26	(0.08)	0.10	(0.03)	0.25	(0.17)	–	(0.04)	–	(0.21)	6.66
Dec. 31, 2011	6.27	0.25	(0.07)	0.05	0.30	0.53	(0.17)	–	–	–	(0.17)	6.62
Dec. 31, 2010	6.09	0.28	(0.07)	0.06	0.10	0.37	(0.21)	–	–	–	(0.21)	6.27
Dec. 31, 2009	5.71	0.33	(0.07)	0.11	0.22	0.59	(0.24)	–	–	–	(0.24)	6.09
Series H												
June 30, 2014	**6.33**	**0.11**	**(0.03)**	**0.01**	**0.19**	**0.28**	**(0.09)**	**–**	**–**	**–**	**(0.09)**	**6.53**
Dec. 31, 2013[3]	6.60[†]	0.17	(0.05)	0.01	(0.18)	(0.05)	(0.11)	–	(0.01)	–	(0.12)	6.32
Series D												
June 30, 2014	**6.30**	**0.11**	**(0.02)**	**0.01**	**0.20**	**0.30**	**(0.09)**	**–**	**–**	**–**	**(0.09)**	**6.50**
Dec. 31, 2013	6.58	0.26	(0.05)	0.01	(0.28)	(0.06)	(0.22)	–	(0.01)	–	(0.23)	6.29
Dec. 31, 2012	6.54	0.26	(0.05)	0.10	(0.03)	0.28	(0.20)	–	(0.04)	–	(0.24)	6.58
Dec. 31, 2011	6.19	0.24	(0.05)	0.05	0.30	0.54	(0.19)	–	–	–	(0.19)	6.54
Dec. 31, 2010	6.01	0.28	(0.05)	0.06	0.10	0.39	(0.23)	–	–	–	(0.23)	6.19
Dec. 31, 2009	5.65	0.33	(0.04)	0.11	0.22	0.62	(0.28)	–	–	–	(0.28)	6.01
Series F												
June 30, 2014	**6.45**	**0.11**	**(0.02)**	**0.01**	**0.20**	**0.30**	**(0.09)**	**–**	**–**	**–**	**(0.09)**	**6.66**
Dec. 31, 2013	6.73	0.27	(0.04)	0.01	(0.29)	(0.05)	(0.22)	–	(0.01)	–	(0.23)	6.44
Dec. 31, 2012	6.69	0.26	(0.04)	0.10	(0.03)	0.29	(0.21)	–	(0.04)	–	(0.25)	6.73
Dec. 31, 2011	6.33	0.25	(0.04)	0.06	0.31	0.58	(0.21)	–	–	–	(0.21)	6.69
Dec. 31, 2010	6.15	0.28	(0.04)	0.07	0.10	0.41	(0.24)	–	–	–	(0.24)	6.33
Dec. 31, 2009	5.78	0.34	(0.03)	0.11	0.23	0.65	(0.29)	–	–	–	(0.29)	6.15

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations[1]					Annual Distributions[2]					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	
Series I												
June 30, 2014	**6.42**	**0.11**	**(0.02)**	**0.01**	**0.20**	**0.30**	**(0.11)**	**–**	**–**	**–**	**(0.11)**	**6.62**
Dec. 31, 2013	6.73	0.27	(0.03)	0.01	(0.29)	(0.04)	(0.27)	–	(0.01)	–	(0.28)	6.41
Dec. 31, 2012	6.69	0.26	(0.03)	0.10	(0.03)	0.30	(0.22)	–	(0.04)	–	(0.26)	6.73
Dec. 31, 2011	6.34	0.25	(0.03)	0.06	0.31	0.59	(0.22)	–	–	–	(0.22)	6.69
Dec. 31, 2010	6.15	0.28	(0.03)	0.07	0.10	0.42	(0.25)	–	–	–	(0.25)	6.34
Dec. 31, 2009	5.79	0.34	(0.03)	0.11	0.23	0.65	(0.31)	–	–	–	(0.31)	6.15
Series O												
June 30, 2014	**6.54**	**0.11**	**–**	**0.01**	**0.20**	**0.32**	**(0.12)**	**–**	**–**	**–**	**(0.12)**	**6.74**
Dec. 31, 2013	6.80	0.27	–	0.01	(0.29)	(0.01)	(0.25)	–	(0.01)	–	(0.26)	6.53
Dec. 31, 2012	6.76	0.27	–	0.10	(0.03)	0.34	(0.26)	–	(0.04)	–	(0.30)	6.80
Dec. 31, 2011	6.41	0.25	–	0.06	0.31	0.62	(0.25)	–	–	–	(0.25)	6.76
Dec. 31, 2010	6.21	0.28	–	0.07	0.10	0.45	(0.27)	–	–	–	(0.27)	6.41
Dec. 31, 2009	5.83	0.34	–	0.11	0.23	0.68	(0.33)	–	–	–	(0.33)	6.21

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From April 29, 2013.

† Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**6.46**	**1 638 245**	**253 758**	**1.22**	**1.22**	**26.10**	**–**
Dec. 31, 2013	6.26	1 776 367	283 729	1.22	1.22	31.63	–
Dec. 31, 2012	6.55	2 271 734	347 067	1.21	1.21	33.88	–
Dec. 31, 2011	6.51	1 807 620	277 653	1.20	1.20	49.74	–
Dec. 31, 2010	6.17	1 597 317	258 985	1.18	1.18	44.95	–
Dec. 31, 2009	6.00	1 430 433	238 591	1.16	1.16	60.39	–
Advisor Series							
June 30, 2014	**6.59**	**36 430**	**5 529**	**1.17**	**1.17**	**26.10**	**–**
Dec. 31, 2013	6.39	36 190	5 666	1.17	1.17	31.63	–
Dec. 31, 2012	6.67	42 437	6 358	1.14	1.14	33.88	–
Dec. 31, 2011	6.63	28 020	4 225	1.15	1.15	49.74	–
Dec. 31, 2010	6.28	20 258	3 226	1.12	1.12	44.95	–
Dec. 31, 2009	6.10	15 198	2 492	1.10	1.10	60.39	–
Series H							
June 30, 2014	**6.53**	**204**	**31**	**1.02**	**1.02**	**26.10**	**–**
Dec. 31, 2013[4]	6.33	1	–	1.00	1.00	31.63	–
Series D							
June 30, 2014	**6.50**	**56 486**	**8 696**	**0.77**	**0.77**	**26.10**	**–**
Dec. 31, 2013	6.30	53 735	8 532	0.77	0.77	31.63	–
Dec. 31, 2012	6.59	68 826	10 448	0.77	0.77	33.88	–
Dec. 31, 2011	6.55	49 188	7 512	0.77	0.77	49.74	–
Dec. 31, 2010	6.20	37 364	6 028	0.75	0.75	44.95	–
Dec. 31, 2009	6.02	31 614	5 250	0.74	0.74	60.39	–

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series F							
June 30, 2014	**6.66**	**10 610**	**1 593**	**0.61**	**0.61**	**26.10**	**–**
Dec. 31, 2013	6.45	7 299	1 131	0.62	0.62	31.63	–
Dec. 31, 2012	6.74	7 441	1 104	0.61	0.61	33.88	–
Dec. 31, 2011	6.70	5 539	827	0.60	0.60	49.74	–
Dec. 31, 2010	6.34	5 385	850	0.59	0.59	44.95	–
Dec. 31, 2009	6.16	5 319	864	0.58	0.58	60.39	–
Series I							
June 30, 2014	**6.62**	**506**	**76**	**0.48**	**0.48**	**26.10**	**–**
Dec. 31, 2013	6.42	490	76	0.48	0.48	31.63	–
Dec. 31, 2012	6.74	898	133	0.45	0.45	33.88	–
Dec. 31, 2011	6.70	7	1	0.44	0.44	49.74	–
Dec. 31, 2010	6.35	6	1	0.45	0.45	44.95	–
Dec. 31, 2009	6.16	6	1	0.42	0.42	60.39	–
Series O							
June 30, 2014	**6.74**	**11 684 168**	**1 732 921**	**0.02**	**0.02**	**26.10**	**–**
Dec. 31, 2013	6.54	9 949 423	1 522 142	0.02	0.02	31.63	–
Dec. 31, 2012	6.81	7 151 935	1 049 482	0.02	0.02	33.88	–
Dec. 31, 2011	6.77	5 724 748	845 173	0.02	0.02	49.74	–
Dec. 31, 2010	6.42	5 262 312	820 196	0.02	0.02	44.95	–
Dec. 31, 2009	6.22	3 114 513	501 017	0.02	0.02	60.39	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From April 29, 2013.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.00%	50%	50%
Advisor Series	1.00%	50%	50%
Series H	0.90%	55%	45%
Series D	0.65%	23%	77%
Series F	0.50%	–	100%
Series I	0.40%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

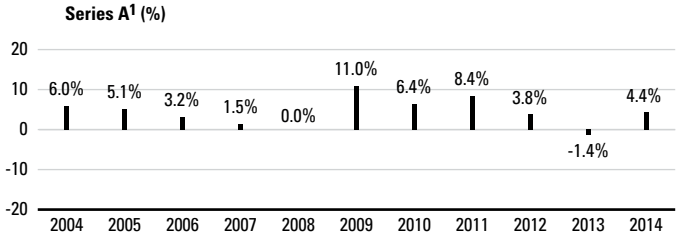
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

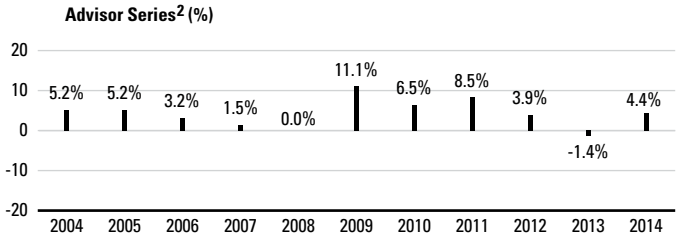
PAST PERFORMANCE

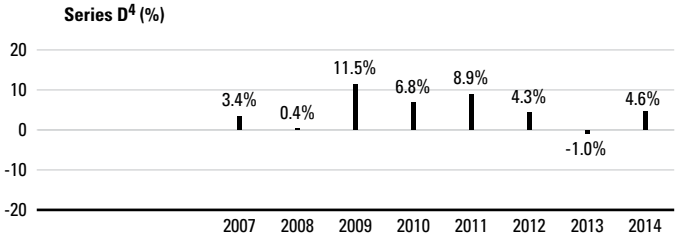
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

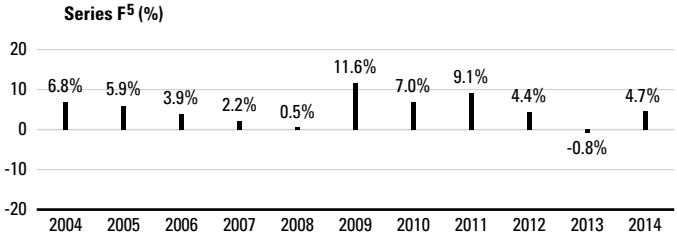
Year-by-Year Returns (%)

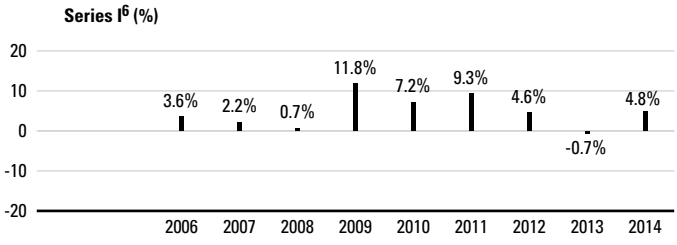
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

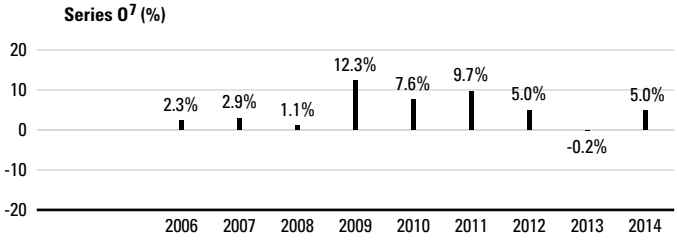












1 Inception date October 31, 1972.
2 Inception date January 13, 2004.
3 Inception date April 29, 2013.
4 Inception date July 3, 2007.
5 Inception date August 13, 2001.
6 Inception date August 8, 2006.
7 Inception date September 5, 2006.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Corporate Bonds	43.2
Provincial/Municipal Bonds	39.2
Federal Bonds	9.2
Foreign Bonds	4.4
Income Funds	1.0
Mortgage-Backed Securities	0.1
Cash/Other	2.9

Top 25 Holdings

	% of Net Asset Value
Long Positions:	
Province of Ontario 2.850% Jun 2 23	3.7
Province of Ontario 3.500% Jun 2 24	2.8
Province of Ontario 3.450% Jun 2 45	2.6
Province of Ontario 4.200% Jun 2 20	2.3
Cash & Cash Equivalents	2.2
Canada Housing Trust No. 1 3.350% Dec 15 20	2.1
Province of Ontario 6.500% Mar 8 29	1.9
Province of Ontario 1.900% Sep 8 17	1.9
Province of Ontario 4.650% Jun 2 41	1.9
Province of Ontario 3.500% Jun 2 43	1.8
Province of Quebec 3.000% Sep 1 23	1.7
Province of Ontario 4.400% Jun 2 19	1.6
Province of Ontario 4.600% Jun 2 39	1.5
Province of Ontario 3.150% Jun 2 22	1.5
Province of Ontario 4.000% Jun 2 21	1.2
Province of Ontario 4.300% Mar 8 17	1.2
Canada Housing Trust No. 1 1.850% Dec 15 16	1.2
Province of Ontario 2.100% Sep 8 18	1.1
Province of Quebec 5.000% Dec 1 41	1.1
Province of Ontario 4.700% Jun 2 37	1.0
BlueBay Emerging Markets Corporate Bond Fund	1.0
Canadian Imperial Bank of Commerce 2.350% Oct 18 17	1.0
Canada Housing Trust No. 1 2.650% Mar 15 22	0.9
Total Long	39.2
Short Positions:	
United States 10-Year Note Future, September 2014	(3.1)
United States 5-Year Note Future, September 2014	(1.2)
Total Short	(4.3)

The Fund may use futures contracts as an asset substitution or as a way to reduce interest-rate risk. During 2013, the Fund used futures contracts to partially hedge its interest-rate exposure to bonds that closely track U.S. government fixed-income securities. These bonds include emerging-market and high-yield bonds.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

FIXED-INCOME FUND

RBC ADVISOR CANADIAN BOND FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide a modest enhancement of long-term returns, consisting of income and modest capital gains, over that of its benchmark before fees and expenses are deducted, while keeping overall risk of underperformance to modest levels.

The Fund invests primarily in fixed-income securities such as bonds, debentures and notes issued by Canadian governments and corporations. The Fund may also invest in AAA-rated securities of selected agencies such as the World Bank whose debt is considered appropriate for conservative investors.

Results of Operations

The Fund's net asset value was $76 million as of June 30, 2014.

Over the past six months, the Fund's Advisor Series units gained 4.4%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Bond yields started 2014 near their highest levels in almost three years after signs the U.S. Federal Reserve (the "Fed") would begin scaling back measures aimed at helping the economy recover from the financial crisis. However, yields fell for much of the period after a harsh winter dampened economic growth in much of North America. Also holding down yields were demand for fixed income from pension funds, bank demand for government bonds fulfilling new regulatory changes, geopolitical conflict and expectations of further monetary easing by the European Central Bank (the "ECB"). As the first half of 2014 came to a close, the major central banks were moving in opposite directions, with the Fed rolling back economic stimulus just as the ECB began unveiling a multi-pronged plan to bolster growth. The Bank of Canada (the "BOC") continued to emphasize that it has no plans to change benchmark interest rates before 2015.

Longer-term bonds, which offer much more attractive yields than short-term securities, significantly outperformed. Provincial and corporate bonds, which offered higher yields for what the portfolio manager believes is relatively low risk, fared better than federal bonds, with income-seeking international investors spurring much of the demand. The Fund's performance benefited from significant exposure to provincial and corporate fixed-income securities.

Recent Developments

The portfolio manager expects bond yields to gradually rise as the economy improves and the Fed ends its asset-purchase program. In Canada, short-term yields should stay low as long as relatively weak economic growth keeps the BOC from raising its benchmark rate. However, the portfolio manager expects a steady rise in Canadian yields over 2014 consistent with a steadily improving economic backdrop. Assuming that this moderate expansion continues, corporate bonds would likely outperform government bonds, as default prospects remain low and earnings are likely to benefit from an improving economy. Investor demand for income makes corporate and provincial bonds even more attractive, and their additional yield would help offset capital losses as yields start to rise. The Fund plans to maintain overweight positions in both areas.

Government of Ontario bonds remain a large holding in the Fund. The portfolio manager believes that the province's deteriorating fiscal position is largely reflected in the relatively high yields demanded by investors for owning the bonds, and that the bonds remain attractive.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing, RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Advisor Series units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrar

RBC IS is the registrar of the Fund and keeps records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Advisor Series												
June 30, 2014	**11.47**	**0.21**	**(0.05)**	**0.03**	**0.34**	**0.53**	**(0.17)**	**–**	**–**	**–**	**(0.17)**	**11.81**
Dec. 31, 2013	12.04	0.44	(0.11)	0.12	(0.68)	(0.23)	(0.35)	–	–	–	(0.35)	11.46
Dec. 31, 2012	12.04	0.44	(0.11)	0.19	(0.19)	0.33	(0.34)	–	–	–	(0.34)	12.04
Dec. 31, 2011	11.44	0.48	(0.10)	0.31	0.29	0.98	(0.38)	–	–	–	(0.38)	12.04
Dec. 31, 2010	11.19	0.50	(0.10)	0.12	0.14	0.66	(0.41)	–	–	–	(0.41)	11.44
Dec. 31, 2009	11.19	0.52	(0.10)	0.10	(0.09)	0.43	(0.42)	–	–	–	(0.42)	11.19
Series F												
June 30, 2014	**11.67**	**0.22**	**(0.04)**	**0.03**	**0.34**	**0.55**	**(0.19)**	**–**	**–**	**–**	**(0.19)**	**12.02**
Dec. 31, 2013	12.25	0.45	(0.07)	0.13	(0.70)	(0.19)	(0.39)	–	–	–	(0.39)	11.66
Dec. 31, 2012	12.25	0.45	(0.07)	0.20	(0.19)	0.39	(0.39)	–	–	–	(0.39)	12.25
Dec. 31, 2011	11.63	0.49	(0.07)	0.31	0.29	1.02	(0.41)	–	–	–	(0.41)	12.25
Dec. 31, 2010	11.38	0.51	(0.07)	0.12	0.14	0.70	(0.46)	–	–	–	(0.46)	11.63
Dec. 31, 2009	11.48	0.54	(0.07)	0.10	(0.09)	0.48	(0.58)	–	–	–	(0.58)	11.38
Series O												
June 30, 2014	**11.80**	**0.22**	**–**	**0.03**	**0.35**	**0.60**	**(0.24)**	**–**	**–**	**–**	**(0.24)**	**12.13**
Dec. 31, 2013	12.36	0.45	–	0.13	(0.71)	(0.13)	(0.44)	–	–	–	(0.44)	11.79
Dec. 31, 2012	12.36	0.46	–	0.20	(0.19)	0.47	(0.46)	–	–	–	(0.46)	12.36
Dec. 31, 2011	11.77	0.49	–	0.31	0.29	1.09	(0.53)	–	–	–	(0.53)	12.36
Dec. 31, 2010	11.52	0.52	–	0.12	0.14	0.78	(0.53)	–	–	–	(0.53)	11.77
Dec. 31, 2009[3]	11.55†	0.10	–	0.02	(0.09)	0.03	(0.08)	–	–	–	(0.08)	11.52

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From October 26, 2009.

† Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Advisor Series							
June 30, 2014	**11.81**	**37 383**	**3 166**	**0.92**	**0.92**	**15.76**	**–**
Dec. 31, 2013	11.47	42 079	3 668	0.93	0.93	18.55	–
Dec. 31, 2012	12.06	64 534	5 352	0.94	0.94	26.46	–
Dec. 31, 2011	12.05	70 869	5 879	0.94	0.94	37.92	–
Dec. 31, 2010	11.45	71 808	6 270	0.92	0.92	30.84	–
Dec. 31, 2009	11.21	78 359	6 991	0.90	0.90	37.61	–
Series F							
June 30, 2014	**12.02**	**9 363**	**779**	**0.60**	**0.60**	**15.76**	**–**
Dec. 31, 2013	11.67	9 669	828	0.61	0.61	18.55	–
Dec. 31, 2012	12.26	13 475	1 099	0.61	0.61	26.46	–
Dec. 31, 2011	12.26	15 498	1 264	0.61	0.61	37.92	–
Dec. 31, 2010	11.64	14 882	1 279	0.59	0.59	30.84	–
Dec. 31, 2009	11.40	17 801	1 562	0.58	0.58	37.61	–
Series O							
June 30, 2014	**12.13**	**29 471**	**2 429**	**0.03**	**0.03**	**15.76**	**–**
Dec. 31, 2013	11.80	33 458	2 836	0.02	0.02	18.55	–
Dec. 31, 2012	12.37	32 095	2 595	0.02	0.02	26.46	–
Dec. 31, 2011	12.37	37 776	3 054	0.03	0.03	37.92	–
Dec. 31, 2010	11.78	60 471	5 132	0.02	0.02	30.84	–
Dec. 31, 2009[4]	11.54	63 128	5 471	0.04	0.04	37.61	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From October 26, 2009.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Advisor Series	0.80%	31%	69%
Series F	0.50%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

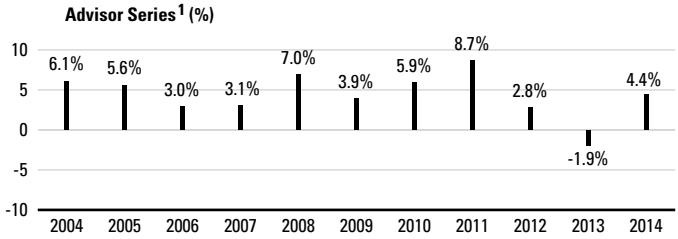
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

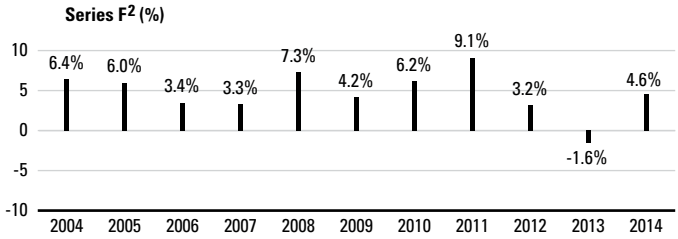
PAST PERFORMANCE

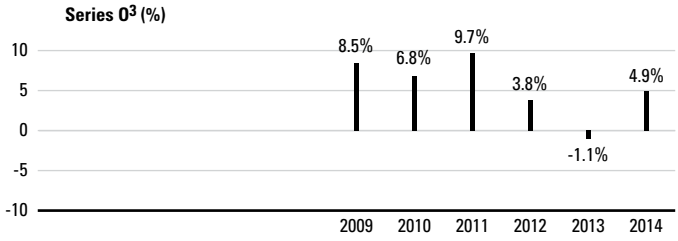
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.







[1] Inception date November 15, 1999.
[2] Inception date October 29, 2001.
[3] Inception date October 26, 2009.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Corporate Bonds	36.1
Provincial/Municipal Bonds	35.3
Federal Bonds	27.1
Cash/Other	1.5

Top 25 Holdings

	% of Net Asset Value
Canada Housing Trust No. 1 3.350% Dec 15 20	6.3
Canada Housing Trust No. 1 1.850% Dec 15 16	5.6
Province of Ontario 4.700% Jun 2 37	4.1
Province of Ontario 3.150% Jun 2 22	3.3
Government of Canada 4.000% Jun 1 41	2.8
Canada Housing Trust No. 1 2.450% Dec 15 15	2.7
Canada Housing Trust No. 1 1.700% Dec 15 17	2.4
Province of Ontario 4.200% Jun 2 20	2.2
Province of Quebec 6.000% Oct 1 29	2.1
Province of Ontario 4.650% Jun 2 41	1.9
Province of Quebec 4.500% Dec 1 16	1.7
Government of Canada 1.500% Jun 1 23	1.7
Government of Canada 2.750% Jun 1 22	1.7
Province of New Brunswick 5.650% Dec 27 28	1.6
Province of Ontario 4.600% Jun 2 39	1.6
Royal Bank of Canada 2.580% Apr 13 17	1.6
Government of Canada 1.250% Mar 1 18	1.6
Province of Quebec 3.500% Dec 1 22	1.5
TCHC Issuer Trust 4.877% May 11 37	1.5
Bank of Montreal 2.240% Dec 11 17	1.4
Province of Manitoba 4.650% Mar 5 40	1.4
RBC Capital Trust 4.870% Dec 31 15	1.4
Province of Quebec 9.500% Mar 30 23	1.4
Province of Manitoba 2.050% Dec 1 16	1.3
Province of Ontario 1.900% Sep 8 17	1.3
Top 25 Holdings	56.1

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

FIXED-INCOME FUND

RBC CANADIAN GOVERNMENT BOND INDEX FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide a total return consisting of income and moderate capital growth consistent with the DEX Federal Bond Index before fees and expenses are deducted.

The Fund invests in fixed-income securities issued or guaranteed by the Government of Canada. Securities are chosen so that the yield, risk and maturities of the Fund's holdings closely resemble the index.

Results of Operations

The Fund's net asset value was $241 million as of June 30, 2014.

Over the past six months, the Fund's units gained 3.4%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Bond yields started 2014 near their highest levels in almost three years after signs the U.S. Federal Reserve (the "Fed") would begin scaling back measures aimed at helping the economy recover from the financial crisis. However, yields fell for much of the period after a harsh winter dampened economic growth in much of North America. Also holding down yields were demand for fixed income from pension funds, bank demand for government bonds fulfilling new regulatory changes, geopolitical conflict and expectations of further monetary easing by the European Central Bank (the "ECB"). As the first half of 2014 came to a close, the major central banks were moving in opposite directions, with the Fed rolling back economic stimulus just as the ECB began unveiling a multi-pronged plan to bolster growth. The Bank of Canada (the "BOC") continued to emphasize that it has no plans to change benchmark interest rates before 2015.

Longer-term bonds, which offer much more attractive yields than short-term securities, significantly outperformed. International investors sold Canadian federal bonds in the first half in favour of higher-yielding Canadian corporate bonds.

In the six-month period ending June 30, 2014, bonds maturing in one to five years decreased to 55% of the Fund's assets from 60%. For bonds maturing in five to 10 years, the figure increased to 25% from 21%. For maturities exceeding 10 years, the percentage increased to 20% from 19%.

Recent Developments

The portfolio manager expects bond yields to gradually rise as the economy improves and the Fed ends its asset-purchase program. In Canada, short-term yields should stay low as long as relatively weak economic growth keeps the BOC from raising its benchmark rate. However, the portfolio manager expects a steady rise in Canadian yields over 2014 consistent with a steadily improving economic backdrop. Assuming that this moderate expansion continues, corporate bonds would likely outperform government bonds, as default prospects remain low and earnings are likely to benefit from an improving economy.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**11.50**	**0.15**	**(0.04)**	**0.02**	**0.27**	**0.40**	**(0.12)**	**–**	**–**	**–**	**(0.12)**	**11.77**
Dec. 31, 2013	12.05	0.31	(0.08)	0.07	(0.56)	(0.26)	(0.25)	–	(0.06)	–	(0.31)	11.50
Dec. 31, 2012	12.13	0.34	(0.08)	0.03	(0.11)	0.18	(0.26)	–	–	–	(0.26)	12.05
Dec. 31, 2011	11.55	0.38	(0.07)	0.08	0.48	0.87	(0.31)	–	–	–	(0.31)	12.13
Dec. 31, 2010	11.37	0.42	(0.07)	0.05	0.13	0.53	(0.36)	–	–	–	(0.36)	11.55
Dec. 31, 2009	11.85	0.44	(0.07)	0.11	(0.58)	(0.10)	(0.36)	–	(0.02)	–	(0.38)	11.37

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**11.77**	**241 243**	**20 501**	**0.67**	**0.67**	**28.15**	**–**
Dec. 31, 2013	11.50	277 282	24 111	0.67	0.67	29.93	–
Dec. 31, 2012	12.06	410 926	34 084	0.66	0.66	28.07	–
Dec. 31, 2011	12.13	403 740	33 281	0.66	0.66	43.09	–
Dec. 31, 2010	11.55	329 485	28 520	0.65	0.65	28.24	–
Dec. 31, 2009	11.37	356 547	31 357	0.63	0.63	35.05	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	0.50%	20%	80%

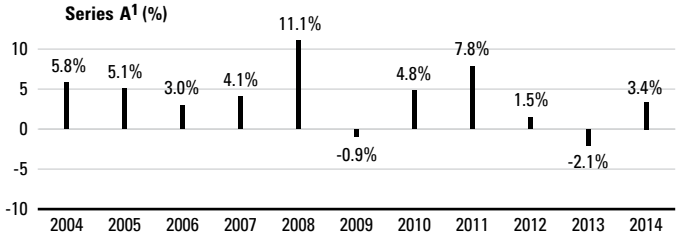
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.



[1] Inception date June 5, 2000.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Federal Bonds	97.4
Supranational Bonds	1.8
Cash/Other	0.8

Top 25 Holdings

	% of Net Asset Value
Government of Canada 1.000% May 1 16	8.3
Canada Housing Trust No. 1 3.350% Dec 15 20	6.5
Canada Housing Trust No. 1 1.700% Dec 15 17	6.0
Government of Canada 4.000% Jun 1 41	5.9
Government of Canada 1.500% Sep 1 17	5.5
Canada Housing Trust No. 1 1.850% Dec 15 16	5.5
Canada Housing Trust No. 1 4.100% Dec 15 18	5.2
Government of Canada 2.750% Sep 1 16	5.1
Government of Canada 2.750% Jun 1 22	4.6
Government of Canada 1.500% Jun 1 23	4.3
Government of Canada 3.000% Dec 1 15	4.0
Canada Housing Trust No. 1 2.450% Dec 15 15	3.6
Government of Canada 5.000% Jun 1 37	3.5
Government of Canada 3.500% Jun 1 20	3.5
Government of Canada 1.250% Sep 1 18	3.0
Canada Housing Trust No. 1 2.050% Jun 15 17	3.0
Canada Housing Trust No. 1 2.650% Mar 15 22	2.9
Government of Canada 1.250% Mar 1 18	2.9
Government of Canada 5.750% Jun 1 33	2.7
Government of Canada 5.750% Jun 1 29	2.7
Government of Canada 2.500% Jun 1 24	2.0
Inter-American Development Bank CAD 4.400% Jan 26 26	1.8
Government of Canada 3.500% Dec 1 45	1.5
Canada Housing Trust No. 1 2.350% Sep 15 23	1.1
Labrador-Island Link Funding Trust 3.760% Jun 1 33	1.1
Top 25 Holdings	96.2

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

FIXED-INCOME FUND

RBC GLOBAL BOND FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund pursues above-average long-term total returns, consisting of interest income and some capital growth in world fixed-income markets.

The Fund invests principally in high-quality, fixed-income securities denominated in foreign currencies and issued by foreign and Canadian governments. The Fund may use derivative contracts extensively to manage currency risk and to protect against losses. The Fund may also invest in debt issued by foreign corporations and international agencies like the World Bank.

Results of Operations

The Fund's net asset value was $4.1 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 3.7%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Developed-market bonds posted gains in the first half of 2014, with bond markets in weaker European economies outperforming Japan, the U.S. and Britain by a wide margin. Spanish and Italian bonds performed especially well. Yields declined from the highs at the end of 2013 due in part to softness in global growth. Other factors that contributed to low yields were demand for fixed income from pension funds, bank demand for government bonds to fulfill new regulatory changes, geopolitical conflict in Ukraine and, late in the period, the conflict in Iraq. Also during the first half, the major central banks including the U.S. Federal Reserve (the "Fed") and the Bank of Japan (the "BOJ") continued to influence the level of global interest rates through asset purchases and other means.

Toward the end of the period, different approaches to monetary policy became evident. The Fed continued rolling back bond purchases and the Bank of England warned of an interest-rate hike earlier than had been generally assumed. At the other end of the spectrum, the BOJ extended ultra-easy monetary policy and indicated its intention to embark on further measures should its efforts to increase inflation not succeed. In June, the European Central Bank (the "ECB") unveiled a multi-pronged plan to bolster growth and ward off the risk of deflation. To encourage lending, the ECB also took the unusual step of charging banks to hold deposits at the central bank. Expectations that the ECB would act helped push down bond yields.

The Fund benefited from the timely trading of bonds from different regions, an overall preference for corporate securities and overweight positions in Spain and Italy. The strong performance of non-government bonds led to historically high valuations for these securities, and the portfolio manager gradually reduced the Fund's high-yield and emerging-market bonds to reflect lower potential returns in the future. A relative lack of exposure to longer-term bonds held back returns, as these bonds did well during the period.

Recent Developments

Global bond yields should rise slowly, led by the U.K. and the U.S., on the assumption of a better economic backdrop. The portfolio manager will adjust the Fund's holdings in an attempt to minimize losses tied to interest-rate sensitivity while taking advantage of opportunities caused by fixed-income price swings to accumulate attractively priced assets.

The portfolio manager expects corporate and emerging-market bonds to offer better returns than government bonds in the near term. However, the Fund's exposure to these areas will be monitored because high valuations leave less room for gains than was the case a year ago. Currency trading will be used to enhance returns and manage portfolio volatility.

Effective June 27, 2014, the RBC Private Global Bond Pool merged into the Fund and unitholders of the RBC Private Global Bond Pool received units of the Fund on a dollar-for-dollar, tax-deferred basis.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.42**	**0.16**	**(0.09)**	**(0.10)**	**0.43**	**0.40**	**(0.05)**	**–**	**–**	**–**	**(0.05)**	**10.76**
Dec. 31, 2013	10.49	0.31	(0.19)	(0.09)	0.03	0.06	(0.13)	–	–	–	(0.13)	10.41
Dec. 31, 2012	10.37	0.31	(0.19)	0.63	(0.17)	0.58	(0.12)	–	(0.35)	–	(0.47)	10.49
Dec. 31, 2011	10.10	0.34	(0.17)	(0.16)	0.45	0.46	(0.17)	–	–	–	(0.17)	10.37
Dec. 31, 2010	9.99	0.36	(0.17)	0.52	(0.48)	0.23	(0.17)	–	–	–	(0.17)	10.10
Dec. 31, 2009	9.85	0.38	(0.17)	0.64	(0.48)	0.37	(0.23)	–	–	–	(0.23)	9.99
Advisor Series												
June 30, 2014	**10.66**	**0.16**	**(0.09)**	**(0.10)**	**0.44**	**0.41**	**(0.05)**	**–**	**–**	**–**	**(0.05)**	**11.01**
Dec. 31, 2013	10.72	0.31	(0.19)	(0.09)	0.03	0.06	(0.12)	–	–	–	(0.12)	10.65
Dec. 31, 2012	10.58	0.32	(0.18)	0.64	(0.17)	0.61	(0.12)	–	(0.35)	–	(0.47)	10.72
Dec. 31, 2011	10.30	0.34	(0.17)	(0.16)	0.46	0.47	(0.17)	–	–	–	(0.17)	10.58
Dec. 31, 2010	10.18	0.36	(0.17)	0.51	(0.47)	0.23	(0.17)	–	–	–	(0.17)	10.30
Dec. 31, 2009	10.04	0.39	(0.16)	0.65	(0.49)	0.39	(0.24)	–	–	–	(0.24)	10.18
Series D												
June 30, 2014	**10.53**	**0.16**	**(0.06)**	**(0.10)**	**0.43**	**0.43**	**(0.09)**	**–**	**–**	**–**	**(0.09)**	**10.87**
Dec. 31, 2013	10.60	0.31	(0.11)	(0.09)	0.03	0.14	(0.20)	–	–	–	(0.20)	10.52
Dec. 31, 2012	10.47	0.32	(0.11)	0.63	(0.17)	0.67	(0.19)	–	(0.35)	–	(0.54)	10.60
Dec. 31, 2011	10.19	0.34	(0.10)	(0.16)	0.45	0.53	(0.24)	–	–	–	(0.24)	10.47
Dec. 31, 2010	10.08	0.36	(0.10)	0.52	(0.48)	0.30	(0.24)	–	–	–	(0.24)	10.19
Dec. 31, 2009	9.93	0.38	(0.10)	0.64	(0.48)	0.44	(0.29)	–	–	–	(0.29)	10.08
Series F												
June 30, 2014	**10.92**	**0.16**	**(0.05)**	**(0.10)**	**0.45**	**0.46**	**(0.11)**	**–**	**–**	**–**	**(0.11)**	**11.27**
Dec. 31, 2013	10.97	0.32	(0.10)	(0.10)	0.03	0.15	(0.20)	–	–	–	(0.20)	10.91
Dec. 31, 2012	10.81	0.33	(0.10)	0.65	(0.18)	0.70	(0.21)	–	(0.35)	–	(0.56)	10.97
Dec. 31, 2011	10.51	0.35	(0.09)	(0.16)	0.47	0.57	(0.24)	–	–	–	(0.24)	10.81
Dec. 31, 2010	10.35	0.34	(0.09)	0.50	(0.46)	0.29	(0.22)	–	–	–	(0.22)	10.51
Dec. 31, 2009	10.19	0.39	(0.09)	0.66	(0.49)	0.47	(0.31)	–	–	–	(0.31)	10.35
Series I												
June 30, 2014[3]	**11.18†**	**0.05**	**(0.03)**	**(0.03)**	**0.15**	**0.14**	**(0.05)**	**–**	**–**	**–**	**(0.05)**	**11.27**

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**10.72**	**0.16**	**–**	**(0.10)**	**0.44**	**0.50**	**(0.15)**	**–**	**–**	**–**	**(0.15)**	**11.07**
Dec. 31, 2013	10.78	0.32	–	(0.10)	0.03	0.25	(0.30)	–	–	–	(0.30)	10.71
Dec. 31, 2012	10.64	0.32	–	0.65	(0.17)	0.80	(0.31)	–	(0.35)	–	(0.66)	10.78
Dec. 31, 2011	10.36	0.35	–	(0.16)	0.46	0.65	(0.36)	–	–	–	(0.36)	10.64
Dec. 31, 2010	10.23	0.37	–	0.53	(0.48)	0.42	(0.34)	–	–	–	(0.34)	10.36
Dec. 31, 2009	10.08	0.39	–	0.65	(0.49)	0.55	(0.39)	–	–	–	(0.39)	10.23

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
[2] Distributions are reinvested in additional units of the Fund or paid in cash.
[3] From April 21, 2014.
† Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**10.76**	**119 881**	**11 143**	**1.78**	**1.78**	**56.46**	**–**
Dec. 31, 2013	10.42	121 364	11 646	1.78	1.78	75.20	–
Dec. 31, 2012	10.51	131 275	12 495	1.76	1.76	104.12	–
Dec. 31, 2011	10.40	126 546	12 170	1.76	1.76	94.29	–
Dec. 31, 2010	10.11	131 047	12 956	1.72	1.72	61.64	–
Dec. 31, 2009	9.99	131 116	13 122	1.68	1.68	42.69	–
Advisor Series							
June 30, 2014	**11.01**	**6 966**	**633**	**1.75**	**1.75**	**56.46**	**–**
Dec. 31, 2013	10.66	6 018	565	1.74	1.74	75.20	–
Dec. 31, 2012	10.74	4 199	391	1.65	1.65	104.12	–
Dec. 31, 2011	10.60	1 737	164	1.71	1.71	94.29	–
Dec. 31, 2010	10.31	5 421	526	1.67	1.67	61.64	–
Dec. 31, 2009	10.18	746	73	1.63	1.63	42.69	–
Series D							
June 30, 2014	**10.87**	**7 036**	**647**	**1.06**	**1.06**	**56.46**	**–**
Dec. 31, 2013	10.53	5 657	537	1.06	1.06	75.20	–
Dec. 31, 2012	10.61	5 646	532	1.06	1.06	104.12	–
Dec. 31, 2011	10.49	3 987	380	1.04	1.04	94.29	–
Dec. 31, 2010	10.21	4 344	426	1.02	1.02	61.64	–
Dec. 31, 2009	10.08	3 737	371	1.00	1.00	42.69	–
Series F							
June 30, 2014	**11.27**	**41 071**	**3 646**	**0.89**	**0.89**	**56.46**	**–**
Dec. 31, 2013	10.92	39 310	3 600	0.89	0.89	75.20	–
Dec. 31, 2012	10.98	21 833	1 988	0.90	0.90	104.12	–
Dec. 31, 2011	10.84	11 746	1 084	0.89	0.89	94.29	–
Dec. 31, 2010	10.52	5 958	566	0.89	0.89	61.64	–
Dec. 31, 2009	10.35	618	60	0.84	0.84	42.69	–
Series I							
June 30, 2014[4]	**11.27**	**38 339**	**3 403**	**0.63**	**0.63**	**56.46**	**–**

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series O							
June 30, 2014	**11.07**	**3 859 771**	**348 827**	**0.03**	**0.03**	**56.46**	**–**
Dec. 31, 2013	10.72	2 945 202	274 705	0.03	0.03	75.20	–
Dec. 31, 2012	10.79	2 126 283	197 034	0.03	0.03	104.12	–
Dec. 31, 2011	10.67	1 689 434	158 407	0.02	0.02	94.29	–
Dec. 31, 2010	10.38	1 517 870	146 291	0.02	0.02	61.64	–
Dec. 31, 2009	10.23	960 070	93 836	0.02	0.02	42.69	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From April 21, 2014.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.50%	53%	47%
Advisor Series	1.50%	53%	47%
Series D	0.90%	17%	83%
Series F	0.75%	–	100%
Series I	0.50%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

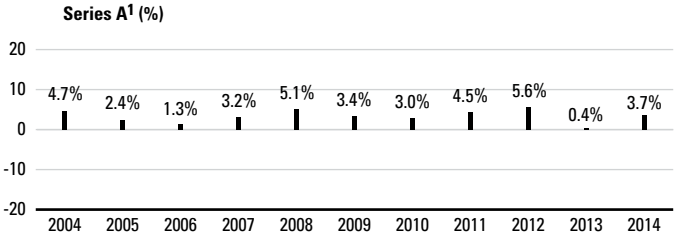
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

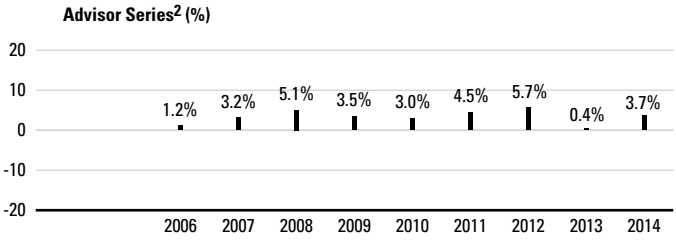
PAST PERFORMANCE

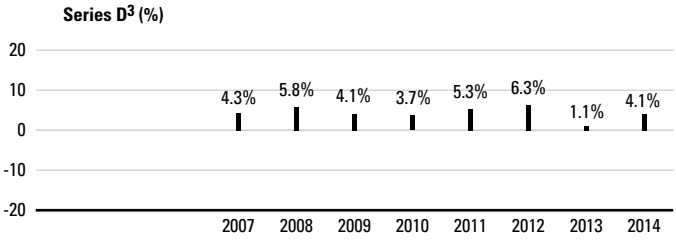
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years .

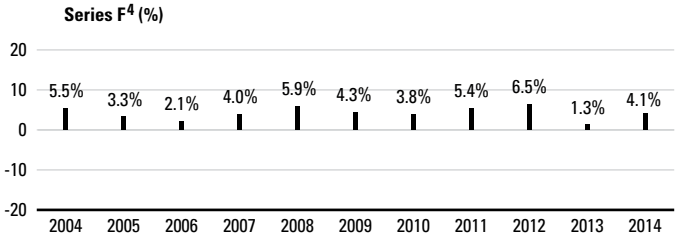
Year-by-Year Returns (%)

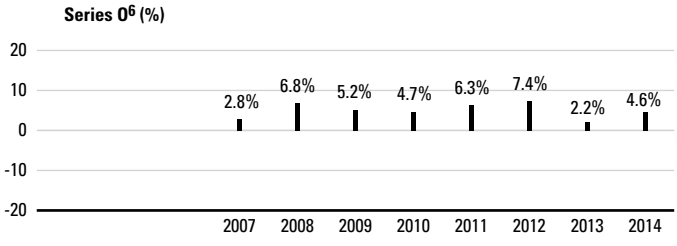
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











1 Inception date October 31, 1991.
2 Inception date August 28, 2006.
3 Inception date July 3, 2007.
4 Inception date August 13, 2001.
5 Inception date April 21, 2014.
6 Inception date October 1, 2007.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Euroland	41.3
Dollar Bloc	28.7
Japan	14.9
Income Funds	3.6
Emerging Markets	3.0
Supranational	2.7
Cash/Other	5.8

Top 25 Holdings

	% of Net Asset Value
United States Treasury 3.250% Dec 31 16	6.0
Japan Government Twenty Year JPY 1.600% Jun 20 30	4.8
United States Treasury 0.375% Nov 15 15	4.2
United States Treasury 1.000% Sep 30 19	3.8
BlueBay Emerging Markets Corporate Bond Fund	3.6
Bundesrepublik Deutschland EUR 4.000% Jan 4 18	3.1
Japan 10-Year Bond Future, September 2014	3.1
United States Treasury 0.750% Jun 30 17	3.1
Development Bank of Japan JPY 1.750% Mar 17 17	2.7
France O.A.T. EUR 0.250% Nov 25 15	2.7
Buoni Poliennali Del Tesoro EUR 1.500% Dec 15 16	2.6
Buoni Poliennali Del Tesoro EUR 5.000% Aug 1 39	2.5
United Kingdom Gilt GBP 4.250% Mar 7 36	2.2
Spain Government EUR 3.300% Jul 30 16	2.2
Bundesrepublik Deutschland EUR 1.500% Sep 4 22	1.8
France O.A.T. EUR 4.000% Oct 25 38	1.5
Japan Finance Corporation for Municipal Enterprises JPY 2.000% May 9 16	1.5
United States Treasury 0.875% Jan 31 17	1.4
France O.A.T. EUR 1.000% May 25 19	1.4
Spain Government EUR 3.000% Apr 30 15	1.3
Japan Government Twenty Year JPY 2.100% Jun 20 29	1.3
Denmark Government DKK 4.000% Nov 15 17	1.3
Belgium Government EUR 4.250% Sep 28 22	1.3
Buoni Poliennali Del Tesoro EUR 5.500% Nov 1 22	1.3
Spain Government EUR 5.150% Oct 31 44	1.2
Top 25 Holdings	61.9

The Fund may use futures contracts as an asset substitution or to reduce interest-rate risk.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

FIXED-INCOME FUND

RBC $U.S. INVESTMENT GRADE CORPORATE BOND FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (U.S.) Inc., Minneapolis, Minnesota

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE (in USD)

Investment Objective and Strategies

The Fund seeks to provide interest income with the potential for modest capital growth by investing primarily in a portfolio of diversified investment-grade fixed-income securities issued by U.S. corporations.

To achieve the Fund's objectives, the portfolio manager invests primarily in bonds issued by U.S. corporations rated BBB- and above by Standard & Poor's or an equivalent rating agency. The portfolio manager employs a value-focused philosophy that emphasizes quality companies having stable to improving credit profiles, and which are considered to be undervalued given current market sentiment. The portfolio manager conducts fundamental company credit and industry analysis and diversifies the portfolio so that it is not concentrated in any one issuer, industry, country or credit rating.

Results of Operations

The Fund was launched on August 12, 2013, and its net asset value was $79 million as of June 30, 2014. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

The sub-advisor will continue to invest in companies with improving balance sheets and earnings prospects, and seek to avoid companies that are taking on levels of debt that may be risky given their earnings potential. The sub-advisor believes that corporate profit growth and balance-sheet strength is likely to have peaked, but does not expect any rapid deterioration in 2014 of corporations' ability to service their debts. The extra income that investors demand in exchange for holding higher-quality corporate bonds rather than government bonds is approaching historically low levels, and it may be difficult for this spread to go lower without a rise in government bond yields. The sub-advisor continues to see the potential for solid returns in investment-grade corporate bonds given the extra income they produce versus government bonds.

Valuations are extremely important in the current environment, and the sub-advisor will seek to take gains on positions that it believes have reached full value.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Global Asset Management (U.S.) Inc. is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS (in USD)

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.06**	**0.21**	**(0.08)**	**0.02**	**0.31**	**0.46**	**(0.11)**	**–**	**–**	**–**	**(0.11)**	**10.46**
Dec. 31, 2013[3]	10.00[†]	0.16	(0.06)	–	0.03	0.13	(0.06)	–	(0.02)	–	(0.08)	10.05
Advisor Series												
June 30, 2014	**10.08**	**0.21**	**(0.07)**	**0.02**	**0.32**	**0.48**	**(0.12)**	**–**	**–**	**–**	**(0.12)**	**10.46**
Dec. 31, 2013[3]	10.00[†]	0.14	(0.07)	–	0.02	0.09	(0.05)	–	(0.02)	–	(0.07)	10.07
Series H												
June 30, 2014	**10.01**	**0.18**	**(0.06)**	**0.02**	**0.27**	**0.41**	**(0.14)**	**–**	**–**	**–**	**(0.14)**	**10.40**
Dec. 31, 2013[3]	10.00[†]	0.18	(0.04)	–	0.03	0.17	(0.12)	–	(0.02)	–	(0.14)	10.00
Series D												
June 30, 2014	**10.07**	**0.21**	**(0.05)**	**0.02**	**0.32**	**0.50**	**(0.14)**	**–**	**–**	**–**	**(0.14)**	**10.45**
Dec. 31, 2013[3]	10.00[†]	0.16	(0.04)	–	0.03	0.15	(0.07)	–	(0.02)	–	(0.09)	10.05
Series F												
June 30, 2014	**10.05**	**0.20**	**(0.05)**	**0.02**	**0.30**	**0.47**	**(0.13)**	**–**	**–**	**–**	**(0.13)**	**10.45**
Dec. 31, 2013[3]	10.00[†]	0.17	(0.04)	–	0.03	0.16	(0.10)	–	(0.02)	–	(0.12)	10.03
Series I												
June 30, 2014	**10.07**	**0.20**	**(0.04)**	**0.02**	**0.31**	**0.49**	**(0.13)**	**–**	**–**	**–**	**(0.13)**	**10.48**
Dec. 31, 2013[3]	10.00[†]	0.15	(0.03)	–	0.03	0.15	(0.08)	–	(0.02)	–	(0.10)	10.05
Series O												
June 30, 2014	**10.04**	**0.21**	**–**	**0.02**	**0.32**	**0.55**	**(0.20)**	**–**	**–**	**–**	**(0.20)**	**10.41**
Dec. 31, 2013[3]	10.00[†]	0.17	–	–	0.03	0.20	(0.14)	–	(0.02)	–	(0.16)	10.02

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From August 12, 2013.

[†] Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (in USD) (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**10.46**	**7 139**	**683**	**1.46**	**1.46**	**53.44**	**–**
Dec. 31, 2013[4]	10.06	2 067	205	1.47	1.47	46.96	–
Advisor Series							
June 30, 2014	**10.46**	**332**	**32**	**1.37**	**1.37**	**53.44**	**–**
Dec. 31, 2013[4]	10.08	139	14	1.47	1.47	46.96	–
Series H							
June 30, 2014	**10.40**	**328**	**32**	**1.22**	**1.22**	**53.44**	**–**
Dec. 31, 2013[4]	10.01	1	–	1.30	1.30	46.96	–
Series D							
June 30, 2014	**10.45**	**545**	**52**	**1.06**	**1.06**	**53.44**	**–**
Dec. 31, 2013[4]	10.07	270	27	1.07	1.07	46.96	–
Series F							
June 30, 2014	**10.45**	**1 025**	**98**	**0.91**	**0.91**	**53.44**	**–**
Dec. 31, 2013[4]	10.05	198	20	0.90	0.90	46.96	–
Series I							
June 30, 2014	**10.48**	**2 131**	**203**	**0.69**	**0.69**	**53.44**	**–**
Dec. 31, 2013[4]	10.07	507	50	0.73	0.73	46.96	–
Series O							
June 30, 2014	**10.41**	**67 029**	**6 438**	**0.03**	**0.03**	**53.44**	**–**
Dec. 31, 2013[4]	10.04	42 333	4 217	0.02	0.02	46.96	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From August 12, 2013.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.25%	40%	60%
Advisor Series	1.25%	40%	60%
Series H	1.10%	45%	55%
Series D	0.90%	17%	83%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE (in USD)

Investment performance in respect of a fund that has been available for less than one year is not provided. Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O units of this Fund were launched on August 12, 2013.

SUMMARY OF INVESTMENT PORTFOLIO (in USD)

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United States	84.6
Other Countries	6.3
United Kingdom	2.1
Mexico	1.9
France	1.7
Cash/Other	3.4

Top 25 Holdings

	% of Net Asset Value
United States Treasury 1.000% Mar 31 17	2.8
Cash & Cash Equivalents	2.4
United States Treasury 2.875% May 15 43	1.8
GE Capital Corp. 6.875% Jan 10 39	1.7
Genworth Holdings Inc. 7.700% Jun 15 20	1.6
Verizon Communications Inc. 6.550% Sep 15 43	1.4
LyondellBasell Industries N.V. USD 6.000% Nov 15 21	1.4
Anheuser-Busch InBev Worldwide Inc. 5.375% Jan 15 20	1.2
Macy's Retail Holdings Inc. 3.875% Jan 15 22	1.1
ING US Inc. 2.900% Feb 15 18	1.1
Ford Motor Credit Co. LLC 8.000% Dec 15 16	1.1
Wells Fargo & Co. 5.625% Dec 11 17	1.1
Fifth Third Bank 2.375% Apr 25 19	1.0
AXA S.A. USD 8.600% Dec 15 30	1.0
Morgan Stanley 5.500% Jul 28 21	1.0
Bank of America Corp. 5.750% Dec 1 17	1.0
Time Warner Inc. 4.875% Mar 15 20	1.0
Plains Exploration & Production Co. 6.500% Nov 15 20	1.0
The Dow Chemical Co. 8.550% May 15 19	1.0
Xerox Corp. 6.400% Mar 15 16	1.0
Continental Resources Inc. 5.000% Sep 15 22	1.0
CVS Caremark Corp. 4.125% May 15 21	1.0
Thermo Fisher Scientific Inc. 1.300% Feb 1 17	1.0
NBCUniversal Media LLC 5.150% Apr 30 20	0.9
American International Group Inc. 6.400% Dec 15 20	0.9
Top 25 Holdings	31.5

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

FIXED-INCOME FUND

RBC GLOBAL CORPORATE BOND FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide a high level of interest income with the potential for modest capital growth by investing primarily in global corporate bonds.

The majority of the Fund's holdings will consist of corporate debt rated by major credit-rating agencies as investment grade. The Fund may also invest up to 30% in non-investment grade corporate debt and emerging-market sovereign and corporate bonds.

Results of Operations

The Fund's net asset value was $1.5 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 5.0%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Developed-market corporate bonds and emerging-market debt securities rose in the first half of 2014 on strong demand for higher-yielding investments and an unexpected global drop in government bond yields. The gains were part of an overall rise in riskier assets, which overcame concerns regarding global economic growth, shifts in monetary policies by the U.S. Federal Reserve, the U.K. and the E.U., and heightened geopolitical risks, notably in Ukraine and Iraq. Bonds with longer maturities generally fared well, as these securities tend to perform better than shorter-term bonds when yields fall.

The Fund performed well due to investments in higher-quality corporate bonds in Canada and the U.S. The Fund's below-normal exposure to investments in the Asia-Pacific region and good security selection in investment-grade bonds in the region also added value. The Fund's emerging-market debt investments rebounded from an early-year sell-off to post solid returns during the period. The emerging-market holdings were conservatively positioned, and this was somewhat negative for performance as these markets rebounded.

The Fund's cash position and foreign-currency holdings modestly detracted from results.

Recent Developments

Bond yields remain relatively low around the world and volatility remains at extremely low levels which, in the view of the portfolio manager, limit investment opportunities. The portfolio manager is, therefore, making relatively few significant bets.

Currently, the Fund is modestly overweight high-yield bonds and investment-grade corporate bonds in the Eurozone and underweight investment-grade corporate bonds in the Asia-Pacific region and the U.K. Emerging-market bonds and U.S. and Canadian high-quality corporate bonds are at normal weights within the Fund. The portfolio manager continues to favour shorter-term securities in the belief that interest rates will rise over time, and expects returns to moderate from recent strong levels given that any rise in yields would have a negative impact on bond prices.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Series H and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**9.38**	**0.22**	**(0.08)**	**(0.17)**	**0.49**	**0.46**	**(0.15)**	**–**	**–**	**–**	**(0.15)**	**9.69**
Dec. 31, 2013	9.73	0.47	(0.17)	(0.35)	(0.02)	(0.07)	(0.31)	–	–	–	(0.31)	9.36
Dec. 31, 2012	9.35	0.46	(0.17)	0.35	0.13	0.77	(0.28)	–	(0.16)	–	(0.44)	9.73
Dec. 31, 2011	9.12	0.49	(0.15)	(0.15)	0.39	0.58	(0.33)	–	–	–	(0.33)	9.35
Dec. 31, 2010	8.89	0.50	(0.15)	0.40	(0.03)	0.72	(0.35)	–	(0.03)	–	(0.38)	9.12
Dec. 31, 2009	8.15	0.46	(0.14)	0.53	0.17	1.02	(0.31)	–	–	–	(0.31)	8.89
Advisor Series												
June 30, 2014	**9.51**	**0.23**	**(0.08)**	**(0.17)**	**0.50**	**0.48**	**(0.16)**	**–**	**–**	**–**	**(0.16)**	**9.82**
Dec. 31, 2013	9.86	0.48	(0.17)	(0.35)	(0.02)	(0.06)	(0.31)	–	–	–	(0.31)	9.49
Dec. 31, 2012	9.45	0.46	(0.17)	0.35	0.13	0.77	(0.26)	–	(0.16)	–	(0.42)	9.86
Dec. 31, 2011	9.22	0.49	(0.15)	(0.15)	0.39	0.58	(0.33)	–	–	–	(0.33)	9.45
Dec. 31, 2010	8.98	0.50	(0.15)	0.40	(0.03)	0.72	(0.36)	–	(0.03)	–	(0.39)	9.22
Dec. 31, 2009	8.19	0.46	(0.14)	0.52	0.17	1.01	(0.27)	–	–	–	(0.27)	8.98
Series H												
June 30, 2014	**9.50**	**0.23**	**(0.07)**	**(0.17)**	**0.50**	**0.49**	**(0.13)**	**–**	**–**	**–**	**(0.13)**	**9.84**
Dec. 31, 2013[3]	9.44[†]	0.18	(0.06)	(0.13)	(0.01)	(0.02)	(0.04)	–	–	–	(0.04)	9.48
Series D												
June 30, 2014	**10.06**	**0.24**	**(0.05)**	**(0.18)**	**0.53**	**0.54**	**(0.20)**	**–**	**–**	**–**	**(0.20)**	**10.39**
Dec. 31, 2013	10.42	0.51	(0.11)	(0.37)	(0.02)	0.01	(0.39)	–	–	–	(0.39)	10.04
Dec. 31, 2012	9.97	0.48	(0.11)	0.36	0.14	0.87	(0.33)	–	(0.17)	–	(0.50)	10.42
Dec. 31, 2011	9.70	0.51	(0.10)	(0.16)	0.41	0.66	(0.39)	–	–	–	(0.39)	9.97
Dec. 31, 2010	9.47	0.54	(0.10)	0.44	(0.04)	0.84	(0.45)	–	(0.03)	–	(0.48)	9.70
Dec. 31, 2009	8.62	0.47	(0.09)	0.54	0.17	1.09	(0.33)	–	–	–	(0.33)	9.47
Series F												
June 30, 2014	**9.54**	**0.23**	**(0.04)**	**(0.17)**	**0.50**	**0.52**	**(0.20)**	**–**	**–**	**–**	**(0.20)**	**9.85**
Dec. 31, 2013	9.90	0.48	(0.09)	(0.35)	(0.02)	0.02	(0.40)	–	–	–	(0.40)	9.52
Dec. 31, 2012	9.48	0.46	(0.09)	0.35	0.13	0.85	(0.33)	–	(0.16)	–	(0.49)	9.90
Dec. 31, 2011	9.22	0.49	(0.08)	(0.15)	0.39	0.65	(0.38)	–	–	–	(0.38)	9.48
Dec. 31, 2010	9.02	0.50	(0.08)	0.40	(0.03)	0.79	(0.47)	–	(0.03)	–	(0.50)	9.22
Dec. 31, 2009	8.34	0.49	(0.07)	0.55	0.18	1.15	(0.46)	–	–	–	(0.46)	9.02
Series I												
June 30, 2014	**9.63**	**0.23**	**(0.04)**	**(0.17)**	**0.50**	**0.52**	**(0.15)**	**–**	**–**	**–**	**(0.15)**	**10.01**
Dec. 31, 2013[3]	9.62[†]	0.18	(0.03)	(0.13)	(0.01)	0.01	(0.12)	–	–	–	(0.12)	9.61

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**9.45**	**0.23**	**–**	**(0.17)**	**0.50**	**0.56**	**(0.24)**	**–**	**–**	**–**	**(0.24)**	**9.76**
Dec. 31, 2013	9.78	0.48	–	(0.35)	(0.02)	0.11	(0.46)	–	–	–	(0.46)	9.43
Dec. 31, 2012	9.40	0.47	–	0.36	0.14	0.97	(0.45)	–	(0.16)	–	(0.61)	9.78
Dec. 31, 2011	9.16	0.49	–	(0.15)	0.39	0.73	(0.48)	–	–	–	(0.48)	9.40
Dec. 31, 2010	9.01	0.48	–	0.39	(0.03)	0.84	(0.59)	–	(0.03)	–	(0.62)	9.16
Dec. 31, 2009	8.27	0.47	–	0.54	0.17	1.18	(0.47)	–	–	–	(0.47)	9.01

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
[2] Distributions are reinvested in additional units of the Fund or paid in cash.
[3] From August 12, 2013.
† Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**9.69**	**203 408**	**20 995**	**1.74**	**1.74**	**41.47**	**–**
Dec. 31, 2013	9.38	202 912	21 633	1.75	1.75	41.89	–
Dec. 31, 2012	9.75	210 424	21 581	1.74	1.74	40.75	–
Dec. 31, 2011	9.37	105 158	11 218	1.74	1.74	34.38	–
Dec. 31, 2010	9.14	86 971	9 513	1.69	1.69	92.23	–
Dec. 31, 2009	8.90	69 915	7 859	1.65	1.65	33.08	–
Advisor Series							
June 30, 2014	**9.82**	**115 517**	**11 767**	**1.71**	**1.71**	**41.47**	**–**
Dec. 31, 2013	9.51	122 448	12 880	1.72	1.72	41.89	–
Dec. 31, 2012	9.88	124 349	12 590	1.72	1.72	40.75	–
Dec. 31, 2011	9.47	33 874	3 576	1.73	1.73	34.38	–
Dec. 31, 2010	9.24	22 219	2 406	1.68	1.68	92.23	–
Dec. 31, 2009	8.99	19 219	2 138	1.63	1.63	33.08	–
Series H							
June 30, 2014	**9.84**	**1 465**	**149**	**1.56**	**1.56**	**41.47**	**–**
Dec. 31, 2013[4]	9.50	855	90	1.65	1.65	41.89	–
Series D							
June 30, 2014	**10.39**	**49 986**	**4 809**	**1.05**	**1.05**	**41.47**	**–**
Dec. 31, 2013	10.06	43 224	4 297	1.06	1.06	41.89	–
Dec. 31, 2012	10.44	32 457	3 109	1.06	1.06	40.75	–
Dec. 31, 2011	9.99	7 194	720	1.06	1.06	34.38	–
Dec. 31, 2010	9.72	4 237	436	1.03	1.03	92.23	–
Dec. 31, 2009	9.47	3 101	327	1.00	1.00	33.08	–
Series F							
June 30, 2014	**9.85**	**41 291**	**4 191**	**0.90**	**0.90**	**41.47**	**–**
Dec. 31, 2013	9.54	40 506	4 244	0.90	0.90	41.89	–
Dec. 31, 2012	9.92	38 518	3 884	0.90	0.90	40.75	–
Dec. 31, 2011	9.50	12 112	1 275	0.90	0.90	34.38	–
Dec. 31, 2010	9.24	5 812	629	0.86	0.86	92.23	–
Dec. 31, 2009	9.03	7 022	778	0.84	0.84	33.08	–

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series I							
June 30, 2014	**10.01**	**7 697**	**769**	**0.72**	**0.72**	**41.47**	**–**
Dec. 31, 2013[4]	9.63	2 604	270	0.76	0.76	41.89	–
Series O							
June 30, 2014	**9.76**	**1 101 085**	**112 826**	**0.03**	**0.03**	**41.47**	**–**
Dec. 31, 2013	9.45	914 782	96 798	0.03	0.03	41.89	–
Dec. 31, 2012	9.80	780 196	79 596	0.04	0.04	40.75	–
Dec. 31, 2011	9.42	515 206	54 674	0.03	0.03	34.38	–
Dec. 31, 2010	9.18	382 895	41 700	0.02	0.02	92.23	–
Dec. 31, 2009	9.01	513 277	56 947	0.02	0.02	33.08	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From August 12, 2013.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.50%	53%	47%
Advisor Series	1.50%	53%	47%
Series H	1.40%	57%	43%
Series D	0.90%	17%	83%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

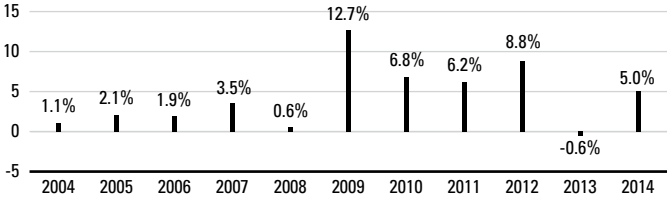
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

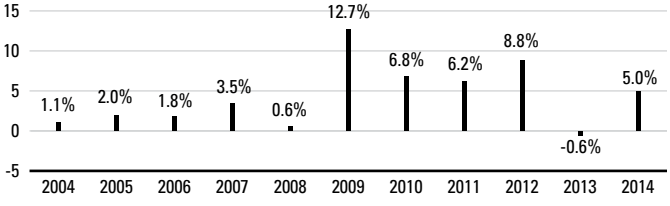
Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

Series A[1] (%)

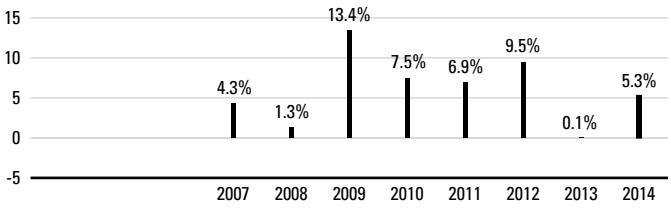


Advisor Series[1] (%)

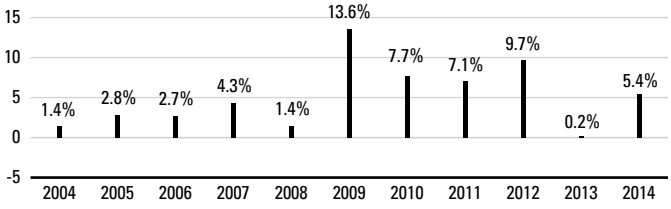


Series H[2] (%)

Series D[3] (%)

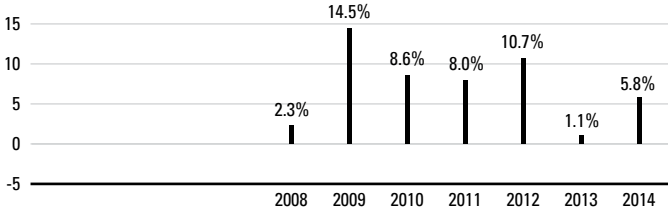


Series F[1] (%)



Series I[2] (%)

Series O[4] (%)



[1] Inception date August 23, 2004.
[2] Inception date August 12, 2013.
[3] Inception date July 3, 2007.
[4] Inception date January 1, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United States	47.1
Canada	18.5
United Kingdom	7.4
Other Countries	7.3
Income Funds	4.9
Germany	3.6
France	3.4
Netherlands	3.2
Cash/Other	4.6

Top 25 Holdings

	% of Net Asset Value
Long Positions:	
RBC Emerging Markets Bond Fund	2.9
BlueBay Emerging Markets Corporate Bond Fund	2.0
Cash & Cash Equivalents	1.6
JPMorgan Chase & Co. 1.625% May 15 18	1.0
Bank of America Corp. EUR 7.000% Jun 15 16	0.8
Citigroup Inc. 3.953% Jun 15 16	0.7
Vodafone Group Plc. EUR 5.375% Jun 6 22	0.7
HSBC Holdings Plc. EUR 3.625% Jun 29 20	0.7
HSBC Bank Plc. EUR 3.875% Oct 24 18	0.7
Canadian Imperial Bank of Commerce 2.350% Oct 18 17	0.7
Wells Fargo & Co. 2.100% May 8 17	0.6
Royal Bank of Canada 2.820% Jul 12 18	0.6
BMW Finance N.V. EUR 2.375% Jan 24 23	0.6
Bank of America Corp. 3.625% Mar 17 16	0.6
The Royal Bank of Scotland Plc. EUR 5.375% Sep 30 19	0.6
GE Capital Trust IV EUR 4.625% Sep 15 66	0.5
EDF S.A. EUR 3.875% Jan 18 22	0.5
Deutsche Telekom International Finance BV EUR 6.000% Jan 20 17	0.5
JPMorgan Chase & Co. 6.400% May 15 38	0.5
Morgan Stanley EUR 4.000% Nov 17 15	0.5
The Goldman Sachs Group Inc. 6.250% Sep 1 17	0.5
GE Capital European Funding EUR 4.250% Mar 1 17	0.5
ING Bank N.V. EUR 4.250% Jan 13 17	0.5
Barclays Bank Plc. EUR 6.000% Jan 14 21	0.5
Total Long	19.3
Short Position:	
United States 10-Year Note Future, September 2014	(1.7)
Total Short	(1.7)

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

FIXED-INCOME FUND

RBC HIGH YIELD BOND FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide a high level of income with the potential for modest capital growth by investing primarily in higher-yielding corporate debt securities issued by Canadian and U.S. corporations.

To achieve its objectives, the portfolio manager invests primarily in debt securities rated from BBB to B by Standard & Poor's or an equivalent credit-rating company. The portfolio manager employs a value-focused philosophy, striving to invest in quality companies having stable to improving credit profiles, and which are considered undervalued.

Results of Operations

The Fund's net asset value was $1.4 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 4.3%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Fixed-income assets had a strong first half of 2014, with both government and corporate bonds generally performing well during the period. The high-yield corporate-bond market surpassed the portfolio manager's expectations, and remained resilient despite a number of headwinds including military conflict between Russia and Ukraine, volatility in emerging markets, increased violence in Iraq, concerns about the pace of global growth and contrasting monetary policies in the U.S. and Europe.

High-yield corporate bonds benefited as their yields fell faster than Treasury yields (bond prices rise when yields fall), and relatively low government-bond yields in most developed markets fostered a global hunt for income that continued to drive demand for lower-rated corporate bonds. These factors mean that bond prices have steadily risen, resulting in the extra yield demanded by investors to hold higher-yielding assets falling to multi-year lows, while nominal yields on high-yield bonds sank to all-time lows.

The Fund started the year with above-average cash levels. This positioning reflected the portfolio manager's cautious approach to valuations and preparation for possible periods of volatility. As it became apparent that rates and market volatility were falling, the Fund invested some of the cash in higher-quality U.S. high-yield corporate bonds.

The Fund performed well due to the fact that about four-fifths of its assets are invested in corporate high-yield bonds, whose returns generally exceeded higher-quality fixed-income assets. The significant allocation to cash detracted from performance.

Recent Developments

The portfolio manager expects that the current benign environment for corporate bonds will continue, and that high-yield bonds will continue to be attractive compared to other fixed-income assets. However, considering the unexpectedly strong performance of high-yield bonds during the first half of the year, it is likely that returns will moderate from those experienced so far in 2014, in the view of the portfolio manager. The Fund continues to favour bonds that would be less exposed to any abrupt rise in interest rates and maintain higher levels of cash to allow the Fund to take advantage of more favourable valuations should they arise.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Series H and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.61**	**0.32**	**(0.08)**	**(0.20)**	**0.41**	**0.45**	**(0.24)**	**–**	**–**	**–**	**(0.24)**	**10.83**
Dec. 31, 2013	10.65	0.65	(0.15)	(0.28)	0.17	0.39	(0.48)	–	–	–	(0.48)	10.58
Dec. 31, 2012	10.16	0.66	(0.15)	0.33	0.10	0.94	(0.46)	–	(0.11)	–	(0.57)	10.65
Dec. 31, 2011	10.00	0.91	(0.14)	(0.60)	0.62	0.79	(0.51)	–	–	–	(0.51)	10.16
Dec. 31, 2010[3]	10.00[†]	0.14	(0.03)	0.04	(0.11)	0.04	(0.04)	–	(0.03)	–	(0.07)	10.00
Advisor Series												
June 30, 2014	**10.70**	**0.32**	**(0.08)**	**(0.20)**	**0.41**	**0.45**	**(0.25)**	**–**	**–**	**–**	**(0.25)**	**10.91**
Dec. 31, 2013	10.75	0.66	(0.16)	(0.28)	0.17	0.39	(0.49)	–	–	–	(0.49)	10.67
Dec. 31, 2012	10.24	0.65	(0.15)	0.33	0.10	0.93	(0.44)	–	(0.11)	–	(0.55)	10.75
Dec. 31, 2011	10.00	0.75	(0.14)	(0.50)	0.51	0.62	(0.44)	–	–	–	(0.44)	10.24
Dec. 31, 2010[3]	10.00[†]	0.13	(0.03)	0.04	(0.10)	0.04	(0.04)	–	(0.03)	–	(0.07)	10.00
Series H												
June 30, 2014	**10.69**	**0.31**	**(0.07)**	**(0.19)**	**0.41**	**0.46**	**(0.23)**	**–**	**–**	**–**	**(0.23)**	**10.92**
Dec. 31, 2013[4]	10.81[†]	0.40	(0.10)	(0.17)	0.11	0.24	(0.29)	–	–	–	(0.29)	10.65
Series D												
June 30, 2014	**10.73**	**0.32**	**(0.06)**	**(0.20)**	**0.41**	**0.47**	**(0.25)**	**–**	**–**	**–**	**(0.25)**	**10.95**
Dec. 31, 2013	10.76	0.65	(0.11)	(0.28)	0.17	0.43	(0.52)	–	–	–	(0.52)	10.69
Dec. 31, 2012	10.27	0.67	(0.11)	0.34	0.10	1.00	(0.50)	–	(0.11)	–	(0.61)	10.76
Dec. 31, 2011	10.00	0.72	(0.10)	(0.48)	0.50	0.64	(0.47)	–	–	–	(0.47)	10.27
Dec. 31, 2010[3]	10.00[†]	0.12	(0.02)	0.04	(0.09)	0.05	(0.03)	–	(0.03)	–	(0.06)	10.02
Series F												
June 30, 2014	**10.73**	**0.32**	**(0.05)**	**(0.20)**	**0.41**	**0.48**	**(0.28)**	**–**	**–**	**–**	**(0.28)**	**10.94**
Dec. 31, 2013	10.76	0.65	(0.10)	(0.28)	0.17	0.44	(0.53)	–	–	–	(0.53)	10.69
Dec. 31, 2012	10.24	0.66	(0.09)	0.34	0.10	1.01	(0.49)	–	(0.11)	–	(0.60)	10.76
Dec. 31, 2011	10.00	0.84	(0.09)	(0.56)	0.57	0.76	(0.52)	–	–	–	(0.52)	10.24
Dec. 31, 2010[3]	10.00[†]	0.11	(0.02)	0.03	(0.08)	0.04	(0.03)	–	(0.03)	–	(0.06)	10.03
Series I												
June 30, 2014	**10.75**	**0.32**	**(0.04)**	**(0.20)**	**0.41**	**0.49**	**(0.24)**	**–**	**–**	**–**	**(0.24)**	**11.02**
Dec. 31, 2013[4]	10.81[†]	0.39	(0.05)	(0.17)	0.10	0.27	(0.28)	–	–	–	(0.28)	10.71

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**10.79**	**0.32**	**–**	**(0.20)**	**0.41**	**0.53**	**(0.32)**	**–**	**–**	**–**	**(0.32)**	**11.01**
Dec. 31, 2013	10.80	0.65	–	(0.28)	0.17	0.54	(0.61)	–	–	–	(0.61)	10.75
Dec. 31, 2012	10.33	0.70	–	0.36	0.11	1.17	(0.65)	–	(0.11)	–	(0.76)	10.80
Dec. 31, 2011	10.00	0.70	–	(0.47)	0.48	0.71	(0.54)	–	–	–	(0.54)	10.33
Dec. 31, 2010[3]	10.00[†]	0.12	–	0.04	(0.09)	0.07	(0.03)	–	(0.03)	–	(0.06)	10.04

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
[2] Distributions are reinvested in additional units of the Fund or paid in cash.
[3] From October 12, 2010.
[4] From April 29, 2013.
[†] Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**10.83**	**173 414**	**16 014**	**1.43**	**1.43**	**42.90**	**–**
Dec. 31, 2013	10.61	164 164	15 469	1.43	1.43	57.06	–
Dec. 31, 2012	10.69	132 710	12 415	1.43	1.43	68.85	–
Dec. 31, 2011	10.21	34 168	3 347	1.41	1.41	49.90	–
Dec. 31, 2010[4]	10.04	10 700	1 066	1.44	1.44	21.39	–
Advisor Series							
June 30, 2014	**10.91**	**83 190**	**7 622**	**1.47**	**1.47**	**42.90**	**–**
Dec. 31, 2013	10.70	88 505	8 268	1.47	1.47	57.06	–
Dec. 31, 2012	10.79	84 977	7 874	1.41	1.41	68.85	–
Dec. 31, 2011	10.28	13 486	1 312	1.44	1.44	49.90	–
Dec. 31, 2010[4]	10.04	1 247	124	1.42	1.42	21.39	–
Series H							
June 30, 2014	**10.92**	**4 250**	**389**	**1.32**	**1.32**	**42.90**	**–**
Dec. 31, 2013[5]	10.69	1 971	184	1.32	1.32	57.06	–
Series D							
June 30, 2014	**10.95**	**71 158**	**6 496**	**1.02**	**1.02**	**42.90**	**–**
Dec. 31, 2013	10.73	55 132	5 140	1.03	1.03	57.06	–
Dec. 31, 2012	10.80	38 037	3 523	1.05	1.05	68.85	–
Dec. 31, 2011	10.31	10 716	1 039	1.06	1.06	49.90	–
Dec. 31, 2010[4]	10.06	522	52	1.04	1.04	21.39	–
Series F							
June 30, 2014	**10.94**	**71 129**	**6 500**	**0.88**	**0.88**	**42.90**	**–**
Dec. 31, 2013	10.73	69 104	6 441	0.89	0.89	57.06	–
Dec. 31, 2012	10.79	43 644	4 044	0.88	0.88	68.85	–
Dec. 31, 2011	10.28	7 717	751	0.89	0.89	49.90	–
Dec. 31, 2010[4]	10.06	643	64	0.89	0.89	21.39	–
Series I							
June 30, 2014	**11.02**	**5 971**	**542**	**0.73**	**0.73**	**42.90**	**–**
Dec. 31, 2013[5]	10.75	2 807	261	0.70	0.70	57.06	–

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series O							
June 30, 2014	**11.01**	**945 620**	**85 919**	**0.02**	**0.02**	**42.90**	**–**
Dec. 31, 2013	10.79	767 750	71 174	0.02	0.02	57.06	–
Dec. 31, 2012	10.83	437 885	40 420	0.02	0.02	68.85	–
Dec. 31, 2011	10.38	243 371	23 454	0.03	0.03	49.90	–
Dec. 31, 2010[4]	10.08	6 393	634	0.02	0.02	21.39	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From October 12, 2010.

[5] From April 29, 2013.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.25%	40%	60%
Advisor Series	1.25%	40%	60%
Series H	1.10%	23%	77%
Series D	0.90%	17%	83%
Series F	0.75%	–	100%
Series I	0.60%	–	–

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

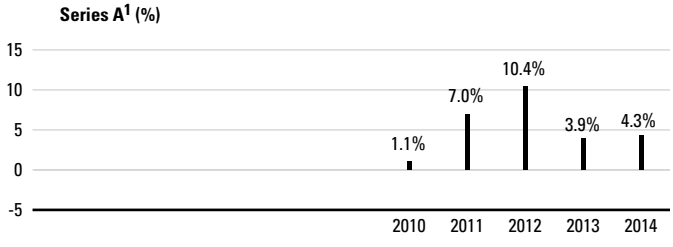
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

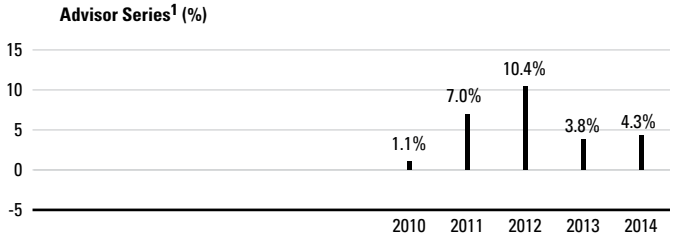
PAST PERFORMANCE

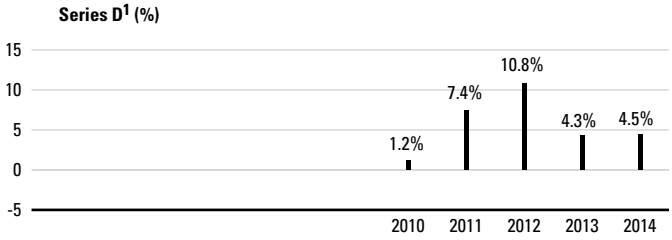
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

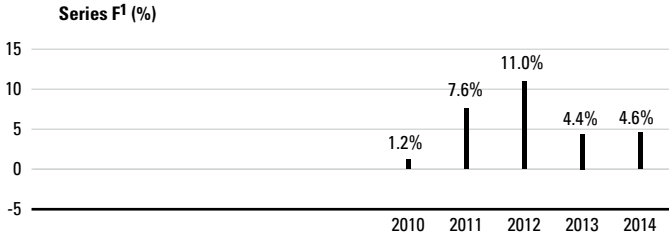
Year-by-Year Returns (%)

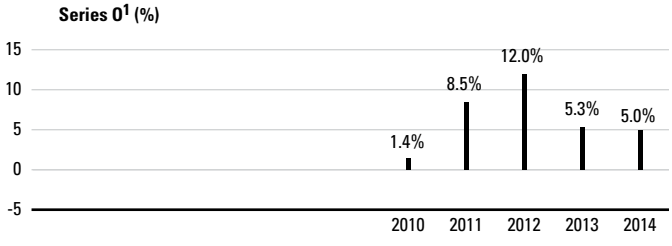
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











[1] Inception date October 12, 2010.
[2] Inception date April 29, 2013.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United States	66.3
Canada	18.1
Other Countries	7.6
Cash/Other	8.0

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	4.6
Ford Credit Canada Ltd. 7.500% Aug 18 15	2.6
Sprint Nextel Corp. 9.000% Nov 15 18	1.8
DISH DBS Corp. 7.875% Sep 1 19	1.6
Ball Corp. 5.750% May 15 21	1.6
Videotron Ltd. 6.875% Jul 15 21	1.5
T-Mobile USA Inc. 6.625% Apr 1 23	1.5
Smithfield Foods Inc. 6.625% Aug 15 22	1.4
Continental Resources Inc. 7.125% Apr 1 21	1.3
ArcelorMittal USD 9.850% Jun 1 19	1.3
Rite Aid Corp. 8.000% Aug 15 20	1.3
Toll Brothers Finance Corp. 5.875% Feb 15 22	1.3
D.R. Horton Inc. 5.750% Aug 15 23	1.2
Concho Resources Inc. 7.000% Jan 15 21	1.2
Quebecor Media Inc. 7.375% Jan 15 21	1.2
Lamar Media Corp. 5.375% Jan 15 24	1.2
Standard Pacific Corp. 8.375% Jan 15 21	1.2
Reynolds Group Issuer Inc. 6.875% Feb 15 21	1.2
Qwest Corp. 6.750% Dec 1 21	1.2
Intelsat Jackson Holdings S.A. USD 7.250% Apr 1 19	1.2
HDTFS Inc. 6.250% Oct 15 22	1.2
NRG Energy Inc. 7.875% May 15 21	1.1
Ingles Markets Inc. 5.750% Jun 15 23	1.1
HJ Heinz Co. 4.250% Oct 15 20	1.1
Calpine Corp. 6.000% Jan 15 22	1.1
Top 25 Holdings	37.0

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

FIXED-INCOME FUND

RBC $U.S. HIGH YIELD BOND FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE (in USD)

Investment Objective and Strategies

The Fund seeks to provide total returns comprised of interest income and modest capital growth by investing primarily in higher-yielding corporate debt securities issued by U.S. corporations.

To achieve its objectives, the portfolio manager invests primarily in debt securities issued by U.S. corporations that are rated below BBB- by Standard & Poor's or an equivalent rating agency. The portfolio manager employs a value-focused philosophy for corporate bonds, striving to invest in quality companies having stable to improving credit profiles, and which are considered to be undervalued given the current market sentiment.

Results of Operations

The Fund was launched on October 21, 2013, and its net asset value was $45 million as of June 30, 2014. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

The portfolio manager expects that the current benign environment for corporate bonds will continue, and that high-yield bonds will continue to be attractive compared to other fixed-income assets. However, in the view of the portfolio manager, considering the unexpectedly strong performance of high-yield bonds during the first half of the year, it is likely that returns will moderate from those experienced so far in 2014. The Fund continues to favour bonds that would be less exposed to any abrupt rise in interest rates and maintain higher levels of cash to allow the Fund to take advantage of more favourable valuations should they arise.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS (in USD)

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.05**	**0.29**	**(0.07)**	**0.02**	**0.19**	**0.43**	**(0.18)**	**–**	**–**	**–**	**(0.18)**	**10.31**
Dec. 31, 2013[3]	10.00†	0.11	(0.03)	0.01	(0.02)	0.07	(0.07)	–	(0.04)	–	(0.11)	10.01
Advisor Series												
June 30, 2014	**10.05**	**0.26**	**(0.08)**	**0.02**	**0.17**	**0.37**	**(0.15)**	**–**	**–**	**–**	**(0.15)**	**10.34**
Dec. 31, 2013[3]	10.00†	0.11	(0.03)	0.01	(0.02)	0.07	(0.07)	–	(0.04)	–	(0.11)	10.01
Series H												
June 30, 2014	**10.01**	**0.30**	**(0.06)**	**0.02**	**0.20**	**0.46**	**(0.23)**	**–**	**–**	**–**	**(0.23)**	**10.23**
Dec. 31, 2013[3]	10.00†	0.13	(0.02)	0.02	(0.02)	0.11	(0.11)	–	(0.04)	–	(0.15)	9.98
Series D												
June 30, 2014	**10.04**	**0.29**	**(0.05)**	**0.02**	**0.19**	**0.45**	**(0.19)**	**–**	**–**	**–**	**(0.19)**	**10.31**
Dec. 31, 2013[3]	10.00†	0.11	(0.02)	0.02	(0.02)	0.09	(0.08)	–	(0.04)	–	(0.12)	10.00
Series F												
June 30, 2014	**10.07**	**0.26**	**(0.05)**	**0.02**	**0.17**	**0.40**	**(0.16)**	**–**	**–**	**–**	**(0.16)**	**10.37**
Dec. 31, 2013[3]	10.00†	0.10	(0.02)	0.01	(0.02)	0.07	(0.06)	–	(0.04)	–	(0.10)	10.03
Series I												
June 30, 2014	**10.01**	**0.30**	**(0.03)**	**0.02**	**0.20**	**0.49**	**(0.25)**	**–**	**–**	**–**	**(0.25)**	**10.23**
Dec. 31, 2013[3]	10.00†	0.13	(0.01)	0.02	(0.02)	0.12	(0.12)	–	(0.04)	–	(0.16)	9.97
Series O												
June 30, 2014	**10.04**	**0.29**	**–**	**0.02**	**0.19**	**0.50**	**(0.25)**	**–**	**–**	**–**	**(0.25)**	**10.30**
Dec. 31, 2013[3]	10.00†	0.12	–	0.02	(0.02)	0.12	(0.10)	–	(0.04)	–	(0.14)	10.00

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From October 21, 2013.

† Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (in USD) (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**10.31**	**1 753**	**170**	**1.42**	**1.43**	**13.84**	**–**
Dec. 31, 2013[4]	10.05	577	57	1.48	1.48	4.78	–
Advisor Series							
June 30, 2014	**10.34**	**512**	**50**	**1.48**	**1.49**	**13.84**	**–**
Dec. 31, 2013[4]	10.05	5	1	1.48	1.48	4.78	–
Series H							
June 30, 2014	**10.23**	**1**	**–**	**1.21**	**1.22**	**13.84**	**–**
Dec. 31, 2013[4]	10.01	1	–	1.31	1.31	4.78	–
Series D							
June 30, 2014	**10.31**	**781**	**76**	**1.03**	**1.04**	**13.84**	**–**
Dec. 31, 2013[4]	10.04	250	25	1.08	1.08	4.78	–
Series F							
June 30, 2014	**10.37**	**727**	**70**	**0.91**	**0.92**	**13.84**	**–**
Dec. 31, 2013[4]	10.07	36	4	0.91	0.91	4.78	–
Series I							
June 30, 2014	**10.23**	**1**	**–**	**0.65**	**0.66**	**13.84**	**–**
Dec. 31, 2013[4]	10.01	1	–	0.74	0.74	4.78	–
Series O							
June 30, 2014	**10.30**	**41 389**	**4 018**	**0.02**	**0.03**	**13.84**	**–**
Dec. 31, 2013[4]	10.04	20 830	2 074	0.03	0.03	4.78	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From October 21, 2013.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.25%	40%	60%
Advisor Series	1.25%	40%	60%
Series H	1.10%	45%	55%
Series D	0.90%	17%	83%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE (in USD)

Investment performance in respect of a fund that has been available for less than one year is not provided. Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O units of this Fund were launched on October 21, 2013.

SUMMARY OF INVESTMENT PORTFOLIO (in USD)

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United States	77.1
Canada	9.1
Other Countries	5.3
Cash/Other	8.5

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	7.2
HCA Inc. 5.875% Mar 15 22	2.2
MGM Resorts International 6.750% Oct 1 20	1.7
Graphic Packaging International Inc. 4.750% Apr 15 21	1.7
ArcelorMittal USD 9.850% Jun 1 19	1.7
The AES Corp. 5.500% Mar 15 24	1.6
Ally Financial Inc. 8.000% Mar 15 20	1.5
Toll Brothers Finance Corp. 5.875% Feb 15 22	1.5
HDTFS Inc. 6.250% Oct 15 22	1.4
Access Midstream Partners LP 4.875% May 15 23	1.4
Standard Pacific Corp. 8.375% Jan 15 21	1.3
DISH DBS Corp. 7.875% Sep 1 19	1.3
Levi Strauss & Co. 7.625% May 15 20	1.3
Berry Plastics Corp. 9.750% Jan 15 21	1.3
AMC Entertainment Inc. 9.750% Dec 1 20	1.3
United Rentals North America Inc. 7.625% Apr 15 22	1.2
NRG Energy Inc. 7.875% May 15 21	1.2
Rite Aid Corp. 8.000% Aug 15 20	1.2
CSC Holdings LLC 6.750% Nov 15 21	1.2
Tempur Sealy International Inc. 6.875% Dec 15 20	1.2
Smithfield Foods Inc. 6.625% Aug 15 22	1.2
Whiting Petroleum Corp. 5.750% Mar 15 21	1.2
Carmike Cinemas Inc. 7.375% May 15 19	1.2
Spirit Aerosystems Inc. 6.750% Dec 15 20	1.2
Choice Hotels International Inc. 5.750% Jul 1 22	1.2
Top 25 Holdings	40.4

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

FIXED-INCOME FUND

RBC GLOBAL HIGH YIELD BOND FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund pursues above-average total returns comprised of interest income and capital growth by investing in higher-yielding corporate or government debt securities available in international markets.

The Fund manages risks by limiting its holdings in any single industry, issuer or country. The Fund may use derivatives to protect against losses from changes in interest rates, credit quality and currency fluctuations.

Results of Operations

The Fund's net asset value was $1.6 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 6.1%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Both U.S. high-yield bonds and emerging-market bonds denominated in U.S. dollars rose during the first half of 2014, as the U.S. Federal Reserve scaled back expectations for interest-rate increases on softer economic growth and the European Central Bank signalled steps to further loosen monetary policy to stave off deflation – suggesting yields would remain unusually low for longer. These steps drove investors to intensify the search for securities offering the potential for higher yields than government bonds. The emerging-market portion of the Fund outperformed U.S. high-yield in the first half of 2014 for two main reasons. First, emerging-market bonds tend to have longer maturities than U.S. high-yield bonds, and longer-term bonds outperformed during the period. Second, emerging-market bonds offered more attractive yields than U.S. corporate bonds with similar credit ratings.

The Fund benefited from its higher-than-average weighting in emerging-market bonds and holdings in U.S. dollars, as the Canadian dollar fell against the U.S. dollar during the first half of the year. The higher-quality emphasis in the Fund's emerging-market portfolio, however, offset this positive effect as very low-rated bonds issued by Honduras, Argentina and Venezuela posted double-digit returns on investors' search for returns in the low-yield environment. In the U.S. high-yield portion of the Fund, allocations to health care, metals and mining, insurance and wireless helped the Fund, while holdings in banking, capital goods and aerospace detracted from returns. Higher-quality U.S. high-yield bonds outperformed poorer-quality U.S. high-yield bonds during the period.

Recent Developments

The portfolio manager believes the best of this year's returns may be behind us given the current low yields and already low premiums available to investors. As a result, the Fund has reduced its exposure to emerging-market bonds. The portfolio manager has also reduced the sensitivity of the portfolio to increases in U.S. interest rates.
The Fund has significantly lowered its exposure to Russian state-owned companies in light of concerns about the imposition of further sanctions by the U.S. and Europe on Russia. The portfolio manager remains concerned that Chinese companies will have less access to funding in the second half of the year, which could further weigh on growth in the country, the largest emerging market. Consequently, the portfolio manager remains cautiously positioned in emerging markets relative to U.S. high yield. In the view of the portfolio manager, investors are not getting enough of a premium in many of the more risky emerging markets to warrant investing in those countries.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Series H and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.30**	**0.31**	**(0.09)**	**(0.10)**	**0.51**	**0.63**	**(0.24)**	**–**	**–**	**–**	**(0.24)**	**10.69**
Dec. 31, 2013	10.77	0.64	(0.19)	(0.33)	(0.19)	(0.07)	(0.46)	–	–	–	(0.46)	10.27
Dec. 31, 2012	9.90	0.65	(0.19)	0.51	0.38	1.35	(0.44)	–	(0.12)	–	(0.56)	10.77
Dec. 31, 2011	9.81	0.71	(0.17)	(0.24)	0.34	0.64	(0.51)	–	–	–	(0.51)	9.90
Dec. 31, 2010	9.36	0.71	(0.16)	0.45	(0.06)	0.94	(0.52)	–	–	–	(0.52)	9.81
Dec. 31, 2009	7.79	0.67	(0.15)	0.79	0.74	2.05	(0.52)	–	–	–	(0.52)	9.36
Advisor Series												
June 30, 2014	**10.24**	**0.30**	**(0.09)**	**(0.10)**	**0.50**	**0.61**	**(0.24)**	**–**	**–**	**–**	**(0.24)**	**10.62**
Dec. 31, 2013	10.69	0.64	(0.18)	(0.33)	(0.19)	(0.06)	(0.45)	–	–	–	(0.45)	10.20
Dec. 31, 2012	9.81	0.64	(0.18)	0.50	0.37	1.33	(0.43)	–	(0.12)	–	(0.55)	10.69
Dec. 31, 2011	9.70	0.69	(0.16)	(0.23)	0.33	0.63	(0.49)	–	–	–	(0.49)	9.81
Dec. 31, 2010	9.26	0.69	(0.16)	0.44	(0.06)	0.91	(0.52)	–	–	–	(0.52)	9.70
Dec. 31, 2009	7.69	0.66	(0.14)	0.78	0.73	2.03	(0.51)	–	–	–	(0.51)	9.26
Series H												
June 30, 2014	**10.43**	**0.31**	**(0.08)**	**(0.10)**	**0.51**	**0.64**	**(0.25)**	**–**	**–**	**–**	**(0.25)**	**10.83**
Dec. 31, 2013[3]	10.30[†]	0.25	(0.07)	(0.13)	(0.07)	(0.02)	(0.10)	–	–	–	(0.10)	10.40
Series D												
June 30, 2014	**10.45**	**0.31**	**(0.06)**	**(0.10)**	**0.51**	**0.66**	**(0.28)**	**–**	**–**	**–**	**(0.28)**	**10.84**
Dec. 31, 2013	10.95	0.65	(0.11)	(0.34)	(0.19)	0.01	(0.57)	–	–	–	(0.57)	10.41
Dec. 31, 2012	10.03	0.65	(0.11)	0.50	0.38	1.42	(0.48)	–	(0.12)	–	(0.60)	10.95
Dec. 31, 2011	9.92	0.72	(0.10)	(0.24)	0.35	0.73	(0.57)	–	–	–	(0.57)	10.03
Dec. 31, 2010	9.46	0.70	(0.10)	0.45	(0.06)	0.99	(0.58)	–	–	–	(0.58)	9.92
Dec. 31, 2009	7.84	0.67	(0.09)	0.79	0.73	2.10	(0.55)	–	–	–	(0.55)	9.46
Series F												
June 30, 2014	**10.57**	**0.31**	**(0.05)**	**(0.10)**	**0.52**	**0.68**	**(0.30)**	**–**	**–**	**–**	**(0.30)**	**10.95**
Dec. 31, 2013	11.04	0.66	(0.10)	(0.34)	(0.20)	0.02	(0.57)	–	–	–	(0.57)	10.53
Dec. 31, 2012	10.13	0.67	(0.10)	0.52	0.39	1.48	(0.52)	–	(0.12)	–	(0.64)	11.04
Dec. 31, 2011	10.01	0.72	(0.08)	(0.24)	0.35	0.75	(0.58)	–	–	–	(0.58)	10.13
Dec. 31, 2010	9.52	0.70	(0.08)	0.45	(0.06)	1.01	(0.59)	–	–	–	(0.59)	10.01
Dec. 31, 2009	7.92	0.68	(0.08)	0.80	0.75	2.15	(0.60)	–	–	–	(0.60)	9.52
Series I												
June 30, 2014	**10.74**	**0.32**	**(0.04)**	**(0.10)**	**0.53**	**0.71**	**(0.27)**	**–**	**–**	**–**	**(0.27)**	**11.18**
Dec. 31, 2013[3]	10.57[†]	0.25	(0.03)	(0.13)	(0.08)	0.01	(0.11)	–	–	–	(0.11)	10.70

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**10.46**	**0.31**	**–**	**(0.10)**	**0.51**	**0.72**	**(0.31)**	**–**	**–**	**–**	**(0.31)**	**10.87**
Dec. 31, 2013	10.89	0.65	–	(0.33)	(0.19)	0.13	(0.62)	–	–	–	(0.62)	10.42
Dec. 31, 2012	10.02	0.68	–	0.53	0.40	1.61	(0.64)	–	(0.12)	–	(0.76)	10.89
Dec. 31, 2011	9.86	0.69	–	(0.23)	0.33	0.79	(0.63)	–	–	–	(0.63)	10.02
Dec. 31, 2010	9.40	0.70	–	0.45	(0.06)	1.09	(0.67)	–	–	–	(0.67)	9.86
Dec. 31, 2009	7.84	0.68	–	0.80	0.75	2.23	(0.69)	–	–	–	(0.69)	9.40

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
[2] Distributions are reinvested in additional units of the Fund or paid in cash.
[3] From August 12, 2013.
† Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**10.69**	**213 634**	**19 989**	**1.78**	**1.78**	**62.63**	**–**
Dec. 31, 2013	10.30	230 556	22 379	1.79	1.79	65.47	–
Dec. 31, 2012	10.81	259 867	24 040	1.78	1.78	61.97	–
Dec. 31, 2011	9.95	120 784	12 143	1.76	1.76	75.81	–
Dec. 31, 2010	9.85	97 430	9 895	1.73	1.73	82.86	–
Dec. 31, 2009	9.36	78 239	8 355	1.68	1.68	98.53	–
Advisor Series							
June 30, 2014	**10.62**	**260 927**	**24 571**	**1.74**	**1.74**	**62.63**	**–**
Dec. 31, 2013	10.24	280 799	27 429	1.74	1.74	65.47	–
Dec. 31, 2012	10.73	285 063	26 572	1.71	1.71	61.97	–
Dec. 31, 2011	9.86	95 801	9 721	1.70	1.70	75.81	–
Dec. 31, 2010	9.74	52 255	5 368	1.68	1.68	82.86	–
Dec. 31, 2009	9.26	36 356	3 928	1.63	1.63	98.53	–
Series H							
June 30, 2014	**10.83**	**2 672**	**247**	**1.53**	**1.53**	**62.63**	**–**
Dec. 31, 2013[4]	10.43	2 502	240	1.65	1.65	65.47	–
Series D							
June 30, 2014	**10.84**	**36 042**	**3 325**	**1.05**	**1.05**	**62.63**	**–**
Dec. 31, 2013	10.45	37 350	3 574	1.06	1.06	65.47	–
Dec. 31, 2012	10.99	53 179	4 839	1.06	1.06	61.97	–
Dec. 31, 2011	10.07	14 592	1 448	1.04	1.04	75.81	–
Dec. 31, 2010	9.96	10 932	1 097	1.03	1.03	82.86	–
Dec. 31, 2009	9.46	5 986	633	1.00	1.00	98.53	–
Series F							
June 30, 2014	**10.95**	**97 789**	**8 927**	**0.91**	**0.91**	**62.63**	**–**
Dec. 31, 2013	10.57	104 214	9 863	0.91	0.91	65.47	–
Dec. 31, 2012	11.08	114 999	10 376	0.89	0.89	61.97	–
Dec. 31, 2011	10.17	46 112	4 533	0.87	0.87	75.81	–
Dec. 31, 2010	10.05	27 834	2 771	0.86	0.86	82.86	–
Dec. 31, 2009	9.52	9 700	1 018	0.84	0.84	98.53	–

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series I							
June 30, 2014	**11.18**	**3 929**	**351**	**0.69**	**0.69**	**62.63**	**–**
Dec. 31, 2013[4]	10.74	2 397	223	0.75	0.75	65.47	–
Series O							
June 30, 2014	**10.87**	**951 767**	**87 553**	**0.03**	**0.03**	**62.63**	**–**
Dec. 31, 2013	10.46	604 570	57 822	0.03	0.03	65.47	–
Dec. 31, 2012	10.93	436 796	39 968	0.03	0.03	61.97	–
Dec. 31, 2011	10.06	332 815	33 068	0.02	0.02	75.81	–
Dec. 31, 2010	9.90	161 894	16 345	0.02	0.02	82.86	–
Dec. 31, 2009	9.40	97 488	10 369	0.02	0.02	98.53	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From August 12, 2013.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.50%	53%	47%
Advisor Series	1.50%	53%	47%
Series H	1.40%	57%	43%
Series D	0.90%	17%	83%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

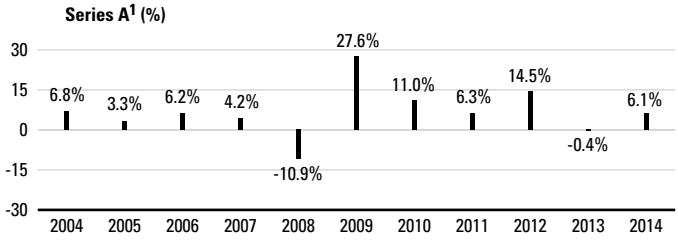
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

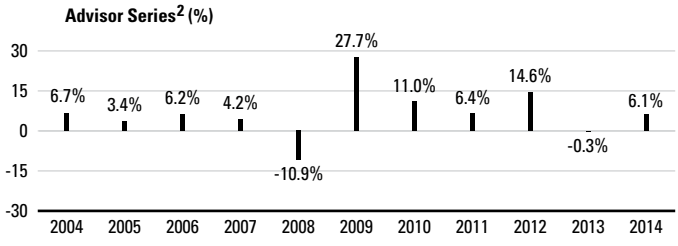
PAST PERFORMANCE

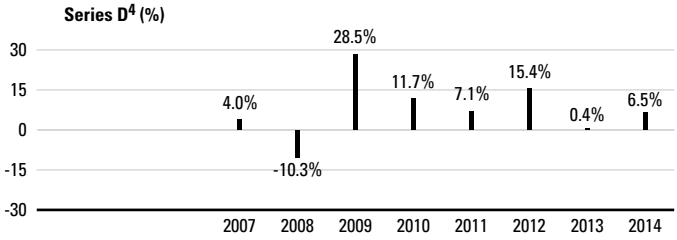
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

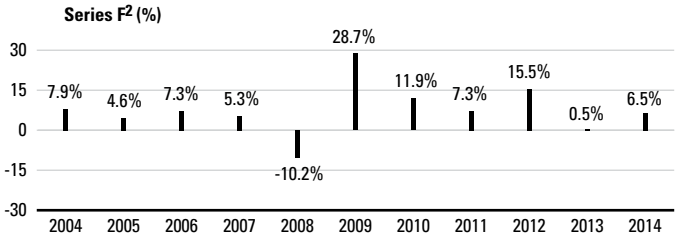
Year-by-Year Returns (%)

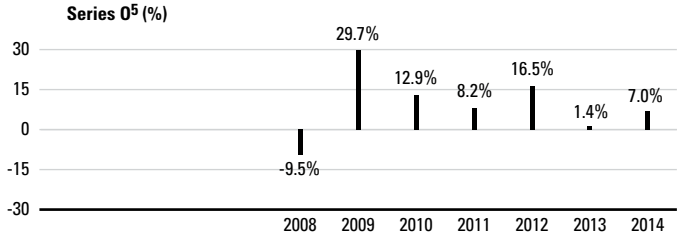
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











1 Inception date July 17, 2003.
2 Inception date October 29, 2001.
3 Inception date August 12, 2013.
4 Inception date July 3, 2007.
5 Inception date January 1, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United States	34.4
Other Countries	18.9
Canada	6.2
Income Funds	4.7
Mexico	3.6
Philippines	2.8
Colombia	2.2
Turkey	2.1
Indonesia	2.1
Brazil	1.9
Kazakhstan	1.9
Peru	1.8
Russia	1.6
Chile	1.6
Panama	1.5
Serbia	1.3
Ukraine	1.2
Venezuela	1.2
Croatia	1.1
China	1.0
Romania	1.0
Cash/Other	5.9

Top 25 Holdings

	% of Net Asset Value
Long Positions:	
BlueBay Emerging Markets Corporate Bond Fund	4.7
Cash & Cash Equivalents	2.5
Corp Nacional del Cobre de Chile USD 3.875% Nov 3 21	1.6
Republic of Philippines USD 8.375% Jun 17 19	1.6
Russian Federation USD 5.000% Mar 31 30	1.2
Republic of Panama USD 7.125% Jan 29 26	1.1
Republic of Peru USD 7.350% Jul 21 25	1.1
Republic of Philippines USD 7.750% Jan 14 31	1.1
Republic of Colombia USD 8.125% May 21 24	1.0
Republic of Turkey USD 7.500% Jul 14 17	1.0
Slovenia Government USD 5.500% Oct 26 22	0.9
Republic of Brazil USD 7.125% Jan 20 37	0.9
HCA Inc. 5.875% Mar 15 22	0.9
Comision Federal de Electricidad USD 4.875% May 26 21	0.9
Government of Poland USD 6.375% Jul 15 19	0.9
Croatia Government USD 6.750% Nov 5 19	0.8
Dominican Republic USD 7.500% May 6 21	0.8
Petrobras International Finance Co. USD 7.875% Mar 15 19	0.8
Republic of Venezuela USD 9.250% Sep 15 27	0.8
Sinochem Overseas Capital Co. Ltd. USD 4.500% Nov 12 20	0.7
Pemex Project Funding Master Trust USD 6.625% Jun 15 35	0.7
Hungary Government USD 4.125% Feb 19 18	0.6
Romanian Government USD 6.750% Feb 7 22	0.6
Ally Financial Inc. 8.000% Mar 15 20	0.6
Total Long	27.8
Short Position:	
Euro-Bund Future, September 2014	(0.7)
Total Short	(0.7)

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

FIXED-INCOME FUND

RBC MONTHLY INCOME HIGH YIELD BOND FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide regular monthly income with a potential for modest capital appreciation by investing primarily in units of other mutual funds managed by RBC GAM or an affiliate of RBC GAM (called the "underlying funds"), emphasizing mutual funds that invest in higher-yielding fixed-income securities.

To achieve its objective, the Fund selects underlying funds from the RBC Funds family or PH&N Funds family that primarily invest in investment-grade and high-yield corporate and emerging-market sovereign and corporate fixed-income securities for inclusion in the Fund.

The portfolio manager allocates and rebalances the Fund's assets among underlying funds based on the underlying funds' ability to help the Fund meet its investment objectives.

Results of Operations

The Fund was launched on August 12, 2013, and its net asset value was $18 million as of June 30, 2014. Investment performance is not provided for a fund that has been available for less than one year.

The Fund made monthly distributions of 2.90 cents per Series A unit in the first half of 2014.

Recent Developments

The portfolio manager expects bond yields to gradually rise as the economy improves and the U.S. Federal Reserve ends its asset-purchase program. In Canada, short-term yields should stay low as long as relatively weak economic growth keeps the Bank of Canada from raising its benchmark rate. Assuming that this moderate expansion continues, corporate bonds would likely outperform government bonds, as default prospects remain low and earnings are likely to benefit from an improving economy.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.03**	**0.28**	**(0.09)**	**–**	**0.28**	**0.47**	**(0.17)**	**–**	**–**	**–**	**(0.17)**	**10.41**
Dec. 31, 2013[3]	10.00†	0.26	(0.07)	0.02	0.05	0.26	(0.20)	–	(0.02)	–	(0.22)	10.03
Advisor Series												
June 30, 2014	**10.04**	**0.27**	**(0.08)**	**–**	**0.26**	**0.45**	**(0.17)**	**–**	**–**	**–**	**(0.17)**	**10.42**
Dec. 31, 2013[3]	10.00†	0.26	(0.07)	0.02	0.04	0.25	(0.19)	–	(0.02)	–	(0.21)	10.04
Series H												
June 30, 2014	**10.00**	**0.30**	**(0.08)**	**–**	**0.29**	**0.51**	**(0.17)**	**–**	**–**	**–**	**(0.17)**	**10.39**
Dec. 31, 2013[3]	10.00†	0.26	(0.07)	0.03	0.07	0.29	(0.23)	–	(0.02)	–	(0.25)	10.00
Series D												
June 30, 2014	**10.07**	**0.28**	**(0.05)**	**–**	**0.28**	**0.51**	**(0.17)**	**–**	**–**	**–**	**(0.17)**	**10.49**
Dec. 31, 2013[3]	10.00†	0.26	(0.05)	0.01	0.04	0.26	(0.18)	–	(0.02)	–	(0.20)	10.07
Series F												
June 30, 2014	**10.08**	**0.30**	**(0.04)**	**–**	**0.30**	**0.56**	**(0.17)**	**–**	**–**	**–**	**(0.17)**	**10.50**
Dec. 31, 2013[3]	10.00†	0.26	(0.04)	0.02	0.04	0.28	(0.18)	–	(0.02)	–	(0.20)	10.08
Series I												
June 30, 2014	**9.98**	**0.24**	**(0.04)**	**–**	**0.24**	**0.44**	**(0.17)**	**–**	**–**	**–**	**(0.17)**	**10.40**
Dec. 31, 2013[3]	10.00†	0.26	(0.04)	0.06	0.15	0.43	(0.29)	–	(0.02)	–	(0.31)	9.98
Series O												
June 30, 2014	**10.00**	**0.30**	**–**	**–**	**0.29**	**0.59**	**(0.17)**	**–**	**–**	**–**	**(0.17)**	**10.47**
Dec. 31, 2013[3]	10.00†	0.26	(0.01)	0.07	0.19	0.51	(0.30)	–	(0.02)	–	(0.32)	10.00

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From August 12, 2013.

† Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**10.41**	**11 952**	**1 149**	**1.82**	**1.84**	**3.15**	**–**
Dec. 31, 2013[4]	10.03	6 169	615	1.84	1.88	n/a	–
Advisor Series							
June 30, 2014	**10.42**	**1 209**	**116**	**1.72**	**1.74**	**3.15**	**–**
Dec. 31, 2013[4]	10.04	185	18	1.84	1.88	n/a	–
Series H							
June 30, 2014	**10.39**	**15**	**1**	**1.56**	**1.56**	**3.15**	**–**
Dec. 31, 2013[4]	10.00	15	1	1.67	1.71	n/a	–
Series D							
June 30, 2014	**10.49**	**3 891**	**371**	**1.11**	**1.13**	**3.15**	**–**
Dec. 31, 2013[4]	10.07	1 524	151	1.16	1.20	n/a	–
Series F							
June 30, 2014	**10.50**	**144**	**14**	**0.93**	**0.95**	**3.15**	**–**
Dec. 31, 2013[4]	10.08	98	10	0.99	1.03	n/a	–
Series I							
June 30, 2014	**10.40**	**344**	**33**	**0.78**	**0.80**	**3.15**	**–**
Dec. 31, 2013[4]	9.98	1	–	0.82	0.86	n/a	–
Series O							
June 30, 2014	**10.47**	**1**	**–**	**0.11**	**0.13**	**3.15**	**–**
Dec. 31, 2013[4]	10.00	2	–	0.11	0.15	n/a	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From August 12, 2013.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.50%	50%	50%
Advisor Series	1.50%	50%	50%
Series H	1.35%	56%	44%
Series D	0.90%	17%	83%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

Investment performance in respect of a fund that has been available for less than one year is not provided. Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O units of this Fund were launched on August 12, 2013.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Income Funds	99.1
Cash/Other	0.9

Top 25 Holdings*

	% of Net Asset Value
RBC Global Corporate Bond Fund	28.9
RBC Emerging Markets Bond Fund	14.7
BlueBay Emerging Markets Corporate Bond Fund	14.7
RBC High Yield Bond Fund	14.6
RBC Global High Yield Bond Fund	14.6
BlueBay Global Convertible Bond Fund (Canada)	11.6
Cash & Cash Equivalents	0.9
Total	100.0

* The Fund holds fewer than 25 holdings.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

FIXED-INCOME FUND

RBC EMERGING MARKETS BOND FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide total returns comprised of interest income and capital growth by investing primarily in government debt securities of emerging market countries. The Fund may also invest in emerging market corporate bonds and government debt securities of developed countries.

To achieve the Fund's objective, the portfolio manager invests mainly in U.S. dollar-denominated bonds issued by the governments of Brazil, Russia, Mexico, Turkey, Philippines, China, Indonesia, Malaysia, Venezuela, Colombia, South Africa, Poland, Panama, Lebanon and Peru. The Fund may also invest in bonds of these countries denominated in another G-7 currency or in the local currencies of these countries.

Results of Operations

The Fund's net asset value was $366 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 7.2%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Central-bank decisions again dominated the backdrop for emerging-market bonds in the first half of 2014, as the U.S. Federal Reserve scaled back expectations for interest-rate increases on softer economic growth and the European Central Bank signalled steps to further loosen monetary policy to stave off deflation – suggesting yields would remain unusually low for longer. These steps drove investors to intensify the search for securities offering the potential for higher yields than government bonds. Slightly negative for emerging-market bonds during the period were Russia's seizure of the Crimea region from Ukraine and the fragmentation of Iraq, as well as concerns about continued slowing in economic growth in emerging economies relative to their developed market peers.

Concerns early in the period about a sharp slowdown in Chinese economic growth and the Russia-Ukraine conflict, which elicited a round of sanctions from the G-7 industrialized countries, were swept aside by the apparent extension of a prolonged period of low rates, particularly in Europe. The conclusion that a low-yield environment would persist led investors to intensify their search for higher-yielding investments such as emerging-market bonds. The Fund had relatively low exposure to low-rated bonds issued by Honduras, Argentina, Lebanon and Venezuela, leading to relatively weak performance for the Fund.

During the period, the Fund benefited from positions in Ireland and Spain, and recently reduced positions in Ireland. The sub-advisor also lowered the portfolio's sensitivity to an increase in U.S. rates by locking in gains on bonds with longer maturities.

Recent Developments

The sub-advisor believes that the best of this year's returns may be behind us given the current low yields and already low premiums available to investors, especially for the low-rated securities that performed best during the period.

Returns toward the end of the first half were negatively affected by large issues that are popular with aggressive exchange-traded funds, which tend to make very abrupt changes in asset allocation. The sub-advisor has therefore reduced exposure to these more volatile bonds. The sub-advisor remains concerned that Chinese companies will have less access to funding in the second half of the year, which could further weigh on growth in the country, the largest emerging market. The Fund has also significantly lowered its exposure to Russian state-owned companies in light of concerns about the imposition of further sanctions by the U.S. and Europe on Russia.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**9.99**	**0.28**	**(0.09)**	**0.25**	**0.29**	**0.73**	**(0.19)**	**–**	**–**	**–**	**(0.19)**	**10.53**
Dec. 31, 2013	10.30	0.56	(0.18)	0.08	(0.40)	0.06	(0.38)	–	(0.04)	–	(0.42)	9.96
Dec. 31, 2012	9.53	0.55	(0.18)	0.14	0.55	1.06	(0.34)	–	–	–	(0.34)	10.30
Dec. 31, 2011	9.23	0.58	(0.16)	(0.19)	0.53	0.76	(0.39)	–	–	–	(0.39)	9.53
Dec. 31, 2010[3]	10.00[†]	0.19	(0.07)	(0.17)	(0.79)	(0.84)	(0.08)	–	–	–	(0.08)	9.23
Advisor Series												
June 30, 2014	**9.98**	**0.28**	**(0.09)**	**0.25**	**0.29**	**0.73**	**(0.19)**	**–**	**–**	**–**	**(0.19)**	**10.52**
Dec. 31, 2013	10.28	0.56	(0.18)	0.08	(0.40)	0.06	(0.37)	–	(0.04)	–	(0.41)	9.95
Dec. 31, 2012	9.53	0.55	(0.17)	0.14	0.55	1.07	(0.35)	–	–	–	(0.35)	10.28
Dec. 31, 2011	9.23	0.58	(0.16)	(0.19)	0.54	0.77	(0.41)	–	–	–	(0.41)	9.53
Dec. 31, 2010[3]	10.00[†]	0.18	(0.07)	(0.16)	(0.74)	(0.79)	(0.08)	–	–	–	(0.08)	9.23
Series D												
June 30, 2014	**10.09**	**0.29**	**(0.06)**	**0.25**	**0.30**	**0.78**	**(0.21)**	**–**	**–**	**–**	**(0.21)**	**10.64**
Dec. 31, 2013	10.40	0.56	(0.11)	0.08	(0.41)	0.12	(0.46)	–	(0.04)	–	(0.50)	10.05
Dec. 31, 2012	9.61	0.53	(0.11)	0.13	0.53	1.08	(0.39)	–	–	–	(0.39)	10.40
Dec. 31, 2011	9.24	0.56	(0.10)	(0.19)	0.51	0.78	(0.40)	–	–	–	(0.40)	9.61
Dec. 31, 2010[3]	10.00[†]	0.19	(0.04)	(0.17)	(0.79)	(0.81)	(0.10)	–	–	–	(0.10)	9.24
Series F												
June 30, 2014	**9.95**	**0.28**	**(0.05)**	**0.25**	**0.29**	**0.77**	**(0.22)**	**–**	**–**	**–**	**(0.22)**	**10.49**
Dec. 31, 2013	10.26	0.56	(0.10)	0.08	(0.40)	0.14	(0.47)	–	(0.04)	–	(0.51)	9.92
Dec. 31, 2012	9.52	0.57	(0.09)	0.14	0.57	1.19	(0.44)	–	–	–	(0.44)	10.26
Dec. 31, 2011	9.23	0.59	(0.08)	(0.20)	0.54	0.85	(0.48)	–	–	–	(0.48)	9.52
Dec. 31, 2010[3]	10.00[†]	0.18	(0.04)	(0.16)	(0.74)	(0.76)	(0.11)	–	–	–	(0.11)	9.23
Series O												
June 30, 2014	**10.00**	**0.28**	**(0.01)**	**0.25**	**0.29**	**0.81**	**(0.29)**	**–**	**–**	**–**	**(0.29)**	**10.52**
Dec. 31, 2013	10.30	0.56	(0.01)	0.08	(0.40)	0.23	(0.54)	–	(0.04)	–	(0.58)	9.97
Dec. 31, 2012	9.54	0.56	(0.01)	0.14	0.56	1.25	(0.51)	–	–	–	(0.51)	10.30
Dec. 31, 2011	9.20	0.57	(0.01)	(0.19)	0.52	0.89	(0.52)	–	–	–	(0.52)	9.54
Dec. 31, 2010[3]	10.00[†]	0.19	–	(0.17)	(0.79)	(0.77)	(0.16)	–	–	–	(0.16)	9.20

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From August 23, 2010.

[†] Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**10.53**	**30 184**	**2 867**	**1.78**	**1.78**	**62.27**	**–**
Dec. 31, 2013	9.99	29 689	2 971	1.78	1.78	81.88	–
Dec. 31, 2012	10.34	30 281	2 929	1.76	1.76	66.30	–
Dec. 31, 2011	9.58	11 259	1 176	1.76	1.76	79.23	–
Dec. 31, 2010[4]	9.27	6 362	686	1.71	1.71	50.46	–
Advisor Series							
June 30, 2014	**10.52**	**32 850**	**3 123**	**1.78**	**1.78**	**62.27**	**–**
Dec. 31, 2013	9.98	33 244	3 329	1.79	1.79	81.88	–
Dec. 31, 2012	10.32	31 059	3 009	1.73	1.73	66.30	–
Dec. 31, 2011	9.57	14 120	1 476	1.75	1.75	79.23	–
Dec. 31, 2010[4]	9.27	11 394	1 229	1.65	1.65	50.46	–
Series D							
June 30, 2014	**10.64**	**6 019**	**566**	**1.11**	**1.11**	**62.27**	**–**
Dec. 31, 2013	10.09	4 646	461	1.11	1.11	81.88	–
Dec. 31, 2012	10.44	5 857	561	1.12	1.12	66.30	–
Dec. 31, 2011	9.65	1 061	110	1.11	1.11	79.23	–
Dec. 31, 2010[4]	9.28	288	31	1.03	1.03	50.46	–
Series F							
June 30, 2014	**10.49**	**48 220**	**4 595**	**0.95**	**0.95**	**62.27**	**–**
Dec. 31, 2013	9.95	37 332	3 752	0.95	0.95	81.88	–
Dec. 31, 2012	10.30	40 591	3 940	0.94	0.94	66.30	–
Dec. 31, 2011	9.56	25 334	2 651	0.96	0.96	79.23	–
Dec. 31, 2010[4]	9.27	27 372	2 953	0.87	0.87	50.46	–
Series O							
June 30, 2014	**10.52**	**248 436**	**23 616**	**0.11**	**0.11**	**62.27**	**–**
Dec. 31, 2013	10.00	257 035	25 704	0.11	0.11	81.88	–
Dec. 31, 2012	10.34	272 354	26 339	0.11	0.11	66.30	–
Dec. 31, 2011	9.58	131 753	13 757	0.12	0.12	79.23	–
Dec. 31, 2010[4]	9.25	57 618	6 232	0.10	0.10	50.46	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From August 23, 2010.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.50%	50%	50%
Advisor Series	1.50%	50%	50%
Series D	0.90%	17%	83%
Series F	0.75%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

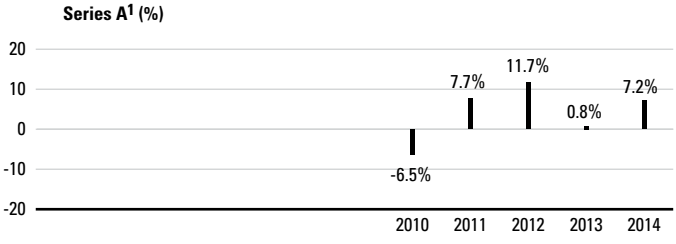
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

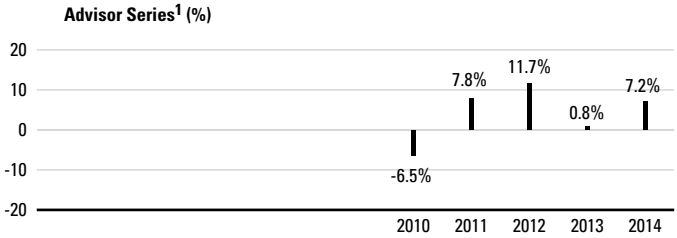
PAST PERFORMANCE

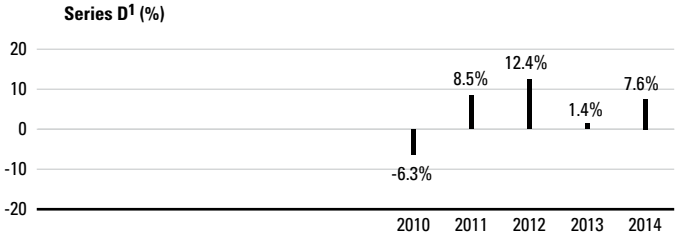
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

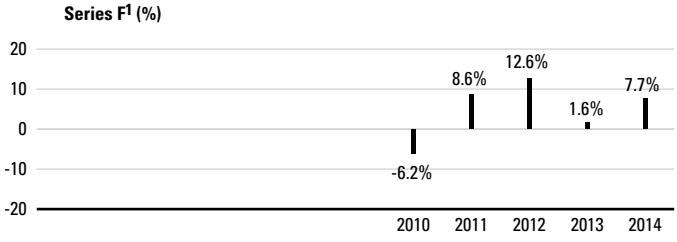
Year-by-Year Returns (%)

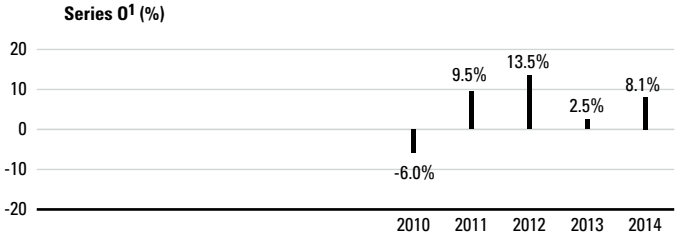
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











1 Inception date August 23, 2010.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Other Countries	18.9
Mexico	7.8
Philippines	6.2
Indonesia	4.7
Colombia	4.6
Turkey	4.5
Kazakhstan	4.3
Peru	3.9
Brazil	3.9
Chile	3.5
Panama	3.4
Russia	3.3
Ukraine	2.8
Serbia	2.8
Venezuela	2.6
Romania	2.2
Dominican Republic	2.1
Croatia	2.1
United Arab Emirates	2.0
China	1.9
Hungary	1.9
Slovenia	1.8
Morocco	1.6
Poland	1.5
Uruguay	1.5
Azerbaijan	1.4
Cash/Other	2.8

Top 25 Holdings

	% of Net Asset Value
Long Positions:	
Republic of Philippines USD 8.375% Jun 17 19	3.7
Corp Nacional del Cobre de Chile USD 3.875% Nov 3 21	3.5
Republic of Peru USD 7.350% Jul 21 25	2.5
Republic of Panama USD 7.125% Jan 29 26	2.5
Russian Federation USD 5.000% Mar 31 30	2.3
Republic of Colombia USD 8.125% May 21 24	2.1
Republic of Philippines USD 7.750% Jan 14 31	2.0
Slovenia Government USD 5.500% Oct 26 22	1.8
Republic of Turkey USD 7.500% Jul 14 17	1.8
Republic of Brazil USD 7.125% Jan 20 37	1.8
Comision Federal de Electricidad USD 4.875% May 26 21	1.6
Dominican Republic USD 7.500% May 6 21	1.6
Croatia Government USD 6.750% Nov 5 19	1.6
Republic of Venezuela USD 9.250% Sep 15 27	1.6
Petrobras International Finance Co. USD 7.875% Mar 15 19	1.5
Sinochem Overseas Capital Co. Ltd. USD 4.500% Nov 12 20	1.5
Government of Poland USD 6.375% Jul 15 19	1.5
Cash & Cash Equivalents	1.5
Ukraine Government USD 7.800% Nov 28 22	1.4
Romanian Government USD 6.750% Feb 7 22	1.4
Pemex Project Funding Master Trust USD 6.625% Jun 15 35	1.4
Hungary Government USD 4.125% Feb 19 18	1.4
Republic of Serbia USD 5.250% Nov 21 17	1.4
Petroleos Mexicanos USD 6.000% Mar 5 20	1.3
Total Long	44.7
Short Position:	
Euro-Bund Future, September 2014	(2.3)
Total Short	(2.3)

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

FIXED-INCOME FUND

BLUEBAY GLOBAL MONTHLY INCOME BOND FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: BlueBay Asset Management LLP, London, England

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide high regular monthly income and total returns comprised of interest income and modest capital appreciation. To achieve the Fund's objectives, the portfolio manager invests primarily in global high-yield debt securities, emerging market government and corporate debt securities, and global convertible bonds either directly or indirectly through investments in other mutual funds managed by RBC GAM or an affiliate.

Global high-yield debt includes securities of companies rated below investment grade, which can be domiciled or carry out business anywhere in the world. Emerging market debt includes bonds issued by emerging market issuers or entities domiciled in an emerging market country, and which can be denominated in U.S. dollars, the currency of another G-7 country or in the local currency of an emerging market country. Global convertible bonds include securities issued by entities that can be domiciled or carry out business anywhere in the world.

Results of Operations

The Fund's net asset value was $719 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 5.0%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund made monthly distributions of 3.35 cents per Series A unit in the first half of 2014.

The Fund's high-yield allocation had a negative impact on relative performance. The Energy and Industrials sectors had a negative impact on performance, while overweight positions in telecommunications and media had a positive impact. Sectors that are less exposed to the pace of economic growth aided returns, whereas more economically sensitive sectors detracted from returns. Europe was the only region to have a positive relative impact on performance.

Convertible bonds generally benefited from a global economic recovery and upswing in equities, although the returns from convertible bonds had a slight negative impact on the relative performance of the Fund, largely because of a position in Micron Technology. The services and transport areas also detracted from returns. The Fund's overweight exposure to Marine Harvest, a Norway-based seafood company, had a positive impact on returns, as did holdings in the Industrials sector.

The Fund's allocation to emerging markets performed well. An overweight position in Brazilian bonds denominated in U.S. dollars was the main contributor to relative returns. Overweight exposure to Colombian and Mexican bonds in both U.S. dollars and local currency also contributed to returns. In China, underweight exposure to Chinese bonds denominated in U.S. dollars and local currency hurt performance, as did an underweight position in Russian local-currency debt.

Portfolio turnover is normally high for this Fund, as the sub-advisor attempts to generate better returns through active security selection.

Recent Developments

The sub-advisor expects continued demand for bonds as investors search for investments that offer acceptable income in the low-yield environment, even as fewer new issues come to market during the summer months.

Emerging-market returns have improved in recent months after a difficult start to the year. The sub-advisor believes that this rally is likely to pause in the latter half of 2014 and is cautious because of concerns raised by the market volatility of the past few months. The sub-advisor believes that investors seem unduly complacent about risks in the Treasury-bond market as stronger U.S. data indicates the economy is emerging from a weather-induced soft patch in the first quarter. A series of stronger U.S. data releases may reignite speculation that the U.S. Federal Reserve (the "Fed") will consider raising short-term interest rates sooner than is currently expected. Any volatility would likely be exacerbated by tension resulting from the contrasting monetary stances of the Fed and the European Central Bank, which recently took far-reaching steps to encourage banks to lend more.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

BlueBay Asset Management LLP is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Series H and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**9.98**	**0.28**	**(0.10)**	**0.25**	**0.05**	**0.48**	**(0.20)**	**–**	**–**	**–**	**(0.20)**	**10.27**
Dec. 31, 2013	10.19	0.54	(0.21)	(0.21)	(0.02)	0.10	(0.34)	–	–	(0.06)	(0.40)	9.95
Dec. 31, 2012	9.43	0.52	(0.21)	0.34	0.56	1.21	(0.40)	–	(0.07)	–	(0.47)	10.19
Dec. 31, 2011[3]	10.00†	0.20	(0.10)	(0.27)	(0.15)	(0.32)	(0.09)	–	–	(0.11)	(0.20)	9.43
Advisor Series												
June 30, 2014	**9.99**	**0.28**	**(0.10)**	**0.25**	**0.05**	**0.48**	**(0.20)**	**–**	**–**	**–**	**(0.20)**	**10.28**
Dec. 31, 2013	10.20	0.54	(0.21)	(0.21)	(0.02)	0.10	(0.34)	–	–	(0.06)	(0.40)	9.96
Dec. 31, 2012	9.43	0.52	(0.20)	0.34	0.56	1.22	(0.40)	–	(0.07)	–	(0.47)	10.20
Dec. 31, 2011[3]	10.00†	0.20	(0.10)	(0.27)	(0.15)	(0.32)	(0.09)	–	–	(0.11)	(0.20)	9.43
Series H												
June 30, 2014	**10.00**	**0.28**	**(0.10)**	**0.25**	**0.05**	**0.48**	**(0.20)**	**–**	**–**	**–**	**(0.20)**	**10.29**
Dec. 31, 2013	10.20	0.53	(0.20)	(0.21)	(0.02)	0.10	(0.34)	–	–	(0.06)	(0.40)	9.97
Dec. 31, 2012[4]	9.88†	0.20	(0.10)	0.13	0.21	0.44	(0.20)	–	(0.07)	–	(0.27)	10.20
Series D												
June 30, 2014	**10.16**	**0.29**	**(0.07)**	**0.26**	**0.05**	**0.53**	**(0.20)**	**–**	**–**	**–**	**(0.20)**	**10.50**
Dec. 31, 2013	10.30	0.55	(0.14)	(0.22)	(0.02)	0.17	(0.34)	–	–	(0.06)	(0.40)	10.13
Dec. 31, 2012	9.46	0.51	(0.14)	0.33	0.54	1.24	(0.40)	–	(0.07)	–	(0.47)	10.30
Dec. 31, 2011[3]	10.00†	0.21	(0.06)	(0.27)	(0.16)	(0.28)	(0.09)	–	–	(0.11)	(0.20)	9.46
Series F												
June 30, 2014	**10.20**	**0.29**	**(0.06)**	**0.26**	**0.05**	**0.54**	**(0.20)**	**–**	**–**	**–**	**(0.20)**	**10.55**
Dec. 31, 2013	10.33	0.53	(0.13)	(0.21)	(0.02)	0.17	(0.34)	–	–	(0.06)	(0.40)	10.17
Dec. 31, 2012	9.47	0.52	(0.12)	0.34	0.56	1.30	(0.40)	–	(0.07)	–	(0.47)	10.33
Dec. 31, 2011[3]	10.00†	0.20	(0.06)	(0.27)	(0.16)	(0.29)	(0.09)	–	–	(0.11)	(0.20)	9.47
Series I												
June 30, 2014	**10.22**	**0.29**	**(0.06)**	**0.26**	**0.05**	**0.54**	**(0.20)**	**–**	**–**	**–**	**(0.20)**	**10.57**
Dec. 31, 2013	10.33	0.53	(0.12)	(0.21)	(0.02)	0.18	(0.34)	–	–	(0.06)	(0.40)	10.19
Dec. 31, 2012[4]	9.97†	0.20	(0.06)	0.13	0.21	0.48	(0.20)	–	(0.07)	–	(0.27)	10.33

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**10.34**	**0.29**	**(0.01)**	**0.26**	**0.05**	**0.59**	**(0.30)**	**–**	**–**	**–**	**(0.30)**	**10.64**
Dec. 31, 2013	10.45	0.55	(0.02)	(0.22)	(0.02)	0.29	(0.42)	–	–	(0.07)	(0.49)	10.31
Dec. 31, 2012	9.54	0.53	(0.02)	0.35	0.57	1.43	(0.46)	–	(0.07)	–	(0.53)	10.45
Dec. 31, 2011[3]	10.00[†]	0.22	(0.01)	(0.30)	(0.17)	(0.26)	(0.18)	–	–	–	(0.18)	9.54

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
[2] Distributions are reinvested in additional units of the Fund or paid in cash.
[3] From July 11, 2011.
[4] From July 9, 2012.
[†] Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**10.27**	**68 278**	**6 648**	**2.04**	**2.04**	**169.17**	**–**
Dec. 31, 2013	9.98	67 294	6 742	2.05	2.05	148.39	–
Dec. 31, 2012	10.23	42 389	4 145	2.07	2.07	91.18	–
Dec. 31, 2011[4]	9.46	13 210	1 396	2.12	2.12	16.62	–
Advisor Series							
June 30, 2014	**10.28**	**72 846**	**7 090**	**2.05**	**2.05**	**169.17**	**–**
Dec. 31, 2013	9.99	69 008	6 910	2.07	2.07	148.39	–
Dec. 31, 2012	10.23	34 392	3 361	2.00	2.00	91.18	–
Dec. 31, 2011[4]	9.46	10 987	1 161	2.12	2.12	16.62	–
Series H							
June 30, 2014	**10.29**	**4 670**	**454**	**1.92**	**1.92**	**169.17**	**–**
Dec. 31, 2013	10.00	4 899	490	1.96	1.96	148.39	–
Dec. 31, 2012[5]	10.23	2 432	238	1.93	1.93	91.18	–
Series D							
June 30, 2014	**10.50**	**11 683**	**1 113**	**1.33**	**1.33**	**169.17**	**–**
Dec. 31, 2013	10.16	10 217	1 006	1.35	1.35	148.39	–
Dec. 31, 2012	10.33	7 462	722	1.41	1.41	91.18	–
Dec. 31, 2011[4]	9.50	1 562	164	1.42	1.42	16.62	–
Series F							
June 30, 2014	**10.55**	**98 066**	**9 300**	**1.22**	**1.22**	**169.17**	**–**
Dec. 31, 2013	10.20	97 616	9 567	1.23	1.23	148.39	–
Dec. 31, 2012	10.36	39 272	3 791	1.21	1.21	91.18	–
Dec. 31, 2011[4]	9.50	11 360	1 195	1.26	1.26	16.62	–
Series I							
June 30, 2014	**10.57**	**21 357**	**2 022**	**1.12**	**1.12**	**169.17**	**–**
Dec. 31, 2013	10.22	20 898	2 045	1.14	1.14	148.39	–
Dec. 31, 2012[5]	10.36	7 093	684	1.14	1.14	91.18	–

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series O							
June 30, 2014	**10.64**	**442 031**	**41 559**	**0.22**	**0.22**	**169.17**	**–**
Dec. 31, 2013	10.34	362 132	35 028	0.22	0.22	148.39	–
Dec. 31, 2012	10.48	199 440	19 037	0.22	0.22	91.18	–
Dec. 31, 2011[4]	9.57	95 352	9 964	0.22	0.22	16.62	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From July 11, 2011.

[5] From July 9, 2012.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.65%	45%	55%
Advisor Series	1.65%	45%	55%
Series H	1.55%	48%	52%
Series D	1.05%	14%	86%
Series F	0.90%	–	100%
Series I	0.80%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

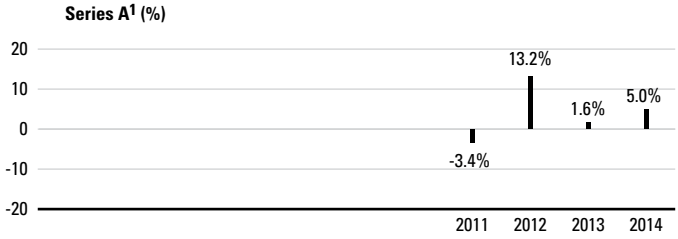
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

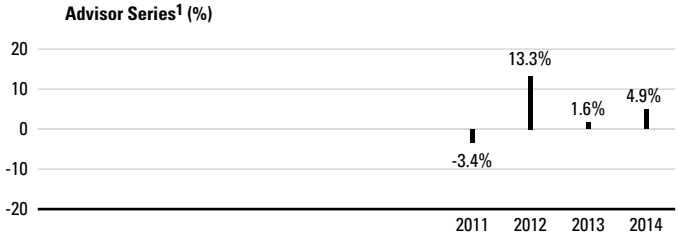
PAST PERFORMANCE

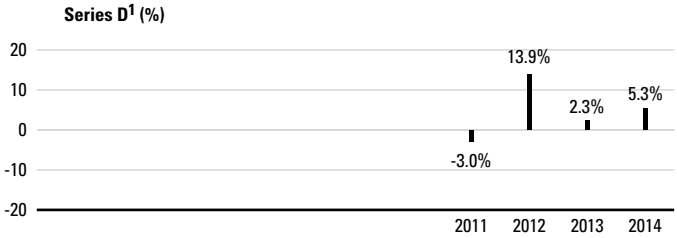
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

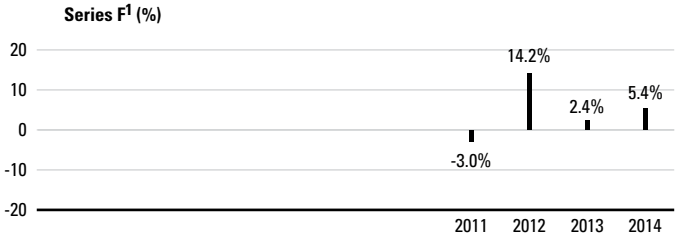
Year-by-Year Returns (%)

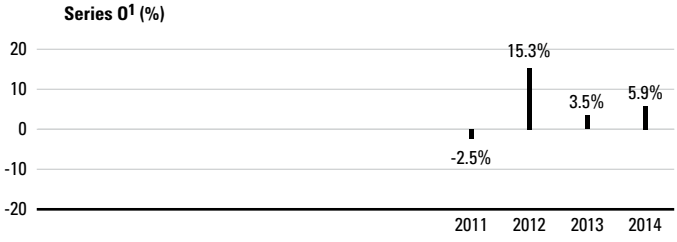
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











1 Inception date July 11, 2011.
2 Inception date July 9, 2012.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United States	20.6
Other Foreign Bonds	19.2
United Kingdom	6.6
Brazil	4.2
Hungary	3.2
Colombia	2.9
Mexico	2.7
Russia	2.4
South Africa	2.4
Netherlands	2.2
Italy	2.2
Jamaica	1.8
France	1.8
Luxembourg	1.8
Poland	1.7
Switzerland	1.6
Malaysia	1.6
Loans	7.5
Cash/Other	13.6

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	11.7
Colombian TES COP 10.000% Jul 24 24	1.4
Brazil Notas do Tesouro Nacional Serie F BRL 10.000% Jan 1 21	1.2
Nota Do Tesouro Nacional 10.000% Jan 1 17	1.1
Republic of South Africa ZAR 10.500% Dec 21 26	1.0
Hungary Government HUF 8.000% Feb 12 15	0.9
AB Acquisitions Ltd. GBP 3.478% Jul 9 15	0.9
Russian Federal Bond - OFZ RUB 7.500% Mar 15 18	0.9
Hungary Government USD 5.375% Mar 25 24	0.8
The Geo Group Inc. 5.125% Apr 1 23	0.7
Envision Healthcare Corp. 5.125% Jul 1 22	0.7
Digicel Ltd. USD 8.250% Sep 1 17	0.7
Virgin Media Investment Holdings Ltd. USD 3.500% Jul 7 20	0.6
Malaysia Government MYR 3.197% Oct 15 15	0.6
Credit Suisse Group AG USD 6.250% Dec 18 24	0.6
Ziggo Bond Co BV EUR 8.000% May 15 18	0.6
AMC Entertainment Inc. 5.875% Feb 15 22	0.6
Epicor Software Corp. 8.625% May 1 19	0.6
BI-LO Finance Corp. 9.250% Feb 15 19	0.6
PAETEC Holding Corp. 9.875% Dec 1 18	0.6
Mexican Bonos MXN 8.000% Dec 7 23	0.6
Wind Acquisition Finance S.A. EUR 4.000% Jul 15 20	0.6
Brakes Capital GBP 7.125% Dec 15 18	0.6
Co-operative Group Holdings 2011 GBP 7.500% Jul 8 26	0.5
Taylor Morrison Communities Inc. 5.625% Jan 3 24	0.5
Top 25 Holdings	29.6

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

FIXED-INCOME FUND

BLUEBAY EMERGING MARKETS CORPORATE BOND FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: BlueBay Asset Management LLP, London, England

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE (in USD)

Investment Objective and Strategies

The Fund seeks to provide total returns comprised of interest income and modest capital appreciation.

To achieve its objective, the Fund invests primarily in U.S. dollar denominated debt securities of corporations based in emerging market countries. The Fund may also invest in government debt securities of emerging market and developed countries, as well as emerging market sovereign bonds and government debt securities of developed countries in local currencies or in another G7 currency. The portfolio manager conducts detailed company credit and industry analysis to identify opportunities offering a high probability of superior rates of return, while minimizing the risk of default.

Results of Operations

The Fund's net asset value was $448 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 6.3%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The U.S. Federal Reserve began winding down its economy-boosting asset-purchase program at the beginning of the period, but rates remained relatively low across the board as U.S. and global growth proved more tepid than many investors had expected. Emerging-market debt securities started the period slowly but improved as the period progressed, as investors sought securities offering higher potential income in the low-yield environment and as valuations became more attractive. Overall, investors became more optimistic as local-currency depreciation made emerging-market economies more competitive, elections generally led to governments committed to economic reform, Chinese growth decelerated at a more manageable pace and Russian-Ukrainian tensions appeared to be de-escalating. However, geopolitical conflict emerged in the Middle East, leading to underperformance for riskier bonds, and the resulting higher oil prices led to some profit-taking in India, an oil importer. Investments in emerging-market bonds turned positive in the second quarter, while the pace of new issues ran below last year's levels.

The Fund's returns were driven by an underweight position and good security selection in Asia, and an overweight position and security selection in the Middle East and Latin America. The Fund's positions in India, such as the conglomerate Bharti, and ONGC, an oil company, performed well after a reform-minded party won recent elections. The sub-advisor felt that shares of both companies, which have good earnings prospects, had fallen more than was warranted given concern about India's macroeconomic environment.

The Fund also benefited from its underweight exposure to coal companies in Asia. In the Middle East, portfolio bonds that are sensitive to changes in longer-term interest rates performed well, as declining rates led to an increase in bond prices. In Latin America, the Fund's overweight position in Brazil contributed to returns as investors found the region a relative safe haven in emerging markets given Russia-Ukraine tensions and the worries about Chinese growth. The positive impact of an allocation to investment-grade bonds was partially offset by a relative lack of bonds issued by higher-rated Asian countries.

Portfolio turnover is normally high for this Fund, as the sub-advisor attempts to generate better returns through active security selection.

Recent Developments

Emerging-market corporate bonds continue to offer attractive yields relative to developed-market debt, but the premiums offered by emerging-market debt are now less enticing than they were. The sub-advisor believes that security selection, valuations and interest-rate risk will matter in the future, and the sub-advisor is monitoring to ensure that the overall rise in yields that began last year does not lead to anything that could upset debt markets, particularly countries with current-account deficits. The sub-advisor intends to reduce exposure in areas where the recent rally has left some holdings looking less compelling and invest proceeds in more attractively valued areas and in new issues. The sub-advisor believes that the pace of new issues may be higher than normal in the coming months, as investors continue to seek income and nominal yields appear ready to climb.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

BlueBay Asset Management LLP is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Series H and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS (in USD)

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**9.70**	**0.25**	**(0.10)**	**0.04**	**0.64**	**0.83**	**(0.17)**	**–**	**–**	**–**	**(0.17)**	**10.14**
Dec. 31, 2013	10.73	0.52	(0.21)	(0.23)	(0.67)	(0.59)	(0.43)	–	(0.04)	–	(0.47)	9.66
Dec. 31, 2012[3]	10.00†	0.48	(0.21)	0.24	0.53	1.04	(0.23)	–	(0.18)	–	(0.41)	10.73
Advisor Series												
June 30, 2014	**9.71**	**0.25**	**(0.10)**	**0.04**	**0.64**	**0.83**	**(0.18)**	**–**	**–**	**–**	**(0.18)**	**10.13**
Dec. 31, 2013	10.72	0.52	(0.21)	(0.23)	(0.67)	(0.59)	(0.42)	–	(0.04)	–	(0.46)	9.67
Dec. 31, 2012[3]	10.00†	0.48	(0.21)	0.23	0.53	1.03	(0.24)	–	(0.18)	–	(0.42)	10.72
Series H												
June 30, 2014	**9.73**	**0.25**	**(0.10)**	**0.04**	**0.64**	**0.83**	**(0.17)**	**–**	**–**	**–**	**(0.17)**	**10.18**
Dec. 31, 2013	10.75	0.52	(0.21)	(0.23)	(0.67)	(0.59)	(0.43)	–	(0.04)	–	(0.47)	9.69
Dec. 31, 2012[4]	10.39†	0.23	(0.11)	0.11	0.25	0.48	(0.11)	–	(0.18)	–	(0.29)	10.75
Series D												
June 30, 2014	**9.72**	**0.25**	**(0.07)**	**0.04**	**0.64**	**0.86**	**(0.20)**	**–**	**–**	**–**	**(0.20)**	**10.15**
Dec. 31, 2013	10.78	0.53	(0.15)	(0.24)	(0.69)	(0.55)	(0.54)	–	(0.04)	–	(0.58)	9.67
Dec. 31, 2012[3]	10.00†	0.48	(0.14)	0.23	0.53	1.10	(0.25)	–	(0.18)	–	(0.43)	10.78
Series F												
June 30, 2014	**9.75**	**0.25**	**(0.06)**	**0.04**	**0.64**	**0.87**	**(0.21)**	**–**	**–**	**–**	**(0.21)**	**10.18**
Dec. 31, 2013	10.73	0.52	(0.13)	(0.23)	(0.67)	(0.51)	(0.48)	–	(0.04)	–	(0.52)	9.70
Dec. 31, 2012[3]	10.00†	0.50	(0.13)	0.24	0.55	1.16	(0.31)	–	(0.18)	–	(0.49)	10.73
Series I												
June 30, 2014	**9.70**	**0.25**	**(0.05)**	**0.04**	**0.64**	**0.88**	**(0.22)**	**–**	**–**	**–**	**(0.22)**	**10.14**
Dec. 31, 2013	10.73	0.52	(0.12)	(0.23)	(0.67)	(0.50)	(0.54)	–	(0.04)	–	(0.58)	9.66
Dec. 31, 2012[4]	10.39†	0.23	(0.06)	0.11	0.25	0.53	(0.16)	–	(0.18)	–	(0.34)	10.73
Series O												
June 30, 2014	**9.72**	**0.25**	**(0.01)**	**0.04**	**0.64**	**0.92**	**(0.26)**	**–**	**–**	**–**	**(0.26)**	**10.16**
Dec. 31, 2013	10.68	0.51	(0.02)	(0.23)	(0.67)	(0.41)	(0.56)	–	(0.04)	–	(0.60)	9.68
Dec. 31, 2012[3]	10.00†	0.52	(0.02)	0.25	0.57	1.32	(0.45)	–	(0.18)	–	(0.63)	10.68

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From January 30, 2012.

[4] From July 9, 2012.

† Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (in USD) (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**10.14**	**6 389**	**630**	**2.10**	**2.10**	**152.99**	**–**
Dec. 31, 2013	9.70	6 839	705	2.09	2.09	122.80	–
Dec. 31, 2012[4]	10.77	5 696	529	2.16	2.16	115.77	–
Advisor Series							
June 30, 2014	**10.13**	**3 494**	**345**	**2.11**	**2.11**	**152.99**	**–**
Dec. 31, 2013	9.71	5 238	540	2.09	2.09	122.80	–
Dec. 31, 2012[4]	10.76	4 333	403	2.13	2.13	115.77	–
Series H							
June 30, 2014	**10.18**	**982**	**96**	**2.02**	**2.02**	**152.99**	**–**
Dec. 31, 2013	9.73	928	95	2.07	2.07	122.80	–
Dec. 31, 2012[5]	10.79	726	67	2.03	2.03	115.77	–
Series D							
June 30, 2014	**10.15**	**2 343**	**231**	**1.38**	**1.38**	**152.99**	**–**
Dec. 31, 2013	9.72	2 338	241	1.40	1.40	122.80	–
Dec. 31, 2012[4]	10.82	4 004	370	1.47	1.47	115.77	–
Series F							
June 30, 2014	**10.18**	**9 551**	**938**	**1.27**	**1.27**	**152.99**	**–**
Dec. 31, 2013	9.75	10 264	1 053	1.27	1.27	122.80	–
Dec. 31, 2012[4]	10.77	7 690	714	1.29	1.29	115.77	–
Series I							
June 30, 2014	**10.14**	**2 897**	**286**	**1.11**	**1.11**	**152.99**	**–**
Dec. 31, 2013	9.70	2 853	294	1.12	1.12	122.80	–
Dec. 31, 2012[5]	10.78	3 084	286	1.20	1.20	115.77	–
Series O							
June 30, 2014	**10.16**	**422 546**	**41 585**	**0.22**	**0.22**	**152.99**	**–**
Dec. 31, 2013	9.72	390 954	40 202	0.23	0.23	122.80	–
Dec. 31, 2012[4]	10.72	274 317	25 583	0.22	0.22	115.77	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From January 30, 2012.

[5] From July 9, 2012.

FINANCIAL HIGHLIGHTS (in USD) (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.70%	44%	56%
Advisor Series	1.70%	44%	56%
Series H	1.60%	47%	53%
Series D	1.10%	14%	86%
Series F	0.95%	–	100%
Series I	0.85%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE (in USD)

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

PAST PERFORMANCE (in USD) (cont.)

[1] Inception date January 30, 2012.
[2] Inception date July 9, 2012.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO (in USD)

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Other Countries	17.7
Mexico	10.6
Brazil	7.8
Russia	7.6
Colombia	7.4
China	7.0
India	6.3
United Arab Emirates	5.0
Hong Kong	4.7
Peru	3.1
Turkey	3.1
Singapore	2.7
Israel	2.6
Chile	2.4
Luxembourg	2.2
Cash/Other	9.8

Top 25 Holdings

	% of Net Asset Value
Long Positions:	
Cash & Cash Equivalents	8.5
Petroleos Mexicanos MXN 7.190% Sep 12 24	2.5
DP World Ltd. USD 6.850% Jul 2 37	2.5
Bharti Airtel International Netherlands BV USD 5.125% Mar 11 23	2.3
Pacific Rubiales Energy Corp. USD 7.250% Dec 12 21	1.9
America Movil S.A.B. de C.V. EUR 5.125% Sep 6 73	1.6
Hutchison Whampoa International 12 Ltd. USD 6.000% Dec 31 99	1.6
BBVA Bancomer S.A. USD 6.750% Sep 30 22	1.6
Gazprom Neft OAO USD 6.000% Nov 27 23	1.5
Empresa de Energia de Bogota S.A. USD 6.125% Nov 10 21	1.5
Odebrecht Finance Ltd. USD 7.125% Jun 26 42	1.4
Banco de Credito del Peru USD 6.125% Apr 24 27	1.4
Listrindo Capital BV USD 6.950% Feb 21 19	1.4
MAF Global Securities Ltd. USD 7.125% Dec 31 99	1.3
AngloGold Ashanti Holdings Plc. USD 8.500% Jul 30 20	1.3
Vivacom EUR 6.625% Nov 15 18	1.1
Petrobras Global Finance BV USD 6.250% Mar 17 24	1.1
Sable International Finance Ltd. USD 8.750% Feb 1 20	1.1
PCCW Capital No 4 Ltd. USD 5.750% Apr 17 22	1.1
Israel Electric Corp. Ltd. USD 6.875% Jun 21 23	1.1
Vimpel Communications OJSC USD 7.748% Feb 2 21	1.1
Polyus Gold International Ltd. USD 5.625% Apr 29 20	1.1
Deutsche Bank AG 3.305% Jun 25 19	1.0
Cosan Overseas Ltd. USD 8.250% Nov 5 15	1.0
Total Long	42.0
Short Position:	
Deutsche Bank AG 4.960% Jun 25 19	(1.0)
Total Short	(1.0)

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

FIXED-INCOME FUND

BLUEBAY GLOBAL CONVERTIBLE BOND FUND (CANADA)

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: BlueBay Asset Management LLP, London, England

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide total returns consisting of interest income and modest capital appreciation by investing primarily in global convertible bonds issued by entities domiciled or carrying out business activities anywhere in the world.

To achieve the Fund's objectives, the sub-advisor conducts detailed credit and equity analysis to identify investment opportunities offering high probabilities of superior rates of return while minimizing the prospect of default.

Results of Operations

The Fund's net asset value was $967 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 4.2%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The first half of 2014 was characterized by better economic data in the U.S., loose monetary policies by the U.S. Federal Reserve (the "Fed"), budding economic recoveries in Spain, Ireland and other weak European economies, and the strong performance of equities. Investors continued to seek assets offering reasonable levels of income, leading to gains for higher-yielding bonds. In the U.S., the Fed began to slow the pace of asset purchases aimed at stimulating the economy. In Europe, European Central Bank President Mario Draghi lowered Eurozone rates and announced a €400 billion ($580 billion) lending program to help small- and medium-size companies, which have had trouble obtaining loans. With Japan also pursuing extremely loose monetary policies and elections now concluded in some of the world's more troublesome regions, overall market volatility remained low. Merger and acquisition activity picked up, with US$800 billion being announced year-to-date. Although this is 70% higher than last year, it is far from the 2007 peak. Geopolitical events created some uncertainty – Russia's intervention in Ukraine and heightened tensions in Iraq, for example – but global equity markets continued to move higher.

After a slow start, the pace of new convertible-bond issues was buoyant in the first half of 2014. Approximately US$57 billion was issued globally in the first half of the year, providing the Fund with a range of new investment opportunities. Issuers in the weaker European economies took advantage of better credit conditions to refinance, and in Japan, both Yamada Denki and Toray Industries sold convertible bonds and used some of the proceeds to buy back stock. This was an interesting development since convertible-bond sales are rarely used to finance stock repurchases in Japan. In the U.S., Tesla Motors raised US$2 billion to invest in a factory, and property companies in Europe and North America issued convertibles.

On a regional basis, the Fund's exposure to North America was the main driver of underperformance, whereas Asia excluding Japan generated gains. The best-performing areas over the period were electronics, food and drinks, and steel and metals, while the Information Technology and Industrials sectors hurt performance. Illumina, Intel, Priceline and SunEdison were among the strongest contributors. South African furniture retailer Steinhoff continued to post gains. Of note was the Fund's holding in palm-oil producer Olam, which gained notoriety when it was denounced as "worthless" by a high-profile shareholder activist. The Fund initiated an Olam position in late 2012, and the price of the company's convertible bonds rose substantially after it received a takeover bid in March from Singapore's state investment company.

Effective April 28, 2014, Series T5 units of the Fund were launched.

Portfolio turnover is normally high for this Fund, as the sub-advisor attempts to generate better returns through active security selection.

Recent Developments

Given the sub-advisor's somewhat optimistic view on global equity and credit markets, the Fund remains almost fully invested. With global economic growth continuing to improve and major-market government bond yields remaining stable at low levels, both credit and equity markets appear attractive and should support convertible-bond prices. Overall, the sub-advisor believes that the Fund remains well positioned to benefit from rises in global equity markets and the premium yields available on non-government bonds.

Global property values are being supported by the easy availability of credit, low interest rates and increasing demand, and the sub-advisor believes that obtaining exposure to the sector through convertibles will be an attractive option in some cases.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

BlueBay Asset Management LLP is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Advisor T5 Series, Series T5, Series H and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**11.27**	**0.11**	**(0.12)**	**0.40**	**0.04**	**0.43**	**–**	**–**	**–**	**–**	**–**	**11.74**
Dec. 31, 2013	10.20	0.25	(0.23)	0.04	1.07	1.13	(0.01)	–	–	–	(0.01)	11.23
Dec. 31, 2012[3]	10.00†	0.02	(0.02)	0.01	0.18	0.19	–	–	(0.01)	–	(0.01)	10.20
Advisor Series												
June 30, 2014	**11.27**	**0.11**	**(0.12)**	**0.41**	**0.05**	**0.45**	**–**	**–**	**–**	**–**	**–**	**11.74**
Dec. 31, 2013	10.20	0.21	(0.24)	0.04	0.91	0.92	(0.01)	–	–	–	(0.01)	11.23
Dec. 31, 2012[3]	10.00†	0.02	(0.02)	0.01	0.17	0.18	–	–	(0.01)	–	(0.01)	10.20
Advisor T5 Series												
June 30, 2014[4]	**11.50†**	**0.04**	**(0.05)**	**0.13**	**0.01**	**0.13**	**(0.14)**	**–**	**–**	**–**	**(0.14)**	**11.59**
Series T5												
June 30, 2014[4]	**11.50†**	**0.04**	**(0.05)**	**0.13**	**0.01**	**0.13**	**(0.14)**	**–**	**–**	**–**	**(0.14)**	**11.60**
Series H												
June 30, 2014	**11.29**	**0.11**	**(0.11)**	**0.41**	**0.04**	**0.45**	**–**	**–**	**–**	**–**	**–**	**11.77**
Dec. 31, 2013	10.19	0.27	(0.20)	0.05	1.14	1.26	(0.02)	–	–	–	(0.02)	11.25
Dec. 31, 2012[3]	10.00†	0.02	(0.02)	0.01	0.19	0.20	(0.01)	–	(0.01)	–	(0.02)	10.19
Series D												
June 30, 2014	**11.29**	**0.11**	**(0.08)**	**0.41**	**0.05**	**0.49**	**(0.03)**	**–**	**–**	**–**	**(0.03)**	**11.78**
Dec. 31, 2013	10.20	0.27	(0.15)	0.05	1.14	1.31	(0.06)	–	–	–	(0.06)	11.25
Dec. 31, 2012[3]	10.00†	0.02	(0.02)	0.01	0.18	0.19	(0.01)	–	(0.01)	–	(0.02)	10.20
Series F												
June 30, 2014	**11.31**	**0.11**	**(0.07)**	**0.41**	**0.05**	**0.50**	**(0.03)**	**–**	**–**	**–**	**(0.03)**	**11.81**
Dec. 31, 2013	10.20	0.20	(0.14)	0.03	0.84	0.93	(0.06)	–	–	–	(0.06)	11.28
Dec. 31, 2012[3]	10.00†	0.02	(0.01)	0.01	0.18	0.20	(0.01)	–	(0.01)	–	(0.02)	10.20
Series FT5												
June 30, 2014[4]	**11.56†**	**0.04**	**(0.03)**	**0.13**	**0.01**	**0.15**	**(0.14)**	**–**	**–**	**–**	**(0.14)**	**11.68**
Series I												
June 30, 2014	**11.33**	**0.11**	**(0.06)**	**0.42**	**0.05**	**0.52**	**(0.05)**	**–**	**–**	**–**	**(0.05)**	**11.82**
Dec. 31, 2013	10.20	0.20	(0.11)	0.04	0.86	0.99	(0.07)	–	–	–	(0.07)	11.30
Dec. 31, 2012[3]	10.00†	0.02	(0.01)	0.01	0.19	0.21	(0.01)	–	(0.01)	–	(0.02)	10.20

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**11.33**	**0.11**	**(0.01)**	**0.41**	**0.05**	**0.56**	**(0.09)**	**–**	**–**	**–**	**(0.09)**	**11.83**
Dec. 31, 2013	10.20	0.24	(0.02)	0.04	1.04	1.30	(0.15)	–	–	–	(0.15)	11.30
Dec. 31, 2012[3]	10.00[†]	0.02	–	0.01	0.19	0.22	(0.02)	–	(0.01)	–	(0.03)	10.20

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
[2] Distributions are reinvested in additional units of the Fund or paid in cash.
[3] From November 19, 2012.
[4] From April 21, 2014.
[†] Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**11.74**	**53 570**	**4 562**	**2.10**	**2.10**	**137.00**	**–**
Dec. 31, 2013	11.27	22 401	1 988	2.13	2.13	161.42	–
Dec. 31, 2012[4]	10.24	955	93	2.15	2.15	1.44	–
Advisor Series							
June 30, 2014	**11.74**	**172 300**	**14 677**	**2.11**	**2.11**	**137.00**	**–**
Dec. 31, 2013	11.27	99 309	8 815	2.16	2.16	161.42	–
Dec. 31, 2012[4]	10.24	2 103	205	2.15	2.15	1.44	–
Advisor T5 Series							
June 30, 2014[5]	**11.59**	**290**	**25**	**2.15**	**2.15**	**137.00**	**–**
Series T5							
June 30, 2014[5]	**11.60**	**75**	**6**	**2.14**	**2.14**	**137.00**	**–**
Series H							
June 30, 2014	**11.77**	**16 995**	**1 443**	**1.84**	**1.84**	**137.00**	**–**
Dec. 31, 2013	11.29	8 695	770	1.88	1.88	161.42	–
Dec. 31, 2012[4]	10.24	530	52	1.86	1.86	1.44	–
Series D							
June 30, 2014	**11.78**	**4 550**	**386**	**1.41**	**1.41**	**137.00**	**–**
Dec. 31, 2013	11.29	2 333	207	1.42	1.42	161.42	–
Dec. 31, 2012[4]	10.24	290	28	1.47	1.47	1.44	–
Series F							
June 30, 2014	**11.81**	**230 992**	**19 566**	**1.28**	**1.28**	**137.00**	**–**
Dec. 31, 2013	11.31	104 248	9 214	1.28	1.28	161.42	–
Dec. 31, 2012[4]	10.25	1 281	125	1.30	1.30	1.44	–
Series FT5							
June 30, 2014[5]	**11.68**	**139**	**12**	**1.30**	**1.30**	**137.00**	**–**
Series I							
June 30, 2014	**11.82**	**61 156**	**5 173**	**1.01**	**1.01**	**137.00**	**–**
Dec. 31, 2013	11.33	39 792	3 511	0.98	0.98	161.42	–
Dec. 31, 2012[4]	10.25	407	40	1.02	1.02	1.44	–

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series O							
June 30, 2014	**11.83**	**427 466**	**36 123**	**0.22**	**0.22**	**137.00**	**–**
Dec. 31, 2013	11.33	192 259	16 966	0.22	0.22	161.42	–
Dec. 31, 2012[4]	10.24	20 319	1 983	0.23	0.23	1.44	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From November 19, 2012.

[5] From April 21, 2014.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.70%	44%	56%
Advisor Series	1.70%	44%	56%
Advisor T5 Series	1.70%	44%	56%
Series T5	1.70%	44%	56%
Series H	1.45%	52%	48%
Series D	1.10%	14%	86%
Series F	0.95%	–	100%
Series FT5	0.95%	–	100%
Series I	0.70%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

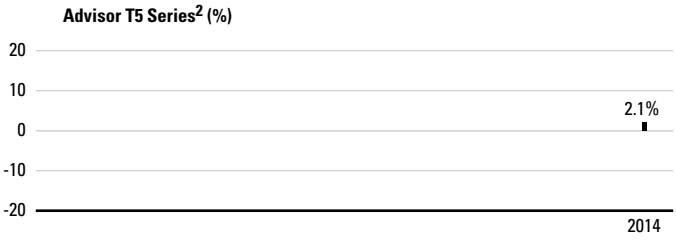
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.



PAST PERFORMANCE (cont.)

1 Inception date November 19, 2012.
2 Inception date April 21, 2014.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United States	27.6
Other Countries	15.7
Japan	7.5
China	6.0
Hong Kong	4.8
United Kingdom	4.6
Singapore	4.2
Norway	4.2
France	4.2
Australia	3.7
Taiwan	3.6
Germany	2.8
United Arab Emmirates	2.7
Cash/Other	8.4

Top 25 Holdings

	% of Net Asset Value
DP World Ltd., Convertible USD 1.750% Jun 19 24	2.7
Cash & Cash Equivalents	2.3
Unibail-Rodamco SE, Convertible EUR 0.000% Jul 1 21	2.1
Marine Harvest ASA, Convertible EUR 0.875% May 6 19	2.0
Yahoo! Japan Corporation 0.000% Dec 1 18	2.0
Olam International Ltd., Convertible USD 6.000% Oct 15 16	1.6
SanDisk Corp., Convertible 0.500% Oct 15 20	1.5
Parpublica - Participacoes Publicas SGPS S.A., Convertible EUR 5.250% Sep 28 17	1.4
Billion Express Investments Ltd., Convertible USD 0.750% Oct 18 15	1.3
NVIDIA Corp., Convertible 1.000% Dec 1 18	1.3
CapitaLand Ltd., Convertible SGD 1.850% Jun 19 20	1.2
Citrix Systems Inc., Convertible 0.500% Apr 15 19	1.2
Intel Corp., Convertible 3.250% Aug 1 39	1.2
Deutsche Post AG	1.1
Indah Capital Ltd., Convertible SGD 0.000% Oct 24 18	1.1
Tesla Motors Inc., Convertible 1.250% Jan 3 21	1.1
Liberty Interactive LLC, Convertible 0.750% Mar 30 43	1.0
Magyar Nemzeti Vagyonkezelo ZRt., Convertible EUR 3.375% Apr 2 19	1.0
Paladin Energy Ltd., Convertible USD 3.625% Nov 4 15	1.0
The Priceline Group Inc., Convertible 1.000% Mar 15 18	1.0
International Consolidated Airlines Group S.A., Convertible EUR 1.750% May 31 18	1.0
Wistron Corp., Convertible USD 0.000% Jan 19 15	1.0
Steinhoff Finance Holding GmbH, Convertible EUR 6.375% May 26 17	1.0
Medivation Inc., Convertible 2.625% Apr 1 17	1.0
Logo Star Ltd., Convertible HKD 1.500% Nov 22 18	1.0
Top 25 Holdings	34.1

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

MANAGED PAYOUT SOLUTION

RBC MANAGED PAYOUT SOLUTION

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide relatively high, regular monthly distributions that are comparatively tax efficient with a potential for modest capital appreciation by investing primarily in units of other RBC Funds.

The Fund may invest in any fund that is part of the RBC Funds family. The decision to invest in an underlying fund is based on the portfolio manager's assessment of the market outlook and the underlying fund's ability to help the Fund meet its stated investment objectives. Distributions should come primarily from interest income but will also consist of dividends, capital gains and return of capital.

The Fund's target weightings for each asset class are 75% for fixed income and 25% for equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting.

Results of Operations

The Fund's net asset value was $4.1 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 5.4%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund made monthly distributions of 3.90 cents per Series A unit in the first half of 2014.

Led by North America and other developed markets, the global economy has continued to gain traction. While some risks have faded, such as the threat of deflation, geopolitical risks have mounted and emerging-market credit excesses remain largely unaddressed. Equity markets recorded more modest returns in the first half of 2014, following last year's significant gains in developed markets, and global bond markets rallied. Speculation abounded that the U.S. Federal Reserve (the "Fed") was drawing closer to raising short-term interest rates, leading to a greater degree of comfort that the economy is indeed improving and the global financial crisis is finally behind us.

As the first half of 2014 came to a close, the major central banks had diverging views on the path for monetary policy. Some countries such as the U.K. and the U.S. will look to tighten monetary policy in the next year. However, in the Eurozone and Japan, the course of monetary policy continues to be towards more, rather than less, stimulus in an effort to boost inflation and economic growth.

The Fund's overweight allocation to equities and underweight position in bonds had a positive effect on overall performance. U.S. bond yields started 2014 near their highest levels in almost three years after signs the Fed would begin scaling back measures aimed at helping the economy recover from the financial crisis. Since then, yields have trended lower, held down by demand for the relative safety of Treasuries amid geopolitical risks and concerns about the tepid pace of U.S. economic growth. Also holding down yields was demand for fixed income from pension funds and bank demand for government bonds fulfilling new regulatory changes. The RBC Global Corporate Bond Fund and the RBC Bond Fund had a positive impact on returns.

Stock indexes continued their trend higher, but with far less enthusiasm than in 2013. Canada's S&P/TSX Composite Index outpaced most other developed-market indexes during the first half of 2014, including the S&P 500. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged in recent years. U.S. stocks rose amid continued earnings growth and low interest rates. After a strong start to the year, Eurozone equities dropped in February on concern that deflation was starting to take root. This prompted the European Central Bank to hint that it would take steps to bolster asset prices, and these measures were delivered in June. Asian markets remained fairly volatile over the period, particularly Japan and China, which were weak in the first quarter but bounced back in the subsequent three months. Among stock-holding investments in the portfolio, the RBC Canadian Dividend Fund and the RBC Monthly Income Fund contributed to returns.

Recent Developments

The portfolio manager continues to subscribe to an economic-normalization thesis, with the revival of risk appetite in 2013 and the abatement of fiscal austerity in 2014 enabling materially faster growth for the rest of this year and beyond. Bond yields should gradually rise as the economy continues to normalize. The Fund has maintained below-benchmark exposure to fixed income, recognizing that rising bond yields will likely lead to low total returns. As the recovery gains traction, higher growth should translate into expanding sales and earnings, supporting the stock market's next move higher. The portfolio manager anticipates that returns for equities will be lower given current valuations. However, expectations that stocks will continue to outperform bonds means that the Fund's asset mix remains tilted toward equities.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A and Advisor Series units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank and RBC IS are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**9.35**	**0.18**	**(0.08)**	**0.23**	**0.17**	**0.50**	**(0.23)**	**–**	**–**	**–**	**(0.23)**	**9.62**
Dec. 31, 2013	9.43	0.36	(0.15)	0.09	0.09	0.39	(0.09)	(0.07)	(0.05)	(0.26)	(0.47)	9.35
Dec. 31, 2012	9.37	0.39	(0.15)	0.02	0.27	0.53	(0.09)	(0.07)	(0.03)	(0.28)	(0.47)	9.43
Dec. 31, 2011	9.54	0.30	(0.14)	0.03	0.12	0.31	(0.07)	(0.06)	(0.02)	(0.32)	(0.47)	9.37
Dec. 31, 2010	9.35	0.37	(0.14)	–	0.45	0.68	(0.15)	(0.07)	–	(0.24)	(0.46)	9.54
Dec. 31, 2009	8.69	0.34	(0.14)	(0.06)	0.95	1.09	(0.14)	(0.06)	–	(0.25)	(0.45)	9.35
Advisor Series												
June 30, 2014	**9.35**	**0.18**	**(0.07)**	**0.23**	**0.17**	**0.51**	**(0.23)**	**–**	**–**	**–**	**(0.23)**	**9.62**
Dec. 31, 2013	9.42	0.36	(0.15)	0.09	0.09	0.39	(0.10)	(0.07)	(0.05)	(0.25)	(0.47)	9.35
Dec. 31, 2012	9.36	0.39	(0.15)	0.02	0.27	0.53	(0.09)	(0.07)	(0.03)	(0.28)	(0.47)	9.42
Dec. 31, 2011	9.54	0.30	(0.14)	0.03	0.12	0.31	(0.07)	(0.06)	(0.02)	(0.32)	(0.47)	9.36
Dec. 31, 2010	9.34	0.37	(0.14)	–	0.44	0.67	(0.15)	(0.07)	–	(0.24)	(0.46)	9.54
Dec. 31, 2009	8.69	0.33	(0.14)	(0.06)	0.93	1.06	(0.14)	(0.06)	–	(0.25)	(0.45)	9.34
Series F												
June 30, 2014	**9.82**	**0.19**	**(0.04)**	**0.24**	**0.18**	**0.57**	**(0.25)**	**–**	**–**	**–**	**(0.25)**	**10.15**
Dec. 31, 2013	9.82	0.37	(0.07)	0.09	0.09	0.48	(0.10)	(0.07)	(0.05)	(0.27)	(0.49)	9.82
Dec. 31, 2012	9.67	0.40	(0.07)	0.03	0.28	0.64	(0.09)	(0.07)	(0.03)	(0.29)	(0.48)	9.82
Dec. 31, 2011	9.76	0.30	(0.07)	0.03	0.12	0.38	(0.08)	(0.06)	(0.02)	(0.33)	(0.49)	9.67
Dec. 31, 2010	9.48	0.37	(0.07)	–	0.45	0.75	(0.15)	(0.07)	–	(0.25)	(0.47)	9.76
Dec. 31, 2009	8.73	0.33	(0.06)	(0.06)	0.93	1.14	(0.14)	(0.06)	–	(0.25)	(0.45)	9.48

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**9.62**	**4 030 418**	**419 055**	**1.62**	**1.62**	**26.00**	**0.03**
Dec. 31, 2013	9.35	3 797 151	406 197	1.63	1.63	11.46	0.02
Dec. 31, 2012	9.43	3 257 210	345 338	1.62	1.62	8.59	0.02
Dec. 31, 2011	9.37	2 308 706	246 331	1.62	1.62	11.96	0.02
Dec. 31, 2010	9.54	1 601 156	167 784	1.59	1.59	12.94	0.03
Dec. 31, 2009	9.35	916 696	98 017	1.55	1.55	10.53	0.05
Advisor Series							
June 30, 2014	**9.62**	**41 200**	**4 284**	**1.61**	**1.61**	**26.00**	**0.03**
Dec. 31, 2013	9.35	39 131	4 187	1.62	1.62	11.46	0.02
Dec. 31, 2012	9.42	34 305	3 640	1.62	1.62	8.59	0.02
Dec. 31, 2011	9.36	22 218	2 373	1.61	1.61	11.96	0.02
Dec. 31, 2010	9.54	17 261	1 810	1.59	1.59	12.94	0.03
Dec. 31, 2009	9.34	7 060	756	1.55	1.55	10.53	0.05
Series F							
June 30, 2014	**10.15**	**17 273**	**1 702**	**0.73**	**0.73**	**26.00**	**0.03**
Dec. 31, 2013	9.82	14 996	1 527	0.74	0.74	11.46	0.02
Dec. 31, 2012	9.82	9 533	971	0.73	0.73	8.59	0.02
Dec. 31, 2011	9.67	7 820	809	0.75	0.75	11.96	0.02
Dec. 31, 2010	9.76	2 935	301	0.72	0.72	12.94	0.03
Dec. 31, 2009	9.48	1 012	107	0.70	0.70	10.53	0.05

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions. Effective January 1, 2008, the trading expense ratio is calculated for fund-on-fund transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee payable in respect of each series of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the GST/HST was not included in the Specified Percentage prior to July 1, 2010, the MER is higher than the Specified Percentage by the additional cost of the GST/HST.

The MER paid by each series of the Fund is calculated at the applicable annual Specified Percentage of the daily net asset value of each series of the Fund, plus the additional cost of the GST/HST as of July 1, 2010. The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees*	Distribution	Other†
Series A	1.40%	54%	46%
Advisor Series	1.40%	54%	46%
Series F	0.60%	–	100%

* Management fees represent the actual average management fee rate for the period ended June 30, 2014.

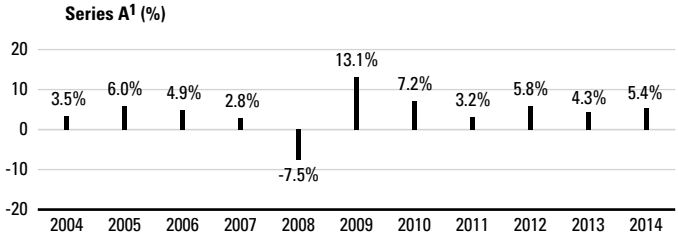
† Includes all costs related to management, trustee, investment advisory services, general administration and profit.

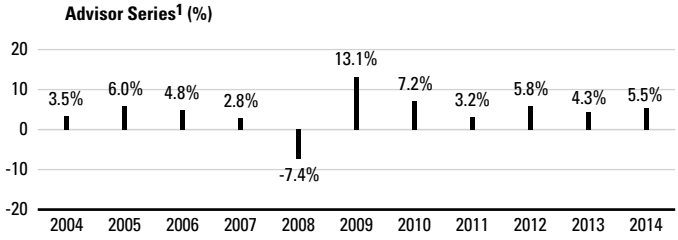
PAST PERFORMANCE

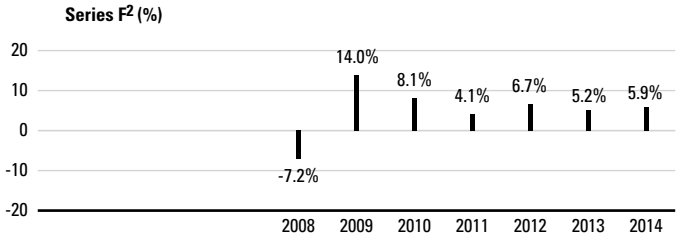
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.







1 Inception date August 23, 2004.
2 Inception date July 2, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Income Funds	74.9
Canadian Equity Funds	22.6
Cash/Other	2.5

Top 25 Holdings*

	% of Net Asset Value
RBC Bond Fund	19.9
RBC Global Corporate Bond Fund	18.1
RBC Canadian Short-Term Income Fund	18.1
RBC Monthly Income Fund	15.0
RBC Canadian Dividend Fund	13.5
Phillips, Hager & North Canadian Income Fund	8.9
RBC Global High Yield Bond Fund	3.6
Cash & Cash Equivalents	2.7
RBC Canadian Money Market Fund	0.2
Total	100.0

* The Fund holds fewer than 25 holdings.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying funds are available on SEDAR website at www.sedar.com.

MANAGED PAYOUT SOLUTION

RBC MANAGED PAYOUT SOLUTION – ENHANCED

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide relatively high, regular monthly distributions that are comparatively tax efficient with a potential for modest capital appreciation by investing primarily in units of other RBC Funds.

The Fund may invest in any fund that is part of the RBC Funds family. The decision to invest in an underlying fund is based on the portfolio manager's assessment of the market outlook and the underlying fund's ability to help the Fund meet its stated investment objectives. Distributions will include interest income, dividends, capital gains and may also consist of return of capital.

The Fund's target weightings for each asset class are 65% for fixed income and 35% for equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting.

Results of Operations

The Fund's net asset value was $2.4 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 6.3%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund made monthly distributions of 4.55 cents per Series A unit in the first half of 2014.

Led by North America and other developed markets, the global economy has continued to gain traction. While some risks have faded, such as the threat of deflation, geopolitical risks have mounted and emerging-market credit excesses remain largely unaddressed. Equity markets recorded more modest returns in the first half of 2014, following last year's significant gains in developed markets, and global bond markets rallied. Speculation abounded that the U.S. Federal Reserve (the "Fed") was drawing closer to raising short-term interest rates, leading to a greater degree of comfort that the economy is indeed improving and the global financial crisis is finally behind us.

As the first half of 2014 came to a close, the major central banks had diverging views on the path for monetary policy. Some countries such as the U.K. and the U.S. will look to tighten monetary policy in the next year. However, in the Eurozone and Japan, the course of monetary policy continues to be towards more, rather than less, stimulus in an effort to boost inflation and economic growth.

The Fund's overweight allocation to equities and underweight position in bonds had a positive effect on overall performance. U.S. bond yields started 2014 near their highest levels in almost three years after signs the Fed would begin scaling back measures aimed at helping the economy recover from the financial crisis. Since then, yields have trended lower, held down by demand for the relative safety of Treasuries amid geopolitical risks and concerns about the tepid pace of U.S. economic growth. Also holding down yields was demand for fixed income from pension funds and bank demand for government bonds fulfilling new regulatory changes. The RBC Global High Yield Bond Fund and the RBC Bond Fund had a positive impact on returns.

Stock indexes continued their trend higher, but with far less enthusiasm than in 2013. Canada's S&P/TSX Composite Index outpaced most other developed-market indexes during the first half of 2014, including the S&P 500. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged in recent years. U.S. stocks rose amid continued earnings growth and low interest rates. After a strong start to the year, Eurozone equities dropped in February on concern that deflation was starting to take root. This prompted the European Central Bank to hint that it would take steps to bolster asset prices, and these measures were delivered in June. Asian markets remained fairly volatile over the period, particularly Japan and China, which were weak in the first quarter but bounced back in the subsequent three months. Among stock-holding investments in the portfolio, the RBC Canadian Dividend Fund and the RBC Managed Payout Solution – Enhanced Plus contributed significantly to returns.

Recent Developments

The portfolio manager continues to subscribe to an economic-normalization thesis, with the revival of risk appetite in 2013 and the abatement of fiscal austerity in 2014 enabling materially faster growth for the rest of this year and beyond. Bond yields should gradually rise as the economy continues to normalize. The Fund has maintained below-benchmark exposure to fixed income, recognizing that rising bond yields will likely lead to low total returns. As the recovery gains traction, higher growth should translate into expanding sales and earnings, supporting the stock market's next move higher. The portfolio manager anticipates that returns for equities will be lower given current valuations. However, expectations that stocks will continue to outperform bonds means that the Fund's asset mix remains tilted toward equities.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A and Advisor Series units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank and RBC IS are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**9.11**	**0.19**	**(0.08)**	**0.49**	**(0.03)**	**0.57**	**(0.27)**	**–**	**–**	**–**	**(0.27)**	**9.41**
Dec. 31, 2013	9.12	0.39	(0.16)	0.10	0.22	0.55	(0.09)	(0.09)	(0.06)	(0.31)	(0.55)	9.11
Dec. 31, 2012	9.04	0.37	(0.16)	0.04	0.37	0.62	(0.06)	(0.08)	(0.03)	(0.37)	(0.54)	9.12
Dec. 31, 2011	9.39	0.26	(0.16)	0.06	0.04	0.20	(0.03)	(0.07)	–	(0.46)	(0.56)	9.04
Dec. 31, 2010	9.19	0.33	(0.16)	–	0.59	0.76	(0.08)	(0.09)	–	(0.38)	(0.55)	9.39
Dec. 31, 2009	8.37	0.27	(0.15)	(0.09)	1.28	1.31	(0.05)	(0.06)	–	(0.40)	(0.51)	9.19
Advisor Series												
June 30, 2014	**9.11**	**0.19**	**(0.08)**	**0.49**	**(0.03)**	**0.57**	**(0.27)**	**–**	**–**	**–**	**(0.27)**	**9.41**
Dec. 31, 2013	9.12	0.39	(0.17)	0.10	0.22	0.54	(0.09)	(0.09)	(0.06)	(0.31)	(0.55)	9.11
Dec. 31, 2012	9.04	0.37	(0.16)	0.04	0.37	0.62	(0.06)	(0.08)	(0.03)	(0.37)	(0.54)	9.12
Dec. 31, 2011	9.38	0.26	(0.16)	0.06	0.04	0.20	(0.03)	(0.07)	–	(0.46)	(0.56)	9.04
Dec. 31, 2010	9.19	0.33	(0.16)	–	0.60	0.77	(0.08)	(0.09)	–	(0.38)	(0.55)	9.38
Dec. 31, 2009	8.37	0.27	(0.15)	(0.09)	1.28	1.31	(0.05)	(0.06)	–	(0.40)	(0.51)	9.19
Series F												
June 30, 2014	**9.65**	**0.21**	**(0.04)**	**0.51**	**(0.03)**	**0.65**	**(0.29)**	**–**	**–**	**–**	**(0.29)**	**10.02**
Dec. 31, 2013	9.55	0.41	(0.07)	0.11	0.23	0.68	(0.09)	(0.09)	(0.06)	(0.33)	(0.57)	9.65
Dec. 31, 2012	9.37	0.38	(0.07)	0.04	0.38	0.73	(0.06)	(0.08)	(0.04)	(0.38)	(0.56)	9.55
Dec. 31, 2011	9.63	0.27	(0.07)	0.06	0.04	0.30	(0.03)	(0.07)	–	(0.48)	(0.58)	9.37
Dec. 31, 2010	9.33	0.34	(0.07)	–	0.61	0.88	(0.08)	(0.09)	–	(0.39)	(0.56)	9.63
Dec. 31, 2009	8.42	0.27	(0.07)	(0.09)	1.27	1.38	(0.05)	(0.06)	–	(0.40)	(0.51)	9.33

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**9.41**	**2 404 276**	**255 517**	**1.83**	**1.83**	**47.02**	**0.05**
Dec. 31, 2013	9.11	2 134 517	234 227	1.83	1.83	13.58	0.03
Dec. 31, 2012	9.12	1 806 761	198 173	1.83	1.83	14.70	0.03
Dec. 31, 2011	9.04	1 534 523	169 802	1.83	1.83	16.77	0.04
Dec. 31, 2010	9.39	1 226 058	130 636	1.79	1.79	16.14	0.05
Dec. 31, 2009	9.19	872 101	94 910	1.75	1.75	12.58	0.07
Advisor Series							
June 30, 2014	**9.41**	**25 439**	**2 705**	**1.85**	**1.85**	**47.02**	**0.05**
Dec. 31, 2013	9.11	24 065	2 642	1.85	1.85	13.58	0.03
Dec. 31, 2012	9.12	23 532	2 581	1.83	1.83	14.70	0.03
Dec. 31, 2011	9.04	24 523	2 714	1.83	1.83	16.77	0.04
Dec. 31, 2010	9.38	22 463	2 394	1.80	1.80	16.14	0.05
Dec. 31, 2009	9.19	18 086	1 968	1.75	1.75	12.58	0.07
Series F							
June 30, 2014	**10.02**	**14 761**	**1 473**	**0.78**	**0.78**	**47.02**	**0.05**
Dec. 31, 2013	9.65	9 643	999	0.80	0.80	13.58	0.03
Dec. 31, 2012	9.55	6 139	643	0.80	0.80	14.70	0.03
Dec. 31, 2011	9.37	1 533	164	0.79	0.79	16.77	0.04
Dec. 31, 2010	9.63	813	84	0.77	0.77	16.14	0.05
Dec. 31, 2009	9.33	756	81	0.75	0.75	12.58	0.07

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions. Effective January 1, 2008, the trading expense ratio is calculated for fund-on-fund transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee payable in respect of each series of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the GST/HST was not included in the Specified Percentage prior to July 1, 2010, the MER is higher than the Specified Percentage by the additional cost of the GST/HST.

The MER paid by each series of the Fund is calculated at the applicable annual Specified Percentage of the daily net asset value of each series of the Fund, plus the additional cost of the GST/HST as of July 1, 2010. The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees*	Distribution	Other†
Series A	1.59%	53%	47%
Advisor Series	1.59%	53%	47%
Series F	0.65%	–	100%

* Management fees represent the actual average management fee rate for the period ended June 30, 2014.

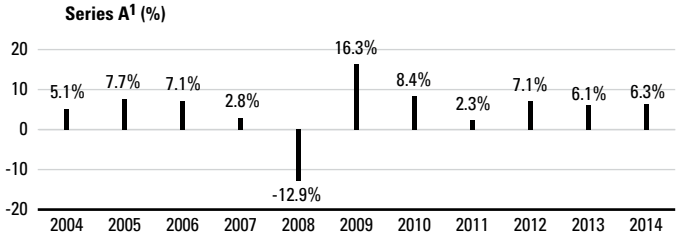
† Includes all costs related to management, trustee, investment advisory services, general administration and profit.

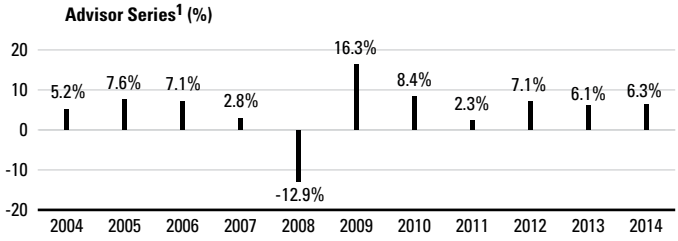
PAST PERFORMANCE

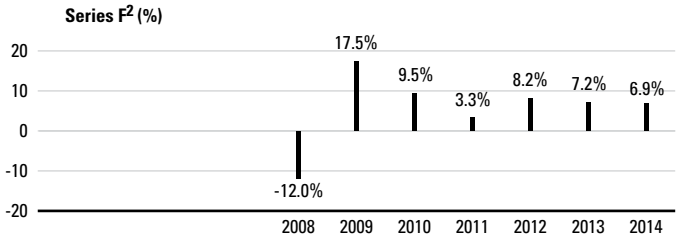
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.







1 Inception date August 23, 2004.
2 Inception date July 2, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Income Funds	80.5
Canadian Equity Funds	17.5
Cash/Other	2.0

Top 25 Holdings*

	% of Net Asset Value
RBC Canadian Dividend Fund	23.2
RBC Bond Fund	22.1
RBC Global High Yield Bond Fund	13.2
RBC Canadian Short-Term Income Fund	13.2
RBC Global Corporate Bond Fund	8.8
Phillips, Hager & North Canadian Income Fund	8.8
RBC Canadian Equity Income Fund	8.7
Cash & Cash Equivalents	2.0
Total	100.0

* The Fund holds fewer than 25 holdings.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying funds are available on SEDAR website at www.sedar.com.

MANAGED PAYOUT SOLUTION

RBC MANAGED PAYOUT SOLUTION – ENHANCED PLUS

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide a high level of monthly distributions, primarily flowing from dividends, realized capital gains, other income and a return of capital, while avoiding significant erosion of the net asset value of the Fund. The Fund is designed to be held in non-registered accounts.

The Fund invests primarily in Canadian stocks, bonds and short-term debt securities and may also invest in foreign securities. The Fund takes advantage of both fundamental and quantitative inputs for selecting Canadian and U.S. equities.

The Fund's target weightings for each asset class are 45% for fixed income and 55% for equities. The target weightings for each asset class may be adjusted based on changes in the market outlook for each asset class.

Results of Operations

The Fund's net asset value was $2.1 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 6.8%. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund made monthly distributions of 4.35 cents per Series A unit in the first half of 2014.

Most global stock markets continued to move higher during the first six months of 2014 amid steady if sluggish global economic growth and assurances that the U.S. Federal Reserve (the "Fed") and most other major central banks would not move too quickly to boost benchmark interest rates. The European Central Bank (the "ECB") unveiled its most significant measures yet to encourage banks to lend, including the unusual step of charging banks on deposits, and also signalled the possibility of an asset-purchase program aimed at forcing down longer-term rates. Corporations, flush with cash and access to loans, continued to increase earnings in this "not-too-hot/not-too-cold" environment, buoying equity markets. Stock returns were broad-based, with all 10 global sectors generating gains. Shares in the Energy sector were major contributors, as Middle East tensions pushed up prices for oil and natural gas.

The Fund's relative returns were held back due to the underperformance of the portfolio's Canadian and U.S. stocks. The Fund carried an overweight position in equities and an underweight position in bonds during the first half of 2014.

Global bond yields moved steadily lower during the first half of the year as geopolitical tensions and slower-than-expected economic growth contributed to the attractiveness of fixed income. The overall fall in yields was masked by significant differences, as North American yields remained well above last year's historic lows, while European and Japanese yields were not too far off their lows. Also supporting bonds were central-bank purchases and investors seeking income in a near-zero interest rate environment.

The Canadian dollar started the year weak against most global currencies before recovering a bit. Stephen Poloz, the new governor of the Bank of Canada, expressed dissatisfaction with a strong currency, triggering the decline. The Fund continued to partially hedge its exposure to the U.S. dollar.

Recent Developments

The Fed and other central banks will likely keep short-term interest rates low for the intermediate term even as the Fed continues to scale back the asset purchases aimed at stimulating economic growth following the financial crisis. The ECB programs will continue as the global economy remains sluggish.

In last year's review, the portfolio manager highlighted that a decline in global stock markets remains somewhat overdue in a historical context, but that it may not become apparent until deeper into 2014. That remains the view of the portfolio manager. Even with a relatively healthy corporate backdrop, risks centre on investor complacency, deflationary pressures in Europe and geopolitics. Bond yields in North America appear to be anchored for the time being, with deflationary concerns in Europe and supportive central banks offsetting any hints of a pick-up in U.S. inflation.

Effective June 23, 2014, the Fund's investment objective was changed to provide the Fund with the flexibility to invest its assets primarily in other funds managed by RBC GAM or an RBC GAM affiliate. The proposed change will provide the Fund with increased diversification and allow it to provide monthly income with the potential for modest capital growth.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank and RBC IS are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $108,000 (2013 – $105,000) or 9% (2013 – 13%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**7.44**	**0.14**	**(0.07)**	**0.52**	**(0.07)**	**0.52**	**(0.26)**	**–**	**–**	**–**	**(0.26)**	**7.68**
Dec. 31, 2013	7.33	0.34	(0.14)	0.19	0.23	0.62	(0.17)	(0.08)	(0.14)	(0.13)	(0.52)	7.43
Dec. 31, 2012	7.43	0.29	(0.14)	0.18	0.09	0.42	(0.08)	(0.10)	(0.08)	(0.26)	(0.52)	7.33
Dec. 31, 2011	8.00	0.24	(0.14)	0.13	(0.24)	(0.01)	–	(0.03)	–	(0.53)	(0.56)	7.43
Dec. 31, 2010	7.84	0.30	(0.14)	0.20	0.36	0.72	(0.10)	(0.07)	–	(0.38)	(0.55)	8.00
Dec. 31, 2009	7.34	0.18	(0.14)	(0.10)	1.10	1.04	–	–	–	(0.54)	(0.54)	7.84
Advisor Series												
June 30, 2014	**7.45**	**0.14**	**(0.07)**	**0.52**	**(0.07)**	**0.52**	**(0.26)**	**–**	**–**	**–**	**(0.26)**	**7.68**
Dec. 31, 2013	7.34	0.34	(0.14)	0.19	0.23	0.62	(0.17)	(0.08)	(0.14)	(0.13)	(0.52)	7.44
Dec. 31, 2012	7.44	0.29	(0.14)	0.18	0.09	0.42	(0.08)	(0.10)	(0.08)	(0.26)	(0.52)	7.34
Dec. 31, 2011	8.00	0.24	(0.14)	0.13	(0.24)	(0.01)	–	(0.03)	–	(0.53)	(0.56)	7.44
Dec. 31, 2010	7.84	0.30	(0.14)	0.20	0.36	0.72	(0.10)	(0.07)	–	(0.38)	(0.55)	8.00
Dec. 31, 2009	7.34	0.18	(0.14)	(0.10)	1.10	1.04	–	–	–	(0.54)	(0.54)	7.84
Series D												
June 30, 2014	**7.86**	**0.15**	**(0.04)**	**0.55**	**(0.08)**	**0.58**	**(0.28)**	**–**	**–**	**–**	**(0.28)**	**8.15**
Dec. 31, 2013	7.69	0.36	(0.09)	0.20	0.24	0.71	(0.19)	(0.08)	(0.14)	(0.13)	(0.54)	7.86
Dec. 31, 2012	7.72	0.30	(0.09)	0.19	0.10	0.50	(0.09)	(0.10)	(0.08)	(0.27)	(0.54)	7.69
Dec. 31, 2011	8.24	0.25	(0.08)	0.13	(0.25)	0.05	–	(0.03)	–	(0.55)	(0.58)	7.72
Dec. 31, 2010	8.01	0.30	(0.08)	0.20	0.37	0.79	(0.11)	(0.06)	–	(0.39)	(0.56)	8.24
Dec. 31, 2009	7.43	0.18	(0.08)	(0.10)	1.12	1.12	–	–	–	(0.54)	(0.54)	8.01
Series F												
June 30, 2014	**8.58**	**0.16**	**(0.03)**	**0.61**	**(0.09)**	**0.65**	**(0.30)**	**–**	**–**	**–**	**(0.30)**	**8.91**
Dec. 31, 2013	8.37	0.39	(0.07)	0.22	0.26	0.80	(0.20)	(0.09)	(0.16)	(0.14)	(0.59)	8.58
Dec. 31, 2012	8.38	0.32	(0.07)	0.20	0.11	0.56	(0.09)	(0.12)	(0.09)	(0.29)	(0.59)	8.37
Dec. 31, 2011	8.92	0.27	(0.07)	0.14	(0.27)	0.07	–	(0.04)	–	(0.59)	(0.63)	8.38
Dec. 31, 2010	8.65	0.33	(0.07)	0.22	0.40	0.88	(0.11)	(0.08)	–	(0.42)	(0.61)	8.92
Dec. 31, 2009	8.00	0.19	(0.06)	(0.11)	1.21	1.23	–	–	–	(0.57)	(0.57)	8.65
Series O												
June 30, 2014	**8.36**	**0.13**	**–**	**0.48**	**(0.07)**	**0.54**	**(0.29)**	**–**	**–**	**–**	**(0.29)**	**8.72**
Dec. 31, 2013	8.08	0.38	–	0.21	0.25	0.84	(0.18)	(0.09)	(0.15)	(0.14)	(0.56)	8.36
Dec. 31, 2012	8.03	0.31	–	0.19	0.10	0.60	(0.09)	(0.10)	(0.09)	(0.28)	(0.56)	8.08
Dec. 31, 2011	8.48	0.26	–	0.14	(0.25)	0.15	–	(0.03)	–	(0.56)	(0.59)	8.03
Dec. 31, 2010	8.15	0.31	–	0.21	0.37	0.89	(0.11)	(0.07)	–	(0.39)	(0.57)	8.48
Dec. 31, 2009	7.48	0.18	–	(0.10)	1.13	1.21	–	–	–	(0.54)	(0.54)	8.15

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**7.68**	**1 976 729**	**257 541**	**1.91**	**1.91**	**90.44**	**0.08**
Dec. 31, 2013	7.44	1 812 332	243 655	1.92	1.92	66.45	0.06
Dec. 31, 2012	7.34	1 687 096	229 799	1.92	1.92	70.40	0.07
Dec. 31, 2011	7.44	1 609 878	216 333	1.92	1.92	85.75	0.09
Dec. 31, 2010	8.01	1 609 911	201 063	1.88	1.88	70.52	0.11
Dec. 31, 2009	7.85	1 356 814	172 823	1.84	1.84	64.97	0.09
Advisor Series							
June 30, 2014	**7.68**	**28 806**	**3 749**	**1.91**	**1.91**	**90.44**	**0.08**
Dec. 31, 2013	7.45	24 978	3 354	1.93	1.93	66.45	0.06
Dec. 31, 2012	7.35	19 525	2 657	1.90	1.90	70.40	0.07
Dec. 31, 2011	7.45	22 845	3 068	1.89	1.89	85.75	0.09
Dec. 31, 2010	8.01	25 024	3 124	1.87	1.87	70.52	0.11
Dec. 31, 2009	7.85	25 725	3 276	1.84	1.84	64.97	0.09
Series D							
June 30, 2014	**8.15**	**69 914**	**8 582**	**1.10**	**1.10**	**90.44**	**0.08**
Dec. 31, 2013	7.86	60 116	7 646	1.10	1.10	66.45	0.06
Dec. 31, 2012	7.69	47 795	6 212	1.10	1.10	70.40	0.07
Dec. 31, 2011	7.73	38 163	4 936	1.10	1.10	85.75	0.09
Dec. 31, 2010	8.25	33 923	4 112	1.08	1.08	70.52	0.11
Dec. 31, 2009	8.02	23 180	2 889	1.05	1.05	64.97	0.09
Series F							
June 30, 2014	**8.91**	**32 583**	**3 658**	**0.80**	**0.80**	**90.44**	**0.08**
Dec. 31, 2013	8.58	26 821	3 125	0.81	0.81	66.45	0.06
Dec. 31, 2012	8.38	27 588	3 294	0.83	0.83	70.40	0.07
Dec. 31, 2011	8.39	24 156	2 878	0.83	0.83	85.75	0.09
Dec. 31, 2010	8.93	27 979	3 133	0.81	0.81	70.52	0.11
Dec. 31, 2009	8.66	25 704	2 966	0.79	0.79	64.97	0.09
Series O							
June 30, 2014	**8.72**	**870**	**100**	**0.02**	**0.02**	**90.44**	**0.08**
Dec. 31, 2013	8.36	1 345 316	160 861	0.02	0.02	66.45	0.06
Dec. 31, 2012	8.09	1 136 996	140 545	0.02	0.02	70.40	0.07
Dec. 31, 2011	8.04	769 308	95 674	0.02	0.02	85.75	0.09
Dec. 31, 2010	8.49	594 332	70 036	0.02	0.02	70.52	0.11
Dec. 31, 2009	8.16	425 577	52 127	0.02	0.02	64.97	0.09

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.70%	59%	41%
Advisor Series	1.70%	59%	41%
Series D	0.95%	26%	74%
Series F	0.70%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

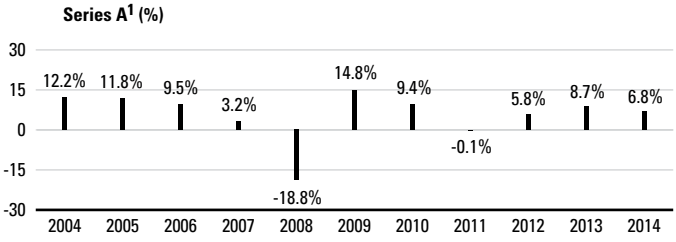
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

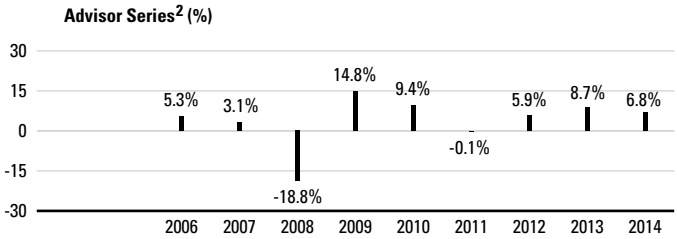
PAST PERFORMANCE

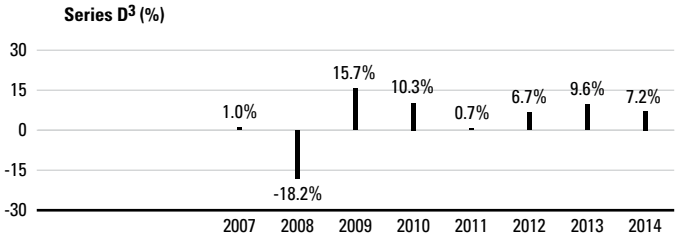
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

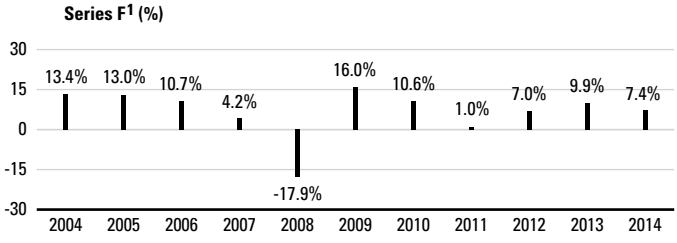
Year-by-Year Returns (%)

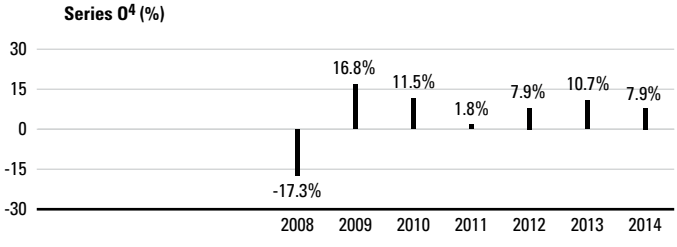
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











1 Inception date April 15, 2002.
2 Inception date March 20, 2006.
3 Inception date July 3, 2007.
4 Inception date January 1, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Canadian Equities	39.3
Canadian Bonds	37.7
United States Equities	12.5
Cash/Other	10.5

Top 25 Holdings

	% of Net Asset Value
Royal Bank of Canada	2.6
Toronto-Dominion Bank	2.3
Canada Housing Trust No. 1 3.350% Dec 15 20	2.2
Bank of Nova Scotia	1.9
Canadian National Railway Co.	1.8
Suncor Energy Inc.	1.7
Cash & Cash Equivalents	1.5
Canadian Natural Resources Ltd.	1.5
Government of Canada 1.500% Sep 1 17	1.4
Government of Canada 1.250% Feb 1 16	1.4
Bank of Montreal	1.1
Province of Ontario 1.900% Sep 8 17	1.1
Province of Ontario 2.100% Sep 8 18	1.0
Government of Canada 2.500% Jun 1 24	1.0
Province of Quebec 4.500% Dec 1 20	1.0
Province of Ontario 6.200% Jun 2 31	1.0
Manulife Financial Corporation	1.0
Government of Canada 1.750% Mar 1 19	1.0
Canadian Imperial Bank of Commerce	0.9
Enbridge Inc.	0.9
Province of Ontario 4.650% Jun 2 41	0.9
Potash Corporation of Saskatchewan Inc.	0.9
Apple Inc.	0.8
Cenovus Energy Inc.	0.8
TransCanada Corp.	0.8
Top 25 Holdings	32.5

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

BALANCED FUND

RBC MONTHLY INCOME FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide a tax-efficient monthly distribution consisting of dividend income, interest income and capital gains along with providing the potential for modest capital growth.

The Fund invests primarily in Canadian fixed-income securities, common shares, income trusts and similar higher-yielding investments. For fixed-income securities, the Fund targets a duration similar to the DEX Universe Bond Index. Stocks that qualify as investments will generally carry above-average dividend yields and offer the potential for increases in their payouts.

The Fund's target weightings for each asset class are 60% for fixed income and 40% for equities. The target weightings for each asset class may be adjusted based on changes in the market outlook for each asset class.

Results of Operations

The Fund's net asset value was $9.3 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 7.0%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund made monthly distributions of 4.25 cents per Series A unit in the first half of 2014.

Canada's equity benchmark, the S&P/TSX Composite Index, outpaced most other developed-market economies during the first half of 2014. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged the overall market in recent years. Canadian stock markets were boosted by economic recoveries in the U.S. and Europe. Russia's seizure of the Crimean region from Ukraine and conflict in Iraq also aided Canada's Energy sector on worries that developments in those regions would jeopardize energy supplies. Emerging markets recovered somewhat in the latter stages of the period, also adding to the allure of Canadian stocks.

Longer-term bonds, which offer much more attractive yields than short-term securities, significantly outperformed. Provincial and corporate bonds, which offered higher yields for what the portfolio manager believes is relatively low risk, fared better than non-government bonds, with income-seeking international investors spurring much of the demand. The Fund's performance benefited from significant exposure to provincial and corporate bonds.

In the equity portion of the Fund, positive relative performance in the Energy, Consumer Discretionary and Utilities sectors was offset by weaker performance in the Materials and Industrials sectors.

In the Energy sector, the Fund benefited from an overweight position in Encana as the shares advanced with the success of the PrairieSky IPO, and investors became optimistic that the company's narrower investment focus and cost reductions would improve profitability. In the Consumer Discretionary sector, an underweight position in Thomson Reuters proved beneficial as the company continued to face challenges in its business that sells financial information and analytics. In the Utilities sector, an overweight position in Brookfield Renewable Energy and a lack of exposure to Just Energy Group had a positive impact on performance.

Holdings in the Materials sector detracted from returns. In particular, lower coal and copper prices negatively impacted Teck Resources' financial results at a time when project capital spending has increased, prompting speculation that the dividend could be cut if commodity prices deteriorate. In the Industrials sector, a position in KBR Inc., a U.S. engineering firm, weighed on performance. The shares fell following the departure of the company's chief executive and the restatement of its 2013 financial statements.

Recent Developments

Strong Canadian equity-market returns during the first half of the year should be met with some caution, as relatively slow labour-market growth and ever-rising housing prices are causes for concern. However, prospects for exports should improve as the U.S. economy strengthens. In this mixed environment, the Bank of Canada appears unlikely to raise its benchmark interest rate in the coming year.

The portfolio manager expects bond yields to gradually rise as the economy improves and the U.S. Federal Reserve ends its asset-purchase program. In Canada, short-term yields should stay low as long as relatively weak economic growth keeps the Bank of Canada from raising its benchmark rate. However, the portfolio manager expects a steady rise in Canadian yields over 2014 consistent with a steadily improving economic backdrop. Assuming that this moderate expansion continues, corporate bonds would likely outperform government bonds, as default prospects remain low and earnings are likely to benefit from an improving economy. Investor demand for income makes corporate and provincial bonds even more attractive, and their additional yield would help offset capital losses as yields start to rise. The portfolio manager plans to maintain overweight positions in both areas.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank and RBC IS are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $96,000 (2013 – $158,000) or 10% (2013 – 17%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**13.52**	**0.25**	**(0.08)**	**0.07**	**0.71**	**0.95**	**(0.26)**	**–**	**–**	**–**	**(0.26)**	**14.21**
Dec. 31, 2013	13.29	0.48	(0.16)	0.27	0.18	0.77	(0.14)	(0.20)	(0.22)	–	(0.56)	13.51
Dec. 31, 2012	12.93	0.48	(0.16)	0.26	0.28	0.86	(0.14)	(0.18)	(0.19)	–	(0.51)	13.29
Dec. 31, 2011	13.13	0.49	(0.15)	0.37	(0.34)	0.37	–	(0.17)	(0.18)	(0.22)	(0.57)	12.93
Dec. 31, 2010	12.50	0.52	(0.15)	0.14	0.65	1.16	(0.30)	(0.16)	–	(0.11)	(0.57)	13.13
Dec. 31, 2009	11.36	0.61	(0.14)	(0.23)	1.45	1.69	(0.41)	(0.16)	–	–	(0.57)	12.50
Advisor Series												
June 30, 2014	**13.63**	**0.25**	**(0.08)**	**0.07**	**0.72**	**0.96**	**(0.26)**	**–**	**–**	**–**	**(0.26)**	**14.33**
Dec. 31, 2013	13.39	0.49	(0.16)	0.28	0.18	0.79	(0.14)	(0.20)	(0.22)	–	(0.56)	13.62
Dec. 31, 2012	13.02	0.48	(0.15)	0.26	0.28	0.87	(0.14)	(0.18)	(0.19)	–	(0.51)	13.39
Dec. 31, 2011	13.21	0.49	(0.14)	0.37	(0.35)	0.37	–	(0.17)	(0.18)	(0.22)	(0.57)	13.02
Dec. 31, 2010	12.56	0.52	(0.14)	0.14	0.65	1.17	(0.30)	(0.16)	–	(0.11)	(0.57)	13.21
Dec. 31, 2009	11.41	0.61	(0.13)	(0.24)	1.45	1.69	(0.41)	(0.16)	–	–	(0.57)	12.56
Series D												
June 30, 2014	**13.84**	**0.25**	**(0.06)**	**0.07**	**0.73**	**0.99**	**(0.26)**	**–**	**–**	**–**	**(0.26)**	**14.57**
Dec. 31, 2013	13.55	0.49	(0.12)	0.28	0.18	0.83	(0.14)	(0.20)	(0.22)	–	(0.56)	13.83
Dec. 31, 2012	13.13	0.49	(0.12)	0.27	0.29	0.93	(0.14)	(0.18)	(0.19)	–	(0.51)	13.55
Dec. 31, 2011	13.28	0.50	(0.11)	0.37	(0.35)	0.41	–	(0.17)	(0.18)	(0.22)	(0.57)	13.13
Dec. 31, 2010	12.60	0.52	(0.11)	0.14	0.66	1.21	(0.30)	(0.16)	–	(0.11)	(0.57)	13.28
Dec. 31, 2009	11.41	0.62	(0.10)	(0.24)	1.46	1.74	(0.41)	(0.16)	–	–	(0.57)	12.60
Series F												
June 30, 2014	**14.40**	**0.26**	**(0.05)**	**0.07**	**0.76**	**1.04**	**(0.26)**	**–**	**–**	**–**	**(0.26)**	**15.18**
Dec. 31, 2013	14.05	0.51	(0.10)	0.29	0.19	0.89	(0.14)	(0.20)	(0.22)	–	(0.56)	14.39
Dec. 31, 2012	13.58	0.50	(0.10)	0.28	0.30	0.98	(0.14)	(0.18)	(0.19)	–	(0.51)	14.05
Dec. 31, 2011	13.70	0.51	(0.09)	0.39	(0.36)	0.45	–	(0.17)	(0.18)	(0.22)	(0.57)	13.58
Dec. 31, 2010	12.95	0.54	(0.09)	0.15	0.68	1.28	(0.30)	(0.16)	–	(0.11)	(0.57)	13.70
Dec. 31, 2009	11.70	0.63	(0.08)	(0.24)	1.50	1.81	(0.41)	(0.16)	–	–	(0.57)	12.95
Series O												
June 30, 2014	**14.62**	**0.27**	**–**	**0.07**	**0.77**	**1.11**	**(0.26)**	**–**	**–**	**–**	**(0.26)**	**15.48**
Dec. 31, 2013	14.17	0.52	–	0.29	0.19	1.00	(0.14)	(0.20)	(0.22)	–	(0.56)	14.61
Dec. 31, 2012	13.60	0.51	–	0.28	0.30	1.09	(0.14)	(0.18)	(0.19)	–	(0.51)	14.17
Dec. 31, 2011	13.62	0.51	–	0.38	(0.36)	0.53	–	(0.17)	(0.18)	(0.22)	(0.57)	13.60
Dec. 31, 2010	12.79	0.53	–	0.15	0.67	1.35	(0.30)	(0.16)	–	(0.11)	(0.57)	13.62
Dec. 31, 2009	11.49	0.62	–	(0.24)	1.47	1.85	(0.41)	(0.16)	–	–	(0.57)	12.79

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**14.21**	**8 404 196**	**591 446**	**1.20**	**1.20**	**29.28**	**0.02**
Dec. 31, 2013	13.52	8 088 354	598 177	1.20	1.20	36.94	0.02
Dec. 31, 2012	13.31	7 852 696	590 050	1.20	1.20	31.14	0.03
Dec. 31, 2011	12.95	7 400 609	571 441	1.19	1.19	57.95	0.04
Dec. 31, 2010	13.15	7 091 995	539 333	1.17	1.17	38.77	0.04
Dec. 31, 2009	12.51	6 394 834	511 003	1.15	1.15	46.47	0.07
Advisor Series							
June 30, 2014	**14.33**	**57 506**	**4 013**	**1.15**	**1.15**	**29.28**	**0.02**
Dec. 31, 2013	13.63	53 908	3 955	1.16	1.16	36.94	0.02
Dec. 31, 2012	13.41	50 969	3 802	1.16	1.16	31.14	0.03
Dec. 31, 2011	13.04	42 365	3 250	1.14	1.14	57.95	0.04
Dec. 31, 2010	13.23	33 095	2 502	1.13	1.13	38.77	0.04
Dec. 31, 2009	12.58	18 503	1 471	1.10	1.10	46.47	0.07
Series D							
June 30, 2014	**14.57**	**167 317**	**11 482**	**0.88**	**0.88**	**29.28**	**0.02**
Dec. 31, 2013	13.84	154 446	11 161	0.88	0.88	36.94	0.02
Dec. 31, 2012	13.56	145 640	10 737	0.88	0.88	31.14	0.03
Dec. 31, 2011	13.15	126 243	9 601	0.87	0.87	57.95	0.04
Dec. 31, 2010	13.30	118 701	8 924	0.86	0.86	38.77	0.04
Dec. 31, 2009	12.61	99 985	7 926	0.84	0.84	46.47	0.07
Series F							
June 30, 2014	**15.18**	**75 817**	**4 993**	**0.72**	**0.72**	**29.28**	**0.02**
Dec. 31, 2013	14.40	48 710	3 383	0.72	0.72	36.94	0.02
Dec. 31, 2012	14.07	45 182	3 211	0.72	0.72	31.14	0.03
Dec. 31, 2011	13.60	48 233	3 547	0.70	0.70	57.95	0.04
Dec. 31, 2010	13.72	44 812	3 267	0.70	0.70	38.77	0.04
Dec. 31, 2009	12.97	36 166	2 788	0.68	0.68	46.47	0.07
Series O							
June 30, 2014	**15.48**	**621 539**	**40 155**	**0.02**	**0.02**	**29.28**	**0.02**
Dec. 31, 2013	14.62	580 217	39 678	0.02	0.02	36.94	0.02
Dec. 31, 2012	14.18	495 269	34 919	0.02	0.02	31.14	0.03
Dec. 31, 2011	13.61	307 881	22 618	0.02	0.02	57.95	0.04
Dec. 31, 2010	13.64	217 330	15 939	0.02	0.02	38.77	0.04
Dec. 31, 2009	12.81	383 077	29 901	0.02	0.02	46.47	0.07

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.00%	50%	50%
Advisor Series	1.00%	50%	50%
Series D	0.75%	20%	80%
Series F	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

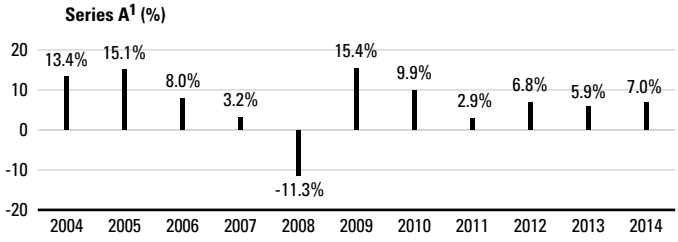
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

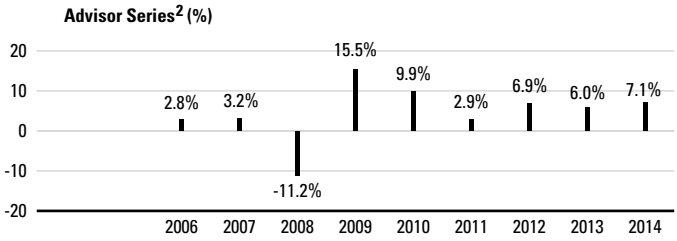
PAST PERFORMANCE

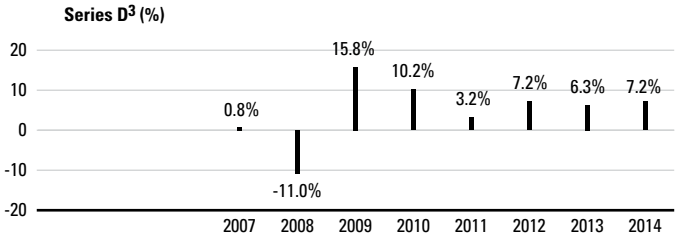
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

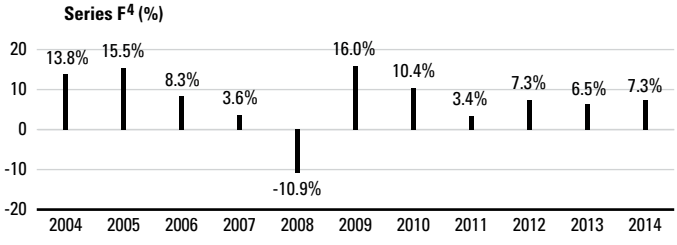
Year-by-Year Returns (%)

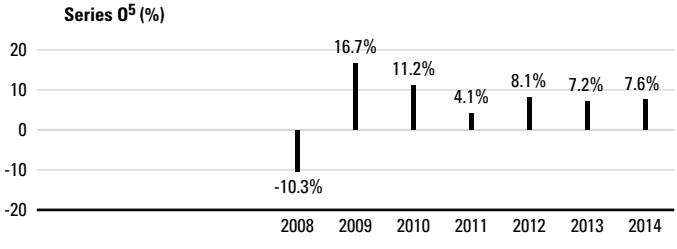
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











[1] Inception date August 17, 1997.
[2] Inception date August 28, 2006.
[3] Inception date July 3, 2007.
[4] Inception date August 13, 2001.
[5] Inception date January 1, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Canadian Bonds	51.7
Common Equities	43.4
Income Trusts	0.9
Foreign Bonds	0.3
Cash/Other	3.7

Top 25 Holdings

	% of Net Asset Value
Royal Bank of Canada	3.4
Cash & Cash Equivalents	3.3
Bank of Nova Scotia	3.2
Toronto-Dominion Bank	3.0
Province of Ontario 3.150% Jun 2 22	1.6
Enbridge Inc.	1.5
Suncor Energy Inc.	1.5
Province of Ontario 2.100% Sep 8 18	1.4
Canadian Imperial Bank of Commerce	1.3
TransCanada Corp.	1.3
Manulife Financial Corporation	1.3
Canadian Natural Resources Ltd.	1.3
Province of Ontario 4.400% Jun 2 19	1.2
Government of Canada 1.500% Sep 1 17	1.2
Bank of Montreal	1.2
Government of Canada 4.000% Jun 1 41	1.2
Canada Housing Trust No. 1 3.350% Dec 15 20	1.2
Province of Ontario 4.650% Jun 2 41	1.1
Province of Ontario 4.600% Jun 2 39	1.0
Ontario Electricity Financial Corp. 8.250% Jun 22 26	1.0
Government of Canada 5.750% Jun 1 29	0.9
Province of Ontario 3.450% Jun 2 45	0.9
Sun Life Financial Inc.	0.9
Canada Housing Trust No. 1 2.450% Dec 15 15	0.9
Magna International Inc., Class A	0.9
Top 25 Holdings	37.7

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

BALANCED FUND

RBC U.S. MONTHLY INCOME FUND

formerly, RBC $U.S. Income Fund

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE (in USD)

Investment Objective and Strategies

The Fund seeks to provide regular U.S. dollar monthly income and modest capital growth.

The Fund invests primarily in U.S. government bonds, corporate fixed-income securities, asset-backed bonds and equity securities of U.S. companies. Investments may also include high-yield debt and U.S. dollar-denominated debt issued in emerging markets.

The Fund's target weightings for each asset class are 60% for fixed income and 40% for equities. The target weightings for each asset class may be adjusted based on changes in the market outlook for each asset class.

Results of Operations

The Fund's net asset value was $934 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 4.2%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund made monthly distributions of 2.5 cents per Series A unit in the first half of 2014.

The Fund invests in both fixed income and stocks. During the first half of 2014, the Fund benefited from a relative preference for stocks over bonds, as U.S. equities generally offered better returns than fixed income.

U.S. government bonds performed well in 2014. Modest global economic growth, low inflation and conflict in Ukraine and Iraq led to strong investor demand. U.S. corporate bonds and emerging-market debt securities also rose in the first half of 2014 on strong demand for higher-yielding investments and a drop in government yields. Bonds with longer maturities fared well, as these securities tend to perform better than shorter-term bonds when overall yields fall.

The Fund's emerging-market debt investments rebounded from early declines to post solid returns. However, these emerging-market holdings were more conservative than normal, which hurt relative returns. Cash held in the portfolio and a preference for shorter-term securities were also a drag on results.

The S&P 500 advanced during the first half of 2014, driven by improvement in the outlook for the U.S. economy, decent earnings, substantial improvement in the U.S. fiscal deficit, very low reported inflation, and extremely accommodative global monetary policies. The U.S. Federal Reserve's (the "Fed") loose approach to monetary policy continued to keep interest rates low, reducing the odds that a number of dire "end game" scenarios might take place.

Performance was hampered by the Fund's positions in the Information Technology sector, where weakness in spending on big computer networks pressured data-storage and networking companies such as Cisco, Western Digital and Seagate Technology. The Fund's overweight positions in Financials-sector companies Prudential Financial and MetLife also hurt performance, as the companies' investment portfolios were hit by interest-rate declines. A large position in JPMorgan also detracted from performance, with lower capital-markets activity and regulatory changes pressuring earnings. The Fund's position in Exxon Mobil also hurt performance.

Portfolio turnover was high for the equity portion of the Fund, as the portfolio manager attempted to generate better returns through active fund management.

Recent Developments

In the portfolio manager's opinion, the S&P 500 remains attractive relative to bonds as the index's free cash flow and earnings yields remain well above fixed-income yields. So while valuations appear slightly above fair value, there appears scope for further gains should inflation remain low and corporate revenues and earnings re-accelerate in 2014. Historically, most bull markets end when corporate management teams are optimistic, merger activity is rampant, capital expenditures and inventories are high and labour markets are tight. In this environment, the Fed generally raises short-term interest rates to slow inflation caused by the excesses and economic activity stalls over the next several quarters. Given that none of these conditions is present today nor seems likely to unfold over the intermediate term, the portfolio manager does not believe that the Fed will raise short-term rates before 2015. The Fund is positioned to benefit from continuing economic expansion, higher interest rates and benign inflation.

Bond yields remain relatively low around the world and volatility is at extremely low levels, which, in the view of the portfolio manager, limit investment opportunities.

Given low yields, the portfolio manager expects fixed-income returns to moderate relative to equities. Recently, the Fund lowered its exposure to high-yield bonds as these securities are less attractively priced. However, the Fund maintains an above-normal weight in corporate bonds and emerging-market bonds relative to government bonds. The Fund will also maintain a preference for shorter-term bonds to lessen the negative impact from anticipated higher yields in the future.

The Fund, overall, remains underweight fixed income and overweight stocks.

Effective June 27, 2014, the name of the Fund was changed to RBC U.S. Monthly Income Fund.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Series H and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank and RBC IS are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $13,000 (2013 – $45,000) or 4% (2013 – 14%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS (in USD)

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.75**	**0.17**	**(0.09)**	**0.31**	**0.07**	**0.46**	**(0.15)**	**–**	**–**	**–**	**(0.15)**	**11.05**
Dec. 31, 2013	10.55	0.37	(0.19)	0.52	0.28	0.98	(0.08)	(0.14)	(0.57)	–	(0.79)	10.75
Dec. 31, 2012	10.06	0.37	(0.19)	0.34	0.21	0.73	(0.05)	(0.12)	(0.10)	(0.03)	(0.30)	10.55
Dec. 31, 2011	10.22	0.34	(0.17)	(0.19)	0.12	0.10	(0.08)	(0.10)	–	(0.18)	(0.36)	10.06
Dec. 31, 2010	9.66	0.35	(0.17)	0.19	0.58	0.95	(0.11)	(0.05)	–	(0.20)	(0.36)	10.22
Dec. 31, 2009	8.87	0.36	(0.15)	(0.48)	1.34	1.07	(0.36)	–	–	–	(0.36)	9.66
Advisor Series												
June 30, 2014	**10.84**	**0.17**	**(0.09)**	**0.32**	**0.07**	**0.47**	**(0.15)**	**–**	**–**	**–**	**(0.15)**	**11.14**
Dec. 31, 2013	10.63	0.37	(0.19)	0.53	0.29	1.00	(0.08)	(0.14)	(0.58)	–	(0.80)	10.83
Dec. 31, 2012	10.12	0.37	(0.18)	0.34	0.21	0.74	(0.05)	(0.12)	(0.10)	(0.03)	(0.30)	10.63
Dec. 31, 2011	10.27	0.32	(0.17)	(0.18)	0.12	0.09	(0.08)	(0.10)	–	(0.18)	(0.36)	10.12
Dec. 31, 2010	9.70	0.35	(0.16)	0.18	0.54	0.91	(0.11)	(0.05)	–	(0.20)	(0.36)	10.27
Dec. 31, 2009	8.90	0.37	(0.15)	(0.48)	1.36	1.10	(0.36)	–	–	–	(0.36)	9.70
Series H												
June 30, 2014	**10.76**	**0.17**	**(0.08)**	**0.31**	**0.07**	**0.47**	**(0.15)**	**–**	**–**	**–**	**(0.15)**	**11.08**
Dec. 31, 2013[3]	10.89[†]	0.13	(0.07)	0.19	0.10	0.35	(0.03)	(0.06)	(0.52)	–	(0.61)	10.76
Series D												
June 30, 2014	**11.32**	**0.18**	**(0.06)**	**0.33**	**0.07**	**0.52**	**(0.15)**	**–**	**–**	**–**	**(0.15)**	**11.68**
Dec. 31, 2013	10.99	0.39	(0.12)	0.54	0.30	1.11	(0.08)	(0.14)	(0.57)	–	(0.79)	11.31
Dec. 31, 2012	10.39	0.38	(0.11)	0.35	0.21	0.83	(0.05)	(0.12)	(0.10)	(0.03)	(0.30)	10.99
Dec. 31, 2011	10.47	0.35	(0.10)	(0.20)	0.13	0.18	(0.08)	(0.10)	–	(0.18)	(0.36)	10.39
Dec. 31, 2010	9.82	0.35	(0.10)	0.20	0.61	1.06	(0.11)	(0.05)	–	(0.20)	(0.36)	10.47
Dec. 31, 2009	8.95	0.36	(0.09)	(0.48)	1.35	1.14	(0.36)	–	–	–	(0.36)	9.82
Series F												
June 30, 2014	**10.94**	**0.17**	**(0.05)**	**0.32**	**0.07**	**0.51**	**(0.15)**	**–**	**–**	**–**	**(0.15)**	**11.29**
Dec. 31, 2013	10.64	0.38	(0.10)	0.53	0.29	1.10	(0.08)	(0.14)	(0.59)	–	(0.81)	10.93
Dec. 31, 2012	10.04	0.37	(0.09)	0.34	0.21	0.83	(0.05)	(0.12)	(0.10)	(0.03)	(0.30)	10.64
Dec. 31, 2011	10.12	0.32	(0.08)	(0.18)	0.12	0.18	(0.08)	(0.10)	–	(0.18)	(0.36)	10.04
Dec. 31, 2010	9.48	0.35	(0.08)	0.18	0.56	1.01	(0.11)	(0.05)	–	(0.20)	(0.36)	10.12
Dec. 31, 2009	8.64	0.36	(0.07)	(0.48)	1.34	1.15	(0.36)	–	–	–	(0.36)	9.48

FINANCIAL HIGHLIGHTS (in USD) (cont.)

Change in Net Assets Per Unit (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series I												
June 30, 2014	**10.94**	**0.17**	**(0.04)**	**0.32**	**0.07**	**0.52**	**(0.15)**	**–**	**–**	**–**	**(0.15)**	**11.31**
Dec. 31, 2013[3]	11.04[†]	0.14	(0.03)	0.19	0.10	0.40	(0.03)	(0.06)	(0.54)	–	(0.63)	10.94

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From August 12, 2013.

[†] Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**11.05**	**779 415**	**70 509**	**1.77**	**1.77**	**101.00**	**0.08**
Dec. 31, 2013	10.75	653 066	60 724	1.77	1.77	116.70	0.09
Dec. 31, 2012	10.56	495 626	46 945	1.78	1.78	119.00	0.10
Dec. 31, 2011	10.06	352 595	35 041	1.78	1.78	217.05	0.21
Dec. 31, 2010	10.23	170 364	16 659	1.74	1.74	148.39	0.20
Dec. 31, 2009	9.66	61 661	6 382	1.69	1.69	113.54	0.12
Advisor Series							
June 30, 2014	**11.14**	**65 129**	**5 845**	**1.73**	**1.73**	**101.00**	**0.08**
Dec. 31, 2013	10.84	61 673	5 691	1.73	1.73	116.70	0.09
Dec. 31, 2012	10.63	57 583	5 416	1.70	1.70	119.00	0.10
Dec. 31, 2011	10.12	36 160	3 572	1.71	1.71	217.05	0.21
Dec. 31, 2010	10.28	7 714	750	1.70	1.70	148.39	0.20
Dec. 31, 2009	9.70	1 150	118	1.64	1.64	113.54	0.12
Series H							
June 30, 2014	**11.08**	**25 986**	**2 346**	**1.55**	**1.55**	**101.00**	**0.08**
Dec. 31, 2013[4]	10.76	15 728	1 461	1.64	1.64	116.70	0.09
Series D							
June 30, 2014	**11.68**	**22 179**	**1 898**	**1.06**	**1.06**	**101.00**	**0.08**
Dec. 31, 2013	11.32	15 655	1 383	1.05	1.05	116.70	0.09
Dec. 31, 2012	11.00	10 715	974	1.05	1.05	119.00	0.10
Dec. 31, 2011	10.39	4 897	471	1.07	1.07	217.05	0.21
Dec. 31, 2010	10.48	2 419	231	1.04	1.04	148.39	0.20
Dec. 31, 2009	9.82	1 206	123	1.01	1.01	113.54	0.12
Series F							
June 30, 2014	**11.29**	**25 960**	**2 299**	**0.88**	**0.88**	**101.00**	**0.08**
Dec. 31, 2013	10.94	22 004	2 012	0.88	0.88	116.70	0.09
Dec. 31, 2012	10.64	20 844	1 959	0.87	0.87	119.00	0.10
Dec. 31, 2011	10.05	10 951	1 090	0.88	0.88	217.05	0.21
Dec. 31, 2010	10.13	3 371	333	0.87	0.87	148.39	0.20
Dec. 31, 2009	9.49	1 343	142	0.85	0.85	113.54	0.12

FINANCIAL HIGHLIGHTS (in USD) (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series I							
June 30, 2014	**11.31**	**15 475**	**1 368**	**0.69**	**0.69**	**101.00**	**0.08**
Dec. 31, 2013[4]	10.94	13 405	1 225	0.75	0.75	116.70	0.09

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From August 12, 2013.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.50%	53%	47%
Advisor Series	1.50%	53%	47%
Series H	1.40%	57%	43%
Series D	0.90%	17%	83%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

RBC U.S. MONTHLY INCOME FUND

(IN U.S. DOLLARS)

formerly, RBC $U.S. Income Fund

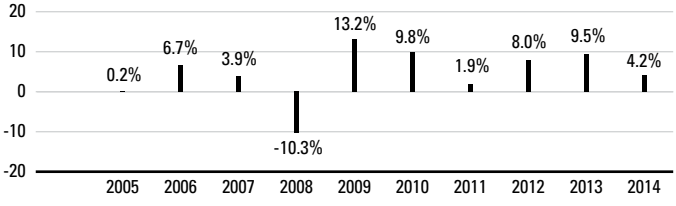
PAST PERFORMANCE (in USD)

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

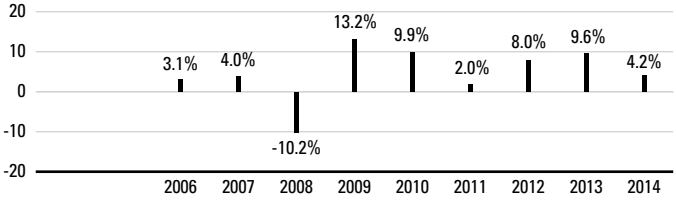
Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

Series A[1] (%)

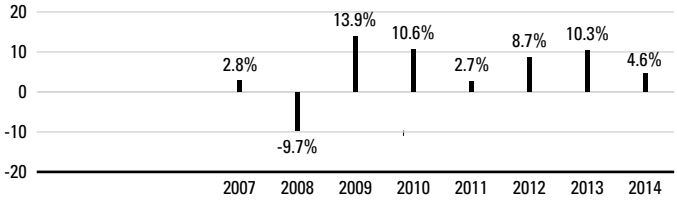


Advisor Series[2] (%)

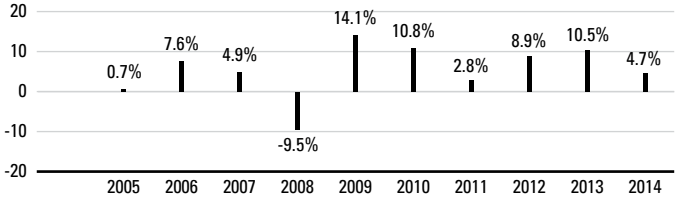


Series H[3] (%)

Series D[4] (%)



Series F[1] (%)



Series I[3] (%)

[1] Inception date May 24, 2005.
[2] Inception date August 28, 2006.
[3] Inception date August 12, 2013.
[4] Inception date July 3, 2007.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

RBC U.S. MONTHLY INCOME FUND

(IN U.S. DOLLARS)

formerly, RBC $U.S. Income Fund

SUMMARY OF INVESTMENT PORTFOLIO (in USD)

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Equities	42.9
Bonds	31.8
Mortgage-Backed Securities	16.3
Cash/Other	9.0

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	5.2
United States Treasury 3.750% Nov 15 18	4.5
RBC Emerging Markets Bond Fund	3.6
United States Treasury 1.125% Apr 30 20	2.4
Apple Inc.	1.9
United States Treasury 1.000% Sep 30 19	1.7
Fannie Mae Pool 3.000% Feb 1 27	1.4
Freddie Mac Gold Pool 2.500% Feb 1 43	1.3
Wells Fargo & Company	1.2
Microsoft Corp.	1.2
Freddie Mac Gold Pool 2.500% Feb 1 28	1.1
Exxon Mobil Corp.	1.1
Philip Morris International Inc.	1.1
Pfizer Inc.	1.1
Intel Corp.	1.0
Province of Ontario USD 3.150% Dec 15 17	1.0
ConocoPhillips	1.0
Cardinal Health Inc.	1.0
JPMorgan Chase & Co.	0.9
Johnson & Johnson	0.9
Time Warner Cable Inc.	0.9
Chevron Corp.	0.9
CVS Corp.	0.9
Merck & Co. Inc.	0.9
Freddie Mac Gold Pool 4.000% Jan 1 34	0.9
Top 25 Holdings	39.1

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

BALANCED FUND

RBC BALANCED FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England
(for the European equity portion of the Fund)

Sub-Advisor: RBC Investment Management (Asia) Limited, Hong Kong, China
(for the Asian equity portion of the Fund)

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide capital growth and modest income by investing in a mix of Canadian stocks and fixed-income securities.

The Fund is invested primarily in Canadian equities to provide capital growth and fixed-income securities to generate income. The Fund may also hold income-trust units, corporate bonds and foreign securities. Blending equities and fixed-income securities in a single portfolio provides investors with exposure to the upside potential of equity capital markets while taking advantage of the stability and frequently offsetting risk profile of bonds.

The portfolio manager's analysis of the economic outlook and capital market valuations and prospects determines the portion of the portfolio that will be invested in stocks and bonds. The composition of the portfolio holdings is adjusted as economic and capital market conditions warrant.

The Fund's target weightings for each asset class are 45% for fixed income, 35% for Canadian equities, 10% for U.S. equities and 10% for international equities. The target weightings for each asset class may be adjusted based on changes in the market outlook for each asset class.

Results of Operations

The Fund's net asset value was $7.0 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 6.8%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Led by North America and other developed markets, the global economy has continued to gain traction. While some risks have faded, such as the threat of deflation, geopolitical risks have mounted and emerging-market credit excesses remain largely unaddressed. Equity markets recorded more modest returns in the first half of 2014, following last year's significant gains in developed markets, and global bond markets rallied. Speculation abounded that the U.S. Federal Reserve (the "Fed") was drawing closer to raising short-term interest rates, leading to a greater degree of comfort that the economy is indeed improving and the global financial crisis is finally behind us.

As the first half of 2014 came to a close, the major central banks had diverging views on the path for monetary policy. Some countries such as the U.K. and the U.S. will look to tighten monetary policy in the next year. However, in the Eurozone and Japan, the course of monetary policy continues to be towards more, rather than less, stimulus in an effort to boost inflation and economic growth.

The Fund's overweight allocation to equities and underweight position in bonds had a positive effect on overall performance. U.S. bond yields started 2014 near their highest levels in almost three years after signs the Fed would begin scaling back measures aimed at helping the economy recover from the financial crisis. Since then, yields have trended lower, held down by demand for the relative safety of Treasuries amid geopolitical risks and concerns about the tepid pace of U.S. economic growth. Also holding down yields was demand for fixed income from pension funds and bank demand for government bonds fulfilling new regulatory changes. An underweight position in government bonds had a significantly positive impact on returns, as corporate bonds outperformed during the period.

Stock indexes continued their trend higher, but with far less enthusiasm than in 2013. Canada's S&P/TSX Composite Index outpaced most other developed-market indexes during the first half of 2014, including the S&P 500. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged in recent years. U.S. stocks rose amid continued earnings growth and low interest rates. After a strong start to the year, Eurozone equities dropped in February on concern that deflation was starting to take root. This prompted the European Central Bank to hint that it would take steps to bolster asset prices, and these measures were delivered in June. Asian markets remained fairly volatile over the period, particularly Japan and China, which were weak in the first quarter but bounced back in the subsequent three months. Within equities, the negative impact of U.S. and Asian security selection offset the positive impact of security selection in Canadian equities.

Recent Developments

The portfolio manager continues to subscribe to an economic-normalization thesis, with the revival of risk appetite in 2013 and the abatement of fiscal austerity in 2014 enabling materially faster growth for the rest of this year and beyond. Bond yields should gradually rise as the economy continues to normalize. The Fund has maintained below-benchmark exposure to fixed income, recognizing that rising bond yields will likely lead to low total returns. As the recovery gains traction, higher growth should translate into expanding sales and earnings, supporting the stock market's next move higher. The portfolio manager anticipates that returns for equities will be lower given current valuations. However, expectations that stocks will continue to outperform bonds means that the Fund's asset mix remains tilted toward equities.

Effective January 1, 2014, the administration fee for Series A units has been reduced to 0.10% from 0.14%.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisors

RBC Global Asset Management (UK) Limited and RBC Investment Management (Asia) Limited are the sub-advisors and provide investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Series T5, Series T8 and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $194,000 (2013 – $284,000) or 6% (2013 – 8%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**12.90**	**0.17**	**(0.15)**	**0.50**	**0.35**	**0.87**	**–**	**–**	**–**	**–**	**–**	**13.77**
Dec. 31, 2013	12.31	0.33	(0.30)	0.71	0.38	1.12	–	(0.02)	(0.53)	–	(0.55)	12.89
Dec. 31, 2012	11.79	0.38	(0.28)	0.30	0.29	0.69	–	(0.05)	(0.12)	–	(0.17)	12.31
Dec. 31, 2011	12.30	0.34	(0.27)	0.40	(0.89)	(0.42)	–	–	(0.08)	–	(0.08)	11.79
Dec. 31, 2010	11.30	0.35	(0.26)	0.62	0.23	0.94	–	–	–	–	–	12.30
Dec. 31, 2009	9.97	0.22	(0.23)	0.17	1.18	1.34	–	–	–	–	–	11.30
Advisor Series												
June 30, 2014	**13.02**	**0.18**	**(0.16)**	**0.50**	**0.36**	**0.88**	**–**	**–**	**–**	**–**	**–**	**13.91**
Dec. 31, 2013	12.43	0.33	(0.30)	0.72	0.38	1.13	–	(0.02)	(0.53)	–	(0.55)	13.02
Dec. 31, 2012	11.90	0.38	(0.28)	0.31	0.30	0.71	–	(0.06)	(0.12)	–	(0.18)	12.43
Dec. 31, 2011	12.40	0.34	(0.27)	0.41	(0.89)	(0.41)	–	–	(0.08)	–	(0.08)	11.90
Dec. 31, 2010	11.39	0.36	(0.26)	0.62	0.24	0.96	–	–	–	–	–	12.40
Dec. 31, 2009	10.04	0.22	(0.23)	0.17	1.19	1.35	–	–	–	–	–	11.39
Series T5												
June 30, 2014	**12.47**	**0.17**	**(0.14)**	**0.48**	**0.34**	**0.85**	**(0.31)**	**–**	**–**	**–**	**(0.31)**	**13.00**
Dec. 31, 2013	12.34	0.33	(0.30)	0.71	0.37	1.11	–	(0.02)	(0.95)	–	(0.97)	12.47
Dec. 31, 2012[3]	12.31†	0.10	(0.09)	0.08	0.08	0.17	–	–	(0.15)	–	(0.15)	12.34
Series T8												
June 30, 2014	**9.05**	**0.12**	**(0.10)**	**0.34**	**0.24**	**0.60**	**(0.36)**	**–**	**–**	**–**	**(0.36)**	**9.29**
Dec. 31, 2013	8.97	0.23	(0.21)	0.50	0.27	0.79	–	(0.03)	(0.30)	(0.39)	(0.72)	9.04
Dec. 31, 2012	9.18	0.28	(0.21)	0.23	0.22	0.52	–	(0.04)	(0.08)	(0.61)	(0.73)	8.97
Dec. 31, 2011	10.43	0.28	(0.22)	0.33	(0.72)	(0.33)	–	–	(0.08)	(0.84)	(0.92)	9.18
Dec. 31, 2010	10.41	0.31	(0.22)	0.55	0.21	0.85	–	–	–	(0.84)	(0.84)	10.43
Dec. 31, 2009	9.94	0.21	(0.22)	0.17	1.13	1.29	–	–	–	(0.81)	(0.81)	10.41
Series D												
June 30, 2014	**13.40**	**0.18**	**(0.10)**	**0.52**	**0.37**	**0.97**	**–**	**–**	**–**	**–**	**–**	**14.37**
Dec. 31, 2013	12.79	0.34	(0.20)	0.74	0.39	1.27	–	(0.14)	(0.55)	–	(0.69)	13.39
Dec. 31, 2012	12.25	0.39	(0.19)	0.32	0.31	0.83	–	(0.16)	(0.13)	–	(0.29)	12.79
Dec. 31, 2011	12.67	0.35	(0.18)	0.42	(0.92)	(0.33)	–	–	(0.08)	–	(0.08)	12.25
Dec. 31, 2010	11.54	0.36	(0.17)	0.63	0.24	1.06	–	–	–	–	–	12.67
Dec. 31, 2009	10.10	0.22	(0.15)	0.17	1.20	1.44	–	–	–	–	–	11.54

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

For the Year/ Period Ended	Net Assets Beginning of Year/Period	Increase (Decrease) from Operations[1]					Annual Distributions[2]					Net Assets End of Year/Period
		Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	
Series F												
June 30, 2014	**14.15**	**0.19**	**(0.09)**	**0.55**	**0.39**	**1.04**	**–**	**–**	**–**	**–**	**–**	**15.19**
Dec. 31, 2013	13.50	0.36	(0.17)	0.79	0.42	1.40	–	(0.18)	(0.58)	–	(0.76)	14.14
Dec. 31, 2012	12.93	0.41	(0.16)	0.34	0.32	0.91	–	(0.21)	(0.13)	–	(0.34)	13.50
Dec. 31, 2011	13.33	0.37	(0.15)	0.44	(0.97)	(0.31)	–	–	(0.08)	–	(0.08)	12.93
Dec. 31, 2010	12.11	0.38	(0.14)	0.66	0.25	1.15	–	–	–	–	–	13.33
Dec. 31, 2009	10.57	0.23	(0.13)	0.18	1.25	1.53	–	–	–	–	–	12.11
Series I												
June 30, 2014	**14.66**	**0.20**	**(0.03)**	**0.57**	**0.40**	**1.14**	**–**	**–**	**–**	**–**	**–**	**15.80**
Dec. 31, 2013	13.99	0.38	(0.06)	0.82	0.43	1.57	–	(0.31)	(0.60)	–	(0.91)	14.65
Dec. 31, 2012	13.38	0.43	(0.06)	0.35	0.34	1.06	–	(0.32)	(0.14)	–	(0.46)	13.99
Dec. 31, 2011	13.69	0.38	(0.05)	0.45	(1.00)	(0.22)	–	–	(0.08)	–	(0.08)	13.38
Dec. 31, 2010	12.34	0.39	(0.05)	0.68	0.26	1.28	–	–	–	–	–	13.69
Dec. 31, 2009	10.68	0.23	(0.04)	0.19	1.27	1.65	–	–	–	–	–	12.34
Series O												
June 30, 2014	**14.29**	**0.20**	**–**	**0.55**	**0.40**	**1.15**	**–**	**–**	**–**	**–**	**–**	**15.43**
Dec. 31, 2013	13.64	0.37	–	0.80	0.42	1.59	–	(0.35)	(0.59)	–	(0.94)	14.29
Dec. 31, 2012	13.07	0.42	–	0.34	0.33	1.09	–	(0.38)	(0.14)	–	(0.52)	13.64
Dec. 31, 2011	13.31	0.37	–	0.44	(0.97)	(0.16)	–	–	(0.08)	–	(0.08)	13.07
Dec. 31, 2010	11.96	0.38	–	0.66	0.25	1.29	–	–	–	–	–	13.31
Dec. 31, 2009	10.31	0.23	–	0.18	1.23	1.64	–	–	–	–	–	11.96

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From September 24, 2012.

† Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**13.77**	**6 608 984**	**479 860**	**2.32**	**2.32**	**64.92**	**0.11**
Dec. 31, 2013	12.90	6 610 494	512 529	2.36	2.36	70.00	0.11
Dec. 31, 2012	12.33	6 752 841	547 826	2.36	2.36	81.81	0.14
Dec. 31, 2011	11.81	7 064 510	598 340	2.35	2.35	102.06	0.18
Dec. 31, 2010	12.32	7 972 129	647 273	2.30	2.30	82.19	0.18
Dec. 31, 2009	11.32	7 790 340	688 208	2.25	2.25	83.17	0.20
Advisor Series							
June 30, 2014	**13.91**	**20 633**	**1 484**	**2.34**	**2.34**	**64.92**	**0.11**
Dec. 31, 2013	13.02	21 017	1 614	2.33	2.33	70.00	0.11
Dec. 31, 2012	12.44	20 696	1 664	2.29	2.29	81.81	0.14
Dec. 31, 2011	11.91	21 522	1 807	2.30	2.30	102.06	0.18
Dec. 31, 2010	12.42	23 894	1 924	2.25	2.25	82.19	0.18
Dec. 31, 2009	11.41	21 421	1 878	2.21	2.21	83.17	0.20

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series T5							
June 30, 2014	**13.00**	**384**	**30**	**2.29**	**2.29**	**64.92**	**0.11**
Dec. 31, 2013	12.47	192	15	2.36	2.36	70.00	0.11
Dec. 31, 2012[4]	12.35	7	1	2.38	2.38	81.81	0.14
Series T8							
June 30, 2014	**9.29**	**2 325**	**250**	**2.30**	**2.30**	**64.92**	**0.11**
Dec. 31, 2013	9.05	1 902	210	2.29	2.29	70.00	0.11
Dec. 31, 2012	8.98	2 199	245	2.28	2.28	81.81	0.14
Dec. 31, 2011	9.19	3 357	365	2.28	2.28	102.06	0.18
Dec. 31, 2010	10.44	3 608	345	2.24	2.24	82.19	0.18
Dec. 31, 2009	10.42	4 453	427	2.21	2.21	83.17	0.20
Series D							
June 30, 2014	**14.37**	**105 979**	**7 377**	**1.50**	**1.50**	**64.92**	**0.11**
Dec. 31, 2013	13.40	96 600	7 210	1.49	1.49	70.00	0.11
Dec. 31, 2012	12.81	90 052	7 031	1.49	1.49	81.81	0.14
Dec. 31, 2011	12.26	89 174	7 271	1.49	1.49	102.06	0.18
Dec. 31, 2010	12.68	97 169	7 663	1.45	1.45	82.19	0.18
Dec. 31, 2009	11.56	93 865	8 122	1.42	1.42	83.17	0.20
Series F							
June 30, 2014	**15.19**	**22 136**	**1 458**	**1.23**	**1.23**	**64.92**	**0.11**
Dec. 31, 2013	14.15	18 588	1 314	1.22	1.22	70.00	0.11
Dec. 31, 2012	13.51	16 114	1 193	1.23	1.23	81.81	0.14
Dec. 31, 2011	12.94	15 891	1 228	1.23	1.23	102.06	0.18
Dec. 31, 2010	13.34	13 852	1 038	1.19	1.19	82.19	0.18
Dec. 31, 2009	12.13	12 386	1 021	1.16	1.16	83.17	0.20
Series I							
June 30, 2014	**15.80**	**214 521**	**13 575**	**0.43**	**0.43**	**64.92**	**0.11**
Dec. 31, 2013	14.66	201 591	13 750	0.41	0.41	70.00	0.11
Dec. 31, 2012	14.00	184 478	13 175	0.42	0.42	81.81	0.14
Dec. 31, 2011	13.40	172 501	12 873	0.42	0.42	102.06	0.18
Dec. 31, 2010	13.70	175 555	12 813	0.40	0.40	82.19	0.18
Dec. 31, 2009	12.36	156 515	12 666	0.39	0.39	83.17	0.20
Series O							
June 30, 2014	**15.43**	**45 434**	**2 944**	**0.03**	**0.03**	**64.92**	**0.11**
Dec. 31, 2013	14.29	42 369	2 964	0.02	0.02	70.00	0.11
Dec. 31, 2012	13.65	39 008	2 858	0.03	0.03	81.81	0.14
Dec. 31, 2011	13.08	40 664	3 108	0.02	0.02	102.06	0.18
Dec. 31, 2010	13.33	44 960	3 374	0.02	0.02	82.19	0.18
Dec. 31, 2009	11.97	39 277	3 280	0.02	0.02	83.17	0.20

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From September 24, 2012.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	2.00%	50%	50%
Advisor Series	2.00%	50%	50%
Series T5	2.00%	50%	50%
Series T8	2.00%	50%	50%
Series D	1.25%	20%	80%
Series F	1.00%	–	100%
Series I	0.35%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

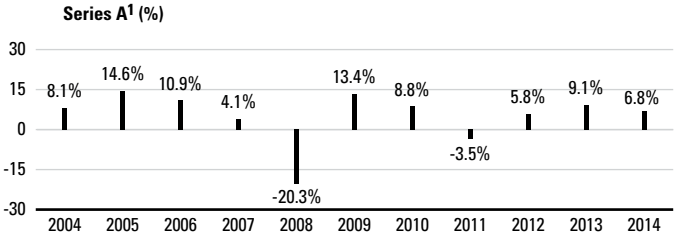
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

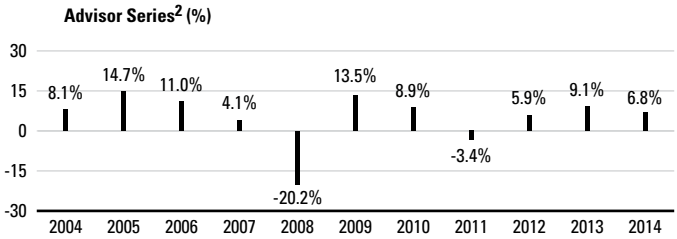
PAST PERFORMANCE

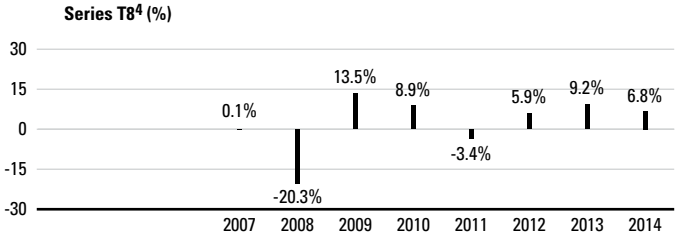
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

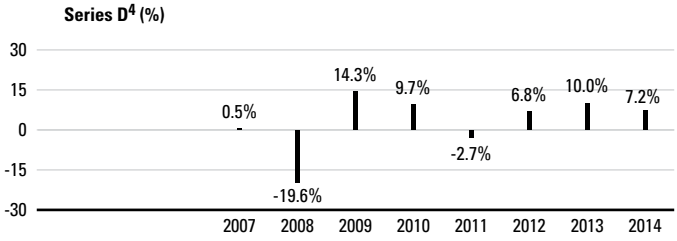
Year-by-Year Returns (%)

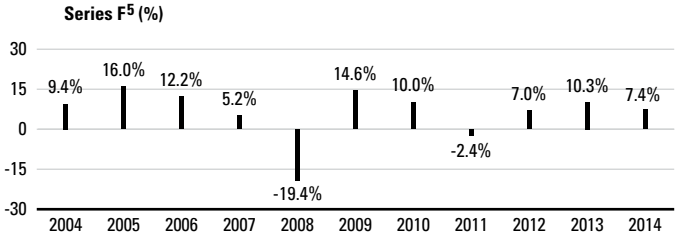
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

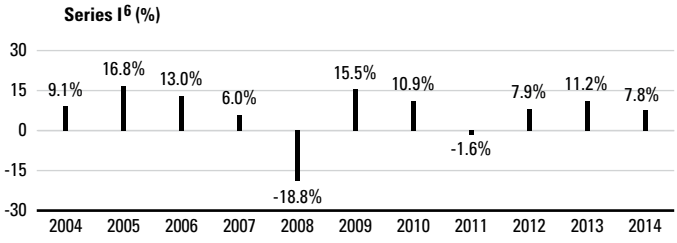




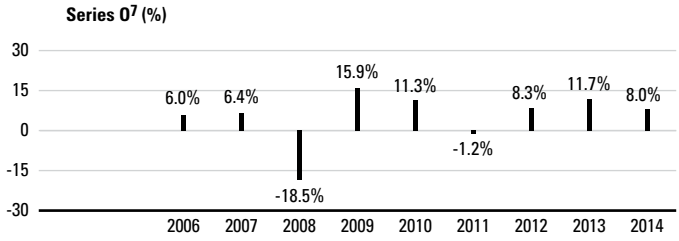








PAST PERFORMANCE (cont.)



1 Inception date December 31, 1987.
2 Inception date January 13, 2003.
3 Inception date September 24, 2012.
4 Inception date July 3, 2007.
5 Inception date August 13, 2001.
6 Inception date January 12, 2004.
7 Inception date September 5, 2006.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Canadian Bonds	36.7
Canadian Equities	36.0
International Equities	11.8
United States Equities	11.1
Foreign Bonds	0.1
Cash/Other	4.3

Top 25 Holdings

	% of Net Asset Value
RBC Emerging Markets Equity Fund	3.6
Cash & Cash Equivalents	2.9
RBC Canadian Small & Mid-Cap Resources Fund	2.6
Royal Bank of Canada	2.3
Toronto-Dominion Bank	2.0
Bank of Nova Scotia	1.9
Suncor Energy Inc.	1.7
Province of Ontario 3.150% Jun 2 22	1.7
Canadian National Railway Co.	1.4
Canadian Natural Resources Ltd.	1.3
Canada Housing Trust No. 1 3.350% Dec 15 20	1.3
Province of Ontario 2.100% Sep 8 18	1.2
Province of Ontario 2.850% Jun 2 23	1.2
Government of Canada 1.250% Sep 1 18	1.1
Province of Ontario 4.650% Jun 2 41	1.0
Manulife Financial Corporation	0.9
Government of Canada 1.750% Mar 1 19	0.9
Enbridge Inc.	0.9
Province of Manitoba 6.500% Sep 22 17	0.9
Province of Quebec 4.500% Dec 1 17	0.9
Bank of Montreal	0.8
Canada Housing Trust No. 1 1.850% Dec 15 16	0.8
Potash Corporation of Saskatchewan Inc.	0.8
Canadian Imperial Bank of Commerce	0.8
Province of Ontario 4.600% Jun 2 39	0.8
Top 25 Holdings	35.7

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

BALANCED FUND

RBC GLOBAL BALANCED FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England
(for the European equity portion of the Fund)

Sub-Advisor: RBC Investment Management (Asia) Limited, Hong Kong, China
(for the Asian equity portion of the Fund)

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund pursues long-term capital growth with a secondary focus on modest income. The Fund invests primarily in Canadian, U.S. and international equities and fixed-income securities. It may also invest in income trusts and may use derivatives.

The Fund uses a strategic asset-allocation approach that determines the appropriate asset mix with broad pre-established guidelines for each asset class, and adjusts the percentage of the Fund invested in each asset class as the market outlook changes.

The Fund's target weightings for each asset class are 45% for fixed income, 20% for Canadian equities, 20% for U.S. equities and 15% for international equities. The target weightings for each asset class may be adjusted based on changes in the market outlook for each asset class.

Results of Operations

The Fund's net asset value was $774 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 4.8%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Most global stock markets continued to move higher during the first six months of 2014 amid steady if sluggish global economic growth and assurances that the U.S. Federal Reserve (the "Fed") and most other major central banks would not move too quickly to boost benchmark interest rates. The European Central Bank (the "ECB") unveiled its most significant measures yet to encourage banks to lend, including the unusual step of charging banks on deposits, and also signalled the possibility of an asset-purchase program aimed at forcing down longer-term rates. Corporations, flush with cash and access to loans, continued to increase earnings in this "not-too-hot/not-too-cold" environment, buoying equity markets. Stock returns were broad-based, with all 10 global sectors generating gains. Shares in the Energy sector were major contributors as Middle East tensions pushed up prices for oil and natural gas.

Global bond yields moved steadily lower during the first half of the year as geopolitical tensions and slower-than-expected economic growth contributed to the attractiveness of fixed income. The overall fall in yields was masked by significant differences, as North American yields remained well above last year's historic lows, while European and Japanese yields were not too far off their lows. Also supporting bonds were central-bank purchases and investors seeking income in a near-zero interest rate environment.

The Fund's relative returns were held back by the underperformance of its U.S. and international stocks. The Fund carried an overweight position in equities and an underweight position in bonds during the first half of the year.

The Canadian dollar was weak against the majority of global currencies to start the year, and then recovered a bit. Much of the decline came after the Bank of Canada's new governor, Stephen Poloz, expressed dissatisfaction with the currency's strength in recent years. The Fund continued to hedge most of its currency fixed-income exposure, as well as a portion of the currency exposure related to its equity positions.

Recent Developments

The Fed and other central banks will likely keep short-term interest rates low for the intermediate term even as the Fed continues to scale back asset purchases aimed at stimulating economic growth following the financial crisis. The ECB programs will continue as the global economy remains sluggish.

In last year's review, the portfolio manager highlighted that a decline in global stock markets remains somewhat overdue in a historical context, but that it may not become apparent until deeper into 2014. That remains the view of the portfolio manager. Even with a relatively healthy corporate backdrop, risks centre on investor complacency, deflationary pressures in Europe and geopolitics. Bond yields in North America appear to be anchored for the time being, with deflationary concerns in Europe and supportive central banks offsetting any hints of a pick-up in U.S. inflation.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisors

RBC Global Asset Management (UK) Limited and RBC Investment Management (Asia) Limited are the sub-advisors and provide investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Series T5, Series T8 and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $32,000 (2013 – $32,000) or 7% (2013 – 7%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**14.02**	**0.16**	**(0.17)**	**0.53**	**0.14**	**0.66**	**–**	**–**	**–**	**–**	**–**	**14.69**
Dec. 31, 2013	12.42	0.31	(0.31)	0.99	0.60	1.59	–	–	–	–	–	14.02
Dec. 31, 2012	11.53	0.31	(0.28)	0.69	0.19	0.91	–	–	–	–	–	12.42
Dec. 31, 2011	11.96	0.32	(0.27)	0.03	(0.50)	(0.42)	–	–	–	–	–	11.53
Dec. 31, 2010	11.35	0.37	(0.26)	0.30	0.16	0.57	–	–	–	–	–	11.96
Dec. 31, 2009	10.32	0.54	(0.24)	(0.21)	0.93	1.02	–	–	–	–	–	11.35
Advisor Series												
June 30, 2014	**14.14**	**0.17**	**(0.17)**	**0.54**	**0.14**	**0.68**	**–**	**–**	**–**	**–**	**–**	**14.81**
Dec. 31, 2013	12.51	0.31	(0.30)	1.00	0.61	1.62	–	–	–	–	–	14.13
Dec. 31, 2012	11.60	0.31	(0.28)	0.69	0.19	0.91	–	–	–	–	–	12.51
Dec. 31, 2011	12.03	0.32	(0.26)	0.03	(0.51)	(0.42)	–	–	–	–	–	11.60
Dec. 31, 2010	11.40	0.38	(0.25)	0.30	0.16	0.59	–	–	–	–	–	12.03
Dec. 31, 2009	10.37	0.54	(0.24)	(0.21)	0.94	1.03	–	–	–	–	–	11.40
Series T5												
June 30, 2014	**13.20**	**0.15**	**(0.16)**	**0.49**	**0.13**	**0.61**	**(0.33)**	**–**	**–**	**–**	**(0.33)**	**13.49**
Dec. 31, 2013	12.27	0.30	(0.30)	0.96	0.58	1.54	–	–	–	(0.61)	(0.61)	13.20
Dec. 31, 2012[3]	12.22[†]	0.09	(0.08)	0.19	0.05	0.25	–	–	–	(0.15)	(0.15)	12.27
Series T8												
June 30, 2014	**9.07**	**0.10**	**(0.11)**	**0.34**	**0.09**	**0.42**	**(0.36)**	**–**	**–**	**–**	**(0.36)**	**9.13**
Dec. 31, 2013	8.68	0.21	(0.20)	0.67	0.41	1.09	–	–	–	(0.70)	(0.70)	9.07
Dec. 31, 2012	8.72	0.23	(0.20)	0.50	0.14	0.67	–	–	–	(0.70)	(0.70)	8.68
Dec. 31, 2011	9.83	0.26	(0.21)	0.03	(0.40)	(0.32)	–	–	–	(0.79)	(0.79)	8.72
Dec. 31, 2010	10.13	0.32	(0.22)	0.25	0.13	0.48	–	–	–	(0.81)	(0.81)	9.83
Dec. 31, 2009	10.00	0.50	(0.22)	(0.20)	0.87	0.95	–	–	–	(0.81)	(0.81)	10.13
Series D												
June 30, 2014	**14.78**	**0.17**	**(0.11)**	**0.56**	**0.15**	**0.77**	**–**	**–**	**–**	**–**	**–**	**15.55**
Dec. 31, 2013	12.98	0.33	(0.21)	1.04	0.63	1.79	–	–	–	–	–	14.77
Dec. 31, 2012	11.94	0.33	(0.18)	0.72	0.19	1.06	–	–	–	–	–	12.98
Dec. 31, 2011	12.28	0.33	(0.17)	0.03	(0.52)	(0.33)	–	–	–	–	–	11.94
Dec. 31, 2010	11.55	0.38	(0.17)	0.30	0.16	0.67	–	–	–	–	–	12.28
Dec. 31, 2009	10.42	0.54	(0.15)	(0.21)	0.94	1.12	–	–	–	–	–	11.55

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**15.78**	**0.19**	**(0.10)**	**0.60**	**0.16**	**0.85**	**–**	**–**	**–**	**–**	**–**	**16.63**
Dec. 31, 2013	13.82	0.35	(0.18)	1.11	0.67	1.95	–	–	–	–	–	15.77
Dec. 31, 2012	12.67	0.35	(0.16)	0.76	0.21	1.16	–	–	–	–	–	13.82
Dec. 31, 2011	13.00	0.35	(0.15)	0.03	(0.55)	(0.32)	–	–	–	–	–	12.67
Dec. 31, 2010	12.19	0.40	(0.14)	0.32	0.17	0.75	–	–	–	–	–	13.00
Dec. 31, 2009	10.91	0.57	(0.13)	(0.22)	0.99	1.21	–	–	–	–	–	12.19
Series O												
June 30, 2014	**15.83**	**0.19**	**–**	**0.60**	**0.16**	**0.95**	**–**	**–**	**–**	**–**	**–**	**16.77**
Dec. 31, 2013	13.70	0.35	–	1.11	0.67	2.13	–	–	–	–	–	15.82
Dec. 31, 2012	12.42	0.34	–	0.75	0.20	1.29	–	–	–	–	–	13.70
Dec. 31, 2011	12.59	0.35	–	0.03	(0.54)	(0.16)	–	–	–	–	–	12.42
Dec. 31, 2010	11.67	0.39	–	0.31	0.16	0.86	–	–	–	–	–	12.59
Dec. 31, 2009	10.38	0.55	–	(0.21)	0.95	1.29	–	–	–	–	–	11.67

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
[2] Distributions are reinvested in additional units of the Fund or paid in cash.
[3] From September 24, 2012.
† Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**14.69**	**747 462**	**50 874**	**2.38**	**2.38**	**93.58**	**0.14**
Dec. 31, 2013	14.02	754 204	53 778	2.37	2.37	92.31	0.13
Dec. 31, 2012	12.43	725 089	58 317	2.37	2.37	109.90	0.18
Dec. 31, 2011	11.54	764 214	66 211	2.37	2.37	115.23	0.23
Dec. 31, 2010	11.97	912 164	76 197	2.31	2.31	94.79	0.19
Dec. 31, 2009	11.35	966 240	85 098	2.26	2.26	83.45	0.19
Advisor Series							
June 30, 2014	**14.81**	**6 533**	**441**	**2.31**	**2.31**	**93.58**	**0.14**
Dec. 31, 2013	14.14	5 435	384	2.29	2.29	92.31	0.13
Dec. 31, 2012	12.52	4 672	373	2.29	2.29	109.90	0.18
Dec. 31, 2011	11.62	5 843	503	2.29	2.29	115.23	0.23
Dec. 31, 2010	12.04	7 087	589	2.25	2.25	94.79	0.19
Dec. 31, 2009	11.41	11 425	1 001	2.21	2.21	83.45	0.19
Series T5							
June 30, 2014	**13.49**	**44**	**3**	**2.38**	**2.38**	**93.58**	**0.14**
Dec. 31, 2013	13.20	120	9	2.37	2.37	92.31	0.13
Dec. 31, 2012[4]	12.28	11	1	2.39	2.39	109.90	0.18
Series T8							
June 30, 2014	**9.13**	**615**	**67**	**2.36**	**2.36**	**93.58**	**0.14**
Dec. 31, 2013	9.07	368	41	2.31	2.31	92.31	0.13
Dec. 31, 2012	8.69	239	28	2.33	2.33	109.90	0.18
Dec. 31, 2011	8.73	278	32	2.33	2.33	115.23	0.23
Dec. 31, 2010	9.84	276	28	2.26	2.26	94.79	0.19
Dec. 31, 2009	10.14	498	49	2.21	2.21	83.45	0.19

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series D							
June 30, 2014	**15.55**	**12 300**	**791**	**1.49**	**1.49**	**93.58**	**0.14**
Dec. 31, 2013	14.78	11 178	756	1.49	1.49	92.31	0.13
Dec. 31, 2012	12.99	9 377	722	1.50	1.50	109.90	0.18
Dec. 31, 2011	11.95	9 262	775	1.49	1.49	115.23	0.23
Dec. 31, 2010	12.29	10 358	843	1.45	1.45	94.79	0.19
Dec. 31, 2009	11.56	10 614	918	1.42	1.42	83.45	0.19
Series F							
June 30, 2014	**16.63**	**1 497**	**90**	**1.21**	**1.21**	**93.58**	**0.14**
Dec. 31, 2013	15.78	1 038	66	1.20	1.20	92.31	0.13
Dec. 31, 2012	13.83	990	72	1.21	1.21	109.90	0.18
Dec. 31, 2011	12.69	1 014	80	1.20	1.20	115.23	0.23
Dec. 31, 2010	13.01	1 377	106	1.18	1.18	94.79	0.19
Dec. 31, 2009	12.20	980	80	1.16	1.16	83.45	0.19
Series O							
June 30, 2014	**16.77**	**5 511**	**329**	**0.04**	**0.04**	**93.58**	**0.14**
Dec. 31, 2013	15.83	4 113	260	0.03	0.03	92.31	0.13
Dec. 31, 2012	13.71	2 504	183	0.03	0.03	109.90	0.18
Dec. 31, 2011	12.43	1 925	155	0.03	0.03	115.23	0.23
Dec. 31, 2010	12.60	1 197	95	0.02	0.02	94.79	0.19
Dec. 31, 2009	11.68	846	72	0.02	0.02	83.45	0.19

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From September 24, 2012.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	2.00%	50%	50%
Advisor Series	2.00%	50%	50%
Series T5	2.00%	50%	50%
Series T8	2.00%	50%	50%
Series D	1.25%	20%	80%
Series F	1.00%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

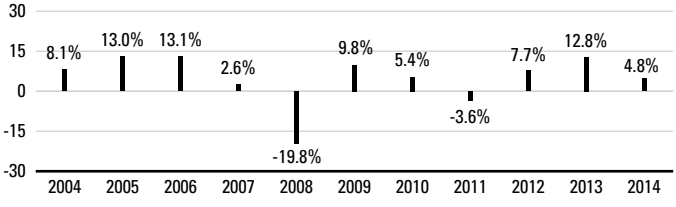
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

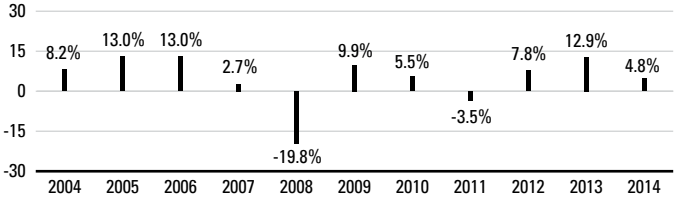
Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

Series A[1] (%)

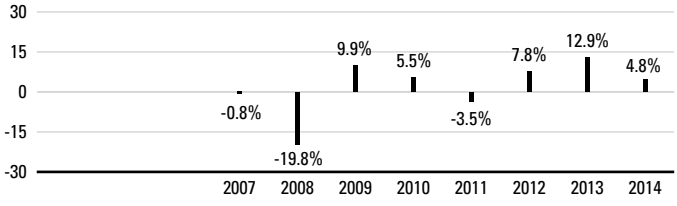


Advisor Series[2] (%)

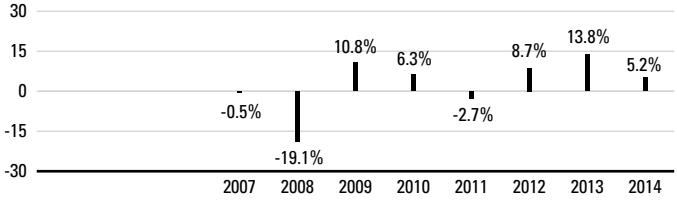


Series T5[3] (%)

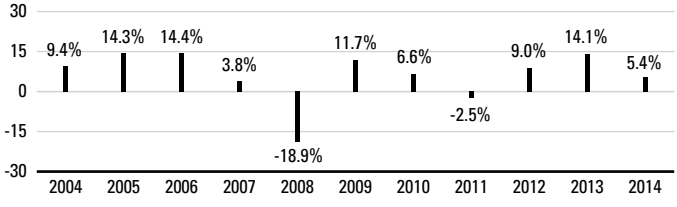
Series T8[4] (%)



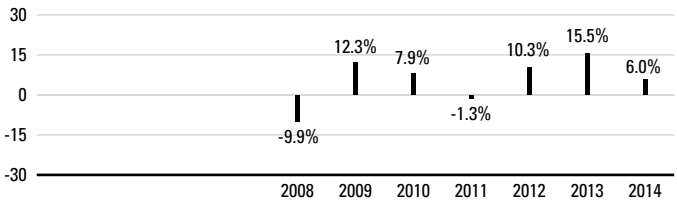
Series D[4] (%)



Series F[5] (%)



Series O[6] (%)



[1] Inception date April 20, 1998.
[2] Inception date January 13, 2003.
[3] Inception date September 24, 2012.
[4] Inception date July 3, 2007.
[5] Inception date August 13, 2001.
[6] Inception date September 22, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Canadian Equities	22.3
Foreign Bonds	21.2
United States Equities	20.5
International Equities	17.4
Canadian Bonds	15.6
Cash/Other	3.0

Top 25 Holdings

	% of Net Asset Value
RBC Emerging Markets Equity Fund	3.6
Royal Bank of Canada	1.3
Province of Ontario USD 1.100% Oct 25 17	1.2
Japan Government Twenty Year JPY 1.600% Jun 20 30	1.2
Toronto-Dominion Bank	1.2
RBC Canadian Small & Mid-Cap Resources Fund	1.1
United States Treasury 0.375% Nov 15 15	1.1
United States Treasury 0.875% Jan 31 17	1.0
Bank of Nova Scotia	1.0
United States Treasury 1.000% Sep 30 19	1.0
Suncor Energy Inc.	1.0
Canadian National Railway Co.	1.0
RBC U.S. Mid-Cap Equity Fund	0.9
Province of Ontario 3.150% Jun 2 22	0.9
RBC U.S. Mid-Cap Value Equity Fund	0.8
Apple Inc.	0.8
France O.A.T. EUR 0.250% Nov 25 15	0.8
Canadian Natural Resources Ltd.	0.8
Province of Ontario 1.900% Sep 8 17	0.7
Province of Ontario 4.700% Jun 2 37	0.7
Province of Quebec 4.500% Dec 1 17	0.6
United Kingdom Gilt GBP 4.250% Mar 7 36	0.6
Buoni Poliennali Del Tesoro EUR 5.000% Aug 1 39	0.6
Cash & Cash Equivalents	0.6
Buoni Poliennali Del Tesoro EUR 1.500% Dec 15 16	0.6
Top 25 Holdings	25.1

The Fund may use futures contracts as an asset substitution or to reduce interest-rate risk.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

BALANCED FUND

RBC JANTZI BALANCED FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England
(for the European equity portion of the Fund)

Sub-Advisor: RBC Investment Management (Asia) Limited, Hong Kong, China
(for the Asian equity portion of the Fund)

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund provides the potential for long-term capital growth, with a secondary focus on modest income, to investors seeking exposure to "socially responsible investing." Investments that qualify for inclusion in the portfolio must possess strong environmental, social and governance practices relative to industry peers, as defined by Sustainalytics Best-of-Sector™ methodology.

The Fund invests primarily in Canadian, U.S. and international equities and fixed-income securities.

The Fund's target weightings for each asset class are 45% for fixed income, 20% for Canadian equities, 20% for U.S. equities and 15% for international equities. The target weightings for each asset class may be adjusted based on changes in the market outlook for each asset class.

Results of Operations

The Fund's net asset value was $65 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 5.2%. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Most global stock markets continued to move higher during the first six months of 2014 amid steady if sluggish global economic growth and assurances that the U.S. Federal Reserve (the "Fed") and most other major central banks would not move too quickly to boost benchmark interest rates. The European Central Bank (the "ECB") unveiled its most significant measures yet to encourage banks to lend, including the unusual step of charging banks on deposits, and also signalled the possibility of an asset-purchase program aimed at forcing down longer-term rates. Corporations, flush with cash and access to loans, continued to increase earnings in this "not-too-hot/not-too-cold" environment, buoying equity markets. Stock returns were broad-based, with all 10 global sectors generating gains. Shares in the Energy sector were major contributors as Middle East tensions pushed up prices for oil and natural gas.

Global bond yields moved steadily lower during the first half of the year as geopolitical tensions and slower-than-expected economic growth contributed to the attractiveness of fixed income. The overall fall in yields was masked by significant differences, as North American yields remained well above last year's historic lows, while European and Japanese yields were not too far off their lows. Also supporting bonds were central-bank purchases and investors seeking income in a near-zero interest rate environment.

The Fund's performance was held back by its holdings of U.S. and international stocks. The Fund carried an overweight position in equities and an underweight position in bonds during the first half of 2014. Much of the decline came after the Bank of Canada's new governor, Stephen Poloz, expressed dissatisfaction with the currency's strength in recent years. The Canadian dollar started the year weak against most global currencies before recovering a bit.

The Fund continued to partially hedge its exposure to the U.S. dollar, in line with its suggested benchmark exposure.

Sustainalytics completed a semi-annual review of the holdings in the Fund. Eligibility for the RBC Jantzi Funds was determined in relation to the environmental, social and governance ("ESG") criteria developed by Sustainalytics for the Jantzi Social Index. In the opinion of Sustainalytics, all holdings in the Fund were eligible based on the above criteria as of June 30, 2014. However, during the first half of 2014, five companies were removed from the Fund as they no longer met certain ESG criteria.

Portfolio turnover was higher than usual because of a sub-advisor change.

Recent Developments

The Fed and other central banks will likely keep short-term interest rates low for the intermediate term even as the Fed continues to scale back asset purchases aimed at stimulating economic growth following the financial crisis. The ECB programs will continue as the global economy remains sluggish. Corporations, flush with access to cash and loans, continue to boost earnings in this environment, buoying equity markets.

In last year's review, the portfolio manager highlighted that a decline in global stock markets remains somewhat overdue in a historical context, but that it may not become apparent until deeper into 2014. That remains the view of the portfolio manager. Even with a relatively healthy corporate backdrop, risks centre on investor complacency, deflationary pressures in Europe and geopolitics. Bond yields in North America appear to be anchored for the time being, with deflationary concerns in Europe and supportive central banks offsetting any hints of a pickup in U.S. inflation.

™ Best-of-Sector is a trademark of Sustainalytics. Used under licence.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisors

RBC Global Asset Management (UK) Limited and RBC Investment Management (Asia) Limited are the sub-advisors and provide investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $4,000 (2013 – $1,000) or 10% (2013 – 8%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**11.03**	**0.14**	**(0.13)**	**0.48**	**0.08**	**0.57**	**–**	**–**	**–**	**–**	**–**	**11.60**
Dec. 31, 2013	9.64	0.27	(0.25)	0.55	0.94	1.51	–	–	(0.11)	–	(0.11)	11.03
Dec. 31, 2012	9.02	0.24	(0.22)	0.28	0.33	0.63	–	(0.01)	–	–	(0.01)	9.64
Dec. 31, 2011	9.18	0.23	(0.21)	0.14	(0.31)	(0.15)	–	–	–	–	–	9.02
Dec. 31, 2010	8.60	0.22	(0.20)	0.32	0.24	0.58	–	–	–	–	–	9.18
Dec. 31, 2009	7.99	0.22	(0.19)	(0.24)	0.92	0.71	–	(0.03)	–	–	(0.03)	8.60
Advisor Series												
June 30, 2014	**11.06**	**0.14**	**(0.13)**	**0.48**	**0.08**	**0.57**	**–**	**–**	**–**	**–**	**–**	**11.64**
Dec. 31, 2013	9.67	0.27	(0.24)	0.55	0.94	1.52	–	–	(0.11)	–	(0.11)	11.06
Dec. 31, 2012	9.04	0.24	(0.22)	0.28	0.33	0.63	–	(0.01)	–	–	(0.01)	9.67
Dec. 31, 2011	9.20	0.23	(0.20)	0.14	(0.32)	(0.15)	–	–	–	–	–	9.04
Dec. 31, 2010	8.62	0.22	(0.19)	0.32	0.25	0.60	–	–	–	–	–	9.20
Dec. 31, 2009	8.00	0.22	(0.18)	(0.24)	0.91	0.71	–	(0.03)	–	–	(0.03)	8.62
Series D												
June 30, 2014	**11.33**	**0.14**	**(0.09)**	**0.50**	**0.08**	**0.63**	**–**	**–**	**–**	**–**	**–**	**11.97**
Dec. 31, 2013	9.86	0.27	(0.16)	0.56	0.96	1.63	–	(0.05)	(0.11)	–	(0.16)	11.33
Dec. 31, 2012	9.21	0.24	(0.14)	0.29	0.34	0.73	–	(0.08)	–	–	(0.08)	9.86
Dec. 31, 2011	9.30	0.24	(0.13)	0.14	(0.32)	(0.07)	–	–	–	–	–	9.21
Dec. 31, 2010	8.64	0.22	(0.13)	0.32	0.25	0.66	–	–	–	–	–	9.30
Dec. 31, 2009	8.00	0.21	(0.12)	(0.24)	0.90	0.75	–	(0.07)	–	–	(0.07)	8.64
Series F												
June 30, 2014	**11.38**	**0.14**	**(0.07)**	**0.50**	**0.08**	**0.65**	**–**	**–**	**–**	**–**	**–**	**12.04**
Dec. 31, 2013	9.89	0.27	(0.13)	0.56	0.96	1.66	–	(0.07)	(0.11)	–	(0.18)	11.38
Dec. 31, 2012	9.24	0.25	(0.12)	0.29	0.34	0.76	–	(0.11)	–	–	(0.11)	9.89
Dec. 31, 2011	9.31	0.24	(0.11)	0.14	(0.32)	(0.05)	–	–	–	–	–	9.24
Dec. 31, 2010	8.62	0.22	(0.10)	0.33	0.25	0.70	–	–	–	–	–	9.31
Dec. 31, 2009	8.00	0.22	(0.09)	(0.25)	0.93	0.81	–	(0.10)	–	–	(0.10)	8.62
Series I												
June 30, 2014	**11.46**	**0.14**	**(0.05)**	**0.50**	**0.08**	**0.67**	**–**	**–**	**–**	**–**	**–**	**12.15**
Dec. 31, 2013	9.95	0.28	(0.09)	0.57	0.98	1.74	–	(0.09)	(0.11)	–	(0.20)	11.46
Dec. 31, 2012	9.30	0.25	(0.07)	0.29	0.34	0.81	–	(0.17)	–	–	(0.17)	9.95
Dec. 31, 2011	9.33	0.24	(0.07)	0.14	(0.32)	(0.01)	–	–	–	–	–	9.30
Dec. 31, 2010	8.60	0.22	(0.07)	0.33	0.25	0.73	–	–	–	–	–	9.33
Dec. 31, 2009	7.97	0.22	(0.07)	(0.25)	0.92	0.82	–	(0.11)	–	–	(0.11)	8.60

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**11.60**	**60 118**	**5 184**	**2.38**	**2.38**	**125.11**	**0.14**
Dec. 31, 2013	11.03	49 671	4 504	2.38	2.38	89.03	0.07
Dec. 31, 2012	9.65	35 102	3 639	2.38	2.38	103.40	0.11
Dec. 31, 2011	9.03	31 128	3 448	2.37	2.37	129.07	0.18
Dec. 31, 2010	9.19	31 833	3 464	2.33	2.33	88.96	0.13
Dec. 31, 2009	8.61	25 888	3 007	2.28	2.28	88.46	0.15
Advisor Series							
June 30, 2014	**11.64**	**2 150**	**185**	**2.31**	**2.31**	**125.11**	**0.14**
Dec. 31, 2013	11.06	1 912	173	2.33	2.33	89.03	0.07
Dec. 31, 2012	9.67	952	98	2.32	2.32	103.40	0.11
Dec. 31, 2011	9.05	1 032	114	2.34	2.34	129.07	0.18
Dec. 31, 2010	9.21	808	88	2.29	2.29	88.96	0.13
Dec. 31, 2009	8.62	822	95	2.23	2.23	88.46	0.15
Series D							
June 30, 2014	**11.97**	**1 523**	**127**	**1.50**	**1.50**	**125.11**	**0.14**
Dec. 31, 2013	11.33	1 360	120	1.51	1.51	89.03	0.07
Dec. 31, 2012	9.87	599	61	1.49	1.49	103.40	0.11
Dec. 31, 2011	9.22	451	49	1.52	1.52	129.07	0.18
Dec. 31, 2010	9.30	387	42	1.48	1.48	88.96	0.13
Dec. 31, 2009	8.64	163	19	1.44	1.44	88.46	0.15
Series F							
June 30, 2014	**12.04**	**729**	**61**	**1.24**	**1.24**	**125.11**	**0.14**
Dec. 31, 2013	11.38	481	42	1.25	1.25	89.03	0.07
Dec. 31, 2012	9.90	256	26	1.25	1.25	103.40	0.11
Dec. 31, 2011	9.25	198	21	1.25	1.25	129.07	0.18
Dec. 31, 2010	9.32	186	20	1.21	1.21	88.96	0.13
Dec. 31, 2009	8.63	158	18	1.18	1.18	88.46	0.15
Series I							
June 30, 2014	**12.15**	**1**	**–**	**0.86**	**0.86**	**125.11**	**0.14**
Dec. 31, 2013	11.46	1	–	0.87	0.87	89.03	0.07
Dec. 31, 2012	9.96	1	–	0.86	0.86	103.40	0.11
Dec. 31, 2011	9.32	1	–	0.86	0.86	129.07	0.18
Dec. 31, 2010	9.33	1	–	0.86	0.86	88.96	0.13
Dec. 31, 2009	8.61	1	–	0.83	0.83	88.46	0.15

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	2.00%	50%	50%
Advisor Series	2.00%	50%	50%
Series D	1.25%	20%	80%
Series F	1.00%	–	100%
Series I	0.80%	–	100%

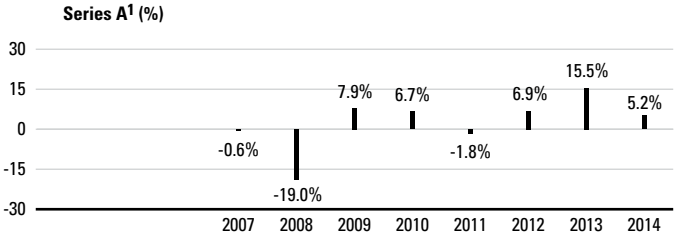
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

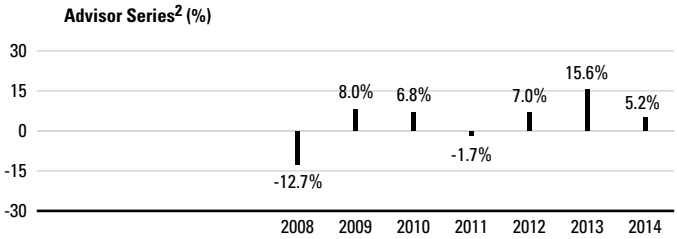
PAST PERFORMANCE

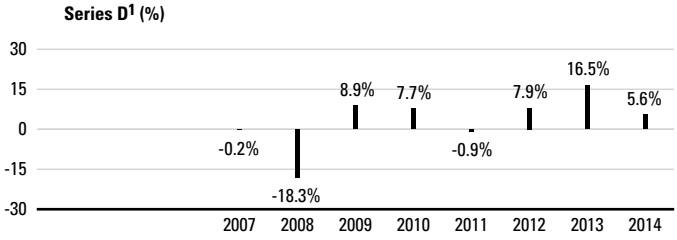
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

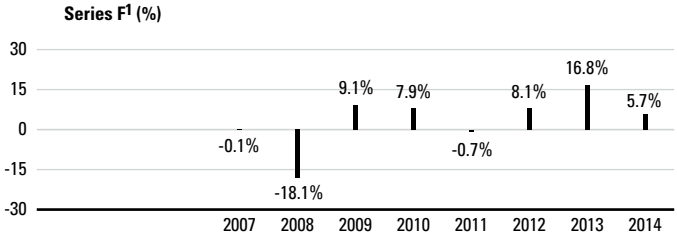
Year-by-Year Returns (%)

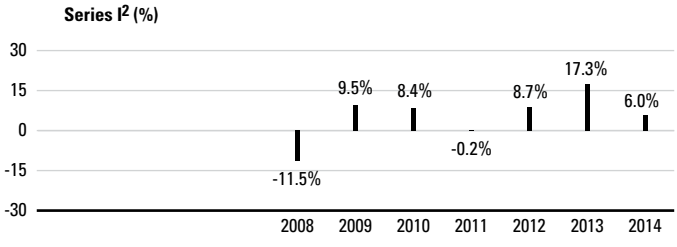
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











1 Inception date July 3, 2007.
2 Inception date January 21, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Canadian Equities	22.2
Foreign Bonds	22.2
United States Equities	22.2
International Equities	16.1
Canadian Bonds	13.7
Cash/Other	3.6

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	2.7
United States Treasury 0.375% Nov 15 15	2.4
United States Treasury 3.250% Dec 31 16	1.9
United States Treasury 1.000% Sep 30 19	1.4
Royal Bank of Canada	1.4
Toronto-Dominion Bank	1.2
Bank of Nova Scotia	1.1
Apple Inc.	1.1
Suncor Energy Inc.	0.9
Canadian National Railway Co.	0.9
Canadian Natural Resources Ltd.	0.9
Province of Ontario 2.100% Sep 8 18	0.9
Japan Government Twenty Year JPY 1.600% Jun 20 30	0.9
United Kingdom Gilt GBP 1.750% Jan 22 17	0.8
Province of Ontario 1.900% Sep 8 17	0.8
Province of Ontario 3.150% Jun 2 22	0.8
Bank of Montreal	0.7
United States Treasury 0.875% Jan 31 17	0.7
Wells Fargo & Company	0.7
Bundesrepublik Deutschland EUR 1.500% Sep 4 22	0.7
Buoni Poliennali Del Tesoro EUR 1.500% Dec 15 16	0.7
United States Treasury 2.250% Jul 31 18	0.7
Microsoft Corp.	0.6
France O.A.T. EUR 0.250% Nov 25 15	0.6
Roche Holdings AG Genusscheine	0.6
Top 25 Holdings	26.1

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

BALANCED FUND

RBC BALANCED GROWTH & INCOME FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide a combination of capital growth and modest income by investing primarily in a diversified portfolio of income-producing equity and fixed-income securities from anywhere around the world either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate. The Fund may invest in emerging-market equity securities and emerging-market government and corporate bonds.

The Fund's target weightings for each asset class are 40% for fixed-income and 60% for equities. The target weightings for each class may be adjusted based on changes in the market outlook for each asset class.

Results of Operations

The Fund was launched on August 12, 2013, and its net asset value was $487 million as of June 30, 2014. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

The portfolio manager continues to subscribe to an economic-normalization thesis, with the revival of risk appetite in 2013 and the abatement of fiscal austerity in 2014 enabling materially faster growth for the rest of this year and beyond. Bond yields should gradually rise as the economy continues to normalize. The Fund has maintained below-benchmark exposure to fixed income, recognizing that rising bond yields will likely lead to low total returns. As the recovery gains traction, higher growth should translate into expanding sales and earnings, supporting the stock market's next move higher. The portfolio manager anticipates that returns for equities will be lower given current valuations. However, expectations that stocks will continue to outperform bonds means that the Fund's asset mix remains tilted toward equities.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $21,000 or 10% of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.62**	**0.21**	**(0.11)**	**0.13**	**0.51**	**0.74**	**(0.07)**	**–**	**–**	**–**	**(0.07)**	**11.30**
Dec. 31, 2013[3]	10.00†	0.20	(0.09)	0.04	0.63	0.78	(0.05)	(0.02)	(0.03)	–	(0.10)	10.62
Advisor Series												
June 30, 2014	**10.62**	**0.21**	**(0.11)**	**0.13**	**0.51**	**0.74**	**(0.07)**	**–**	**–**	**–**	**(0.07)**	**11.30**
Dec. 31, 2013[3]	10.00†	0.20	(0.09)	0.04	0.63	0.78	(0.04)	(0.02)	(0.03)	–	(0.09)	10.62
Advisor T5 Series												
June 30, 2014	**10.51**	**0.21**	**(0.11)**	**0.13**	**0.50**	**0.73**	**(0.26)**	**–**	**–**	**–**	**(0.26)**	**10.98**
Dec. 31, 2013[3]	10.00†	0.20	(0.09)	0.04	0.63	0.78	(0.05)	(0.03)	(0.04)	(0.09)	(0.21)	10.51
Series T5												
June 30, 2014	**10.50**	**0.21**	**(0.11)**	**0.13**	**0.50**	**0.73**	**(0.26)**	**–**	**–**	**–**	**(0.26)**	**10.97**
Dec. 31, 2013[3]	10.00†	0.20	(0.09)	0.04	0.63	0.78	(0.06)	(0.03)	(0.04)	(0.08)	(0.21)	10.50
Series H												
June 30, 2014	**10.61**	**0.21**	**(0.10)**	**0.13**	**0.51**	**0.75**	**(0.08)**	**–**	**–**	**–**	**(0.08)**	**11.29**
Dec. 31, 2013[3]	10.00†	0.20	(0.08)	0.04	0.63	0.79	(0.05)	(0.03)	(0.03)	–	(0.11)	10.61
Series D												
June 30, 2014	**10.63**	**0.21**	**(0.07)**	**0.13**	**0.51**	**0.78**	**(0.11)**	**–**	**–**	**–**	**(0.11)**	**11.31**
Dec. 31, 2013[3]	10.00†	0.20	(0.05)	0.03	0.63	0.81	(0.06)	(0.03)	(0.03)	–	(0.12)	10.63
Series F												
June 30, 2014	**10.65**	**0.21**	**(0.05)**	**0.13**	**0.51**	**0.80**	**(0.12)**	**–**	**–**	**–**	**(0.12)**	**11.34**
Dec. 31, 2013[3]	10.00†	0.20	(0.04)	0.04	0.63	0.83	(0.06)	(0.03)	(0.03)	–	(0.12)	10.64
Series FT5												
June 30, 2014	**10.55**	**0.21**	**(0.05)**	**0.13**	**0.52**	**0.81**	**(0.26)**	**–**	**–**	**–**	**(0.26)**	**11.08**
Dec. 31, 2013[3]	10.00†	0.20	(0.04)	0.04	0.63	0.83	(0.08)	(0.04)	(0.03)	(0.06)	(0.21)	10.55
Series I												
June 30, 2014	**10.64**	**0.22**	**(0.04)**	**0.14**	**0.53**	**0.85**	**(0.14)**	**–**	**–**	**–**	**(0.14)**	**11.31**
Dec. 31, 2013[3]	10.00†	0.20	(0.03)	0.04	0.63	0.84	(0.07)	(0.03)	(0.03)	–	(0.13)	10.64
Series O												
June 30, 2014	**10.59**	**0.25**	**–**	**0.16**	**0.61**	**1.02**	**(0.57)**	**–**	**–**	**–**	**(0.57)**	**10.87**
Dec. 31, 2013[3]	10.00†	0.20	–	0.04	0.63	0.87	(0.11)	(0.06)	(0.03)	–	(0.20)	10.59

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From August 12, 2013.

† Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**11.30**	**197 426**	**17 477**	**2.09**	**2.09**	**57.95**	**0.20**
Dec. 31, 2013[4]	10.62	77 723	7 320	2.14	2.14	16.54	0.12
Advisor Series							
June 30, 2014	**11.30**	**151 237**	**13 385**	**2.08**	**2.08**	**57.95**	**0.20**
Dec. 31, 2013[4]	10.62	61 998	5 838	2.14	2.14	16.54	0.12
Advisor T5 Series							
June 30, 2014	**10.98**	**30 302**	**2 760**	**2.08**	**2.08**	**57.95**	**0.20**
Dec. 31, 2013[4]	10.51	12 961	1 233	2.14	2.14	16.54	0.12
Series T5							
June 30, 2014	**10.97**	**7 818**	**713**	**2.10**	**2.10**	**57.95**	**0.20**
Dec. 31, 2013[4]	10.50	2 977	283	2.14	2.14	16.54	0.12
Series H							
June 30, 2014	**11.29**	**30 217**	**2 677**	**1.87**	**1.87**	**57.95**	**0.20**
Dec. 31, 2013[4]	10.61	11 609	1 094	1.97	1.97	16.54	0.12
Series D							
June 30, 2014	**11.31**	**7 017**	**620**	**1.24**	**1.24**	**57.95**	**0.20**
Dec. 31, 2013[4]	10.63	3 076	289	1.29	1.29	16.54	0.12
Series F							
June 30, 2014	**11.34**	**44 735**	**3 945**	**0.98**	**0.98**	**57.95**	**0.20**
Dec. 31, 2013[4]	10.65	14 876	1 397	1.01	1.01	16.54	0.12
Series FT5							
June 30, 2014	**11.08**	**7 974**	**720**	**1.01**	**1.01**	**57.95**	**0.20**
Dec. 31, 2013[4]	10.55	5 044	478	1.01	1.01	16.54	0.12
Series I							
June 30, 2014	**11.31**	**10 179**	**900**	**0.82**	**0.82**	**57.95**	**0.20**
Dec. 31, 2013[4]	10.64	6 425	604	0.84	0.84	16.54	0.12
Series O							
June 30, 2014	**10.87**	**1**	**–**	**0.07**	**0.07**	**57.95**	**0.20**
Dec. 31, 2013[4]	10.59	16	1	0.07	0.07	16.54	0.12

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From August 12, 2013.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.75%	57%	43%
Advisor Series	1.75%	57%	43%
Advisor T5 Series	1.75%	57%	43%
Series T5	1.75%	57%	43%
Series H	1.60%	63%	37%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%
Series FT5	0.75%	–	100%
Series I	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

Investment performance in respect of a fund that has been available for less than one year is not provided. Series A, Advisor Series, Advisor T5 Series, Series T5, Series H, Series D, Series F, Series FT5, Series I and Series O units of this Fund were launched on August 12, 2013.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Income Funds	45.2
Financials	13.1
Energy	11.6
Industrials	5.5
Other Sectors	4.1
Materials	3.8
Information Technology	3.6
Consumer Discretionary	3.6
Utilities	3.5
Health Care	3.3
Cash/Other	2.7

Top 25 Holdings

	% of Net Asset Value
Phillips, Hager & North Total Return Bond Fund	12.6
RBC Emerging Markets Dividend Fund	11.5
RBC Global Corporate Bond Fund	8.4
RBC Global High Yield Bond Fund	6.3
BlueBay Global Monthly Income Bond Fund	6.3
Cash & Cash Equivalents	2.8
Royal Bank of Canada	1.6
Bank of Nova Scotia	1.3
Toronto-Dominion Bank	1.0
Enbridge Inc.	0.9
Apple Inc.	0.9
Manulife Financial Corporation	0.8
TransCanada Corp.	0.8
Teck Resources Ltd., Class B	0.7
Bank of Montreal	0.7
Canadian National Railway Co.	0.6
Agrium Inc.	0.6
Suncor Energy Inc.	0.6
Microsoft Corp.	0.6
Loblaw Companies Ltd.	0.5
Exxon Mobil Corp.	0.5
JPMorgan Chase & Co.	0.5
Wells Fargo & Company	0.5
ConocoPhillips	0.5
Canadian Natural Resources Ltd.	0.5
Top 25 Holdings	62.0

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

PORTFOLIO SOLUTION

RBC SELECT VERY CONSERVATIVE PORTFOLIO

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund is a strategic asset allocation fund, which focuses on providing income and the potential for modest capital growth. The Fund maintains a balance of investments across several asset classes by investing in funds managed by RBC GAM or an affiliate.

The Fund's target weightings for each asset class are 80% fixed income, 10% Canadian equities, 5% U.S. equities and 5% international equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting for the fixed-income asset class, and no more than 10% above or below the target weighting for the equities asset classes.

Results of Operations

The Fund's net asset value was $7.1 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 4.0%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Led by North America and other developed markets, the global economy has continued to gain traction. While some risks have faded, such as the threat of deflation, geopolitical risks have mounted and emerging-market credit excesses remain largely unaddressed. Equity markets recorded more modest returns in the first half of 2014, following last year's significant gains in developed markets, and global bond markets rallied. Speculation abounded that the U.S. Federal Reserve (the "Fed") was drawing closer to raising short-term interest rates, leading to a greater degree of comfort that the economy is indeed improving and the global financial crisis is finally behind us.

As the first half of 2014 came to a close, the major central banks had diverging views on the path for monetary policy. Some countries such as the U.K. and the U.S. will look to tighten monetary policy in the next year. However, in the Eurozone and Japan, the course of monetary policy continues to be towards more, rather than less, stimulus in an effort to boost inflation and economic growth.

The Fund's overweight allocation to equities and underweight position in bonds had a positive effect on overall performance. U.S. bond yields started 2014 near their highest levels in almost three years after signs the Fed would begin scaling back measures aimed at helping the economy recover from the financial crisis. Since then, yields have trended lower, held down by demand for the relative safety of Treasuries amid geopolitical risks and concerns about the tepid pace of U.S. economic growth. Also holding down yields was demand for fixed income from pension funds and bank demand for government bonds fulfilling new regulatory changes. The Phillips, Hager & North Bond Fund, the RBC Bond Fund and the RBC Global Bond Fund had a positive impact on returns.

Stock indexes continued their trend higher, but with far less enthusiasm than in 2013. Canada's S&P/TSX Composite Index outpaced most other developed-market indexes during the first half of 2014, including the S&P 500. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged in recent years. U.S. stocks rose amid continued earnings growth and low interest rates. After a strong start to the year, Eurozone equities dropped in February on concern that deflation was starting to take root. This prompted the European Central Bank to hint that it would take steps to bolster asset prices, and these measures were delivered in June. Asian markets remained fairly volatile over the period, particularly Japan and China, which were weak in the first quarter but bounced back in the subsequent three months. The RBC Canadian Dividend Fund, the RBC U.S. Equity Fund and the RBC European Equity Fund had a positive impact on returns.

Recent Developments

The portfolio manager continues to subscribe to an economic-normalization thesis, with the revival of risk appetite in 2013 and the abatement of fiscal austerity in 2014 enabling materially faster growth for the rest of this year and beyond. Bond yields should gradually rise as the economy continues to normalize. The Fund has maintained below-benchmark exposure to fixed income, recognizing that rising bond yields will likely lead to low total returns. As the recovery gains traction, higher growth should translate into expanding sales and earnings, supporting the stock market's next move higher. The portfolio manager anticipates that returns for equities will be lower given current valuations. However, expectations that stocks will continue to outperform bonds means that the Fund's asset mix remains tilted toward equities.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series T5 units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank and RBC IS are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**11.83**	**0.17**	**(0.10)**	**0.11**	**0.28**	**0.46**	**(0.05)**	**–**	**–**	**–**	**(0.05)**	**12.25**
Dec. 31, 2013	11.52	0.36	(0.20)	0.18	0.23	0.57	(0.10)	(0.06)	(0.11)	–	(0.27)	11.83
Dec. 31, 2012	11.27	0.36	(0.19)	0.14	0.18	0.49	(0.10)	(0.07)	(0.08)	–	(0.25)	11.52
Dec. 31, 2011	11.21	0.38	(0.18)	0.08	0.03	0.31	(0.17)	–	(0.05)	–	(0.22)	11.27
Dec. 31, 2010	10.89	0.40	(0.17)	0.14	0.26	0.63	(0.12)	(0.06)	(0.06)	–	(0.24)	11.21
Dec. 31, 2009[3]	10.00†	0.45	(0.14)	0.10	0.41	0.82	(0.21)	(0.08)	–	–	(0.29)	10.89
Advisor Series												
June 30, 2014	**11.87**	**0.17**	**(0.10)**	**0.11**	**0.28**	**0.46**	**(0.05)**	**–**	**–**	**–**	**(0.05)**	**12.29**
Dec. 31, 2013	11.54	0.35	(0.20)	0.18	0.23	0.56	(0.08)	(0.05)	(0.11)	–	(0.24)	11.87
Dec. 31, 2012	11.28	0.37	(0.19)	0.14	0.19	0.51	(0.10)	(0.07)	(0.08)	–	(0.25)	11.54
Dec. 31, 2011	11.23	0.38	(0.18)	0.08	0.03	0.31	(0.18)	–	(0.05)	–	(0.23)	11.28
Dec. 31, 2010	10.91	0.39	(0.18)	0.13	0.25	0.59	(0.12)	(0.06)	(0.06)	–	(0.24)	11.23
Dec. 31, 2009[3]	10.00†	0.51	(0.15)	0.11	0.46	0.93	(0.20)	(0.08)	–	–	(0.28)	10.91
Series T5												
June 30, 2014	**11.56**	**0.17**	**(0.10)**	**0.10**	**0.27**	**0.44**	**(0.29)**	**–**	**–**	**–**	**(0.29)**	**11.73**
Dec. 31, 2013	11.57	0.34	(0.19)	0.17	0.22	0.54	(0.09)	(0.05)	(0.13)	(0.31)	(0.58)	11.55
Dec. 31, 2012[4]	11.60†	0.08	(0.05)	0.03	0.04	0.10	(0.02)	–	(0.10)	(0.02)	(0.14)	11.57
Series F												
June 30, 2014	**11.90**	**0.17**	**(0.04)**	**0.11**	**0.28**	**0.52**	**(0.10)**	**–**	**–**	**–**	**(0.10)**	**12.34**
Dec. 31, 2013	11.55	0.35	(0.08)	0.17	0.23	0.67	(0.14)	(0.08)	(0.11)	–	(0.33)	11.90
Dec. 31, 2012	11.28	0.36	(0.08)	0.14	0.18	0.60	(0.15)	(0.11)	(0.08)	–	(0.34)	11.55
Dec. 31, 2011	11.19	0.37	(0.08)	0.07	0.03	0.39	(0.25)	–	(0.05)	–	(0.30)	11.28
Dec. 31, 2010	10.82	0.37	(0.07)	0.13	0.24	0.67	(0.15)	(0.08)	(0.06)	–	(0.29)	11.19
Dec. 31, 2009[3]	10.00†	0.58	(0.06)	0.36	0.46	1.34	(0.31)	(0.12)	–	–	(0.43)	10.82
Series O												
June 30, 2014[5]	**10.00**	**0.10**	**–**	**0.06**	**0.17**	**0.33**	**(0.12)**	**–**	**–**	**–**	**(0.12)**	**10.09**

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From March 9, 2009.

[4] From September 24, 2012.

[5] From February 24, 2014.

† Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**12.25**	**6 879 523**	**561 818**	**1.68**	**1.68**	**11.71**	**0.05**
Dec. 31, 2013	11.83	5 841 347	493 870	1.69	1.69	13.48	0.04
Dec. 31, 2012	11.52	4 497 108	390 215	1.68	1.68	6.21	0.06
Dec. 31, 2011	11.27	3 042 485	269 964	1.68	1.68	11.24	0.08
Dec. 31, 2010	11.21	1 755 419	156 577	1.65	1.65	13.99	0.08
Dec. 31, 2009[4]	10.89	561 671	51 573	1.60	1.60	3.66	0.10
Advisor Series							
June 30, 2014	**12.29**	**33 741**	**2 745**	**1.71**	**1.71**	**11.71**	**0.05**
Dec. 31, 2013	11.87	20 520	1 729	1.70	1.70	13.48	0.04
Dec. 31, 2012	11.54	9 485	822	1.64	1.64	6.21	0.06
Dec. 31, 2011	11.28	7 468	662	1.68	1.68	11.24	0.08
Dec. 31, 2010	11.23	5 259	468	1.65	1.65	13.99	0.08
Dec. 31, 2009[4]	10.91	1 587	146	1.60	1.60	3.66	0.10
Series T5							
June 30, 2014	**11.73**	**100 014**	**8 530**	**1.68**	**1.68**	**11.71**	**0.05**
Dec. 31, 2013	11.56	65 990	5 711	1.69	1.69	13.48	0.04
Dec. 31, 2012[5]	11.57	14 609	1 263	1.72	1.72	6.21	0.06
Series F							
June 30, 2014	**12.34**	**46 718**	**3 785**	**0.74**	**0.74**	**11.71**	**0.05**
Dec. 31, 2013	11.90	20 194	1 696	0.74	0.74	13.48	0.04
Dec. 31, 2012	11.55	6 573	569	0.75	0.75	6.21	0.06
Dec. 31, 2011	11.28	2 966	263	0.75	0.75	11.24	0.08
Dec. 31, 2010	11.19	903	81	0.73	0.73	13.99	0.08
Dec. 31, 2009[4]	10.82	43	4	0.70	0.70	3.66	0.10
Series O							
June 30, 2014[6]	**10.09**	**1**	**–**	**0.05**	**0.05**	**11.71**	**0.05**

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From March 9, 2009.

[5] From September 24, 2012.

[6] From February 24, 2014.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee payable in respect of each series of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the GST/HST was not included in the Specified Percentage prior to July 1, 2010, the MER is higher than the Specified Percentage by the additional cost of the GST/HST.

The MER paid by each series of the Fund is calculated at the applicable annual Specified Percentage of the daily net asset value of each series of the Fund, plus the additional cost of the GST/HST as of July 1, 2010. The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees*	Distribution	Other†
Series A	1.45%	52%	48%
Advisor Series	1.45%	52%	48%
Series T5	1.45%	52%	48%
Series F	0.59%	–	100%

* Management fees represent the actual average management fee rate for the period ended June 30, 2014.

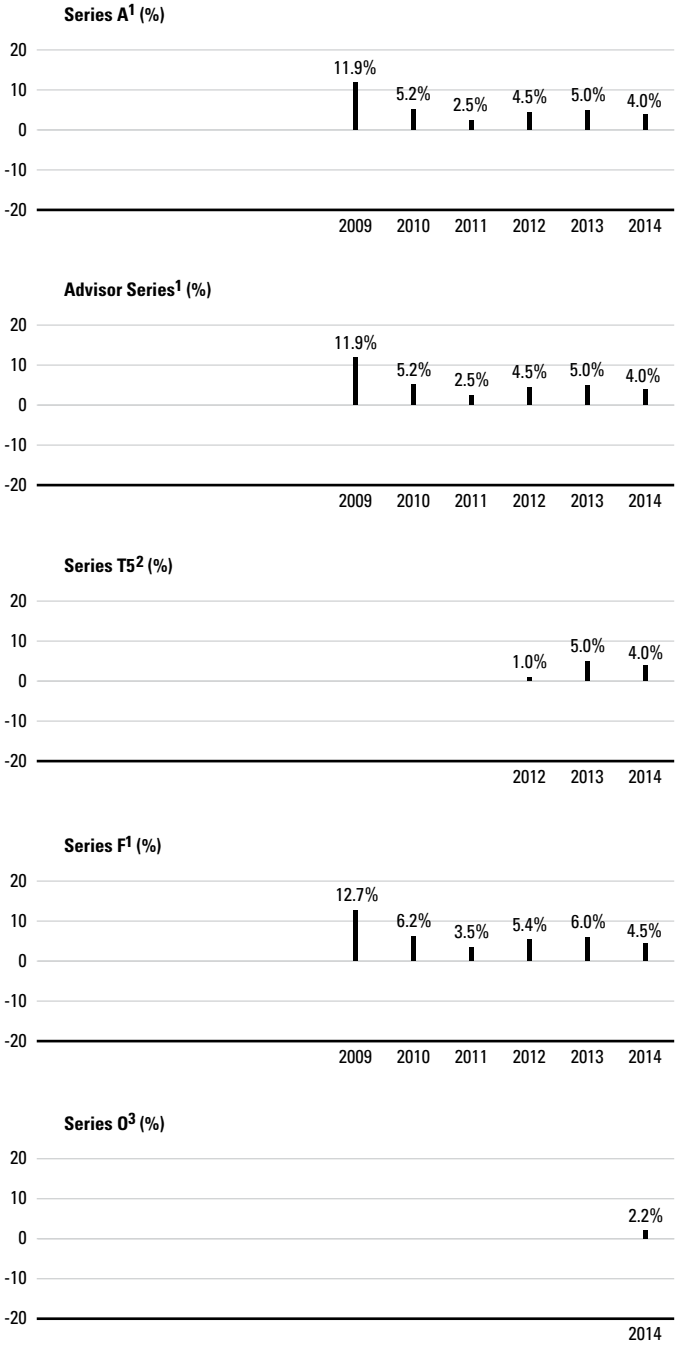
† Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.



[1] Inception date March 9, 2009.
[2] Inception date September 24, 2012.
[3] Inception date February 24, 2014.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Income Funds	74.2
Canadian Equity Funds	11.8
International Equity Funds	6.5
U. S. Equity Funds	5.5
Cash/Other	2.0

Top 25 Holdings*

	% of Net Asset Value
Phillips, Hager & North Bond Fund	24.4
RBC Bond Fund	12.7
RBC Canadian Short-Term Income Fund	12.2
Phillips, Hager & North Short Term Bond & Mortgage Fund	12.2
RBC Global Bond Fund	11.7
RBC Canadian Dividend Fund	7.0
RBC European Equity Fund	4.1
RBC U.S. Equity Fund	4.0
Phillips, Hager & North Canadian Equity Underlying Fund	2.4
RBC Canadian Equity Fund	2.1
Cash & Cash Equivalents	2.0
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	1.5
RBC Global Equity Fund	1.2
RBC Canadian Money Market Fund	1.0
RBC Asia Pacific ex-Japan Equity Fund	0.7
RBC Japanese Equity Fund	0.5
RBC Private Canadian Equity Pool	0.3
Total	100.0

* The Fund holds fewer than 25 holdings.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying funds are available on SEDAR website at www.sedar.com.

PORTFOLIO SOLUTION

RBC SELECT CONSERVATIVE PORTFOLIO

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund is a strategic asset allocation fund, which focuses on providing income and the potential for moderate capital growth. The Fund maintains a balance of investments across several asset classes by investing in other funds managed by RBC GAM or an affiliate.

The Fund's target weightings for each asset class are 65% fixed income, 15% Canadian equities, 10% U.S. equities and 10% international equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting for the fixed-income asset class, and no more than 10% above or below the target weighting for the equities asset classes.

Results of Operations

The Fund's net asset value was $15.4 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 4.7%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Led by North America and other developed markets, the global economy has continued to gain traction. While some risks have faded, such as the threat of deflation, geopolitical risks have mounted and emerging-market credit excesses remain largely unaddressed. Equity markets recorded more modest returns in the first half of 2014, following last year's significant gains in developed markets, and global bond markets rallied. Speculation abounded that the U.S. Federal Reserve (the "Fed") was drawing closer to raising short-term interest rates, leading to a greater degree of comfort that the economy is indeed improving and the global financial crisis is finally behind us.

As the first half of 2014 came to a close, the major central banks had diverging views on the path for monetary policy. Some countries such as the U.K. and the U.S. will look to tighten monetary policy in the next year. However, in the Eurozone and Japan, the course of monetary policy continues to be towards more, rather than less, stimulus in an effort to boost inflation and economic growth.

The Fund's overweight allocation to equities and underweight position in bonds had a positive effect on overall performance. U.S. bond yields started 2014 near their highest levels in almost three years after signs the Fed would begin scaling back measures aimed at helping the economy recover from the financial crisis. Since then, yields have trended lower, held down by demand for the relative safety of Treasuries amid geopolitical risks and concerns about the tepid pace of U.S. economic growth. Also holding down yields was demand for fixed income from pension funds and bank demand for government bonds fulfilling new regulatory changes. The RBC Bond Fund and the Phillips, Hager & North Bond Fund had a positive impact on the portfolio's performance.

Stock indexes continued their trend higher, but with far less enthusiasm than in 2013. Canada's S&P/TSX Composite Index outpaced most other developed-market indexes during the first half of 2014, including the S&P 500. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged in recent years. U.S. stocks rose amid continued earnings growth and low interest rates. After a strong start to the year, Eurozone equities dropped in February on concern that deflation was starting to take root. This prompted the European Central Bank to hint that it would take steps to bolster asset prices, and these measures were delivered in June. Asian markets remained fairly volatile over the period, particularly Japan and China, which were weak in the first quarter but bounced back in the subsequent three months. The RBC Canadian Dividend Fund, the RBC U.S. Equity Fund and the RBC European Equity Fund contributed to performance.

Recent Developments

The portfolio manager continues to subscribe to an economic-normalization thesis, with the revival of risk appetite in 2013 and the abatement of fiscal austerity in 2014 enabling materially faster growth for the rest of this year and beyond. Bond yields should gradually rise as the economy continues to normalize. The Fund has maintained below-benchmark exposure to fixed income, recognizing that rising bond yields will likely lead to low total returns. As the recovery gains traction, higher growth should translate into expanding sales and earnings, supporting the stock market's next move higher. The portfolio manager anticipates that returns for equities will be lower given current valuations. However, expectations that stocks will continue to outperform bonds means that the Fund's asset mix remains tilted toward equities.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series T5 units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank and RBC IS are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**20.06**	**0.26**	**(0.19)**	**0.25**	**0.61**	**0.93**	**(0.05)**	**–**	**–**	**–**	**(0.05)**	**20.96**
Dec. 31, 2013	18.81	0.58	(0.36)	0.37	1.10	1.69	(0.05)	(0.17)	(0.22)	–	(0.44)	20.06
Dec. 31, 2012	18.07	0.57	(0.33)	0.22	0.62	1.08	(0.04)	(0.18)	(0.13)	–	(0.35)	18.81
Dec. 31, 2011	18.31	0.55	(0.32)	0.13	(0.25)	0.11	(0.20)	–	(0.15)	–	(0.35)	18.07
Dec. 31, 2010	17.71	0.58	(0.31)	0.21	0.58	1.06	(0.10)	(0.15)	(0.14)	–	(0.39)	18.31
Dec. 31, 2009	16.18	0.60	(0.29)	(0.05)	1.58	1.84	(0.15)	(0.15)	–	–	(0.30)	17.71
Advisor Series												
June 30, 2014	**20.21**	**0.26**	**(0.19)**	**0.25**	**0.62**	**0.94**	**(0.05)**	**–**	**–**	**–**	**(0.05)**	**21.11**
Dec. 31, 2013	18.91	0.58	(0.35)	0.37	1.11	1.71	(0.05)	(0.14)	(0.22)	–	(0.41)	20.21
Dec. 31, 2012	18.19	0.57	(0.33)	0.23	0.63	1.10	(0.04)	(0.20)	(0.13)	–	(0.37)	18.91
Dec. 31, 2011	18.43	0.56	(0.32)	0.14	(0.25)	0.13	(0.21)	–	(0.15)	–	(0.36)	18.19
Dec. 31, 2010	17.82	0.58	(0.31)	0.21	0.59	1.07	(0.10)	(0.15)	(0.14)	–	(0.39)	18.43
Dec. 31, 2009	16.26	0.60	(0.29)	(0.05)	1.58	1.84	(0.14)	(0.13)	–	–	(0.27)	17.82
Series T5												
June 30, 2014	**19.62**	**0.25**	**(0.18)**	**0.24**	**0.59**	**0.90**	**(0.49)**	**–**	**–**	**–**	**(0.49)**	**20.04**
Dec. 31, 2013	18.89	0.55	(0.35)	0.35	1.04	1.59	(0.05)	(0.14)	(0.39)	(0.36)	(0.94)	19.62
Dec. 31, 2012[3]	18.86[†]	0.14	(0.10)	0.06	0.16	0.26	(0.01)	(0.01)	(0.18)	(0.03)	(0.23)	18.89
Series F												
June 30, 2014	**20.25**	**0.26**	**(0.08)**	**0.25**	**0.62**	**1.05**	**(0.14)**	**–**	**–**	**–**	**(0.14)**	**21.17**
Dec. 31, 2013	18.93	0.58	(0.15)	0.37	1.10	1.90	(0.09)	(0.27)	(0.22)	–	(0.58)	20.25
Dec. 31, 2012	18.15	0.57	(0.15)	0.22	0.63	1.27	(0.07)	(0.31)	(0.13)	–	(0.51)	18.93
Dec. 31, 2011	18.38	0.55	(0.13)	0.14	(0.25)	0.31	(0.39)	–	(0.15)	–	(0.54)	18.15
Dec. 31, 2010	17.78	0.58	(0.13)	0.21	0.59	1.25	(0.17)	(0.27)	(0.14)	–	(0.58)	18.38
Dec. 31, 2009	16.20	0.59	(0.12)	(0.05)	1.57	1.99	(0.21)	(0.20)	–	–	(0.41)	17.78
Series O												
June 30, 2014	**20.51**	**0.27**	**–**	**0.25**	**0.63**	**1.15**	**(0.24)**	**–**	**–**	**–**	**(0.24)**	**21.42**
Dec. 31, 2013	19.20	0.60	–	0.38	1.13	2.11	(0.14)	(0.42)	(0.22)	–	(0.78)	20.51
Dec. 31, 2012	18.43	0.58	–	0.23	0.64	1.45	(0.10)	(0.45)	(0.13)	–	(0.68)	19.20
Dec. 31, 2011	18.64	0.56	–	0.14	(0.25)	0.45	(0.51)	–	(0.15)	–	(0.66)	18.43
Dec. 31, 2010	17.96	0.58	–	0.21	0.59	1.38	(0.19)	(0.32)	(0.14)	–	(0.65)	18.64
Dec. 31, 2009	16.35	0.60	–	(0.05)	1.59	2.14	(0.26)	(0.27)	–	–	(0.53)	17.96

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From September 24, 2012.

[†] Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**20.96**	**15 107 261**	**720 899**	**1.84**	**1.84**	**15.49**	**0.10**
Dec. 31, 2013	20.06	13 077 664	651 959	1.85	1.85	15.96	0.08
Dec. 31, 2012	18.81	9 780 551	520 088	1.83	1.83	12.66	0.10
Dec. 31, 2011	18.07	7 842 051	433 886	1.83	1.83	15.92	0.15
Dec. 31, 2010	18.31	6 503 146	355 151	1.79	1.79	34.24	0.15
Dec. 31, 2009	17.71	4 719 316	266 538	1.75	1.75	7.67	0.18
Advisor Series							
June 30, 2014	**21.11**	**27 094**	**1 283**	**1.84**	**1.84**	**15.49**	**0.10**
Dec. 31, 2013	20.21	24 859	1 230	1.82	1.82	15.96	0.08
Dec. 31, 2012	18.91	15 102	799	1.80	1.80	12.66	0.10
Dec. 31, 2011	18.19	14 896	819	1.83	1.83	15.92	0.15
Dec. 31, 2010	18.43	14 398	781	1.79	1.79	34.24	0.15
Dec. 31, 2009	17.82	11 442	642	1.75	1.75	7.67	0.18
Series T5							
June 30, 2014	**20.04**	**162 176**	**8 092**	**1.83**	**1.83**	**15.49**	**0.10**
Dec. 31, 2013	19.62	99 674	5 081	1.84	1.84	15.96	0.08
Dec. 31, 2012[4]	18.89	7 148	378	1.88	1.88	12.66	0.10
Series F							
June 30, 2014	**21.17**	**28 802**	**1 361**	**0.79**	**0.79**	**15.49**	**0.10**
Dec. 31, 2013	20.25	17 052	842	0.80	0.80	15.96	0.08
Dec. 31, 2012	18.93	10 044	531	0.80	0.80	12.66	0.10
Dec. 31, 2011	18.15	6 529	360	0.80	0.80	15.92	0.15
Dec. 31, 2010	18.38	4 970	270	0.78	0.78	34.24	0.15
Dec. 31, 2009	17.78	4 116	232	0.75	0.75	7.67	0.18
Series O							
June 30, 2014	**21.42**	**97 818**	**4 567**	**0.04**	**0.04**	**15.49**	**0.10**
Dec. 31, 2013	20.51	79 726	3 888	0.04	0.04	15.96	0.08
Dec. 31, 2012	19.20	59 581	3 103	0.05	0.05	12.66	0.10
Dec. 31, 2011	18.43	48 001	2 604	0.04	0.04	15.92	0.15
Dec. 31, 2010	18.64	34 962	1 876	0.04	0.04	34.24	0.15
Dec. 31, 2009	17.96	13 508	752	0.04	0.04	7.67	0.18

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions. Effective January 1, 2008, the trading expense ratio is calculated for fund-on-fund transactions.

[4] From September 24, 2012.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee payable in respect of each series of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the GST/HST was not included in the Specified Percentage prior to July 1, 2010, the MER is higher than the Specified Percentage by the additional cost of the GST/HST.

The MER paid by each series of the Fund is calculated at the applicable annual Specified Percentage of the daily net asset value of each series of the Fund, plus the additional cost of the GST/HST as of July 1, 2010. The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees*	Distribution	Other†
Series A	1.59%	47%	53%
Advisor Series	1.59%	47%	53%
Series T5	1.59%	47%	53%
Series F	0.64%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Management fees represent the actual average management fee rate for the period ended June 30, 2014.

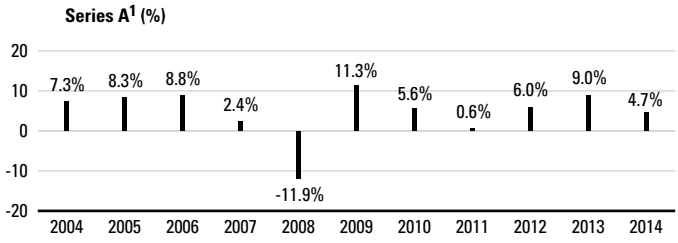
† Includes all costs related to management, trustee, investment advisory services, general administration and profit.

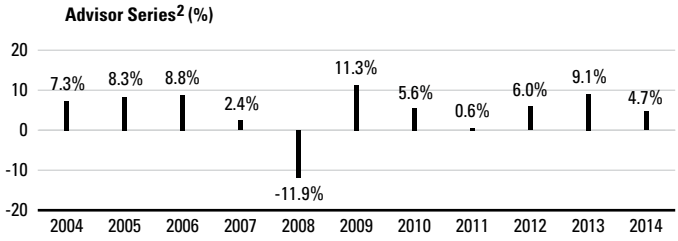
PAST PERFORMANCE

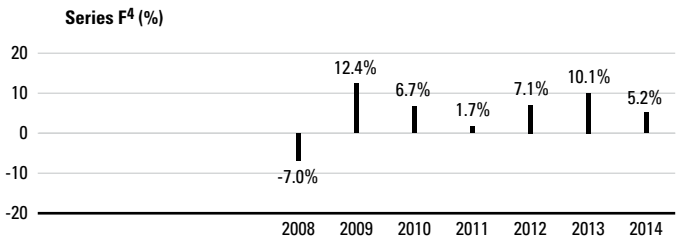
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

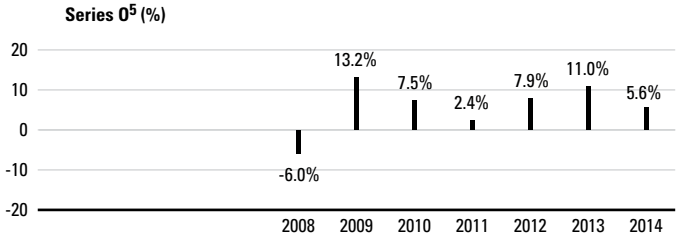
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.







PAST PERFORMANCE (cont.)



1 Inception date December 31, 1986.
2 Inception date January 13, 2003.
3 Inception date September 24, 2012.
4 Inception date January 21, 2008.
5 Inception date September 22, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Income Funds	57.5
Canadian Equity Funds	17.2
International Equity Funds	11.8
U.S. Equity Funds	11.1
Cash/Other	2.4

Top 25 Holdings*

	% of Net Asset Value
RBC Bond Fund	23.9
Phillips, Hager & North Bond Fund	14.3
RBC Global Bond Fund	9.5
RBC Canadian Short-Term Income Fund	9.5
RBC Canadian Dividend Fund	9.1
RBC U.S. Equity Fund	8.2
RBC European Equity Fund	7.3
Phillips, Hager & North Canadian Equity Underlying Fund	4.0
RBC Canadian Equity Fund	3.7
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	2.9
Cash & Cash Equivalents	2.5
RBC Asia Pacific ex-Japan Equity Fund	2.0
RBC Japanese Equity Fund	1.4
RBC Global Equity Fund	1.1
RBC Private Canadian Equity Pool	0.4
RBC Canadian Money Market Fund	0.2
Total	100.0

* The Fund holds fewer than 25 holdings.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying funds are available on SEDAR website at www.sedar.com.

PORTFOLIO SOLUTION

RBC SELECT BALANCED PORTFOLIO

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund is a strategic asset allocation fund, which focuses on providing long-term capital growth and modest income. The Fund maintains a balance of investments across several asset classes by investing in other funds managed by RBC GAM or an affiliate.

The Fund's target weightings for each asset class are 45% for fixed income, 20% for Canadian equities, 20% for U.S. equities and 15% for international equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting for the fixed-income asset class, and no more than 10% above or below the target weighting for the equities asset classes.

Results of Operations

The Fund's net asset value was $13.6 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 5.5%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Led by North America and other developed markets, the global economy has continued to gain traction. While some risks have faded, such as the threat of deflation, geopolitical risks have mounted and emerging-market credit excesses remain largely unaddressed. Equity markets recorded more modest returns in the first half of 2014, following last year's significant gains in developed markets, and global bond markets rallied. Speculation abounded that the U.S. Federal Reserve (the "Fed") was drawing closer to raising short-term interest rates, leading to a greater degree of comfort that the economy is indeed improving and the global financial crisis is finally behind us.

As the first half of 2014 came to a close, the major central banks had diverging views on the path for monetary policy. Some countries such as the U.K. and the U.S. will look to tighten monetary policy in the next year. However, in the Eurozone and Japan, the course of monetary policy continues to be towards more, rather than less, stimulus in an effort to boost inflation and economic growth.

The Fund's overweight allocation to equities and underweight position in bonds had a positive effect on overall performance. U.S. bond yields started 2014 near their highest levels in almost three years after signs the Fed would begin scaling back measures aimed at helping the economy recover from the financial crisis. Since then, yields have trended lower, held down by demand for the relative safety of Treasuries amid geopolitical risks and concerns about the tepid pace of U.S. economic growth. Also holding down yields was demand for fixed income from pension funds and bank demand for government bonds fulfilling new regulatory changes. The RBC Bond Fund had a significantly positive impact on the Fund's relative performance.

Stock indexes continued their trend higher, but with far less enthusiasm than in 2013. Canada's S&P/TSX Composite Index outpaced most other developed-market indexes during the first half of 2014, including the S&P 500. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged in recent years. U.S. stocks rose amid continued earnings growth and low interest rates. After a strong start to the year, Eurozone equities dropped in February on concern that deflation was starting to take root. This prompted the European Central Bank to hint that it would take steps to bolster asset prices, and these measures were delivered in June. Asian markets remained fairly volatile over the period, particularly Japan and China, which were weak in the first quarter but bounced back in the subsequent three months. The RBC Canadian Dividend Fund, the RBC U.S. Equity Fund and the Phillips, Hager & North Canadian Equity Underlying Fund all contributed to portfolio returns.

Recent Developments

The portfolio manager continues to subscribe to an economic-normalization thesis, with the revival of risk appetite in 2013 and the abatement of fiscal austerity in 2014 enabling materially faster growth for the rest of this year and beyond. Bond yields should gradually rise as the economy continues to normalize. The Fund has maintained below-benchmark exposure to fixed income, recognizing that rising bond yields will likely lead to low total returns. As the recovery gains traction, higher growth should translate into expanding sales and earnings, supporting the stock market's next move higher. The portfolio manager anticipates that returns for equities will be lower given current valuations. However, expectations that stocks will continue to outperform bonds means that the Fund's asset mix remains tilted toward equities.

Effective June 27, 2014, the RBC DS Balanced Global Portfolio merged into the Fund, and unitholders of the RBC DS Balanced Global Portfolio received units of the Fund on a dollar-for-dollar, tax-deferred basis.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series T5 units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank and RBC IS are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**24.26**	**0.26**	**(0.24)**	**0.58**	**0.72**	**1.32**	**–**	**–**	**(0.20)**	**–**	**(0.20)**	**25.40**
Dec. 31, 2013	21.72	0.64	(0.44)	0.56	2.31	3.07	(0.02)	(0.18)	(0.30)	–	(0.50)	24.26
Dec. 31, 2012	20.45	0.59	(0.40)	0.23	1.14	1.56	–	(0.18)	(0.12)	–	(0.30)	21.72
Dec. 31, 2011	21.24	0.54	(0.38)	0.18	(0.71)	(0.37)	(0.12)	–	(0.30)	–	(0.42)	20.45
Dec. 31, 2010	20.14	0.52	(0.37)	0.08	1.16	1.39	–	(0.14)	(0.09)	–	(0.23)	21.24
Dec. 31, 2009	18.10	0.57	(0.35)	(0.01)	2.11	2.32	(0.03)	(0.18)	(0.03)	–	(0.24)	20.14
Advisor Series												
June 30, 2014	**24.54**	**0.26**	**(0.24)**	**0.59**	**0.73**	**1.34**	**–**	**–**	**(0.20)**	**–**	**(0.20)**	**25.67**
Dec. 31, 2013	21.94	0.65	(0.45)	0.56	2.33	3.09	(0.01)	(0.16)	(0.30)	–	(0.47)	24.54
Dec. 31, 2012	20.64	0.59	(0.40)	0.24	1.16	1.59	–	(0.18)	(0.12)	–	(0.30)	21.94
Dec. 31, 2011	21.44	0.54	(0.39)	0.18	(0.71)	(0.38)	(0.13)	–	(0.30)	–	(0.43)	20.64
Dec. 31, 2010	20.33	0.52	(0.37)	0.08	1.17	1.40	–	(0.14)	(0.09)	–	(0.23)	21.44
Dec. 31, 2009	18.24	0.57	(0.35)	(0.01)	2.12	2.33	(0.02)	(0.17)	(0.03)	–	(0.22)	20.33
Series T5												
June 30, 2014	**23.61**	**0.25**	**(0.23)**	**0.56**	**0.69**	**1.27**	**(0.59)**	**–**	**–**	**–**	**(0.59)**	**24.31**
Dec. 31, 2013	21.72	0.59	(0.43)	0.52	2.14	2.82	(0.01)	(0.16)	(0.67)	(0.25)	(1.09)	23.61
Dec. 31, 2012[3]	21.60[†]	0.15	(0.12)	0.06	0.30	0.39	–	(0.03)	(0.12)	(0.11)	(0.26)	21.72
Series F												
June 30, 2014	**24.70**	**0.26**	**(0.11)**	**0.59**	**0.73**	**1.47**	**–**	**–**	**(0.20)**	**–**	**(0.20)**	**25.99**
Dec. 31, 2013	22.04	0.66	(0.21)	0.57	2.36	3.38	(0.03)	(0.35)	(0.30)	–	(0.68)	24.70
Dec. 31, 2012	20.68	0.60	(0.18)	0.24	1.16	1.82	–	(0.34)	(0.12)	–	(0.46)	22.04
Dec. 31, 2011	21.45	0.54	(0.18)	0.18	(0.72)	(0.18)	(0.32)	–	(0.30)	–	(0.62)	20.68
Dec. 31, 2010	20.35	0.52	(0.17)	0.08	1.17	1.60	–	(0.38)	(0.09)	–	(0.47)	21.45
Dec. 31, 2009	18.24	0.57	(0.16)	(0.01)	2.12	2.52	(0.04)	(0.32)	(0.03)	–	(0.39)	20.35
Series O												
June 30, 2014	**24.87**	**0.27**	**–**	**0.60**	**0.74**	**1.61**	**–**	**–**	**(0.20)**	**–**	**(0.20)**	**26.29**
Dec. 31, 2013	22.19	0.66	(0.01)	0.57	2.38	3.60	(0.05)	(0.55)	(0.30)	–	(0.90)	24.87
Dec. 31, 2012	20.86	0.60	–	0.24	1.18	2.02	–	(0.58)	(0.12)	–	(0.70)	22.19
Dec. 31, 2011	21.56	0.55	–	0.18	(0.72)	0.01	(0.43)	–	(0.30)	–	(0.73)	20.86
Dec. 31, 2010	20.38	0.53	–	0.08	1.18	1.79	–	(0.48)	(0.09)	–	(0.57)	21.56
Dec. 31, 2009	18.26	0.57	–	(0.01)	2.13	2.69	(0.06)	(0.44)	(0.03)	–	(0.53)	20.38

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From September 24, 2012.

[†] Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**25.40**	**13 248 675**	**521 561**	**1.95**	**1.95**	**22.47**	**0.14**
Dec. 31, 2013	24.26	10 933 044	450 649	1.94	1.94	18.04	0.12
Dec. 31, 2012	21.72	7 769 213	357 724	1.93	1.93	16.08	0.16
Dec. 31, 2011	20.45	6 757 255	330 498	1.93	1.93	20.38	0.23
Dec. 31, 2010	21.24	6 427 684	302 647	1.89	1.89	40.83	0.23
Dec. 31, 2009	20.14	5 322 161	264 272	1.85	1.85	6.57	0.25
Advisor Series							
June 30, 2014	**25.67**	**99 416**	**3 872**	**1.95**	**1.95**	**22.47**	**0.14**
Dec. 31, 2013	24.54	26 788	1 091	1.94	1.94	18.04	0.12
Dec. 31, 2012	21.94	16 305	743	1.91	1.91	16.08	0.16
Dec. 31, 2011	20.64	15 337	743	1.93	1.93	20.38	0.23
Dec. 31, 2010	21.44	18 678	871	1.89	1.89	40.83	0.23
Dec. 31, 2009	20.33	16 537	813	1.85	1.85	6.57	0.25
Series T5							
June 30, 2014	**24.31**	**86 662**	**3 565**	**1.96**	**1.96**	**22.47**	**0.14**
Dec. 31, 2013	23.61	49 554	2 098	1.90	1.90	18.04	0.12
Dec. 31, 2012[4]	21.72	925	43	2.04	2.04	16.08	0.16
Series F							
June 30, 2014	**25.99**	**20 778**	**800**	**0.91**	**0.91**	**22.47**	**0.14**
Dec. 31, 2013	24.70	6 719	272	0.90	0.90	18.04	0.12
Dec. 31, 2012	22.04	4 949	225	0.89	0.89	16.08	0.16
Dec. 31, 2011	20.68	3 631	176	0.89	0.89	20.38	0.23
Dec. 31, 2010	21.45	2 516	117	0.88	0.88	40.83	0.23
Dec. 31, 2009	20.35	1 462	72	0.85	0.85	6.57	0.25
Series O							
June 30, 2014	**26.29**	**106 681**	**4 058**	**0.06**	**0.06**	**22.47**	**0.14**
Dec. 31, 2013	24.87	85 337	3 431	0.05	0.05	18.04	0.12
Dec. 31, 2012	22.19	62 850	2 832	0.06	0.06	16.08	0.16
Dec. 31, 2011	20.86	52 571	2 520	0.05	0.05	20.38	0.23
Dec. 31, 2010	21.56	37 109	1 721	0.04	0.04	40.83	0.23
Dec. 31, 2009	20.38	25 693	1 260	0.04	0.04	6.57	0.25

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions. Effective January 1, 2008, the trading expense ratio is calculated for fund-on-fund transactions.

[4] From September 24, 2012.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee payable in respect of each series of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the GST/HST was not included in the Specified Percentage prior to July 1, 2010, the MER is higher than the Specified Percentage by the additional cost of the GST/HST.

The MER paid by each series of the Fund is calculated at the applicable annual Specified Percentage of the daily net asset value of each series of the Fund, plus the additional cost of the GST/HST as of July 1, 2010. The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees*	Distribution	Other†
Series A	1.68%	60%	40%
Advisor Series	1.68%	60%	40%
Series T5	1.68%	60%	40%
Series F	0.73%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Management fees represent the actual average management fee rate for the period ended June 30, 2014.

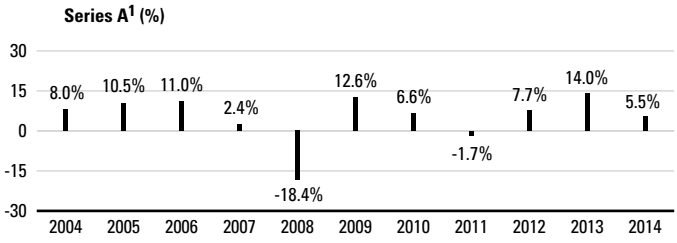
† Includes all costs related to management, trustee, investment advisory services, general administration and profit.

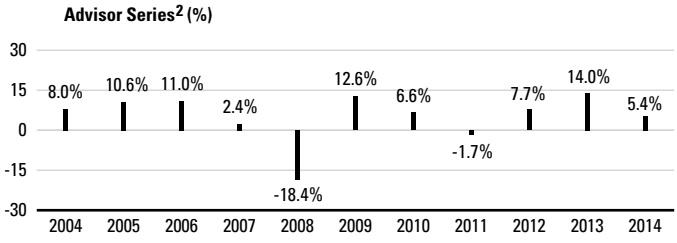
PAST PERFORMANCE

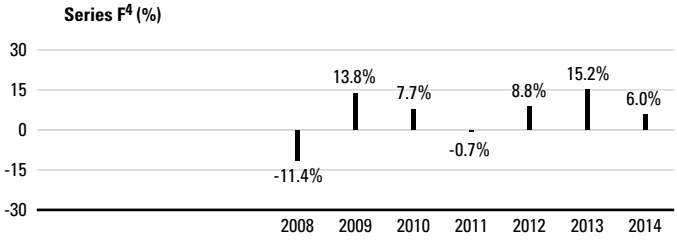
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

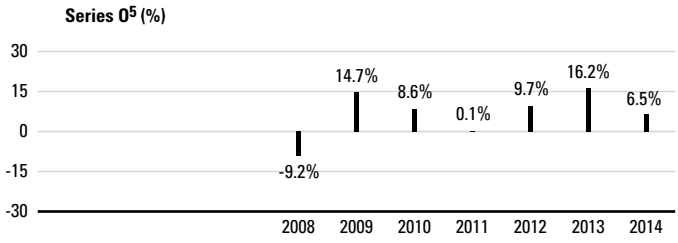
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.







PAST PERFORMANCE (cont.)



1 Inception date December 31, 1986.
2 Inception date January 13, 2003.
3 Inception date September 24, 2012.
4 Inception date January 21, 2008.
5 Inception date September 22, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Income Funds	37.1
International Equity Funds	23.7
Canadian Equity Funds	22.0
U.S. Equity Funds	14.7
Cash/Other	2.5

Top 25 Holdings*

	% of Net Asset Value
RBC Bond Fund	32.3
RBC Canadian Dividend Fund	10.9
RBC European Equity Fund	7.5
RBC U.S. Equity Fund	6.6
Phillips, Hager & North Canadian Equity Underlying Fund	5.5
RBC QUBE U.S. Equity Fund	5.1
RBC Canadian Equity Fund	4.9
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	4.8
RBC Global Bond Fund	4.6
RBC U.S. Mid-Cap Equity Fund	3.2
RBC Emerging Markets Equity Fund	3.2
Cash & Cash Equivalents	2.4
RBC Asia Pacific ex-Japan Equity Fund	2.2
RBC Global Dividend Growth Fund	1.6
RBC Global Equity Focus Fund	1.6
RBC Japanese Equity Fund	1.5
RBC Private Canadian Equity Pool	0.6
RBC Emerging Markets Small-Cap Equity Fund	0.5
RBC Emerging Markets Dividend Fund	0.5
RBC Advisor Canadian Bond Fund	0.1
Phillips, Hager & North Canadian Equity Value Fund	0.1
RBC U.S. Dividend Fund	0.1
RBC International Dividend Growth Fund	0.1
RBC Global Corporate Bond Fund	0.1
Total	100.0

* The Fund holds fewer than 25 holdings.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying funds are available on SEDAR website at www.sedar.com.

PORTFOLIO SOLUTION

RBC SELECT GROWTH PORTFOLIO

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund is a strategic asset allocation fund, which focuses on providing long-term capital growth. The Fund maintains a balance of investments across several asset classes by investing in other funds managed by RBC GAM or an affiliate.

The Fund's target weightings for each asset class are 30% for fixed income, 25% for Canadian equities, 25% for U.S. equities and 20% for international equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting for the fixed-income asset class, and no more than 10% above or below the target weighting for the equities asset classes.

Results of Operations

The Fund's net asset value was $4.9 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 6.0%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Led by North America and other developed markets, the global economy has continued to gain traction. While some risks have faded, such as the threat of deflation, geopolitical risks have mounted and emerging-market credit excesses remain largely unaddressed. Equity markets recorded more modest returns in the first half of 2014, following last year's significant gains in developed markets, and global bond markets rallied. Speculation abounded that the U.S. Federal Reserve (the "Fed") was drawing closer to raising short-term interest rates, leading to a greater degree of comfort that the economy is indeed improving and the global financial crisis is finally behind us.

As the first half of 2014 came to a close, the major central banks had diverging views on the path for monetary policy. Some countries such as the U.K. and the U.S. will look to tighten monetary policy in the next year. However, in the Eurozone and Japan, the course of monetary policy continues to be towards more, rather than less, stimulus in an effort to boost inflation and economic growth.

The Fund's overweight allocation to equities and underweight position in bonds had a positive effect on overall performance. Stock indexes continued their trend higher, but with far less enthusiasm than in 2013. Canada's S&P/TSX Composite Index outpaced most other developed-market indexes during the first half of 2014, including the S&P 500. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged in recent years. U.S. stocks rose amid continued earnings growth and low interest rates. After a strong start to the year, Eurozone equities dropped in February on concern that deflation was starting to take root. This prompted the European Central Bank to hint that it would take steps to bolster asset prices, and these measures were delivered in June. Asian markets remained fairly volatile over the period, particularly Japan and China, which were weak in the first quarter but bounced back in the subsequent three months. The RBC Canadian Equity Fund, the RBC U.S. Equity Fund and the Phillips, Hager & North Canadian Equity Underlying Fund had a positive impact on the portfolio's relative performance.

U.S. bond yields started 2014 near their highest levels in almost three years after signs the Fed would begin scaling back measures aimed at helping the economy recover from the financial crisis. Since then, yields have trended lower, held down by demand for the relative safety of Treasuries amid geopolitical risks and concerns about the tepid pace of U.S. economic growth. Also holding down yields was demand for fixed income from pension funds and bank demand for government bonds fulfilling new regulatory changes. Among fixed-income investments in the portfolio, the RBC Bond Fund and the RBC Global Bond Fund contributed to returns.

Recent Developments

The portfolio manager continues to subscribe to an economic-normalization thesis, with the revival of risk appetite in 2013 and the abatement of fiscal austerity in 2014 enabling materially faster growth for the rest of this year and beyond. Bond yields should gradually rise as the economy continues to normalize. The Fund has maintained below-benchmark exposure to fixed income, recognizing that rising bond yields will likely lead to low total returns. As the recovery gains traction, higher growth should translate into expanding sales and earnings, supporting the stock market's next move higher. The portfolio manager anticipates that returns for equities will be lower given current valuations. However, expectations that stocks will continue to outperform bonds means that the Fund's asset mix remains tilted toward equities.

Effective June 27, 2014, the RBC DS Growth Global Portfolio merged with the Fund, and unitholders of the RBC DS Growth Global Portfolio received units of the Fund on a dollar-for-dollar, tax-deferred basis.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series T5 units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank and RBC IS are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**25.90**	**0.19**	**(0.27)**	**0.77**	**0.87**	**1.56**	**–**	**–**	**(0.21)**	**–**	**(0.21)**	**27.26**
Dec. 31, 2013	22.28	0.59	(0.49)	0.65	3.28	4.03	(0.02)	(0.09)	(0.28)	–	(0.39)	25.90
Dec. 31, 2012	20.71	0.52	(0.43)	0.12	1.54	1.75	–	(0.09)	(0.09)	–	(0.18)	22.28
Dec. 31, 2011	22.10	0.45	(0.41)	0.14	(1.34)	(1.16)	–	–	(0.23)	–	(0.23)	20.71
Dec. 31, 2010	20.75	0.43	(0.40)	0.03	1.45	1.51	–	(0.02)	(0.07)	–	(0.09)	22.10
Dec. 31, 2009	18.31	0.48	(0.37)	(0.05)	2.57	2.63	–	(0.11)	–	–	(0.11)	20.75
Advisor Series												
June 30, 2014	**26.47**	**0.19**	**(0.29)**	**0.78**	**0.88**	**1.56**	**–**	**–**	**(0.21)**	**–**	**(0.21)**	**27.81**
Dec. 31, 2013	22.76	0.60	(0.50)	0.66	3.35	4.11	(0.02)	(0.09)	(0.28)	–	(0.39)	26.47
Dec. 31, 2012	21.15	0.53	(0.44)	0.12	1.57	1.78	–	(0.09)	(0.09)	–	(0.18)	22.76
Dec. 31, 2011	22.57	0.46	(0.42)	0.14	(1.37)	(1.19)	–	–	(0.23)	–	(0.23)	21.15
Dec. 31, 2010	21.19	0.43	(0.41)	0.03	1.48	1.53	–	(0.02)	(0.07)	–	(0.09)	22.57
Dec. 31, 2009	18.69	0.49	(0.38)	(0.05)	2.62	2.68	–	(0.11)	–	–	(0.11)	21.19
Series T5												
June 30, 2014	**24.98**	**0.18**	**(0.26)**	**0.73**	**0.82**	**1.47**	**(0.62)**	**–**	**–**	**–**	**(0.62)**	**25.85**
Dec. 31, 2013	22.19	0.56	(0.48)	0.61	3.11	3.80	(0.01)	(0.07)	(0.45)	(0.58)	(1.11)	24.98
Dec. 31, 2012[3]	21.99[†]	0.14	(0.12)	0.03	0.41	0.46	–	(0.02)	(0.07)	(0.18)	(0.27)	22.19
Series F												
June 30, 2014	**25.77**	**0.19**	**(0.13)**	**0.76**	**0.86**	**1.68**	**–**	**–**	**(0.21)**	**–**	**(0.21)**	**27.25**
Dec. 31, 2013	22.09	0.58	(0.24)	0.64	3.26	4.24	(0.04)	(0.24)	(0.28)	–	(0.56)	25.77
Dec. 31, 2012	20.48	0.52	(0.21)	0.12	1.53	1.96	–	(0.26)	(0.09)	–	(0.35)	22.09
Dec. 31, 2011	21.62	0.44	(0.20)	0.13	(1.32)	(0.95)	–	–	(0.22)	–	(0.22)	20.48
Dec. 31, 2010	20.33	0.42	(0.19)	0.03	1.42	1.68	–	(0.28)	(0.07)	–	(0.35)	21.62
Dec. 31, 2009	17.86	0.47	(0.18)	(0.05)	2.49	2.73	–	(0.21)	–	–	(0.21)	20.33
Series O												
June 30, 2014	**26.77**	**0.19**	**–**	**0.79**	**0.90**	**1.88**	**–**	**–**	**(0.21)**	**–**	**(0.21)**	**28.45**
Dec. 31, 2013	22.96	0.61	(0.01)	0.67	3.41	4.68	(0.09)	(0.50)	(0.28)	–	(0.87)	26.77
Dec. 31, 2012	21.32	0.54	–	0.12	1.60	2.26	–	(0.53)	(0.09)	–	(0.62)	22.96
Dec. 31, 2011	22.30	0.46	–	0.14	(1.37)	(0.77)	–	–	(0.23)	–	(0.23)	21.32
Dec. 31, 2010	20.88	0.43	–	0.03	1.47	1.93	–	(0.40)	(0.07)	–	(0.47)	22.30
Dec. 31, 2009	18.34	0.49	–	(0.05)	2.59	3.03	–	(0.42)	–	–	(0.42)	20.88

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From September 24, 2012.

[†] Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**27.26**	**4 757 452**	**174 531**	**2.05**	**2.05**	**25.33**	**0.18**
Dec. 31, 2013	25.90	4 105 012	158 478	2.05	2.05	21.21	0.16
Dec. 31, 2012	22.28	3 128 331	140 418	2.04	2.04	18.18	0.21
Dec. 31, 2011	20.71	2 877 137	138 922	2.04	2.04	21.24	0.29
Dec. 31, 2010	22.10	2 916 180	131 949	2.00	2.00	46.81	0.29
Dec. 31, 2009	20.75	2 494 121	120 215	1.95	1.95	6.33	0.32
Advisor Series							
June 30, 2014	**27.81**	**67 919**	**2 442**	**2.06**	**2.06**	**25.33**	**0.18**
Dec. 31, 2013	26.47	6 963	263	2.05	2.05	21.21	0.16
Dec. 31, 2012	22.76	5 270	232	2.05	2.05	18.18	0.21
Dec. 31, 2011	21.15	5 108	241	2.05	2.05	21.24	0.29
Dec. 31, 2010	22.57	5 900	261	2.00	2.00	46.81	0.29
Dec. 31, 2009	21.19	5 190	245	1.95	1.95	6.33	0.32
Series T5							
June 30, 2014	**25.85**	**6 839**	**265**	**2.09**	**2.09**	**25.33**	**0.18**
Dec. 31, 2013	24.98	3 893	156	2.04	2.04	21.21	0.16
Dec. 31, 2012[4]	22.19	103	5	2.15	2.15	18.18	0.21
Series F							
June 30, 2014	**27.25**	**11 540**	**424**	**1.01**	**1.01**	**25.33**	**0.18**
Dec. 31, 2013	25.77	1 669	65	1.00	1.00	21.21	0.16
Dec. 31, 2012	22.09	876	40	1.00	1.00	18.18	0.21
Dec. 31, 2011	20.48	496	24	1.02	1.02	21.24	0.29
Dec. 31, 2010	21.62	818	38	0.98	0.98	46.81	0.29
Dec. 31, 2009	20.33	443	22	0.95	0.95	6.33	0.32
Series O							
June 30, 2014	**28.45**	**37 852**	**1 330**	**0.06**	**0.06**	**25.33**	**0.18**
Dec. 31, 2013	26.77	32 602	1 218	0.05	0.05	21.21	0.16
Dec. 31, 2012	22.96	25 699	1 119	0.06	0.06	18.18	0.21
Dec. 31, 2011	21.32	22 468	1 054	0.06	0.06	21.24	0.29
Dec. 31, 2010	22.30	18 777	842	0.04	0.04	46.81	0.29
Dec. 31, 2009	20.88	13 736	658	0.04	0.04	6.33	0.32

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions. Effective January 1, 2008, the trading expense ratio is calculated for fund-on-fund transactions.

[4] From September 24, 2012.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee payable in respect of each series of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the GST/HST was not included in the Specified Percentage prior to July 1, 2010, the MER is higher than the Specified Percentage by the additional cost of the GST/HST.

The MER paid by each series of the Fund is calculated at the applicable annual Specified Percentage of the daily net asset value of each series of the Fund, plus the additional cost of the GST/HST as of July 1, 2010. The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees*	Distribution	Other†
Series A	1.77%	56%	44%
Advisor Series	1.77%	56%	44%
Series T5	1.77%	56%	44%
Series F	0.82%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Management fees represent the actual average management fee rate for the period ended June 30, 2014.

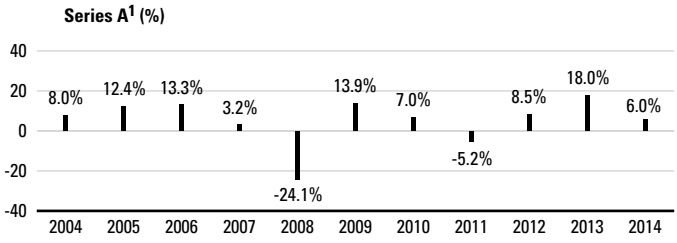
† Includes all costs related to management, trustee, investment advisory services, general administration and profit.

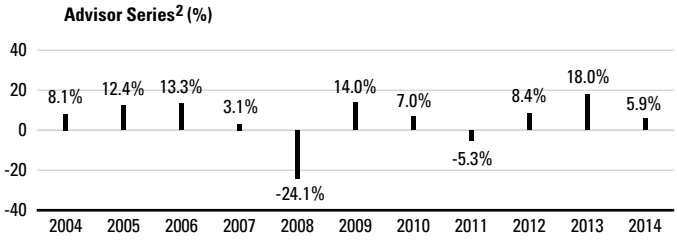
PAST PERFORMANCE

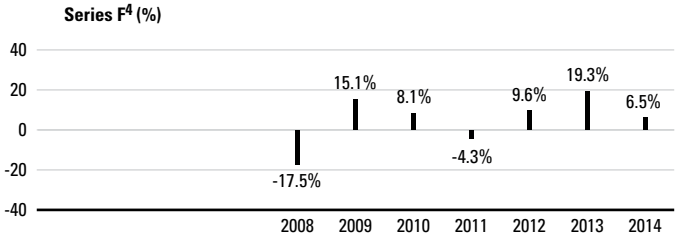
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

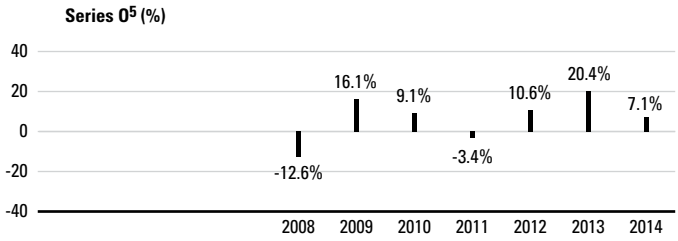
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.







PAST PERFORMANCE (cont.)



1 Inception date December 31, 1986.
2 Inception date January 13, 2003.
3 Inception date September 24, 2012.
4 Inception date January 21, 2008.
5 Inception date September 22, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
International Equity Funds	30.4
Canadian Equity Funds	27.3
Income Funds	21.8
U.S. Equity Funds	18.1
Cash/Other	2.4

Top 25 Holdings

	% of Net Asset Value
RBC Bond Fund	12.9
RBC European Equity Fund	9.3
Phillips, Hager & North Canadian Equity Underlying Fund	8.6
RBC Global Bond Fund	8.6
RBC U.S. Equity Fund	8.3
RBC Canadian Equity Fund	8.0
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	5.7
RBC QUBE U.S. Equity Fund	5.7
Phillips, Hager & North Canadian Growth Fund	5.4
RBC Emerging Markets Equity Fund	4.5
RBC Canadian Dividend Fund	4.3
RBC U.S. Mid-Cap Equity Fund	3.6
Cash & Cash Equivalents	2.6
RBC Global Dividend Growth Fund	2.6
RBC Global Equity Focus Fund	2.6
RBC Asia Pacific ex-Japan Equity Fund	2.5
RBC Japanese Equity Fund	1.7
RBC Private Canadian Equity Pool	0.6
RBC Emerging Markets Small-Cap Equity Fund	0.6
RBC Emerging Markets Dividend Fund	0.6
Phillips, Hager & North Canadian Equity Value Fund	0.4
RBC U.S. Dividend Fund	0.4
RBC International Dividend Growth Fund	0.3
RBC Advisor Canadian Bond Fund	0.2
RBC Global Corporate Bond Fund	0.1
Top 25 Holdings	100.0

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying funds are available on SEDAR website at www.sedar.com.

PORTFOLIO SOLUTION

RBC SELECT AGGRESSIVE GROWTH PORTFOLIO

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund is a strategic asset-allocation fund that focuses on providing long-term capital growth. The Fund maintains a balance of investments in other funds managed by RBC GAM or an affiliate.

The Fund's target weightings for each asset class are 35% for Canadian equities, 35% for U.S. equities and 30% for international equities. The actual allocation to each asset class will not be more than 10% above or below its target weighting.

Results of Operations

The Fund's net asset value was $920 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 6.5%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Led by North America and other developed markets, the global economy has continued to gain traction. While some risks have faded, such as the threat of deflation, geopolitical risks have mounted and emerging-market credit excesses remain largely unaddressed. Equity markets recorded more modest returns in the first half of 2014, following last year's significant gains in developed markets, and global bond markets rallied. Speculation abounded that the U.S. Federal Reserve (the "Fed") was drawing closer to raising short-term interest rates, leading to a greater degree of comfort that the economy is indeed improving and the global financial crisis is finally behind us.

As the first half of 2014 came to a close, the major central banks had diverging views on the path for monetary policy. Some countries such as the U.K. and the U.S. will look to tighten monetary policy in the next year. However, in the Eurozone and Japan, the course of monetary policy continues to be towards more, rather than less, stimulus in an effort to boost inflation and economic growth.

Stock indexes continued their trend higher, but with far less enthusiasm than in 2013. Canada's S&P/TSX Composite Index outpaced most other developed-market indexes during the first half of 2014, including the S&P 500. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged in recent years. U.S. stocks rose amid continued earnings growth and low interest rates. After a strong start to the year, Eurozone equities dropped in February on concern that deflation was starting to take root. This prompted the European Central Bank to hint that it would take steps to bolster asset prices, and these measures were delivered in June.

Asian markets remained fairly volatile over the period, particularly Japan and China, which were weak in the first quarter but bounced back in the subsequent three months. Portfolio investments that had a positive impact on performance were the RBC Canadian Equity Fund, the RBC U.S. Equity Fund and the RBC Emerging Markets Equity Fund.

Recent Developments

The portfolio manager continues to subscribe to an economic-normalization thesis, with the revival of risk appetite in 2013 and the abatement of fiscal austerity in 2014 enabling materially faster growth for the rest of this year and beyond. As the recovery gains traction, higher growth should translate into expanding sales and earnings, supporting the stock market's next move higher.

Effective June 27, 2014, the Fund merged with the RBC DS All Equity Global Portfolio, with the Fund as the continuing entity. Unitholders of the RBC DS All Equity Global Portfolio received units of the Fund on a dollar-for-dollar, tax-deferred basis.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series T5 units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank and RBC IS are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.41**	**0.05**	**(0.11)**	**0.38**	**0.35**	**0.67**	**–**	**–**	**(0.06)**	**–**	**(0.06)**	**11.01**
Dec. 31, 2013	8.38	0.21	(0.20)	0.10	1.95	2.06	–	(0.02)	–	–	(0.02)	10.41
Dec. 31, 2012	7.64	0.18	(0.17)	0.04	0.71	0.76	–	(0.01)	(0.03)	–	(0.04)	8.38
Dec. 31, 2011	8.33	0.15	(0.16)	0.08	(0.79)	(0.72)	–	–	–	–	–	7.64
Dec. 31, 2010	7.75	0.12	(0.16)	(0.13)	0.82	0.65	–	–	–	–	–	8.33
Dec. 31, 2009	6.68	0.15	(0.14)	0.05	1.18	1.24	–	–	(0.04)	–	(0.04)	7.75
Advisor Series												
June 30, 2014	**10.35**	**0.05**	**(0.14)**	**0.38**	**0.34**	**0.63**	**–**	**–**	**(0.06)**	**–**	**(0.06)**	**10.94**
Dec. 31, 2013	8.34	0.21	(0.20)	0.10	1.94	2.05	–	(0.02)	–	–	(0.02)	10.35
Dec. 31, 2012	7.61	0.18	(0.17)	0.04	0.70	0.75	–	(0.01)	(0.03)	–	(0.04)	8.34
Dec. 31, 2011	8.29	0.15	(0.16)	0.08	(0.79)	(0.72)	–	–	–	–	–	7.61
Dec. 31, 2010	7.71	0.12	(0.15)	(0.13)	0.82	0.66	–	–	–	–	–	8.29
Dec. 31, 2009	6.65	0.14	(0.14)	0.05	1.16	1.21	–	–	(0.04)	–	(0.04)	7.71
Series T5												
June 30, 2014	**9.89**	**0.05**	**(0.11)**	**0.36**	**0.33**	**0.63**	**(0.25)**	**–**	**–**	**–**	**(0.25)**	**10.27**
Dec. 31, 2013	8.31	0.20	(0.19)	0.09	1.81	1.91	–	(0.02)	–	(0.39)	(0.41)	9.89
Dec. 31, 2012[3]	8.19[†]	0.05	(0.05)	0.01	0.18	0.19	–	–	(0.06)	(0.04)	(0.10)	8.31
Series F												
June 30, 2014	**11.00**	**0.06**	**(0.06)**	**0.41**	**0.37**	**0.78**	**–**	**–**	**(0.06)**	**–**	**(0.06)**	**11.70**
Dec. 31, 2013	8.78	0.22	(0.11)	0.11	2.03	2.25	–	(0.04)	–	–	(0.04)	11.00
Dec. 31, 2012	7.96	0.19	(0.09)	0.04	0.74	0.88	–	(0.04)	(0.03)	–	(0.07)	8.78
Dec. 31, 2011	8.58	0.15	(0.08)	0.08	(0.81)	(0.66)	–	–	–	–	–	7.96
Dec. 31, 2010	7.90	0.13	(0.08)	(0.14)	0.85	0.76	–	–	–	–	–	8.58
Dec. 31, 2009	6.75	0.15	(0.07)	0.05	1.19	1.32	–	–	(0.04)	–	(0.04)	7.90
Series O												
June 30, 2014	**11.30**	**0.06**	**–**	**0.42**	**0.38**	**0.86**	**–**	**–**	**(0.07)**	**–**	**(0.07)**	**12.08**
Dec. 31, 2013	9.07	0.23	–	0.11	2.13	2.47	–	(0.22)	–	–	(0.22)	11.30
Dec. 31, 2012	8.17	0.20	–	0.04	0.76	1.00	–	(0.08)	(0.03)	–	(0.11)	9.07
Dec. 31, 2011	8.72	0.16	–	0.09	(0.83)	(0.58)	–	–	–	–	–	8.17
Dec. 31, 2010	7.95	0.13	–	(0.14)	0.86	0.85	–	–	–	–	–	8.72
Dec. 31, 2009	6.72	0.15	–	0.05	1.21	1.41	–	–	(0.04)	–	(0.04)	7.95

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From September 24, 2012.

[†] Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**11.01**	**872 019**	**79 175**	**2.15**	**2.15**	**23.59**	**0.24**
Dec. 31, 2013	10.41	732 435	70 389	2.14	2.14	15.54	0.20
Dec. 31, 2012	8.38	493 552	58 921	2.14	2.14	11.89	0.28
Dec. 31, 2011	7.64	410 424	53 698	2.14	2.14	5.76	0.38
Dec. 31, 2010	8.33	360 650	43 314	2.10	2.10	42.92	0.37
Dec. 31, 2009	7.75	252 924	32 647	2.05	2.05	4.23	0.42
Advisor Series							
June 30, 2014	**10.94**	**30 427**	**2 782**	**2.19**	**2.19**	**23.59**	**0.24**
Dec. 31, 2013	10.35	1 100	106	2.16	2.16	15.54	0.20
Dec. 31, 2012	8.34	646	77	2.12	2.12	11.89	0.28
Dec. 31, 2011	7.61	526	69	2.11	2.11	5.76	0.38
Dec. 31, 2010	8.29	537	65	2.09	2.09	42.92	0.37
Dec. 31, 2009	7.71	332	43	2.05	2.05	4.23	0.42
Series T5							
June 30, 2014	**10.27**	**1 830**	**178**	**2.14**	**2.14**	**23.59**	**0.24**
Dec. 31, 2013	9.89	1 379	139	2.07	2.07	15.54	0.20
Dec. 31, 2012[4]	8.31	23	3	2.24	2.24	11.89	0.28
Series F							
June 30, 2014	**11.70**	**5 014**	**429**	**1.15**	**1.15**	**23.59**	**0.24**
Dec. 31, 2013	11.00	1 741	158	1.13	1.13	15.54	0.20
Dec. 31, 2012	8.78	307	35	1.09	1.09	11.89	0.28
Dec. 31, 2011	7.96	153	19	1.12	1.12	5.76	0.38
Dec. 31, 2010	8.58	164	19	1.08	1.08	42.92	0.37
Dec. 31, 2009	7.90	142	18	1.05	1.05	4.23	0.42
Series O							
June 30, 2014	**12.08**	**10 970**	**908**	**0.07**	**0.07**	**23.59**	**0.24**
Dec. 31, 2013	11.30	9 005	797	0.05	0.05	15.54	0.20
Dec. 31, 2012	9.07	6 265	691	0.07	0.07	11.89	0.28
Dec. 31, 2011	8.17	6 368	779	0.07	0.07	5.76	0.38
Dec. 31, 2010	8.72	5 668	650	0.04	0.04	42.92	0.37
Dec. 31, 2009	7.95	4 729	595	0.04	0.04	4.23	0.42

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions. Effective January 1, 2008, the trading expense ratio is calculated for fund-on-fund transactions.

[4] From September 24, 2012.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee payable in respect of each series of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the GST/HST was not included in the Specified Percentage prior to July 1, 2010, the MER is higher than the Specified Percentage by the additional cost of the GST/HST.

The MER paid by each series of the Fund is calculated at the applicable annual Specified Percentage of the daily net asset value of each series of the Fund, plus the additional cost of the GST/HST as of July 1, 2010. The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees*	Distribution	Other†
Series A	1.86%	54%	46%
Advisor Series	1.86%	54%	46%
Series T5	1.86%	54%	46%
Series F	0.91%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Management fees represent the actual average management fee rate for the period ended June 30, 2014.

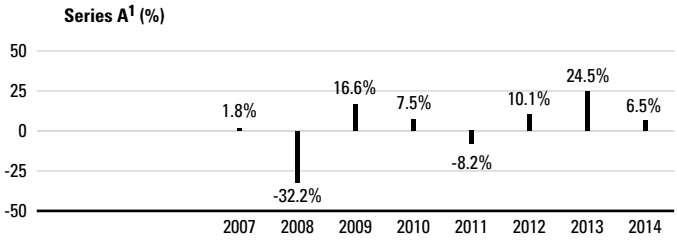
† Includes all costs related to management, trustee, investment advisory services, general administration and profit.

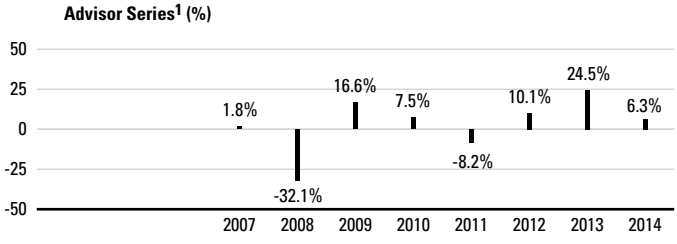
PAST PERFORMANCE

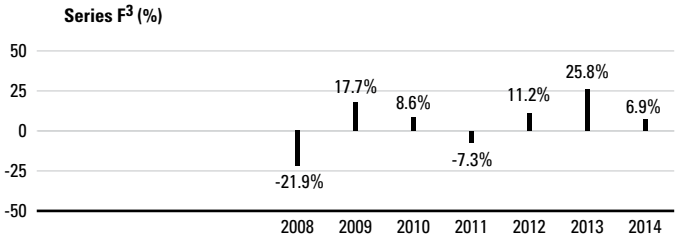
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

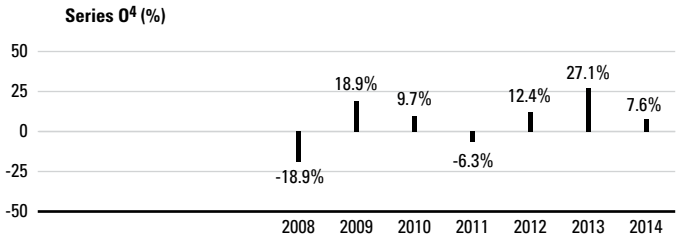
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.







PAST PERFORMANCE (cont.)



1 Inception date January 22, 2007.
2 Inception date September 24, 2012.
3 Inception date January 21, 2008.
4 Inception date September 22, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
International Equity Funds	39.6
Canadian Equity Funds	35.5
U.S. Equity Funds	24.7
Cash/Other	0.2

Top 25 Holdings*

	% of Net Asset Value
RBC European Equity Fund	13.0
Phillips, Hager & North Canadian Equity Underlying Fund	9.8
RBC Canadian Dividend Fund	9.7
RBC Canadian Equity Fund	9.2
RBC U.S. Equity Fund	9.1
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	7.6
RBC QUBE U.S. Equity Fund	7.1
RBC U.S. Mid-Cap Equity Fund	6.7
RBC Emerging Markets Equity Fund	5.6
Phillips, Hager & North Canadian Growth Fund	4.9
RBC Asia Pacific ex-Japan Equity Fund	3.4
RBC Global Dividend Growth Fund	2.8
RBC Global Equity Focus Fund	2.8
RBC Japanese Equity Fund	2.3
Phillips, Hager & North Canadian Equity Value Fund	1.3
RBC U.S. Dividend Fund	1.3
RBC International Dividend Growth Fund	1.1
RBC Emerging Markets Small-Cap Equity Fund	0.8
RBC Emerging Markets Dividend Fund	0.8
RBC Private Canadian Equity Pool	0.6
Cash & Cash Equivalents	0.1
Total	100.0

* The Fund holds fewer than 25 holdings.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying funds are available on SEDAR website at www.sedar.com.

PORTFOLIO SOLUTION

RBC SELECT CHOICES CONSERVATIVE PORTFOLIO

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund is a strategic asset allocation fund, which focuses on providing income and the potential for moderate capital growth. The Fund maintains a balance of investments across several asset classes by investing in mutual funds managed by RBC GAM or an affiliate, as well as mutual funds of other companies.

The Fund's target weightings for each asset class are 65% for fixed income, 15% for Canadian equities, 10% for U.S. equities and 10% for international equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting for the fixed-income asset class, and no more than 10% above or below the target weighting for the equities asset classes.

Results of Operations

The Fund's net asset value was $195 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 4.9%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Led by North America and other developed markets, the global economy has continued to gain traction. While some risks have faded, such as the threat of deflation, geopolitical risks have mounted and emerging-market credit excesses remain largely unaddressed. Equity markets recorded more modest returns in the first half of 2014, following last year's significant gains in developed markets, and global bond markets rallied. Speculation abounded that the U.S. Federal Reserve (the "Fed") was drawing closer to raising short-term interest rates, leading to a greater degree of comfort that the economy is indeed improving and the global financial crisis is finally behind us.

As the first half of 2014 came to a close, the major central banks had diverging views on the path for monetary policy. Some countries such as the U.K. and the U.S. will look to tighten monetary policy in the next year. However, in the Eurozone and Japan, the course of monetary policy continues to be towards more, rather than less, stimulus in an effort to boost inflation and economic growth.

The Fund's overweight allocation to equities and underweight position in bonds had a positive effect on overall performance. U.S. bond yields started 2014 near their highest levels in almost three years after signs the Fed would begin scaling back measures aimed at helping the economy recover from the financial crisis. Since then, yields have trended lower, held down by demand for the relative safety of Treasuries amid geopolitical risks and concerns about the tepid pace of U.S. economic growth. Also holding down yields was demand for fixed income from pension funds and bank demand for government bonds fulfilling new regulatory changes. The RBC Bond Fund and the Phillips, Hager & North Total Return Bond Fund had a positive impact on relative performance.

Stock indexes continued their trend higher, but with far less enthusiasm than in 2013. Canada's S&P/TSX Composite Index outpaced most other developed-market indexes during the first half of 2014, including the S&P 500. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged in recent years. U.S. stocks rose amid continued earnings growth and low interest rates. After a strong start to the year, Eurozone equities dropped in February on concern that deflation was starting to take root. This prompted the European Central Bank to hint that it would take steps to bolster asset prices, and these measures were delivered in June. Asian markets remained fairly volatile over the period, particularly Japan and China, which were weak in the first quarter but bounced back in the subsequent three months. Stock funds that contributed to returns were the RBC Canadian Equity Fund, the Franklin Bissett Canadian Equity Fund and the RBC Canadian Dividend Fund.

Recent Developments

The portfolio manager continues to subscribe to an economic-normalization thesis, with the revival of risk appetite in 2013 and the abatement of fiscal austerity in 2014 enabling materially faster growth for the rest of this year and beyond. Bond yields should gradually rise as the economy continues to normalize. The Fund has maintained below-benchmark exposure to fixed income, recognizing that rising bond yields will likely lead to low total returns. As the recovery gains traction, higher growth should translate into expanding sales and earnings, supporting the stock market's next move higher. The portfolio manager anticipates that returns for equities will be lower given current valuations. However, expectations that stocks will continue to outperform bonds means that the Fund's asset mix remains tilted toward equities.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

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Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

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(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**12.00**	**0.15**	**(0.12)**	**0.12**	**0.43**	**0.58**	**–**	**–**	**–**	**–**	**–**	**12.58**
Dec. 31, 2013	11.28	0.33	(0.23)	0.42	0.39	0.91	(0.06)	(0.05)	(0.09)	–	(0.20)	12.00
Dec. 31, 2012	10.78	0.28	(0.21)	0.10	0.39	0.56	(0.04)	(0.03)	–	–	(0.07)	11.28
Dec. 31, 2011	10.81	0.31	(0.20)	0.03	(0.06)	0.08	(0.11)	–	–	–	(0.11)	10.78
Dec. 31, 2010	10.20	0.30	(0.19)	(0.05)	0.67	0.73	(0.05)	(0.05)	–	–	(0.10)	10.81
Dec. 31, 2009	9.14	0.31	(0.18)	(0.28)	1.32	1.17	(0.10)	(0.04)	–	–	(0.14)	10.20
Advisor Series												
June 30, 2014	**12.04**	**0.15**	**(0.12)**	**0.12**	**0.43**	**0.58**	**–**	**–**	**–**	**–**	**–**	**12.62**
Dec. 31, 2013	11.29	0.33	(0.23)	0.42	0.39	0.91	(0.04)	(0.04)	(0.09)	–	(0.17)	12.04
Dec. 31, 2012	10.80	0.28	(0.21)	0.10	0.39	0.56	(0.04)	(0.03)	–	–	(0.07)	11.29
Dec. 31, 2011	10.81	0.31	(0.20)	0.03	(0.06)	0.08	(0.10)	–	–	–	(0.10)	10.80
Dec. 31, 2010	10.20	0.30	(0.19)	(0.05)	0.67	0.73	(0.05)	(0.05)	–	–	(0.10)	10.81
Dec. 31, 2009	9.14	0.31	(0.18)	(0.28)	1.32	1.17	(0.10)	(0.04)	–	–	(0.14)	10.20

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**12.58**	**193 721**	**15 395**	**1.95**	**1.95**	**15.56**	**0.05**
Dec. 31, 2013	12.00	183 827	15 322	1.96	1.96	24.03	0.03
Dec. 31, 2012	11.28	171 246	15 186	1.95	1.95	35.18	0.05
Dec. 31, 2011	10.78	163 005	15 115	1.95	1.95	22.87	0.07
Dec. 31, 2010	10.81	144 365	13 351	1.90	1.90	29.58	0.08
Dec. 31, 2009	10.20	126 536	12 405	1.85	1.85	12.97	0.09
Advisor Series							
June 30, 2014	**12.62**	**1 505**	**119**	**1.98**	**1.98**	**15.56**	**0.05**
Dec. 31, 2013	12.04	1 312	109	1.99	1.99	24.03	0.03
Dec. 31, 2012	11.29	757	67	1.96	1.96	35.18	0.05
Dec. 31, 2011	10.80	777	72	1.94	1.94	22.87	0.07
Dec. 31, 2010	10.81	559	52	1.91	1.91	29.58	0.08
Dec. 31, 2009	10.20	486	48	1.85	1.85	12.97	0.09

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions. Effective January 1, 2008, the trading expense ratio is calculated for fund-on-fund transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee payable in respect of each series of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the GST/HST was not included in the Specified Percentage prior to July 1, 2010, the MER is higher than the Specified Percentage by the additional cost of the GST/HST.

The MER paid by each series of the Fund is calculated at the applicable annual Specified Percentage of the daily net asset value of each series of the Fund, plus the additional cost of the GST/HST as of July 1, 2010. The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees*	Distribution	Other†
Series A	1.69%	44%	56%
Advisor Series	1.69%	44%	56%

* Management fees represent the actual average management fee rate for the period ended June 30, 2014.

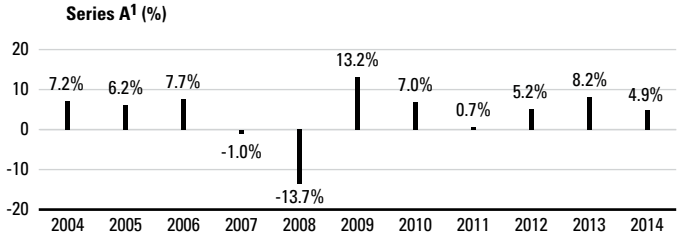
† Includes all costs related to management, trustee, investment advisory services, general administration and profit.

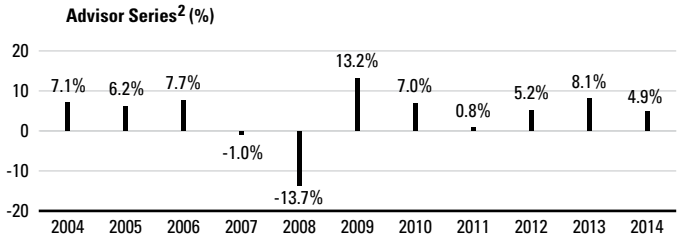
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





1 Inception date June 5, 2000.
2 Inception date January 13, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Income Funds	58.6
Canadian Equity Funds	16.8
U.S. Equity Funds	11.4
International Equity Funds	10.7
Cash/Other	2.5

Top 25 Holdings*

	% of Net Asset Value
Phillips, Hager & North Total Return Bond Fund	15.3
RBC Bond Fund	15.3
TD Canadian Bond Fund	13.3
Phillips, Hager & North Short Term Bond & Mortgage Fund	13.3
RBC Canadian Equity Fund	5.6
Templeton Bissett Canadian Equity Fund	5.6
RBC Canadian Dividend Fund	5.6
Renaissance International Equity Fund	5.3
Invesco International Growth Class	4.7
RBC O'Shaughnessy U.S. Value Fund	3.8
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	3.8
CI American Value Fund	3.8
Cash & Cash Equivalents	2.4
RBC Canadian Money Market Fund	1.5
Invesco International Growth Fund	0.7
Total	100.0

* The Fund holds fewer than 25 holdings.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying funds are available on SEDAR website at www.sedar.com.

PORTFOLIO SOLUTION

RBC SELECT CHOICES BALANCED PORTFOLIO

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund is a strategic asset allocation fund, which focuses on providing long-term capital growth and modest income. The Fund maintains a balance of investments across several asset classes by investing in mutual funds managed by RBC GAM or an affiliate, as well as in mutual funds of other companies.

The Fund's target weightings for each asset class are 45% for fixed income, 20% for Canadian equities, 20% for U.S. equities and 15% for international equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting for the fixed-income asset class, and no more than 10% above or below the target weighting for the equities asset classes.

Results of Operations

The Fund's net asset value was $345 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 5.6%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Led by North America and other developed markets, the global economy has continued to gain traction. While some risks have faded, such as the threat of deflation, geopolitical risks have mounted and emerging-market credit excesses remain largely unaddressed. Equity markets recorded more modest returns in the first half of 2014, following last year's significant gains in developed markets, and global bond markets rallied. Speculation abounded that the U.S. Federal Reserve (the "Fed") was drawing closer to raising short-term interest rates, leading to a greater degree of comfort that the economy is indeed improving and the global financial crisis is finally behind us.

As the first half of 2014 came to a close, the major central banks had diverging views on the path for monetary policy. Some countries such as the U.K. and the U.S. will look to tighten monetary policy in the next year. However, in the Eurozone and Japan, the course of monetary policy continues to be towards more, rather than less, stimulus in an effort to boost inflation and economic growth.

The Fund's overweight allocation to equities and underweight position in bonds had a positive effect on overall performance. U.S. bond yields started 2014 near their highest levels in almost three years after signs the Fed would begin scaling back measures aimed at helping the economy recover from the financial crisis. Since then, yields have trended lower, held down by demand for the relative safety of Treasuries amid geopolitical risks and concerns about the tepid pace of U.S. economic growth. Also holding down yields was demand for fixed income from pension funds and bank demand for government bonds fulfilling new regulatory changes. The RBC Bond Fund and the Phillips, Hager & North Total Return Bond Fund contributed to portfolio performance.

Stock indexes continued their trend higher, but with far less enthusiasm than in 2013. Canada's S&P/TSX Composite Index outpaced most other developed-market indexes during the first half of 2014, including the S&P 500. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged in recent years. U.S. stocks rose amid continued earnings growth and low interest rates. After a strong start to the year, Eurozone equities dropped in February on concern that deflation was starting to take root. This prompted the European Central Bank to hint that it would take steps to bolster asset prices, and these measures were delivered in June. Asian markets remained fairly volatile over the period, particularly Japan and China, which were weak in the first quarter but bounced back in the subsequent three months. Among stock investments in the portfolio, the RBC Canadian Equity Fund, the Franklin Bissett Canadian Equity Fund and the RBC O'Shaughnessy U.S. Value Fund contributed to returns.

Recent Developments

The portfolio manager continues to subscribe to an economic-normalization thesis, with the revival of risk appetite in 2013 and the abatement of fiscal austerity in 2014 enabling materially faster growth for the rest of this year and beyond. Bond yields should gradually rise as the economy continues to normalize. The Fund has maintained below-benchmark exposure to fixed income, recognizing that rising bond yields will likely lead to low total returns. As the recovery gains traction, higher growth should translate into expanding sales and earnings, supporting the stock market's next move higher. The portfolio manager anticipates that returns for equities will be lower given current valuations. However, expectations that stocks will continue to outperform bonds means that the Fund's asset mix remains tilted toward equities.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee as compensation for its services, which is included in the fixed MER paid by each series of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A and Advisor Series units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank and RBC IS are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**12.18**	**0.12**	**(0.13)**	**0.15**	**0.55**	**0.69**	**–**	**–**	**–**	**–**	**–**	**12.88**
Dec. 31, 2013	10.73	0.30	(0.25)	0.52	0.96	1.53	(0.01)	(0.05)	–	–	(0.06)	12.18
Dec. 31, 2012	10.01	0.23	(0.22)	0.26	0.45	0.72	–	–	–	–	–	10.73
Dec. 31, 2011	10.24	0.23	(0.21)	(0.10)	(0.11)	(0.19)	(0.04)	–	–	–	(0.04)	10.01
Dec. 31, 2010	9.49	0.21	(0.20)	(0.20)	0.93	0.74	–	–	–	–	–	10.24
Dec. 31, 2009	8.27	0.22	(0.18)	(0.34)	1.54	1.24	–	(0.05)	–	–	(0.05)	9.49
Advisor Series												
June 30, 2014	**12.17**	**0.12**	**(0.13)**	**0.15**	**0.55**	**0.69**	**–**	**–**	**–**	**–**	**–**	**12.87**
Dec. 31, 2013	10.72	0.30	(0.25)	0.52	0.96	1.53	(0.01)	(0.05)	–	–	(0.06)	12.17
Dec. 31, 2012	10.00	0.23	(0.22)	0.26	0.45	0.72	–	–	–	–	–	10.72
Dec. 31, 2011	10.22	0.23	(0.21)	(0.10)	(0.11)	(0.19)	(0.04)	–	–	–	(0.04)	10.00
Dec. 31, 2010	9.48	0.21	(0.20)	(0.20)	0.93	0.74	–	–	–	–	–	10.22
Dec. 31, 2009	8.25	0.22	(0.18)	(0.34)	1.54	1.24	–	(0.04)	–	–	(0.04)	9.48

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**12.88**	**342 017**	**26 552**	**2.17**	**2.17**	**14.75**	**0.07**
Dec. 31, 2013	12.18	318 451	26 113	2.16	2.16	26.02	0.05
Dec. 31, 2012	10.73	278 801	25 988	2.15	2.15	48.04	0.07
Dec. 31, 2011	10.01	278 283	27 800	2.16	2.16	26.12	0.12
Dec. 31, 2010	10.24	286 997	28 032	2.10	2.10	31.14	0.11
Dec. 31, 2009	9.49	282 512	29 761	2.05	2.05	10.06	0.13
Advisor Series							
June 30, 2014	**12.87**	**2 776**	**216**	**2.19**	**2.19**	**14.75**	**0.07**
Dec. 31, 2013	12.17	2 071	170	2.20	2.20	26.02	0.05
Dec. 31, 2012	10.72	1 201	112	2.15	2.15	48.04	0.07
Dec. 31, 2011	10.00	1 201	120	2.15	2.15	26.12	0.12
Dec. 31, 2010	10.22	1 245	122	2.09	2.09	31.14	0.11
Dec. 31, 2009	9.48	984	104	2.05	2.05	10.06	0.13

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions. Effective January 1, 2008, the trading expense ratio is calculated for fund-on-fund transactions.

Management Fees

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The MER paid by each series of the Fund is calculated at the applicable annual Specified Percentage of the daily net asset value of each series of the Fund, plus the additional cost of the GST/HST as of July 1, 2010. The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees*	Distribution	Other†
Series A	1.88%	53%	47%
Advisor Series	1.88%	53%	47%

* Management fees represent the actual average management fee rate for the period ended June 30, 2014.

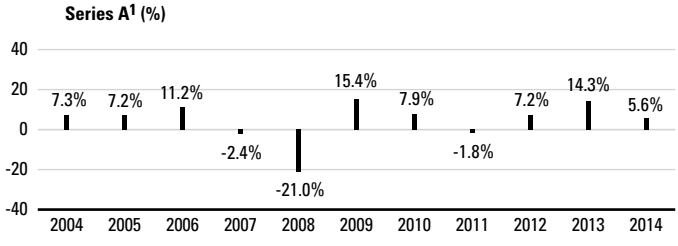
† Includes all costs related to management, trustee, investment advisory services, general administration and profit.

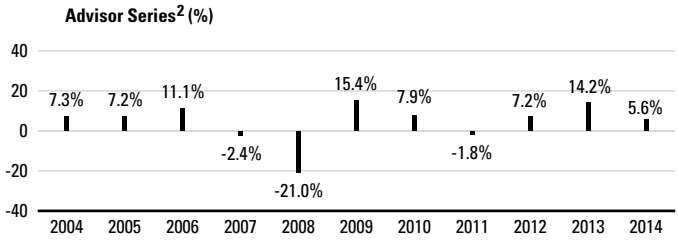
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





1 Inception date June 5, 2000.
2 Inception date January 13, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Income Funds	38.4
Canadian Equity Funds	21.4
U.S. Equity Funds	21.2
International Equity Funds	16.5
Cash/Other	2.5

Top 25 Holdings*

	% of Net Asset Value
Phillips, Hager & North Total Return Bond Fund	12.3
RBC Bond Fund	12.3
Phillips, Hager & North Short Term Bond & Mortgage Fund	8.2
RBC Canadian Equity Fund	7.1
RBC O'Shaughnessy U.S. Value Fund	7.1
CI American Value Fund	7.0
Renaissance International Equity Fund	6.2
RBC Canadian Dividend Fund	5.8
Invesco International Growth Class	5.5
Templeton Bissett Canadian Equity Fund	5.3
Phillips, Hager & North High Yield Bond Fund	4.1
RBC Emerging Markets Equity Fund	4.1
TD U.S. Mid-Cap Growth Fund	3.6
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	3.5
IA Clarington Canadian Small Cap Fund	3.2
Cash & Cash Equivalents	2.5
RBC Canadian Money Market Fund	1.5
Invesco International Growth Fund	0.7
Total	100.0

* The Fund holds fewer than 25 holdings.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying funds are available on SEDAR website at www.sedar.com.

PORTFOLIO SOLUTION

RBC SELECT CHOICES GROWTH PORTFOLIO

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund is a strategic asset allocation fund, which focuses on providing long-term capital growth. The Fund maintains a balance of investments across several asset classes by investing in mutual funds managed by RBC GAM or an affiliate, as well as in mutual funds of other companies.

The Fund's target weightings for each asset class are 30% for fixed income, 25% for Canadian equities, 25% for U.S. equities and 20% for international equities. The actual allocation to each asset class will not be more than 15% above or below its target weighting for the fixed-income asset class, and no more than 10% above or below the target weighting for the equities asset classes.

Results of Operations

The Fund's net asset value was $252 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 6.7%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Led by North America and other developed markets, the global economy has continued to gain traction. While some risks have faded, such as the threat of deflation, geopolitical risks have mounted and emerging-market credit excesses remain largely unaddressed. Equity markets recorded more modest returns in the first half of 2014, following last year's significant gains in developed markets, and global bond markets rallied. Speculation abounded that the U.S. Federal Reserve (the "Fed") was drawing closer to raising short-term interest rates, leading to a greater degree of comfort that the economy is indeed improving and the global financial crisis is finally behind us.

As the first half of 2014 came to a close, the major central banks had diverging views on the path for monetary policy. Some countries such as the U.K. and the U.S. will look to tighten monetary policy in the next year. However, in the Eurozone and Japan, the course of monetary policy continues to be towards more, rather than less, stimulus in an effort to boost inflation and economic growth.

The Fund's overweight allocation to equities and underweight position in bonds had a positive effect on overall performance. Stock indexes continued their trend higher, but with far less enthusiasm than in 2013. Canada's S&P/TSX Composite Index outpaced most other developed-market indexes during the first half of 2014, including the S&P 500. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged in recent years. U.S. stocks rose amid continued earnings growth and low interest rates. After a strong start to the year, Eurozone equities dropped in February on concern that deflation was starting to take root. This prompted the European Central Bank to hint that it would take steps to bolster asset prices, and these measures were delivered in June. Asian markets remained fairly volatile over the period, particularly Japan and China, which were weak in the first quarter but bounced back in the subsequent three months. Among equity funds in the portfolio, the Fidelity Canadian Disciplined Equity Fund, the RBC Canadian Equity Fund and the Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund contributed to relative returns.

U.S. bond yields started 2014 near their highest levels in almost three years after signs the Fed would begin scaling back measures aimed at helping the economy recover from the financial crisis. Since then, yields have trended lower, held down by demand for the relative safety of Treasuries amid geopolitical risks and concerns about the tepid pace of U.S. economic growth. Also holding down yields was demand for fixed income from pension funds and bank demand for government bonds fulfilling new regulatory changes. The RBC Bond Fund had a positive impact on returns.

Recent Developments

The portfolio manager continues to subscribe to an economic-normalization thesis, with the revival of risk appetite in 2013 and the abatement of fiscal austerity in 2014 enabling materially faster growth for the rest of this year and beyond. Bond yields should gradually rise as the economy continues to normalize. The Fund has maintained below-benchmark exposure to fixed income, recognizing that rising bond yields will likely lead to low total returns. As the recovery gains traction, higher growth should translate into expanding sales and earnings, supporting the stock market's next move higher. The portfolio manager anticipates that returns for equities will be lower given current valuations. However, expectations that stocks will continue to outperform bonds means that the Fund's asset mix remains tilted toward equities.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee as compensation for its services, which is included in the fixed MER paid by each series of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A and Advisor Series units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank and RBC IS are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**11.97**	**0.07**	**(0.14)**	**0.14**	**0.73**	**0.80**	**–**	**–**	**–**	**–**	**–**	**12.79**
Dec. 31, 2013	10.21	0.24	(0.26)	0.40	1.40	1.78	–	–	–	–	–	11.97
Dec. 31, 2012	9.37	0.19	(0.23)	0.22	0.67	0.85	–	–	–	–	–	10.21
Dec. 31, 2011	9.76	0.17	(0.22)	(0.06)	(0.29)	(0.40)	–	–	–	–	–	9.37
Dec. 31, 2010	8.92	0.15	(0.20)	(0.16)	1.04	0.83	–	–	–	–	–	9.76
Dec. 31, 2009	7.62	0.15	(0.18)	(0.32)	1.63	1.28	–	–	–	–	–	8.92
Advisor Series												
June 30, 2014	**11.95**	**0.07**	**(0.15)**	**0.14**	**0.72**	**0.78**	**–**	**–**	**–**	**–**	**–**	**12.76**
Dec. 31, 2013	10.19	0.24	(0.26)	0.39	1.40	1.77	–	–	–	–	–	11.95
Dec. 31, 2012	9.35	0.19	(0.23)	0.22	0.67	0.85	–	–	–	–	–	10.19
Dec. 31, 2011	9.75	0.17	(0.22)	(0.06)	(0.28)	(0.39)	–	–	–	–	–	9.35
Dec. 31, 2010	8.91	0.14	(0.20)	(0.16)	1.04	0.82	–	–	–	–	–	9.75
Dec. 31, 2009	7.61	0.15	(0.18)	(0.32)	1.62	1.27	–	–	–	–	–	8.91

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**12.79**	**251 742**	**19 688**	**2.37**	**2.37**	**15.20**	**0.12**
Dec. 31, 2013	11.97	231 820	19 337	2.36	2.36	21.26	0.05
Dec. 31, 2012	10.21	198 617	19 462	2.36	2.36	62.75	0.10
Dec. 31, 2011	9.37	198 169	21 155	2.37	2.37	28.12	0.17
Dec. 31, 2010	9.76	212 632	21 794	2.31	2.31	32.10	0.16
Dec. 31, 2009	8.92	207 375	23 247	2.25	2.25	10.15	0.16
Advisor Series							
June 30, 2014	**12.76**	**589**	**46**	**2.40**	**2.40**	**15.20**	**0.12**
Dec. 31, 2013	11.95	378	32	2.38	2.38	21.26	0.05
Dec. 31, 2012	10.19	409	40	2.38	2.38	62.75	0.10
Dec. 31, 2011	9.35	408	44	2.39	2.39	28.12	0.17
Dec. 31, 2010	9.75	460	47	2.32	2.32	32.10	0.16
Dec. 31, 2009	8.91	389	44	2.25	2.25	10.15	0.16

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions. Effective January 1, 2008, the trading expense ratio is calculated for fund-on-fund transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee payable in respect of each series of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the GST/HST was not included in the Specified Percentage prior to July 1, 2010, the MER is higher than the Specified Percentage by the additional cost of the GST/HST.

The MER paid by each series of the Fund is calculated at the applicable annual Specified Percentage of the daily net asset value of each series of the Fund, plus the additional cost of the GST/HST as of July 1, 2010. The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees*	Distribution	Other†
Series A	2.07%	48%	52%
Advisor Series	2.07%	48%	52%

* Management fees represent the actual average management fee rate for the period ended June 30, 2014.

† Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

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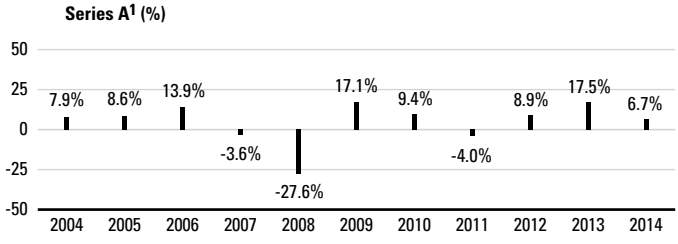

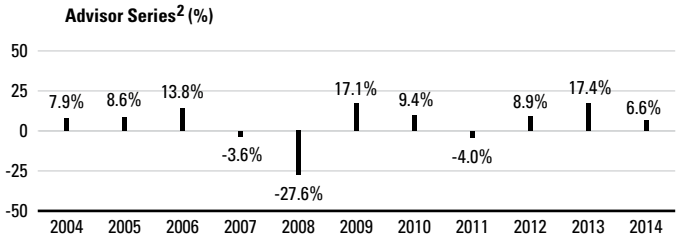

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(after consideration of derivative products, if any)
As at June 30, 2014

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RBC Canadian Money Market Fund	1.5
Invesco International Growth Fund	0.6
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RBC SELECT CHOICES AGGRESSIVE GROWTH PORTFOLIO

June 30, 2014

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund is a strategic asset allocation fund, which focuses on providing long-term capital growth. The Fund maintains a balance of investments in mutual funds managed by RBC GAM or an affiliate, as well as in mutual funds of other companies.

The Fund's target weightings for each asset class are 35% for Canadian equities, 35% for U.S. equities and 30% for international equities. The actual allocation to each equities asset class will not be more than 10% above or below its target weighting.

Results of Operations

The Fund's net asset value was $181 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 7.2%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Led by North America and other developed markets, the global economy has continued to gain traction. While some risks have faded, such as the threat of deflation, geopolitical risks have mounted and emerging-market credit excesses remain largely unaddressed. Equity markets recorded more modest returns in the first half of 2014, following last year's significant gains in developed markets, and global bond markets rallied. Speculation abounded that the U.S. Federal Reserve (the "Fed") was drawing closer to raising short-term interest rates, leading to a greater degree of comfort that the economy is indeed improving and the global financial crisis is finally behind us.

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(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.73**	**0.02**	**(0.14)**	**0.12**	**0.59**	**0.59**	**–**	**–**	**–**	**–**	**–**	**11.53**
Dec. 31, 2013	8.59	0.14	(0.24)	0.24	2.03	2.17	–	–	–	–	–	10.73
Dec. 31, 2012	7.78	0.10	(0.21)	0.10	0.82	0.81	–	–	–	–	–	8.59
Dec. 31, 2011	8.39	0.10	(0.20)	(0.12)	(0.39)	(0.61)	–	–	–	–	–	7.78
Dec. 31, 2010	7.61	0.07	(0.19)	(0.38)	1.27	0.77	–	–	–	–	–	8.39
Dec. 31, 2009	6.37	0.07	(0.16)	(0.14)	1.48	1.25	–	–	–	–	–	7.61
Advisor Series												
June 30, 2014	**10.80**	**0.02**	**(0.14)**	**0.12**	**0.59**	**0.59**	**–**	**–**	**–**	**–**	**–**	**11.61**
Dec. 31, 2013	8.62	0.14	(0.24)	0.24	2.04	2.18	–	–	–	–	–	10.80
Dec. 31, 2012	7.80	0.10	(0.20)	0.10	0.82	0.82	–	–	–	–	–	8.62
Dec. 31, 2011	8.41	0.10	(0.20)	(0.12)	(0.40)	(0.62)	–	–	–	–	–	7.80
Dec. 31, 2010	7.62	0.07	(0.19)	(0.38)	1.27	0.77	–	–	–	–	–	8.41
Dec. 31, 2009	6.36	0.07	(0.16)	(0.14)	1.48	1.25	–	–	–	–	–	7.62

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**11.53**	**180 469**	**15 654**	**2.58**	**2.58**	**9.31**	**0.20**
Dec. 31, 2013	10.73	165 262	15 369	2.57	2.57	15.25	0.11
Dec. 31, 2012	8.59	133 208	15 506	2.56	2.56	67.06	0.15
Dec. 31, 2011	7.78	126 381	16 238	2.57	2.57	25.46	0.22
Dec. 31, 2010	8.39	136 136	16 225	2.51	2.51	31.87	0.20
Dec. 31, 2009	7.61	126 027	16 551	2.45	2.45	5.91	0.21
Advisor Series							
June 30, 2014	**11.61**	**606**	**52**	**2.54**	**2.54**	**9.31**	**0.20**
Dec. 31, 2013	10.80	347	32	2.53	2.53	15.25	0.11
Dec. 31, 2012	8.62	129	15	2.50	2.50	67.06	0.15
Dec. 31, 2011	7.80	159	20	2.48	2.48	25.46	0.22
Dec. 31, 2010	8.41	132	16	2.48	2.48	31.87	0.20
Dec. 31, 2009	7.62	84	11	2.45	2.45	5.91	0.21

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions. Effective January 1, 2008, the trading expense ratio is calculated for fund-on-fund transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee payable in respect of each series of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the GST/HST was not included in the Specified Percentage prior to July 1, 2010, the MER is higher than the Specified Percentage by the additional cost of the GST/HST.

The MER paid by each series of the Fund is calculated at the applicable annual Specified Percentage of the daily net asset value of each series of the Fund, plus the additional cost of the GST/HST as of July 1, 2010. The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees*	Distribution	Other†
Series A	2.26%	44%	56%
Advisor Series	2.26%	44%	56%

* Management fees represent the actual average management fee rate for the period ended June 30, 2014.

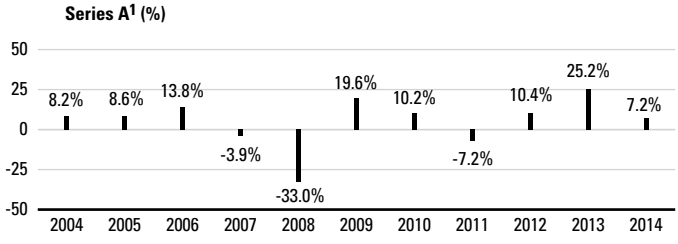
† Includes all costs related to management, trustee, investment advisory services, general administration and profit.

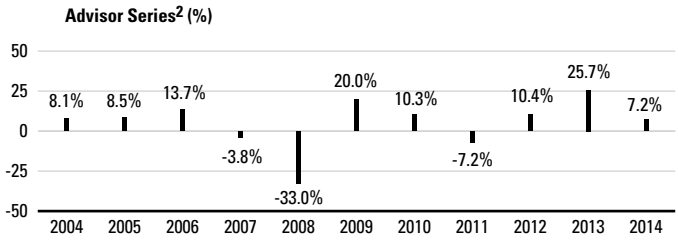
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





1 Inception date June 5, 2000.
2 Inception date January 13, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Canadian Equity Funds	35.4
U.S. Equity Funds	34.9
International Equity Funds	29.4
Cash/Other	0.3

Top 25 Holdings*

	% of Net Asset Value
RBC Canadian Equity Fund	9.1
Fidelity Canadian Disciplined Equity Fund	8.1
Synergy Canadian Corporate Class	8.1
AGF American Growth Class	8.0
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	8.0
RBC Emerging Markets Equity Fund	7.4
Invesco International Growth Class	7.1
TD U.S. Mid-Cap Growth Fund	7.0
Phillips, Hager & North Canadian Growth Fund	6.1
RBC O'Shaughnessy U.S. Value Fund	6.0
CI American Value Fund	5.9
Invesco European Growth Class	5.5
Renaissance International Equity Fund	5.5
IA Clarington Canadian Small Cap Fund	4.0
TD Asian Growth Fund	3.3
Invesco International Growth Fund	0.6
Cash & Cash Equivalents	0.3
Total	100.0

* The Fund holds fewer than 25 holdings.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying funds are available on SEDAR website at www.sedar.com.

PORTFOLIO SOLUTION

RBC TARGET 2015 EDUCATION FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund is an asset allocation fund specifically designed to meet the changing needs of investors who are saving money for the purpose of funding their child's post-secondary education that commences around 2015. The Fund gradually shifts its asset mix from an emphasis on equity funds in its early years, to an emphasis on money market funds as its "target" year of 2015 approaches. The Fund invests its assets primarily in units of other funds managed by RBC GAM or an affiliate.

Over the life of the Fund, its portfolio will shift from a focus on funds with growth potential to a focus on funds that preserve capital.

Results of Operations

The Fund's net asset value was $381 million as of June 30, 2014.

Over the past six months, the Fund's units gained 1.0%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Led by North America and other developed markets, the global economy has continued to gain traction. While some risks have faded, such as the threat of deflation, geopolitical risks have mounted and emerging-market credit excesses remain largely unaddressed. Equity markets recorded more modest returns in the first half of 2014, following last year's significant gains in developed markets, and global bond markets rallied. Speculation abounded that the U.S. Federal Reserve (the "Fed") was drawing closer to raising short-term interest rates, leading to a greater degree of comfort that the economy is indeed improving and the global financial crisis is finally behind us.

As the first half of 2014 came to a close, the major central banks had diverging views on the path for monetary policy. Some countries such as the U.K. and the U.S. will look to tighten monetary policy in the next year. However, in the Eurozone and Japan, the course of monetary policy continues to be towards more, rather than less, stimulus in an effort to boost inflation and economic growth.

U.S. bond yields started 2014 near their highest levels in almost three years after signs the Fed would begin scaling back measures aimed at helping the economy recover from the financial crisis. Since then, yields have trended lower, held down by demand for the relative safety of Treasuries amid geopolitical risks and concerns about the tepid pace of U.S. economic growth. Also holding down yields was demand for fixed income from pension funds and bank demand for government bonds fulfilling new regulatory changes. The RBC Canadian Short-Term Income Fund and the RBC Global Bond Fund contributed to returns.

Stock indexes continued their trend higher, but with far less enthusiasm than in 2013. Canada's S&P/TSX Composite Index outpaced most other developed-market indexes during the first half of 2014, including the S&P 500. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged in recent years. U.S. stocks rose amid continued earnings growth and low interest rates. After a strong start to the year, Eurozone equities dropped in February on concern that deflation was starting to take root. This prompted the European Central Bank to hint that it would take steps to bolster asset prices, and these measures were delivered in June. Asian markets remained fairly volatile over the period, particularly Japan and China, which were weak in the first quarter but bounced back in the subsequent three months. The Fund matures next year and therefore had a negligible allocation to equities.

Recent Developments

The portfolio manager continues to subscribe to an economic-normalization thesis, with the revival of risk appetite in 2013 and the abatement of fiscal austerity in 2014 enabling materially faster growth for the rest of this year and beyond. Bond yields should gradually rise as the economy continues to normalize. The portfolio manager recognizes that rising bond yields will likely lead to low total returns. As the recovery gains traction, higher growth should translate into expanding sales and earnings, supporting the stock market's next move higher.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank and RBC IS are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**11.56**	**0.11**	**(0.06)**	**0.17**	**(0.11)**	**0.11**	**–**	**–**	**–**	**–**	**–**	**11.67**
Dec. 31, 2013	11.81	0.30	(0.12)	0.41	(0.28)	0.31	(0.16)	(0.02)	(0.38)	–	(0.56)	11.56
Dec. 31, 2012	11.54	0.37	(0.19)	0.06	0.21	0.45	(0.13)	(0.05)	–	–	(0.18)	11.81
Dec. 31, 2011	11.37	0.38	(0.18)	0.06	0.11	0.37	(0.19)	–	–	–	(0.19)	11.54
Dec. 31, 2010	10.92	0.38	(0.17)	(0.09)	0.54	0.66	(0.14)	(0.05)	–	–	(0.19)	11.37
Dec. 31, 2009	10.07	0.39	(0.18)	(0.01)	0.88	1.08	(0.15)	(0.05)	–	–	(0.20)	10.92

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**11.67**	**381 408**	**32 679**	**1.05**	**1.05**	**21.32**	**–**
Dec. 31, 2013	11.56	382 510	33 101	1.05	1.05	67.95	0.01
Dec. 31, 2012	11.81	369 983	31 332	1.63	1.63	7.83	0.04
Dec. 31, 2011	11.54	329 609	28 563	1.63	1.63	12.09	0.07
Dec. 31, 2010	11.37	283 871	24 967	1.59	1.59	11.10	0.09
Dec. 31, 2009	10.92	219 483	20 098	1.75	1.75	1.77	0.13

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions. Effective January 1, 2008, the trading expense ratio is calculated for fund-on-fund transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee payable in respect of each series of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the GST/HST was not included in the Specified Percentage prior to July 1, 2010, the MER is higher than the Specified Percentage by the additional cost of the GST/HST.

The MER paid by each series of the Fund is calculated at the applicable annual Specified Percentage of the daily net asset value of each series of the Fund, plus the additional cost of the GST/HST as of July 1, 2010. The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees*	Distribution	Other†
Series A	1.40%	46%	54%

* Management fees represent the actual average management fee rate for the period ended June 30, 2014.

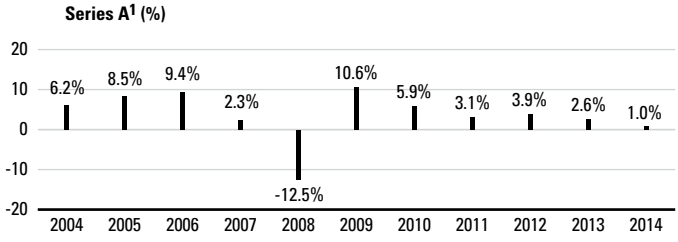
† Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.



[1] Inception date August 23, 2004.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Income Funds	99.9
Cash/Other	0.1

Top 25 Holdings*

	% of Net Asset Value
RBC Canadian Money Market Fund	54.7
RBC Canadian Short-Term Income Fund	30.1
RBC Global Bond Fund	10.1
Phillips, Hager & North Short Term Bond & Mortgage Fund	5.0
Cash & Cash Equivalents	0.1
Total	100.0

* The Fund holds fewer than 25 holdings.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying funds are available on SEDAR website at www.sedar.com.

PORTFOLIO SOLUTION

RBC TARGET 2020 EDUCATION FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund is an asset allocation fund specifically designed to meet the changing needs of investors who are saving money for the purpose of funding their child's post-secondary education that commences around 2020. The Fund gradually shifts its asset mix from an emphasis on equity funds in its early years, to an emphasis on money market funds as its "target" year of 2020 approaches. The Fund invests its assets primarily in units of other funds managed by RBC GAM or an affiliate.

Over the life of the Fund, its portfolio will shift from a focus on funds with growth potential to a focus on funds that preserve capital.

Results of Operations

The Fund's net asset value was $621 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 4.3%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Led by North America and other developed markets, the global economy has continued to gain traction. While some risks have faded, such as the threat of deflation, geopolitical risks have mounted and emerging-market credit excesses remain largely unaddressed. Equity markets recorded more modest returns in the first half of 2014, following last year's significant gains in developed markets, and global bond markets rallied. Speculation abounded that the U.S. Federal Reserve (the "Fed") was drawing closer to raising short-term interest rates, leading to a greater degree of comfort that the economy is indeed improving and the global financial crisis is finally behind us.

As the first half of 2014 came to a close, the major central banks had diverging views on the path for monetary policy. Some countries such as the U.K. and the U.S. will look to tighten monetary policy in the next year. However, in the Eurozone and Japan, the course of monetary policy continues to be towards more, rather than less, stimulus in an effort to boost inflation and economic growth.

U.S. bond yields started 2014 near their highest levels in almost three years after signs the Fed would begin scaling back measures aimed at helping the economy recover from the financial crisis. Since then, yields have trended lower, held down by demand for the relative safety of Treasuries amid geopolitical risks and concerns about the tepid pace of U.S. economic growth. Also holding down yields was demand for fixed income from pension funds and bank demand for government bonds fulfilling new regulatory changes. In the fixed-income portion of the portfolio, the RBC Bond Fund and the Phillips, Hager & North Total Return Bond Fund had a significant positive impact on performance.

Stock indexes continued their trend higher, but with far less enthusiasm than in 2013. Canada's S&P/TSX Composite Index outpaced most other developed-market indexes during the first half of 2014, including the S&P 500. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged in recent years. U.S. stocks rose amid continued earnings growth and low interest rates. After a strong start to the year, Eurozone equities dropped in February on concern that deflation was starting to take root. This prompted the European Central Bank to hint that it would take steps to bolster asset prices, and these measures were delivered in June. Asian markets remained fairly volatile over the period, particularly Japan and China, which were weak in the first quarter but bounced back in the subsequent three months. The RBC Canadian Equity Fund, the RBC QUBE Low Volatility Canadian Equity Fund and the RBC Canadian Dividend Fund had a positive impact on returns.

Recent Developments

The portfolio manager continues to subscribe to an economic-normalization thesis, with the revival of risk appetite in 2013 and the abatement of fiscal austerity in 2014 enabling materially faster growth for the rest of this year and beyond. Bond yields should gradually rise as the economy continues to normalize. The portfolio manager recognizes that rising bond yields will likely lead to low total returns. As the recovery gains traction, higher growth should translate into expanding sales and earnings, supporting the stock market's next move higher.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank and RBC IS are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**11.90**	**0.17**	**(0.11)**	**0.14**	**0.31**	**0.51**	**–**	**–**	**–**	**–**	**–**	**12.42**
Dec. 31, 2013	11.49	0.37	(0.22)	0.37	0.38	0.90	(0.06)	(0.09)	(0.33)	–	(0.48)	11.90
Dec. 31, 2012	11.02	0.35	(0.21)	0.05	0.46	0.65	(0.01)	(0.13)	(0.05)	–	(0.19)	11.49
Dec. 31, 2011	11.32	0.31	(0.20)	0.12	(0.31)	(0.08)	(0.10)	–	(0.13)	–	(0.23)	11.02
Dec. 31, 2010	10.67	0.32	(0.19)	–	0.69	0.82	(0.01)	(0.11)	–	–	(0.12)	11.32
Dec. 31, 2009	9.58	0.32	(0.18)	0.03	1.17	1.34	(0.05)	(0.07)	(0.05)	–	(0.17)	10.67
Series D												
June 30, 2014	**11.87**	**0.17**	**(0.06)**	**0.14**	**0.31**	**0.56**	**–**	**–**	**–**	**–**	**–**	**12.43**
Dec. 31, 2013	11.37	0.36	(0.12)	0.36	0.37	0.97	(0.06)	(0.10)	(0.33)	–	(0.49)	11.87
Dec. 31, 2012	10.84	0.34	(0.12)	0.05	0.44	0.71	(0.01)	(0.13)	(0.05)	–	(0.19)	11.37
Dec. 31, 2011[3]	11.18[†]	0.05	(0.02)	0.02	(0.05)	–	(0.30)	–	(0.13)	–	(0.43)	10.84

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From November 1, 2011.

[†] Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**12.42**	**619 237**	**49 866**	**1.83**	**1.83**	**10.04**	**0.06**
Dec. 31, 2013	11.90	554 660	46 598	1.84	1.84	33.41	0.07
Dec. 31, 2012	11.49	444 453	38 695	1.84	1.84	9.21	0.12
Dec. 31, 2011	11.02	357 412	32 435	1.84	1.84	14.74	0.16
Dec. 31, 2010	11.32	297 232	26 246	1.80	1.80	8.69	0.18
Dec. 31, 2009	10.67	217 800	20 414	1.85	1.85	1.22	0.22
Series D							
June 30, 2014	**12.43**	**1 878**	**151**	**1.07**	**1.07**	**10.04**	**0.06**
Dec. 31, 2013	11.87	1 207	102	1.06	1.06	33.41	0.07
Dec. 31, 2012	11.37	438	38	1.08	1.08	9.21	0.12
Dec. 31, 2011[4]	10.84	6	1	1.08	1.08	14.74	0.16

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions. Effective January 1, 2008, the trading expense ratio is calculated for fund-on-fund transactions.

[4] From November 1, 2011.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee payable in respect of each series of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the GST/HST was not included in the Specified Percentage prior to July 1, 2010, the MER is higher than the Specified Percentage by the additional cost of the GST/HST.

The MER paid by each series of the Fund is calculated at the applicable annual Specified Percentage of the daily net asset value of each series of the Fund, plus the additional cost of the GST/HST as of July 1, 2010. The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees*	Distribution	Other†
Series A	1.59%	53%	47%
Series D	0.89%	28%	72%

* Management fees represent the actual average management fee rate for the period ended June 30, 2014.

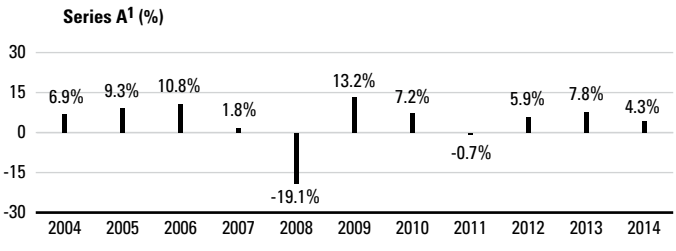
† Includes all costs related to management, trustee, investment advisory services, general administration and profit.

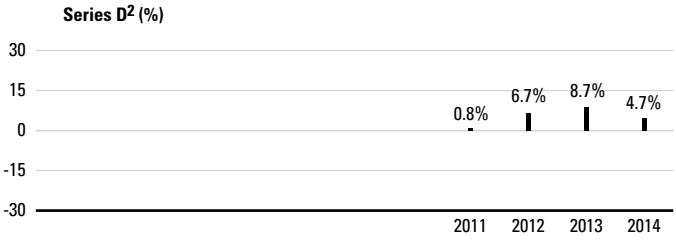
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





1 Inception date August 23, 2004.
2 Inception date November 1, 2011.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Income Funds	69.1
Canadian Equity Funds	11.3
U.S. Equity Funds	10.9
International Equity Funds	8.1
Cash/Other	0.6

Top 25 Holdings*

	% of Net Asset Value
RBC Bond Fund	35.2
RBC Canadian Short-Term Income Fund	19.2
Phillips, Hager & North Total Return Bond Fund	9.8
RBC Canadian Equity Fund	5.7
RBC Global Bond Fund	4.9
RBC European Equity Fund	4.4
RBC Canadian Dividend Fund	2.8
RBC QUBE Low Volatility Canadian Equity Fund	2.8
RBC O'Shaughnessy U.S. Value Fund	2.7
RBC U.S. Equity Fund	2.2
RBC Private U.S. Large-Cap Core Equity Pool	2.2
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	2.2
RBC Emerging Markets Equity Fund	1.7
RBC U.S. Mid-Cap Equity Fund	1.6
RBC Asia Pacific ex-Japan Equity Fund	1.2
RBC Japanese Equity Fund	0.9
Cash & Cash Equivalents	0.5
Total	100.0

* The Fund holds fewer than 25 holdings.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying funds are available on SEDAR website at www.sedar.com.

PORTFOLIO SOLUTION

RBC TARGET 2025 EDUCATION FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

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Results of Operations

The Fund's net asset value was $594 million as of June 30, 2014.

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Led by North America and other developed markets, the global economy has continued to gain traction. While some risks have faded, such as the threat of deflation, geopolitical risks have mounted and emerging-market credit excesses remain largely unaddressed. Equity markets recorded more modest returns in the first half of 2014, following last year's significant gains in developed markets, and global bond markets rallied. Speculation abounded that the U.S. Federal Reserve (the "Fed") was drawing closer to raising short-term interest rates, leading to a greater degree of comfort that the economy is indeed improving and the global financial crisis is finally behind us.

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Stock indexes continued their trend higher, but with far less enthusiasm than in 2013. Canada's S&P/TSX Composite Index outpaced most other developed-market indexes during the first half of 2014, including the S&P 500. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged in recent years. U.S. stocks rose amid continued earnings growth and low interest rates. After a strong start to the year, Eurozone equities dropped in February on concern that deflation was starting to take root. This prompted the European Central Bank to hint that it would take steps to bolster asset prices, and these measures were delivered in June. Asian markets remained fairly volatile over the period, particularly Japan and China, which were weak in the first quarter but bounced back in the subsequent three months. The RBC Canadian Equity Fund, the RBC Canadian Dividend Fund and the RBC QUBE Low Volatility Canadian Equity Fund had a positive impact on the portfolio's returns.

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(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

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Change in Net Assets Per Unit ($)

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For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**9.96**	**0.12**	**(0.10)**	**0.10**	**0.44**	**0.56**	**–**	**–**	**–**	**–**	**–**	**10.53**
Dec. 31, 2013	9.08	0.30	(0.18)	0.34	0.83	1.29	–	(0.12)	(0.28)	–	(0.40)	9.96
Dec. 31, 2012	8.62	0.27	(0.17)	0.04	0.43	0.57	–	(0.09)	(0.03)	–	(0.12)	9.08
Dec. 31, 2011	8.99	0.23	(0.16)	0.13	(0.41)	(0.21)	(0.05)	–	(0.12)	–	(0.17)	8.62
Dec. 31, 2010	8.48	0.25	(0.16)	0.09	0.59	0.77	–	(0.07)	(0.06)	–	(0.13)	8.99
Dec. 31, 2009	7.51	0.25	(0.15)	0.06	1.07	1.23	–	(0.08)	(0.04)	–	(0.12)	8.48
Series D												
June 30, 2014	**9.90**	**0.12**	**(0.06)**	**0.10**	**0.43**	**0.59**	**–**	**–**	**–**	**–**	**–**	**10.50**
Dec. 31, 2013	8.98	0.30	(0.11)	0.33	0.81	1.33	–	(0.15)	(0.28)	–	(0.43)	9.90
Dec. 31, 2012	8.47	0.25	(0.10)	0.04	0.41	0.60	–	(0.10)	(0.03)	–	(0.13)	8.98
Dec. 31, 2011[3]	8.74[†]	0.03	(0.02)	0.02	(0.06)	(0.03)	(0.22)	–	(0.12)	–	(0.34)	8.47

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From November 1, 2011.

[†] Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**10.53**	**591 964**	**56 214**	**1.94**	**1.94**	**11.42**	**0.11**
Dec. 31, 2013	9.96	504 952	50 673	1.94	1.94	39.20	0.11
Dec. 31, 2012	9.08	346 974	38 198	1.94	1.94	4.40	0.15
Dec. 31, 2011	8.62	234 493	27 189	1.94	1.94	10.11	0.20
Dec. 31, 2010	8.99	155 439	17 282	1.90	1.90	4.44	0.22
Dec. 31, 2009	8.48	77 762	9 170	1.95	1.95	–	0.25
Series D							
June 30, 2014	**10.50**	**1 840**	**175**	**1.16**	**1.16**	**11.42**	**0.11**
Dec. 31, 2013	9.90	979	99	1.18	1.18	39.20	0.11
Dec. 31, 2012	8.98	245	27	1.18	1.18	4.40	0.15
Dec. 31, 2011[4]	8.47	6	1	1.18	1.18	10.11	0.20

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions. Effective January 1, 2008, the trading expense ratio is calculated for fund-on-fund transactions.

[4] From November 1, 2011.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee payable in respect of each series of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the GST/HST was not included in the Specified Percentage prior to July 1, 2010, the MER is higher than the Specified Percentage by the additional cost of the GST/HST.

The MER paid by each series of the Fund is calculated at the applicable annual Specified Percentage of the daily net asset value of each series of the Fund, plus the additional cost of the GST/HST as of July 1, 2010. The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees*	Distribution	Other†
Series A	1.69%	57%	43%
Series D	0.98%	26%	74%

* Management fees represent the actual average management fee rate for the period ended June 30, 2014.

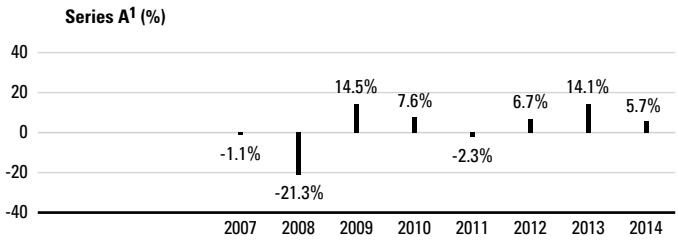
† Includes all costs related to management, trustee, investment advisory services, general administration and profit.

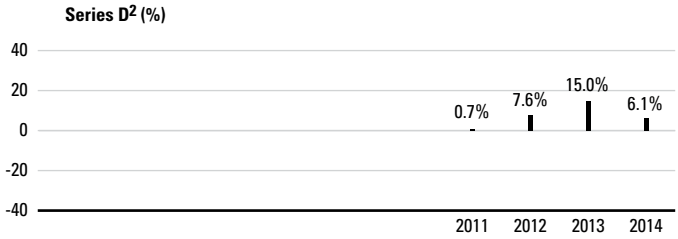
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





1 Inception date July 3, 2007.
2 Inception date November 1, 2011.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Income Funds	41.7
Canadian Equity Funds	21.0
U.S. Equity Funds	20.9
International Equity Funds	15.9
Cash/Other	0.5

Top 25 Holdings*

	% of Net Asset Value
RBC Bond Fund	30.5
RBC Canadian Equity Fund	10.5
RBC European Equity Fund	8.3
RBC High Yield Bond Fund	6.2
Phillips, Hager & North Total Return Bond Fund	5.0
RBC Canadian Dividend Fund	5.0
RBC O'Shaughnessy U.S. Value Fund	4.9
RBC QUBE Low Volatility Canadian Equity Fund	4.5
RBC U.S. Equity Fund	4.3
RBC Private U.S. Large-Cap Core Equity Pool	4.3
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	4.0
RBC U.S. Mid-Cap Equity Fund	3.4
RBC Emerging Markets Equity Fund	3.2
RBC Asia Pacific ex-Japan Equity Fund	2.6
RBC Japanese Equity Fund	1.8
Phillips, Hager & North Canadian Growth Fund	1.0
Cash & Cash Equivalents	0.5
Total	100.0

* The Fund holds fewer than 25 holdings.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying funds are available on SEDAR website at www.sedar.com.

PORTFOLIO SOLUTION

RBC TARGET 2030 EDUCATION FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund is an asset allocation fund specifically designed to meet the changing needs of investors who are saving money for the purpose of funding their child's post-secondary education that commences around 2030. The Fund gradually shifts its asset mix from an emphasis on equity funds in its early years, to an emphasis on money market funds as its "target" year of 2030 approaches. The Fund invests its assets primarily in units of other funds managed by RBC GAM or an affiliate.

Over the life of the Fund, its portfolio will shift from a focus on funds with growth potential to a focus on funds that preserve capital.

Results of Operations

The Fund's net asset value was $92 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 5.9%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Led by North America and other developed markets, the global economy has continued to gain traction. While some risks have faded, such as the threat of deflation, geopolitical risks have mounted and emerging-market credit excesses remain largely unaddressed. Equity markets recorded more modest returns in the first half of 2014, following last year's significant gains in developed markets, and global bond markets rallied. Speculation abounded that the U.S. Federal Reserve (the "Fed") was drawing closer to raising short-term interest rates, leading to a greater degree of comfort that the economy is indeed improving and the global financial crisis is finally behind us.

As the first half of 2014 came to a close, the major central banks had diverging views on the path for monetary policy. Some countries such as the U.K. and the U.S. will look to tighten monetary policy in the next year. However, in the Eurozone and Japan, the course of monetary policy continues to be towards more, rather than less, stimulus in an effort to boost inflation and economic growth.

U.S. bond yields started 2014 near their highest levels in almost three years after signs the Fed would begin scaling back measures aimed at helping the economy recover from the financial crisis. Since then, yields have trended lower, held down by demand for the relative safety of Treasuries amid geopolitical risks and concerns about the tepid pace of U.S. economic growth. Also holding down yields was demand for fixed income from pension funds and bank demand for government bonds fulfilling new regulatory changes. The RBC High Yield Bond Fund and the RBC Bond Fund had a significant positive impact on performance.

Stock indexes continued their trend higher, but with far less enthusiasm than in 2013. Canada's S&P/TSX Composite Index outpaced most other developed-market indexes during the first half of 2014, including the S&P 500. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged in recent years. U.S. stocks rose amid continued earnings growth and low interest rates. After a strong start to the year, Eurozone equities dropped in February on concern that deflation was starting to take root. This prompted the European Central Bank to hint that it would take steps to bolster asset prices, and these measures were delivered in June. Asian markets remained fairly volatile over the period, particularly Japan and China, which were weak in the first quarter but bounced back in the subsequent three months. The RBC Canadian Equity Fund, the Phillips, Hager & North Canadian Growth Fund and the RBC Canadian Dividend Fund contributed to returns.

Recent Developments

The portfolio manager continues to subscribe to an economic-normalization thesis, with the revival of risk appetite in 2013 and the abatement of fiscal austerity in 2014 enabling materially faster growth for the rest of this year and beyond. Bond yields should gradually rise as the economy continues to normalize. The portfolio manager recognizes that rising bond yields will likely lead to low total returns. As the recovery gains traction, higher growth should translate into expanding sales and earnings, supporting the stock market's next move higher.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank and RBC IS are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**11.81**	**0.14**	**(0.12)**	**0.04**	**0.64**	**0.70**	**–**	**–**	**–**	**–**	**–**	**12.51**
Dec. 31, 2013	10.29	0.46	(0.22)	0.20	1.50	1.94	–	(0.15)	(0.11)	–	(0.26)	11.81
Dec. 31, 2012[3]	10.00†	0.40	(0.10)	0.07	0.14	0.51	–	(0.14)	(0.03)	–	(0.17)	10.29
Series D												
June 30, 2014	**11.82**	**0.14**	**(0.07)**	**0.04**	**0.64**	**0.75**	**–**	**–**	**–**	**–**	**–**	**12.57**
Dec. 31, 2013	10.24	0.46	(0.14)	0.21	1.50	2.03	–	(0.17)	(0.11)	–	(0.28)	11.82
Dec. 31, 2012[3]	10.00†	0.49	(0.06)	0.08	0.17	0.68	–	(0.23)	(0.03)	–	(0.26)	10.24

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From July 9, 2012.

† Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**12.51**	**91 081**	**7 281**	**2.04**	**2.04**	**8.79**	**0.14**
Dec. 31, 2013	11.81	52 715	4 464	2.03	2.03	22.09	0.13
Dec. 31, 2012[4]	10.29	8 748	850	2.10	2.10	–	0.17
Series D							
June 30, 2014	**12.57**	**1 040**	**83**	**1.27**	**1.27**	**8.79**	**0.14**
Dec. 31, 2013	11.82	389	33	1.28	1.28	22.09	0.13
Dec. 31, 2012[4]	10.24	64	6	1.30	1.30	–	0.17

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions. Effective January 1, 2008, the trading expense ratio is calculated for fund-on-fund transactions.

[4] From July 9, 2012.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee payable in respect of each series of the Fund is a variable fee and is determined on a basis such that all fees and expenses that comprise the management expense ratio ("MER"), other than the additional cost of the GST/HST, will be equal to a specified percentage of the average net asset value of each series of the Fund ("Specified Percentage"). The Specified Percentage includes the management fee, administration fee, taxes (other than the additional cost of the GST/HST), other fund costs and any fees and expenses of the underlying funds. Since the additional cost of the GST/HST was not included in the Specified Percentage prior to July 1, 2010, the MER is higher than the Specified Percentage by the additional cost of the GST/HST.

The MER paid by each series of the Fund is calculated at the applicable annual Specified Percentage of the daily net asset value of each series of the Fund, plus the additional cost of the GST/HST as of July 1, 2010. The breakdown of the services received in consideration of the management fee component of the MER for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees*	Distribution	Other†
Series A	1.79%	56%	44%
Series D	1.07%	23%	77%

* Management fees represent the actual average management fee rate for the period ended June 30, 2014.

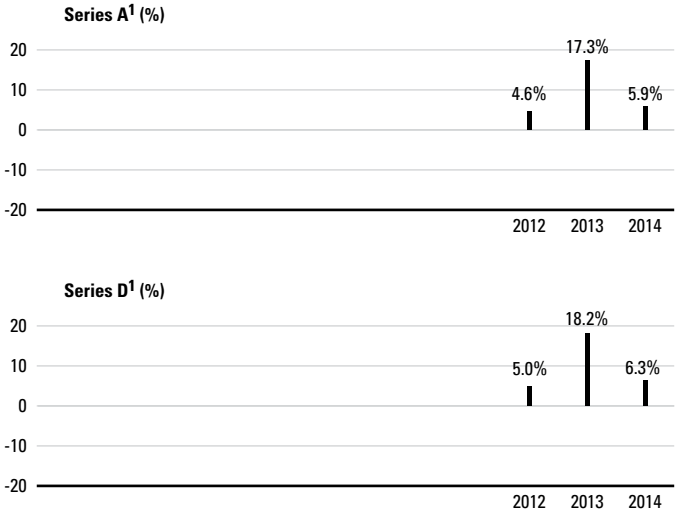
† Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.



[1] Inception date July 9, 2012.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Income Funds	28.0
U.S. Equity Funds	25.5
Canadian Equity Funds	25.4
International Equity Funds	20.4
Cash/Other	0.7

Top 25 Holdings*

	% of Net Asset Value
RBC Bond Fund	15.2
RBC High Yield Bond Fund	12.9
RBC Canadian Equity Fund	12.2
RBC European Equity Fund	10.3
RBC U.S. Equity Fund	5.6
RBC Private U.S. Large-Cap Core Equity Pool	5.6
RBC U.S. Mid-Cap Equity Fund	5.1
Phillips, Hager & North Canadian Growth Fund	5.1
RBC Canadian Dividend Fund	5.0
RBC O'Shaughnessy U.S. Value Fund	5.0
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	4.2
RBC Emerging Markets Equity Fund	4.1
RBC Asia Pacific ex-Japan Equity Fund	3.6
RBC QUBE Low Volatility Canadian Equity Fund	3.1
RBC Japanese Equity Fund	2.4
Cash & Cash Equivalents	0.6
Total	100.0

* The Fund holds fewer than 25 holdings.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

The Simplified Prospectus and other information about the underlying funds are available on SEDAR website at www.sedar.com.

CANADIAN EQUITY FUND

RBC CANADIAN DIVIDEND FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to achieve long-term returns consisting of regular dividend income and modest long-term capital growth.

The Fund invests primarily in common and preferred shares of major Canadian companies with above-average dividend yields, as well as income trusts. Stocks that qualify as investments will generally carry above-average dividend yields and offer the potential for increased payouts. The Fund may also invest in foreign securities with similar attributes.

Results of Operations

The Fund's net asset value was $18.6 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 10.6%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Canada's equity benchmark, the S&P/TSX Composite Index, outpaced those of most other developed-market economies during the first half of 2014. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged the overall market in recent years. Canadian stock markets were boosted by economic recoveries in the U.S. and Europe. Russia's seizure of the Crimean region from Ukraine and conflict in Iraq also aided Canada's Energy sector on worries that developments in those regions would jeopardize energy supplies. Emerging markets recovered somewhat in the latter stages of the period, also adding to the allure of Canadian stocks.

Strong performance in the Energy, Industrials and Financials sectors was offset by weaker performance in the Materials sector.

In the Energy sector, the Fund capitalized on favourable oil and gas prices through an overweight position in the sector. Overweight positions in Canadian Natural Resources and Suncor Energy aided returns, as did an overweight position in ShawCor.

In the Industrials sector, the Fund benefited from an underweight position in Bombardier, which fell in May after Air Canada announced that it would not place an order for the new CSeries airplane. Later in the month, the CSeries test program stalled after an engine incident and this further pressured the shares.

In the Financials sector, a lack of exposure to IGM Financial and Power Financial aided performance. This was partially offset by an overweight position in Power Corp., which performed poorly.

An underweight allocation to the Materials sector was the primary cause of the Fund's underperformance. A complete lack of exposure to gold producers Agnico Eagle Mines and Franco-Nevada, along with an underweight position in Goldcorp, hurt performance.

In the Consumer Discretionary sector, a lack of exposure to dairy and cheesemaker Saputo had a negative impact on performance. Saputo stock benefited from its acquisition of an Australian company and strong international profits in developing countries.

Recent Developments

In the portfolio manager's view, strong Canadian equity-market returns during the first half of the year should be met with some caution, as relatively slow labour-market growth and ever-rising house prices are causes for concern. However, prospects for exports should improve as the U.S. economy strengthens. In this mixed environment, the Bank of Canada appears unlikely to raise its benchmark interest rate in the coming year.

Recent U.S. economic data has been generally better than expected, indicating that weakness early in the year may have been temporary. U.S. growth should support the U.S. Federal Reserve's continued reduction of extraordinary monetary policy. In Europe, expectations for comprehensive stimulative action were surpassed in June, when the European Central Bank cut its benchmark interest rate and began charging banks for deposits held at the central bank to encourage lending. China continues to adjust to a lower-than-historical growth rate, with the economy looking less sure-footed than in the past, and geopolitical concerns continuing to mount.

The administration fee for Series A units of the Fund was reduced from 0.12% to 0.10%, effective January 1, 2014.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Series T5, Series T8 and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $435,000 (2013 – $502,000) or 19% (2013 – 17%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**57.70**	**0.94**	**(0.52)**	**0.84**	**4.88**	**6.14**	**–**	**(0.30)**	**–**	**–**	**(0.30)**	**63.52**
Dec. 31, 2013	49.64	1.69	(0.94)	1.12	6.82	8.69	–	(0.60)	–	–	(0.60)	57.68
Dec. 31, 2012	45.44	1.54	(0.84)	1.23	2.96	4.89	–	(0.55)	(0.10)	–	(0.65)	49.64
Dec. 31, 2011	47.13	1.44	(0.80)	0.83	(2.67)	(1.20)	–	(0.54)	–	–	(0.54)	45.44
Dec. 31, 2010	42.74	1.45	(0.75)	0.73	3.42	4.85	–	(0.66)	–	–	(0.66)	47.13
Dec. 31, 2009	34.14	1.44	(0.64)	0.50	8.08	9.38	–	(0.66)	–	–	(0.66)	42.74
Advisor Series												
June 30, 2014	**58.04**	**0.94**	**(0.53)**	**0.85**	**4.90**	**6.16**	**–**	**(0.30)**	**–**	**–**	**(0.30)**	**63.89**
Dec. 31, 2013	49.93	1.70	(0.94)	1.12	6.86	8.74	–	(0.62)	–	–	(0.62)	58.03
Dec. 31, 2012	45.70	1.55	(0.84)	1.24	2.97	4.92	–	(0.55)	(0.10)	–	(0.65)	49.93
Dec. 31, 2011	47.38	1.45	(0.79)	0.83	(2.68)	(1.19)	–	(0.54)	–	–	(0.54)	45.70
Dec. 31, 2010	42.96	1.46	(0.75)	0.73	3.44	4.88	–	(0.66)	–	–	(0.66)	47.38
Dec. 31, 2009	34.29	1.44	(0.64)	0.50	8.10	9.40	–	(0.63)	–	–	(0.63)	42.96
Series T5												
June 30, 2014	**55.24**	**0.89**	**(0.51)**	**0.80**	**4.61**	**5.79**	**–**	**(1.38)**	**–**	**–**	**(1.38)**	**59.64**
Dec. 31, 2013	49.30	1.64	(0.96)	1.08	6.61	8.37	–	(0.65)	–	(1.82)	(2.47)	55.23
Dec. 31, 2012[3]	48.03[†]	0.41	(0.24)	0.33	0.79	1.29	–	(0.08)	(0.10)	(0.51)	(0.69)	49.30
Series T8												
June 30, 2014	**10.97**	**0.18**	**(0.10)**	**0.16**	**0.91**	**1.15**	**–**	**(0.44)**	**–**	**–**	**(0.44)**	**11.67**
Dec. 31, 2013	10.08	0.33	(0.18)	0.22	1.34	1.71	–	(0.15)	–	(0.66)	(0.81)	10.97
Dec. 31, 2012	9.86	0.33	(0.17)	0.26	0.63	1.05	–	(0.13)	(0.02)	(0.66)	(0.81)	10.08
Dec. 31, 2011	10.98	0.32	(0.18)	0.19	(0.60)	(0.27)	–	(0.13)	–	(0.75)	(0.88)	9.86
Dec. 31, 2010	10.63	0.34	(0.18)	0.17	0.81	1.14	–	(0.15)	–	(0.70)	(0.85)	10.98
Dec. 31, 2009	9.02	0.37	(0.16)	0.13	2.06	2.40	–	(0.75)	–	–	(0.75)	10.63
Series D												
June 30, 2014	**57.76**	**0.94**	**(0.36)**	**0.84**	**4.88**	**6.30**	**–**	**(0.47)**	**–**	**–**	**(0.47)**	**63.58**
Dec. 31, 2013	49.70	1.69	(0.64)	1.12	6.83	9.00	–	(0.91)	–	–	(0.91)	57.75
Dec. 31, 2012	45.49	1.54	(0.57)	1.24	2.97	5.18	–	(0.82)	(0.10)	–	(0.92)	49.70
Dec. 31, 2011	47.18	1.44	(0.54)	0.83	(2.67)	(0.94)	–	(0.81)	–	–	(0.81)	45.49
Dec. 31, 2010	42.78	1.45	(0.51)	0.73	3.43	5.10	–	(0.90)	–	–	(0.90)	47.18
Dec. 31, 2009	34.17	1.44	(0.44)	0.50	8.10	9.60	–	(0.86)	–	–	(0.86)	42.78

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**59.40**	**0.97**	**(0.29)**	**0.87**	**5.02**	**6.57**	**–**	**(0.57)**	**–**	**–**	**(0.57)**	**65.39**
Dec. 31, 2013	51.09	1.74	(0.51)	1.15	7.03	9.41	–	(1.07)	–	–	(1.07)	59.38
Dec. 31, 2012	46.77	1.58	(0.46)	1.27	3.05	5.44	–	(0.98)	(0.10)	–	(1.08)	51.09
Dec. 31, 2011	48.52	1.48	(0.43)	0.85	(2.75)	(0.85)	–	(0.97)	–	–	(0.97)	46.77
Dec. 31, 2010	43.96	1.49	(0.41)	0.74	3.52	5.34	–	(1.02)	–	–	(1.02)	48.52
Dec. 31, 2009	35.12	1.48	(0.35)	0.51	8.33	9.97	–	(0.99)	–	–	(0.99)	43.96
Series I												
June 30, 2014	**58.37**	**0.95**	**(0.16)**	**0.85**	**4.94**	**6.58**	**–**	**(0.72)**	**–**	**–**	**(0.72)**	**64.22**
Dec. 31, 2013	50.24	1.71	(0.28)	1.13	6.91	9.47	–	(1.31)	–	–	(1.31)	58.35
Dec. 31, 2012	45.97	1.56	(0.24)	1.25	3.00	5.57	–	(1.15)	(0.10)	–	(1.25)	50.24
Dec. 31, 2011	47.64	1.46	(0.23)	0.84	(2.70)	(0.63)	–	(1.12)	–	–	(1.12)	45.97
Dec. 31, 2010	43.17	1.46	(0.22)	0.73	3.45	5.42	–	(1.19)	–	–	(1.19)	47.64
Dec. 31, 2009	34.42	1.45	(0.19)	0.50	8.14	9.90	–	(1.06)	–	–	(1.06)	43.17
Series O												
June 30, 2014	**58.91**	**0.96**	**(0.01)**	**0.86**	**4.98**	**6.79**	**–**	**(0.87)**	**–**	**–**	**(0.87)**	**64.82**
Dec. 31, 2013	50.70	1.73	(0.01)	1.14	6.97	9.83	–	(1.59)	–	–	(1.59)	58.89
Dec. 31, 2012	46.38	1.57	(0.01)	1.26	3.02	5.84	–	(1.38)	(0.10)	–	(1.48)	50.70
Dec. 31, 2011	48.09	1.47	(0.01)	0.84	(2.72)	(0.42)	–	(1.38)	–	–	(1.38)	46.38
Dec. 31, 2010	43.53	1.47	(0.01)	0.74	3.47	5.67	–	(1.37)	–	–	(1.37)	48.09
Dec. 31, 2009	34.70	1.46	(0.01)	0.51	8.21	10.17	–	(1.24)	–	–	(1.24)	43.53

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From September 24, 2012.

† Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**63.52**	**11 931 669**	**187 852**	**1.76**	**1.76**	**15.94**	**0.03**
Dec. 31, 2013	57.70	10 897 203	188 857	1.79	1.79	19.11	0.04
Dec. 31, 2012	49.71	9 520 335	191 524	1.78	1.78	18.42	0.04
Dec. 31, 2011	45.51	9 077 321	199 449	1.77	1.77	29.94	0.05
Dec. 31, 2010	47.21	9 209 648	195 090	1.74	1.74	24.89	0.06
Dec. 31, 2009	42.81	7 805 162	182 304	1.70	1.70	83.37	0.17
Advisor Series							
June 30, 2014	**63.89**	**174 290**	**2 728**	**1.76**	**1.76**	**15.94**	**0.03**
Dec. 31, 2013	58.04	154 034	2 654	1.77	1.77	19.11	0.04
Dec. 31, 2012	50.00	132 232	2 644	1.76	1.76	18.42	0.04
Dec. 31, 2011	45.77	127 267	2 781	1.76	1.76	29.94	0.05
Dec. 31, 2010	47.46	119 692	2 522	1.73	1.73	24.89	0.06
Dec. 31, 2009	43.04	87 390	2 031	1.68	1.68	83.37	0.17

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series T5							
June 30, 2014	**59.64**	**4 349**	**73**	**1.78**	**1.78**	**15.94**	**0.03**
Dec. 31, 2013	55.24	1 753	32	1.83	1.83	19.11	0.04
Dec. 31, 2012[4]	49.37	50	1	1.81	1.81	18.42	0.04
Series T8							
June 30, 2014	**11.67**	**97 084**	**8 318**	**1.77**	**1.77**	**15.94**	**0.03**
Dec. 31, 2013	10.97	74 547	6 796	1.76	1.76	19.11	0.04
Dec. 31, 2012	10.10	47 576	4 712	1.70	1.70	18.42	0.04
Dec. 31, 2011	9.88	81 130	8 212	1.71	1.71	29.94	0.05
Dec. 31, 2010	11.00	73 957	6 724	1.70	1.70	24.89	0.06
Dec. 31, 2009	10.65	19 472	1 829	1.68	1.68	83.37	0.17
Series D							
June 30, 2014	**63.58**	**524 280**	**8 246**	**1.21**	**1.21**	**15.94**	**0.03**
Dec. 31, 2013	57.76	437 312	7 571	1.21	1.21	19.11	0.04
Dec. 31, 2012	49.77	347 063	6 974	1.21	1.21	18.42	0.04
Dec. 31, 2011	45.56	323 957	7 110	1.20	1.20	29.94	0.05
Dec. 31, 2010	47.26	329 054	6 962	1.18	1.18	24.89	0.06
Dec. 31, 2009	42.85	278 675	6 503	1.16	1.16	83.37	0.17
Series F							
June 30, 2014	**65.39**	**173 449**	**2 653**	**0.93**	**0.93**	**15.94**	**0.03**
Dec. 31, 2013	59.40	142 427	2 398	0.94	0.94	19.11	0.04
Dec. 31, 2012	51.17	111 800	2 185	0.94	0.94	18.42	0.04
Dec. 31, 2011	46.84	102 203	2 182	0.94	0.94	29.94	0.05
Dec. 31, 2010	48.60	102 397	2 107	0.92	0.92	24.89	0.06
Dec. 31, 2009	44.04	74 107	1 683	0.89	0.89	83.37	0.17
Series I							
June 30, 2014	**64.22**	**320 595**	**4 992**	**0.51**	**0.51**	**15.94**	**0.03**
Dec. 31, 2013	58.37	311 810	5 342	0.52	0.52	19.11	0.04
Dec. 31, 2012	50.31	268 939	5 346	0.50	0.50	18.42	0.04
Dec. 31, 2011	46.04	243 597	5 291	0.50	0.50	29.94	0.05
Dec. 31, 2010	47.72	206 146	4 320	0.50	0.50	24.89	0.06
Dec. 31, 2009	43.25	148 622	3 437	0.48	0.48	83.37	0.17
Series O							
June 30, 2014	**64.82**	**5 380 847**	**83 014**	**0.02**	**0.02**	**15.94**	**0.03**
Dec. 31, 2013	58.91	4 532 810	76 947	0.02	0.02	19.11	0.04
Dec. 31, 2012	50.77	3 660 954	72 105	0.02	0.02	18.42	0.04
Dec. 31, 2011	46.45	2 875 416	61 905	0.02	0.02	29.94	0.05
Dec. 31, 2010	48.17	2 698 592	56 020	0.02	0.02	24.89	0.06
Dec. 31, 2009	43.61	1 581 109	36 255	0.02	0.02	83.37	0.17

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From September 24, 2012.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.50%	67%	33%
Advisor Series	1.50%	67%	33%
Series T5	1.50%	67%	33%
Series T8	1.50%	67%	33%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%
Series I	0.44%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

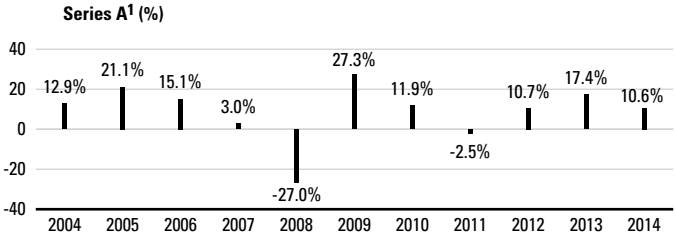
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

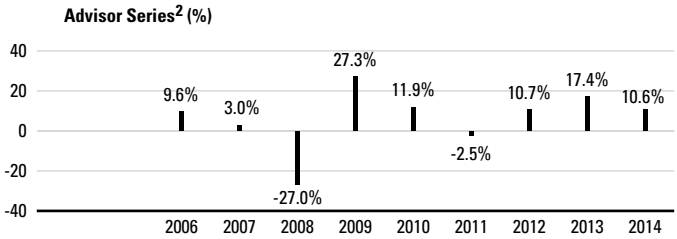
PAST PERFORMANCE

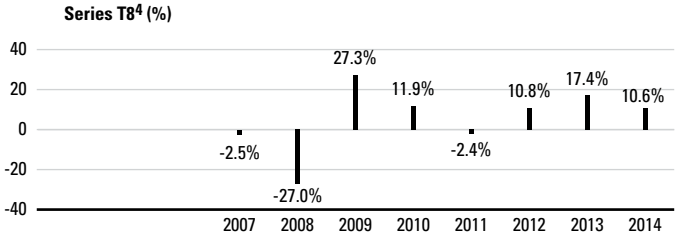
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

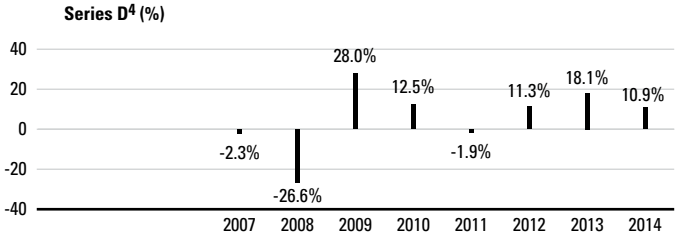
Year-by-Year Returns (%)

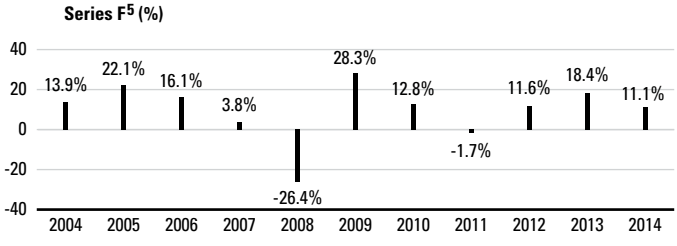
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

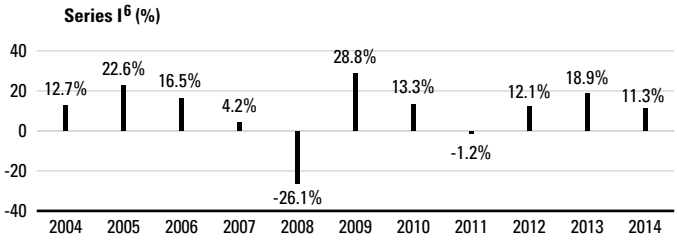




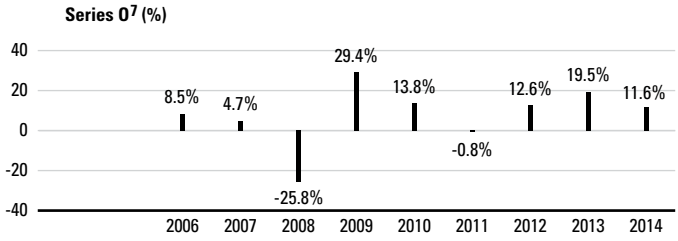








PAST PERFORMANCE (cont.)



1 Inception date January 11, 1993.
2 Inception date March 20, 2006.
3 Inception date September 24, 2012.
4 Inception date July 3, 2007.
5 Inception date August 13, 2001.
6 Inception date February 4, 2004.
7 Inception date September 5, 2006.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Financials	42.6
Energy	25.0
Industrials	7.4
Consumer Discretionary	6.6
Other Sectors	5.6
Materials	4.0
Telecommunication Services	3.6
Bonds	0.3
Cash/Other	4.9

Top 25 Holdings

	% of Net Asset Value
Bank of Nova Scotia	6.5
Royal Bank of Canada	6.5
Toronto-Dominion Bank	6.4
Cash & Cash Equivalents	4.6
Canadian National Railway Co.	3.8
Suncor Energy Inc.	3.6
Canadian Natural Resources Ltd.	3.5
Bank of Montreal	3.3
Enbridge Inc.	3.2
Canadian Imperial Bank of Commerce	3.2
Brookfield Asset Management Inc., Class A	2.9
TransCanada Corp.	2.6
Manulife Financial Corporation	2.3
Imperial Oil Ltd.	2.1
Magna International Inc., Class A	2.1
Cenovus Energy Inc.	1.9
Husky Energy Inc.	1.9
Canadian Pacific Railway Ltd.	1.6
TELUS Corp.	1.6
Power Corporation of Canada	1.6
CI Financial Corp.	1.6
Shaw Communications Inc., Class B	1.5
Sun Life Financial Inc.	1.5
Loblaw Companies Ltd.	1.5
Potash Corporation of Saskatchewan Inc.	1.3
Top 25 Holdings	72.6

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

CANADIAN EQUITY FUND

RBC CANADIAN EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing in equity securities of major Canadian companies to provide broad exposure to economic growth opportunities in Canada.

The Fund seeks to identify the best potential for growth while limiting risk and may hold shares of smaller companies, income-trust units and securities of comparable foreign companies.

Results of Operations

The Fund's net asset value was $4.9 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 12.6%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Canada's equity benchmark, the S&P/TSX Composite Index, outpaced those of most other developed-market economies during the first half of 2014. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged the overall market in recent years. Canadian stock markets were boosted by economic recoveries in the U.S. and Europe. Russia's seizure of the Crimean region from Ukraine and conflict in Iraq also aided Canada's Energy sector on worries that developments in those regions would jeopardize energy supplies. Emerging markets recovered somewhat in the latter stages of the period, also adding to the allure of Canadian stocks.

Strong performance in the Materials, Financials and Health Care sectors was offset by weaker performance in the Industrials sector.

In the Materials sector, the Fund benefited from security selection, more than offsetting a relative lack of exposure to the sector. An overweight position in Osisko Gold was positive for Fund performance when the company agreed to be jointly acquired by Agnico Eagle Mines and Yamana Gold. Strong performance from Detour Gold also aided performance after management changes and a successful equity financing.

Small- and mid-cap resources companies held by the Fund contributed to performance as rising prices for crude oil and natural gas supported stocks in the Energy sector. Positions in gas producers Paramount Resources and Crew Energy contributed to performance. Exposure to small oil-focused producers Raging River, RMP Energy and Spartan Energy had a positive effect on returns.

Performance in the Financials sector was driven primarily by an overweight position in shares of Canaccord Genuity, which experienced better-than-expected revenue growth from its U.S. and U.K. capital-markets business. Underweight positions in Great-West Lifeco and Power Financial also contributed to returns, but these were offset by an overweight position in Power Corp., which performed relatively poorly.

In Health Care, the Fund benefited from an underweight position in Valeant Pharmaceuticals, which performed poorly after making a proposal to take over U.S. health-care company Allergan.

Another key contributor to performance was Linamar, which reported record earnings and an improved profit-margin outlook.

In the Industrials sector, an overweight position in Bombardier hurt performance after Air Canada announced that it would not place an order for the new CSeries plane. The CSeries test program also stalled after an engine incident. An underweight position in Canadian Pacific Railway also weighed on the Fund's performance, as the company's stock benefited from strong rail volumes and improving profit margins.

Recent Developments

In the portfolio manager's view, strong Canadian equity-market returns during the first half of the year should be met with some caution, as relatively slow labour-market growth and ever-rising house prices are causes for concern. However, prospects for exports should improve as the U.S. economy strengthens. In this mixed environment, the Bank of Canada appears unlikely to raise its benchmark interest rate in the coming year.

Recent U.S. economic data has been generally better than expected, indicating that weakness early in the year may have been temporary. U.S. growth should support the U.S. Federal Reserve's continued reduction of extraordinary monetary policy. In Europe, expectations for comprehensive stimulative action were surpassed in June, when the European Central Bank cut its benchmark interest rate and began charging banks for deposits held at the central bank to encourage lending. China continues to adjust to a lower-than-historical growth rate, with the economy looking less sure-footed than in the past and geopolitical concerns continuing to mount.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $108,000 (2013 – $345,000) or 9% (2013 – 13%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**24.44**	**0.34**	**(0.26)**	**0.60**	**2.39**	**3.07**	**–**	**–**	**–**	**–**	**–**	**27.52**
Dec. 31, 2013	21.82	0.67	(0.47)	0.97	1.21	2.38	–	(0.16)	–	–	(0.16)	24.44
Dec. 31, 2012	20.62	0.58	(0.43)	0.03	1.13	1.31	–	(0.06)	–	–	(0.06)	21.82
Dec. 31, 2011	24.58	0.54	(0.47)	1.05	(3.86)	(2.74)	–	–	(1.18)	–	(1.18)	20.62
Dec. 31, 2010	22.38	0.55	(0.45)	1.96	1.40	3.46	–	–	(1.42)	–	(1.42)	24.58
Dec. 31, 2009	17.89	0.53	(0.40)	1.23	4.17	5.53	–	–	(0.89)	–	(0.89)	22.38
Advisor Series												
June 30, 2014	**24.55**	**0.34**	**(0.26)**	**0.61**	**2.40**	**3.09**	**–**	**–**	**–**	**–**	**–**	**27.64**
Dec. 31, 2013	21.90	0.67	(0.47)	0.97	1.22	2.39	–	(0.16)	–	–	(0.16)	24.54
Dec. 31, 2012	20.68	0.58	(0.43)	0.03	1.13	1.31	–	(0.06)	–	–	(0.06)	21.90
Dec. 31, 2011	24.64	0.54	(0.46)	1.05	(3.87)	(2.74)	–	–	(1.18)	–	(1.18)	20.68
Dec. 31, 2010	22.43	0.55	(0.45)	1.97	1.40	3.47	–	–	(1.42)	–	(1.42)	24.64
Dec. 31, 2009	17.92	0.53	(0.40)	1.23	4.17	5.53	–	–	(0.89)	–	(0.89)	22.43
Series D												
June 30, 2014	**25.08**	**0.35**	**(0.16)**	**0.62**	**2.46**	**3.27**	**–**	**–**	**–**	**–**	**–**	**28.35**
Dec. 31, 2013	22.37	0.69	(0.28)	1.00	1.25	2.66	–	(0.36)	–	–	(0.36)	25.07
Dec. 31, 2012	21.14	0.60	(0.26)	0.03	1.16	1.53	–	(0.25)	–	–	(0.25)	22.37
Dec. 31, 2011	25.07	0.55	(0.28)	1.07	(3.95)	(2.61)	–	(0.06)	(1.22)	–	(1.28)	21.14
Dec. 31, 2010	22.80	0.56	(0.27)	2.00	1.43	3.72	–	(0.17)	(1.45)	–	(1.62)	25.07
Dec. 31, 2009	18.10	0.53	(0.24)	1.25	4.23	5.77	–	(0.04)	(0.91)	–	(0.95)	22.80
Series F												
June 30, 2014	**26.90**	**0.37**	**(0.13)**	**0.67**	**2.64**	**3.55**	**–**	**–**	**–**	**–**	**–**	**30.45**
Dec. 31, 2013	23.97	0.74	(0.24)	1.07	1.35	2.92	–	(0.43)	–	–	(0.43)	26.89
Dec. 31, 2012	22.66	0.64	(0.22)	0.04	1.25	1.71	–	(0.34)	–	–	(0.34)	23.97
Dec. 31, 2011	26.85	0.59	(0.23)	1.15	(4.24)	(2.73)	–	(0.11)	(1.30)	–	(1.41)	22.66
Dec. 31, 2010	24.38	0.60	(0.23)	2.15	1.53	4.05	–	(0.23)	(1.55)	–	(1.78)	26.85
Dec. 31, 2009	19.32	0.57	(0.20)	1.34	4.52	6.23	–	(0.06)	(0.97)	–	(1.03)	24.38
Series I												
June 30, 2014	**27.35**	**0.38**	**(0.04)**	**0.68**	**2.69**	**3.71**	**–**	**–**	**–**	**–**	**–**	**31.07**
Dec. 31, 2013	24.38	0.75	(0.06)	1.09	1.37	3.15	–	(0.64)	–	–	(0.64)	27.34
Dec. 31, 2012	23.04	0.66	(0.06)	0.04	1.27	1.91	–	(0.50)	–	–	(0.50)	24.38
Dec. 31, 2011	27.19	0.60	(0.06)	1.16	(4.29)	(2.59)	–	(0.19)	(1.32)	–	(1.51)	23.04
Dec. 31, 2010	24.43	0.60	(0.06)	2.14	1.53	4.21	–	(0.04)	(1.56)	–	(1.60)	27.19
Dec. 31, 2009	19.35	0.57	(0.14)	1.34	4.54	6.31	–	(0.10)	(0.98)	–	(1.08)	24.43

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**26.16**	**0.36**	**–**	**0.65**	**2.57**	**3.58**	**–**	**–**	**–**	**–**	**–**	**29.75**
Dec. 31, 2013	23.51	0.70	(0.01)	1.01	1.27	2.97	–	(0.88)	–	–	(0.88)	26.15
Dec. 31, 2012	22.18	0.63	(0.01)	0.04	1.22	1.88	–	(0.50)	–	–	(0.50)	23.51
Dec. 31, 2011	26.20	0.58	–	1.13	(4.15)	(2.44)	–	(0.25)	(1.28)	–	(1.53)	22.18
Dec. 31, 2010	23.79	0.59	(0.01)	2.10	1.50	4.18	–	(0.45)	(1.53)	–	(1.98)	26.20
Dec. 31, 2009	18.76	0.56	–	1.30	4.40	6.26	–	(0.15)	(0.95)	–	(1.10)	23.79

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**27.52**	**2 456 965**	**89 268**	**2.06**	**2.06**	**37.78**	**0.08**
Dec. 31, 2013	24.44	2 326 759	95 185	2.06	2.06	41.26	0.12
Dec. 31, 2012	21.86	2 357 629	107 850	2.05	2.05	46.00	0.12
Dec. 31, 2011	20.66	2 492 473	120 626	2.05	2.05	58.58	0.13
Dec. 31, 2010	24.63	3 031 451	123 098	2.01	2.01	65.52	0.15
Dec. 31, 2009	22.44	2 818 812	125 643	1.97	1.97	82.78	0.21
Advisor Series							
June 30, 2014	**27.64**	**18 197**	**658**	**2.04**	**2.04**	**37.78**	**0.08**
Dec. 31, 2013	24.55	16 307	664	2.05	2.05	41.26	0.12
Dec. 31, 2012	21.95	16 413	748	2.03	2.03	46.00	0.12
Dec. 31, 2011	20.73	16 278	785	2.03	2.03	58.58	0.13
Dec. 31, 2010	24.69	16 875	683	1.99	1.99	65.52	0.15
Dec. 31, 2009	22.49	12 117	539	1.94	1.94	82.78	0.21
Series D							
June 30, 2014	**28.35**	**136 091**	**4 800**	**1.21**	**1.21**	**37.78**	**0.08**
Dec. 31, 2013	25.08	120 365	4 800	1.22	1.22	41.26	0.12
Dec. 31, 2012	22.41	116 599	5 202	1.21	1.21	46.00	0.12
Dec. 31, 2011	21.19	120 207	5 673	1.20	1.20	58.58	0.13
Dec. 31, 2010	25.12	140 643	5 598	1.18	1.18	65.52	0.15
Dec. 31, 2009	22.85	124 163	5 434	1.16	1.16	82.78	0.21
Series F							
June 30, 2014	**30.45**	**14 115**	**464**	**0.95**	**0.95**	**37.78**	**0.08**
Dec. 31, 2013	26.90	10 452	389	0.94	0.94	41.26	0.12
Dec. 31, 2012	24.02	9 119	380	0.94	0.94	46.00	0.12
Dec. 31, 2011	22.71	9 544	420	0.93	0.93	58.58	0.13
Dec. 31, 2010	26.90	10 690	397	0.92	0.92	65.52	0.15
Dec. 31, 2009	24.44	8 423	345	0.89	0.89	82.78	0.21

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series I							
June 30, 2014	**31.07**	**154 063**	**4 959**	**0.25**	**0.25**	**37.78**	**0.08**
Dec. 31, 2013	27.35	135 874	4 968	0.25	0.25	41.26	0.12
Dec. 31, 2012	24.43	121 403	4 969	0.24	0.24	46.00	0.12
Dec. 31, 2011	23.09	111 961	4 849	0.22	0.22	58.58	0.13
Dec. 31, 2010	27.24	6 677	245	0.24	0.24	65.52	0.15
Dec. 31, 2009	24.49	5	–	0.63	0.63	82.78	0.21
Series O							
June 30, 2014	**29.75**	**2 092 339**	**70 337**	**0.02**	**0.02**	**37.78**	**0.08**
Dec. 31, 2013	26.16	1 892 407	72 348	0.02	0.02	41.26	0.12
Dec. 31, 2012	23.55	2 747 119	116 643	0.02	0.02	46.00	0.12
Dec. 31, 2011	22.23	2 272 998	102 255	0.02	0.02	58.58	0.13
Dec. 31, 2010	26.25	2 158 780	82 233	0.02	0.02	65.52	0.15
Dec. 31, 2009	23.84	1 709 040	71 688	0.02	0.02	82.78	0.21

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.75%	66%	34%
Advisor Series	1.75%	66%	34%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

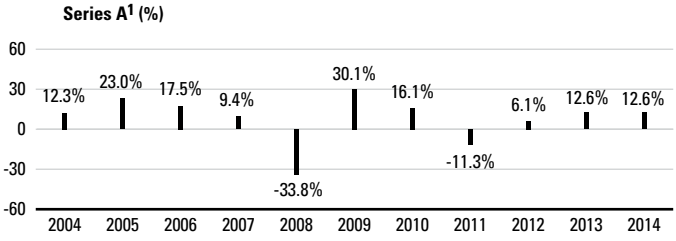
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

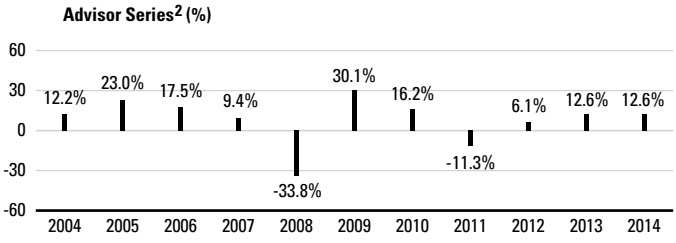
PAST PERFORMANCE

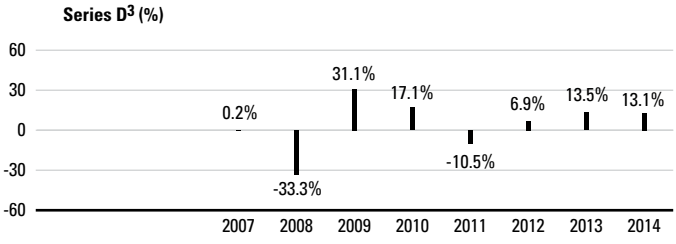
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

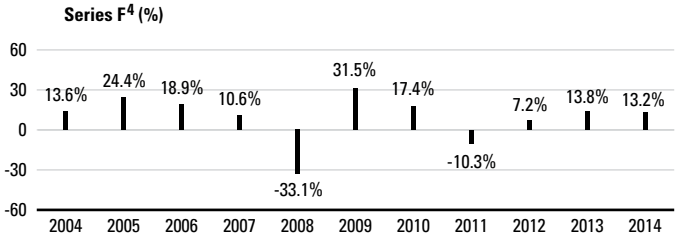
Year-by-Year Returns (%)

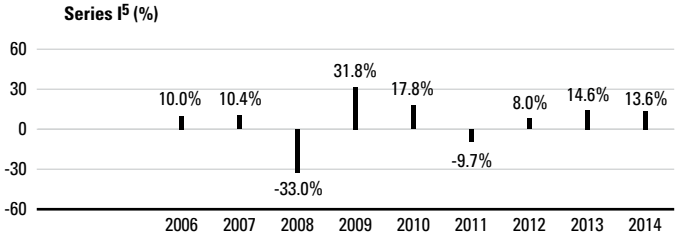
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

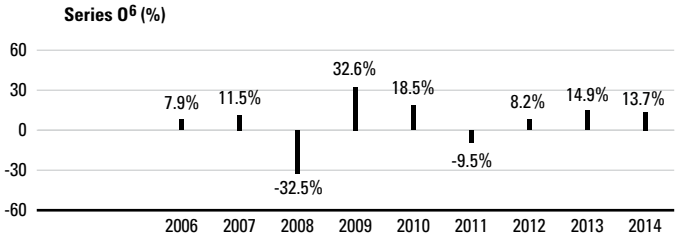












[1] Inception date April 17, 1967.
[2] Inception date January 13, 2003.
[3] Inception date July 3, 2007.
[4] Inception date August 13, 2001.
[5] Inception date August 8, 2006.
[6] Inception date September 5, 2006.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Financials	35.0
Energy	21.7
Materials	9.7
Industrials	8.1
Other Sectors	6.3
Consumer Discretionary	5.8
Telecommunication Services	3.5
U.S. Equities	1.0
Cash/Other	8.9

Top 25 Holdings

	% of Net Asset Value
RBC Canadian Small & Mid-Cap Resources Fund	7.3
Royal Bank of Canada	6.3
Toronto-Dominion Bank	5.5
Bank of Nova Scotia	5.2
Suncor Energy Inc.	4.4
Canadian Natural Resources Ltd.	3.8
Canadian National Railway Co.	3.7
Manulife Financial Corporation	2.6
Enbridge Inc.	2.6
Bank of Montreal	2.1
Canadian Imperial Bank of Commerce	2.1
Potash Corporation of Saskatchewan Inc.	2.0
Brookfield Asset Management Inc., Class A	2.0
TransCanada Corp.	2.0
Canadian Pacific Railway Ltd.	1.9
Magna International Inc., Class A	1.7
Cenovus Energy Inc.	1.6
Encana Corp.	1.5
Power Corporation of Canada	1.5
TELUS Corp.	1.4
Sun Life Financial Inc.	1.3
Loblaw Companies Ltd.	1.2
Cash & Cash Equivalents	1.2
BCE Inc.	1.1
Goldcorp Inc.	1.1
Top 25 Holdings	67.1

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

CANADIAN EQUITY FUND

RBC QUBE CANADIAN EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of Canadian companies using a quantitative approach.

The Fund is managed using a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors. The portfolio manager will diversify across industries within the Canadian market.

Results of Operations

The Fund's net asset value was $3 million as of June 30, 2014.

Over the past six months, the Fund's units gained 13.1%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund's gains were due to stock selection in the Consumer Discretionary, Energy and Utilities sectors. In the Consumer Discretionary sector, strong returns in auto-component and media stocks aided performance. The Fund's stock selection and a relative lack of exposure to the Materials sector hurt returns. In Materials, a rally in commodities prices contributed to strength in gold producers and other mining companies. Gold stocks in particular performed especially well during the period.

Recent Developments

Stock markets, having continued to perform well even after the significant gains of 2013, appear to be approaching fair value. However, valuations remain reasonable and history indicates that markets frequently continue to rise long after they have reached equilibrium. At current market valuations the portfolio manager expects total returns to investors to be lower, although still positive. Volatility has remained low in 2014.

The portfolio manager expects any further gains to come from earnings growth rather than a rise in overall market valuations. As long as the economic recovery gains traction, the portfolio manager expects higher economic growth to translate into expanding sales and profits.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributor

RBC GAM is the principal distributor of, or distributes certain series of the units of, the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**9.87**	**0.15**	**–**	**0.57**	**0.57**	**1.29**	**–**	**–**	**–**	**–**	**–**	**11.16**
Dec. 31, 2013[3]	9.90†	0.37	(0.01)	0.26	1.15	1.77	(1.45)	(0.35)	–	–	(1.80)	9.87

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
[2] Distributions are reinvested in additional units of the Fund or paid in cash.
[3] From June 27, 2013.
† Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series O							
June 30, 2014	**11.16**	**3 006**	**269**	**0.02**	**0.11**	**89.11**	**0.07**
Dec. 31, 2013[4]	9.87	2 658	269	0.03	0.13	76.14	0.06

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.
[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.
[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.
[4] From June 27, 2013.

Management Fees

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

[1] Inception date June 27, 2013.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Financials	33.8
Energy	24.6
Consumer Discretionary	9.9
Materials	9.9
Industrials	6.1
Other Sectors	6.0
Consumer Staples	4.9
Utilities	4.2
Cash/Other	0.6

Top 25 Holdings

	% of Net Asset Value
Canadian Imperial Bank of Commerce	6.8
Toronto-Dominion Bank	6.8
Suncor Energy Inc.	5.9
Canadian Natural Resources Ltd.	5.4
Bank of Montreal	5.0
Manulife Financial Corporation	4.9
Magna International Inc., Class A	3.8
George Weston Ltd.	2.4
Valeant Pharmaceuticals International Inc.	2.2
Capital Power Corp.	2.2
BCE Inc.	2.1
Alimentation Couche-Tard Inc.	2.0
Pembina Pipeline Corp.	2.0
Canadian Pacific Railway Ltd.	1.9
Enerplus Corp.	1.9
Encana Corp.	1.8
Royal Bank of Canada	1.8
Genworth MI Canada Inc.	1.8
Canadian Tire Corp. Ltd., Class A	1.7
Open Text Corp.	1.7
Cogeco Cable Inc.	1.6
Methanex Corp.	1.5
WestJet Airlines Ltd.	1.5
Sun Life Financial Inc.	1.4
Brookfield Property Partners LP	1.4
Top 25 Holdings	71.5

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

CANADIAN EQUITY FUND

RBC QUBE LOW VOLATILITY CANADIAN EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of Canadian companies using a quantitative approach. The Fund seeks to achieve a reduced level of volatility of returns compared with the broader Canadian equity market.

The Fund is managed using a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors. The portfolio manager will diversify across industries within the Canadian market.

Results of Operations

The Fund's net asset value was $757 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 10.7%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Energy, Financials and Consumer Staples sectors contributed significantly to the Fund's performance. In the Energy sector, oil and gas producers had the most significant positive impact on returns as crude oil prices rose due to conflict in the Middle East. Banks and real estate stocks also contributed to performance.

Individual stocks that contributed the most to the Fund's returns were Inter Pipeline, Imperial Oil and Vermilion Energy in the Energy sector. In the Financials sector, Bank of Montreal was a major contributor. Demand by investors for income in a low-yield environment led to gains for real estate investment trusts, which also contributed to returns.

Recent Developments

Stock markets, having continued to perform well even after the significant gains of 2013, appear to be approaching fair value. However, valuations remain reasonable and history indicates that markets frequently continue to rise long after they have reached equilibrium. At current market valuations the portfolio manager expects total returns to investors to be lower, although still positive. Volatility has remained low in 2014.

The portfolio manager expects any further gains to come from earnings growth rather than a rise in overall market valuations. As long as the economic recovery gains traction, the portfolio manager expects higher economic growth to translate into expanding sales and profits.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Series H and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $27,000 (2013 – $14,000) or 29% (2013 – 30%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**11.34**	**0.21**	**(0.12)**	**0.26**	**0.87**	**1.22**	**–**	**–**	**–**	**–**	**–**	**12.55**
Dec. 31, 2013	10.30	0.39	(0.22)	0.17	1.03	1.37	(0.01)	(0.06)	(0.12)	–	(0.19)	11.34
Dec. 31, 2012[3]	10.00†	0.01	(0.03)	–	0.04	0.02	–	(0.01)	(0.03)	–	(0.04)	10.30
Advisor Series												
June 30, 2014	**11.35**	**0.21**	**(0.12)**	**0.26**	**0.87**	**1.22**	**–**	**–**	**–**	**–**	**–**	**12.56**
Dec. 31, 2013	10.30	0.33	(0.22)	0.14	0.86	1.11	(0.01)	(0.06)	(0.12)	–	(0.19)	11.34
Dec. 31, 2012[3]	10.00†	0.01	(0.03)	–	0.04	0.02	–	(0.01)	(0.03)	–	(0.04)	10.30
Series H												
June 30, 2014	**11.37**	**0.21**	**(0.10)**	**0.26**	**0.87**	**1.24**	**–**	**–**	**–**	**–**	**–**	**12.60**
Dec. 31, 2013[4]	10.67†	0.11	(0.07)	0.05	0.29	0.38	(0.01)	(0.05)	(0.12)	–	(0.18)	11.36
Series D												
June 30, 2014	**11.41**	**0.21**	**(0.07)**	**0.27**	**0.87**	**1.28**	**–**	**–**	**–**	**–**	**–**	**12.68**
Dec. 31, 2013	10.30	0.43	(0.13)	0.18	1.13	1.61	(0.01)	(0.10)	(0.12)	–	(0.23)	11.40
Dec. 31, 2012[3]	10.00†	0.01	(0.02)	–	0.04	0.03	–	(0.01)	(0.03)	–	(0.04)	10.30
Series F												
June 30, 2014	**11.36**	**0.21**	**(0.05)**	**0.26**	**0.87**	**1.29**	**–**	**–**	**–**	**–**	**–**	**12.64**
Dec. 31, 2013	10.31	0.43	(0.10)	0.19	1.13	1.65	(0.02)	(0.18)	(0.12)	–	(0.32)	11.35
Dec. 31, 2012[3]	10.00†	0.01	(0.01)	–	0.04	0.04	–	(0.01)	(0.03)	–	(0.04)	10.31
Series I												
June 30, 2014	**11.47**	**0.21**	**(0.04)**	**0.27**	**0.88**	**1.32**	**–**	**–**	**–**	**–**	**–**	**12.77**
Dec. 31, 2013[4]	10.75†	0.11	(0.03)	0.05	0.30	0.43	(0.01)	(0.09)	(0.12)	–	(0.22)	11.46
Series O												
June 30, 2014	**12.29**	**0.23**	**–**	**0.29**	**0.94**	**1.46**	**–**	**–**	**–**	**–**	**–**	**13.74**
Dec. 31, 2013	11.11	0.42	–	0.18	1.10	1.70	(0.03)	(0.24)	(0.12)	–	(0.39)	12.29
Dec. 31, 2012	10.03	0.44	–	0.08	1.21	1.73	–	(0.08)	(0.03)	–	(0.11)	11.11
Dec. 31, 2011[5]	10.00†	0.05	–	(0.01)	0.43	0.47	–	–	–	–	–	10.03

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From November 19, 2012.

[4] From August 12, 2013.

[5] From November 19, 2011. Although Series O units of the Fund were created in November 2011, units were not offered for sale under a simplified prospectus until November 19, 2012.

† Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**12.55**	**15 266**	**1 216**	**2.05**	**2.05**	**51.33**	**0.03**
Dec. 31, 2013	11.34	9 339	823	2.05	2.05	40.52	0.03
Dec. 31, 2012[4]	10.32	418	41	2.09	2.09	46.58	0.11
Advisor Series							
June 30, 2014	**12.56**	**3 011**	**240**	**1.96**	**1.96**	**51.33**	**0.03**
Dec. 31, 2013	11.35	2 313	204	1.98	1.98	40.52	0.03
Dec. 31, 2012[4]	10.32	28	3	2.09	2.09	46.58	0.11
Series H							
June 30, 2014	**12.60**	**1**	**–**	**1.79**	**1.79**	**51.33**	**0.03**
Dec. 31, 2013[5]	11.37	1	–	1.92	1.92	40.52	0.03
Series D							
June 30, 2014	**12.68**	**3 904**	**308**	**1.18**	**1.18**	**51.33**	**0.03**
Dec. 31, 2013	11.41	2 171	190	1.18	1.18	40.52	0.03
Dec. 31, 2012[4]	10.32	170	16	1.24	1.24	46.58	0.11
Series F							
June 30, 2014	**12.64**	**1 397**	**111**	**0.90**	**0.90**	**51.33**	**0.03**
Dec. 31, 2013	11.36	1 220	107	0.90	0.90	40.52	0.03
Dec. 31, 2012[4]	10.32	40	4	0.96	0.96	46.58	0.11
Series I							
June 30, 2014	**12.77**	**1**	**–**	**0.74**	**0.74**	**51.33**	**0.03**
Dec. 31, 2013[5]	11.47	1	–	0.79	0.79	40.52	0.03
Series O							
June 30, 2014	**13.74**	**733 368**	**53 365**	**0.02**	**0.02**	**51.33**	**0.03**
Dec. 31, 2013	12.29	672 183	54 672	0.02	0.02	40.52	0.03
Dec. 31, 2012	11.13	155 660	13 990	0.02	0.02	46.58	0.11
Dec. 31, 2011[6]	10.04	1 304	130	0.02	0.02	20.87	0.03

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From November 19, 2012.

[5] From August 12, 2013.

[6] From November 19, 2011. Although Series O units of the Fund were created in November 2011, units were not offered for sale under a simplified prospectus until November 19, 2012.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.75%	57%	43%
Advisor Series	1.75%	57%	43%
Series H	1.60%	63%	37%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

PAST PERFORMANCE (cont.)

[1] Inception date November 19, 2012.
[2] Inception date August 12, 2013.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Energy	29.5
Financials	29.0
Consumer Staples	11.8
Consumer Discretionary	9.4
Telecommunication Services	7.0
Utilities	6.8
Other Sectors	6.2
Cash/Other	0.3

Top 25 Holdings

	% of Net Asset Value
Toronto-Dominion Bank	4.0
Canadian National Railway Co.	4.0
Inter Pipeline Ltd.	4.0
TransCanada Corp.	4.0
Bank of Nova Scotia	4.0
Fortis Inc.	4.0
Alimentation Couche-Tard Inc.	4.0
Imperial Oil Ltd.	4.0
Vermilion Energy Inc.	4.0
Bank of Montreal	4.0
BCE Inc.	3.7
Husky Energy Inc.	3.5
RioCan Real Estate Investment Trust	3.3
CI Financial Corp.	3.2
Jean Coutu Group, Class A	2.8
TELUS Corp.	2.6
Tim Hortons Inc.	2.5
Magna International Inc., Class A	2.5
Freehold Royalties Ltd.	2.4
Canadian Real Estate Investment Trust	2.4
Saputo Group Inc.	2.3
Enbridge Inc.	2.2
Canadian Imperial Bank of Commerce	1.9
Cineplex Inc.	1.9
Corus Entertainment Inc., Class B	1.5
Top 25 Holdings	78.7

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

CANADIAN EQUITY FUND

RBC JANTZI CANADIAN EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund provides the potential for long-term capital growth to investors seeking exposure to "socially responsible investing." Investments that qualify for inclusion in the portfolio must possess strong environmental, social and governance practices relative to industry peers, as defined by Sustainalytics Best-of-Sector™ methodology. The Fund invests primarily in equities of Canadian companies.

Results of Operations

The Fund's net asset value was $40 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 13.1%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Canada's equity benchmark, the S&P/TSX Composite Index, outpaced those of most other developed-market economies during the first half of 2014. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged the overall market in recent years. Canadian stock markets were boosted by economic recoveries in the U.S. and Europe. Russia's seizure of the Crimean region from Ukraine and conflict in Iraq also aided Canada's Energy sector on worries that developments in those regions would jeopardize energy supplies. Emerging markets recovered somewhat in the latter stages of the period, also adding to the allure of Canadian stocks.

The Fund benefited from strong performance in the Energy, Materials, Industrials, Financials and Consumer Discretionary sectors. The Information Technology sector had a negative impact on relative returns.

Rising prices for crude oil and natural gas supported stocks in the Energy sector. Security selection was the primary contributor to relative performance, with the Fund benefiting from overweight positions in Canadian Natural Resources and Cardinal Energy, as well as energy-services provider ShawCor.

Security selection was also a positive for returns in the Materials sector. A complete lack of exposure to Barrick Gold aided performance after investors were disappointed by the company's failure to reach a merger agreement with Newmont Mining. Also contributing to the Fund's performance was an overweight position in Osisko Mining, which was acquired jointly by Agnico Eagle Mines and Yamana Gold.

In the Financials sector, an overweight position in Canaccord Genuity proved beneficial to performance, as the stock was driven by better-than-expected revenue growth from its capital-markets businesses in the U.K. and the U.S.

Strong security selection in the Industrials sector helped the Fund's performance. An overweight position in Air Canada was a large contributor, with strong traffic growth and continued cost reductions pushing the shares higher.

The Consumer Discretionary sector benefited from overweight positions in auto-parts companies Linamar and Magna International. Record revenues and an encouraging outlook for vehicle sales pushed shares of both companies higher.

In the Information Technology sector, a position in Redknee Solutions hampered performance. The company's shares fell on investor scepticism surrounding its acquisition of Nokia Siemens's billing assets.

Sustainalytics completed a semi-annual review of the holdings in the Fund. Stock eligibility for the RBC Jantzi Funds was determined in relation to the environmental, social and governance ("ESG") criteria developed by Sustainalytics for the Jantzi Social Index. In the opinion of Sustainalytics, all holdings in the Fund were eligible based on the above criteria as of June 30, 2014. However, during the first half of 2014, two companies were removed from the Fund as it no longer met certain ESG criteria.

Recent Developments

In the portfolio manager's view, strong Canadian equity-market returns during the first half of the year should be met with some caution, as relatively slow labour-market growth and ever-rising house prices are causes for concern. However, prospects for exports should improve as the U.S. economy strengthens. In this mixed environment, the Bank of Canada appears unlikely to raise its benchmark interest rate in the coming year.

Recent U.S. economic data has been generally better than expected, indicating that weakness early in the year may have been temporary. U.S. growth should support the U.S. Federal Reserve's continued reduction of extraordinary monetary policy. In Europe, expectations for comprehensive stimulative action were surpassed in June, when the European Central Bank cut its benchmark interest rate and began charging banks for deposits held at the central bank to encourage lending. China continues to adjust to a lower-than-historical growth rate, with the economy looking less sure-footed than in the past, and geopolitical concerns continuing to mount.

™ Best-of-Sector is a trademark of Sustainalytics. Used under licence.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $0 (2013 – $2,000) or 0% (2013 – 11%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**11.23**	**0.17**	**(0.12)**	**0.17**	**1.26**	**1.48**	**–**	**–**	**–**	**–**	**–**	**12.70**
Dec. 31, 2013	9.87	0.31	(0.22)	0.21	1.07	1.37	–	(0.04)	–	–	(0.04)	11.22
Dec. 31, 2012	9.06	0.27	(0.20)	(0.12)	0.89	0.84	–	(0.01)	–	–	(0.01)	9.87
Dec. 31, 2011	10.32	0.25	(0.20)	0.31	(1.31)	(0.95)	–	–	(0.37)	–	(0.37)	9.06
Dec. 31, 2010	9.02	0.25	(0.19)	0.33	0.93	1.32	–	–	(0.04)	–	(0.04)	10.32
Dec. 31, 2009	6.75	0.23	(0.16)	(0.23)	2.49	2.33	–	–	–	–	–	9.02
Advisor Series												
June 30, 2014	**11.26**	**0.17**	**(0.12)**	**0.17**	**1.26**	**1.48**	**–**	**–**	**–**	**–**	**–**	**12.74**
Dec. 31, 2013	9.90	0.31	(0.21)	0.21	1.07	1.38	–	(0.04)	–	–	(0.04)	11.25
Dec. 31, 2012	9.08	0.26	(0.19)	(0.12)	0.89	0.84	–	(0.01)	–	–	(0.01)	9.90
Dec. 31, 2011	10.34	0.25	(0.20)	0.31	(1.32)	(0.96)	–	–	(0.37)	–	(0.37)	9.08
Dec. 31, 2010	9.03	0.24	(0.19)	0.32	0.91	1.28	–	–	(0.04)	–	(0.04)	10.34
Dec. 31, 2009	6.75	0.23	(0.15)	(0.23)	2.46	2.31	–	–	–	–	–	9.03
Series D												
June 30, 2014	**11.68**	**0.17**	**(0.07)**	**0.18**	**1.31**	**1.59**	**–**	**–**	**–**	**–**	**–**	**13.27**
Dec. 31, 2013	10.27	0.32	(0.13)	0.22	1.11	1.52	–	(0.13)	–	–	(0.13)	11.68
Dec. 31, 2012	9.40	0.28	(0.12)	(0.13)	0.93	0.96	–	(0.09)	–	–	(0.09)	10.27
Dec. 31, 2011	10.63	0.25	(0.12)	0.33	(1.36)	(0.90)	–	–	(0.40)	–	(0.40)	9.40
Dec. 31, 2010	9.21	0.25	(0.11)	0.33	0.94	1.41	–	–	(0.04)	–	(0.04)	10.63
Dec. 31, 2009	6.83	0.24	(0.09)	(0.24)	2.58	2.49	–	–	–	–	–	9.21
Series F												
June 30, 2014	**11.84**	**0.18**	**(0.06)**	**0.18**	**1.33**	**1.63**	**–**	**–**	**–**	**–**	**–**	**13.47**
Dec. 31, 2013	10.39	0.33	(0.10)	0.22	1.13	1.58	–	(0.15)	–	–	(0.15)	11.84
Dec. 31, 2012	9.52	0.28	(0.10)	(0.13)	0.94	0.99	–	(0.11)	–	–	(0.11)	10.39
Dec. 31, 2011	10.73	0.26	(0.10)	0.33	(1.37)	(0.88)	–	–	(0.40)	–	(0.40)	9.52
Dec. 31, 2010	9.27	0.26	(0.09)	0.34	0.96	1.47	–	–	(0.04)	–	(0.04)	10.73
Dec. 31, 2009	6.86	0.24	(0.07)	(0.24)	2.56	2.49	–	–	–	–	–	9.27

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series I												
June 30, 2014	**11.91**	**0.18**	**(0.04)**	**0.18**	**1.34**	**1.66**	**–**	**–**	**–**	**–**	**–**	**13.57**
Dec. 31, 2013	10.46	0.33	(0.07)	0.23	1.14	1.63	–	(0.19)	–	–	(0.19)	11.91
Dec. 31, 2012	9.57	0.28	(0.07)	(0.13)	0.95	1.03	–	(0.13)	–	–	(0.13)	10.46
Dec. 31, 2011	10.75	0.26	(0.07)	0.33	(1.37)	(0.85)	–	–	(0.40)	–	(0.40)	9.57
Dec. 31, 2010	9.26	0.26	(0.06)	0.34	0.96	1.50	–	–	(0.04)	–	(0.04)	10.75
Dec. 31, 2009	6.83	0.24	(0.05)	(0.24)	2.60	2.55	–	–	–	–	–	9.26

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**12.70**	**30 817**	**2 427**	**2.08**	**2.09**	**38.66**	**0.09**
Dec. 31, 2013	11.23	26 752	2 383	2.10	2.10	45.26	0.10
Dec. 31, 2012	9.89	25 044	2 532	2.10	2.10	55.48	0.17
Dec. 31, 2011	9.08	23 872	2 629	2.11	2.11	83.04	0.20
Dec. 31, 2010	10.34	23 609	2 284	2.06	2.06	53.43	0.14
Dec. 31, 2009	9.04	16 331	1 806	2.04	2.04	40.02	0.09
Advisor Series							
June 30, 2014	**12.74**	**4 548**	**357**	**2.02**	**2.03**	**38.66**	**0.09**
Dec. 31, 2013	11.26	4 139	368	2.04	2.04	45.26	0.10
Dec. 31, 2012	9.91	3 428	346	2.07	2.07	55.48	0.17
Dec. 31, 2011	9.10	6 160	677	2.08	2.08	83.04	0.20
Dec. 31, 2010	10.35	6 956	672	2.03	2.03	53.43	0.14
Dec. 31, 2009	9.05	636	70	1.99	1.99	40.02	0.09
Series D							
June 30, 2014	**13.27**	**2 603**	**196**	**1.20**	**1.21**	**38.66**	**0.09**
Dec. 31, 2013	11.68	1 639	140	1.21	1.21	45.26	0.10
Dec. 31, 2012	10.29	1 269	123	1.22	1.22	55.48	0.17
Dec. 31, 2011	9.43	956	101	1.22	1.22	83.04	0.20
Dec. 31, 2010	10.65	1 178	111	1.20	1.20	53.43	0.14
Dec. 31, 2009	9.23	363	39	1.20	1.20	40.02	0.09
Series F							
June 30, 2014	**13.47**	**1 772**	**132**	**0.94**	**0.95**	**38.66**	**0.09**
Dec. 31, 2013	11.84	1 641	139	0.96	0.96	45.26	0.10
Dec. 31, 2012	10.41	1 145	110	0.96	0.96	55.48	0.17
Dec. 31, 2011	9.54	813	85	0.96	0.96	83.04	0.20
Dec. 31, 2010	10.75	703	65	0.93	0.93	53.43	0.14
Dec. 31, 2009	9.30	593	64	0.94	0.94	40.02	0.09

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series I							
June 30, 2014	**13.57**	**52**	**4**	**0.65**	**0.66**	**38.66**	**0.09**
Dec. 31, 2013	11.91	40	3	0.66	0.66	45.26	0.10
Dec. 31, 2012	10.48	28	3	0.66	0.66	55.48	0.17
Dec. 31, 2011	9.59	15	2	0.65	0.65	83.04	0.20
Dec. 31, 2010	10.77	1	–	0.65	0.65	53.43	0.14
Dec. 31, 2009	9.29	1	–	0.66	0.66	40.02	0.09

1 The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

2 The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

3 The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.75%	66%	34%
Advisor Series	1.75%	66%	34%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

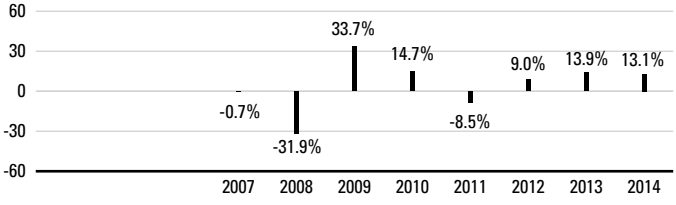
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

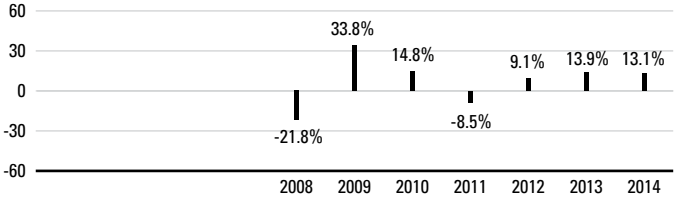
Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

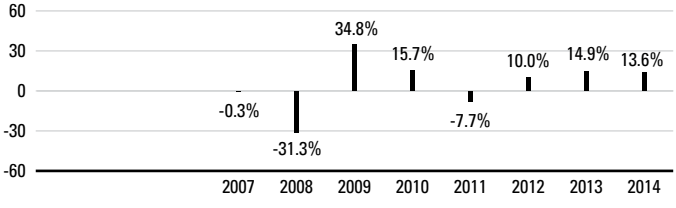
Series A[1] (%)



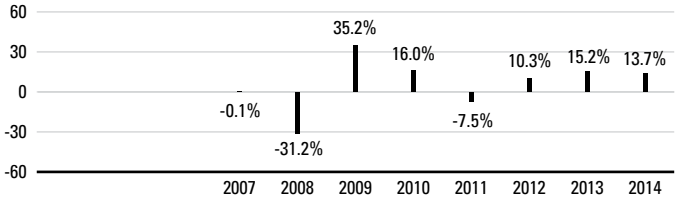
Advisor Series[2] (%)



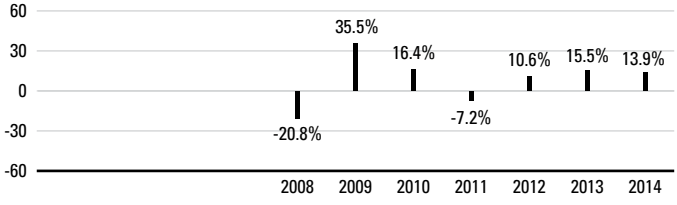
Series D[1] (%)



Series F[1] (%)



Series I[2] (%)



[1] Inception date July 3, 2007.
[2] Inception date January 21, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Financials	34.8
Energy	25.8
Materials	10.8
Industrials	8.0
Other Sectors	7.2
Consumer Discretionary	6.9
Telecommunication Services	3.3
Cash/Other	3.2

Top 25 Holdings

	% of Net Asset Value
Royal Bank of Canada	6.1
Toronto-Dominion Bank	5.3
Bank of Nova Scotia	4.9
Suncor Energy Inc.	4.0
Canadian National Railway Co.	3.8
Canadian Natural Resources Ltd.	3.8
Bank of Montreal	3.3
Cash & Cash Equivalents	3.1
Manulife Financial Corporation	2.3
Canadian Imperial Bank of Commerce	2.0
Canadian Pacific Railway Ltd.	2.0
Brookfield Asset Management Inc., Class A	2.0
Potash Corporation of Saskatchewan Inc.	1.7
Cenovus Energy Inc.	1.7
Magna International Inc., Class A	1.6
Atco Ltd., Class I, Non-Voting	1.4
BCE Inc.	1.4
Encana Corp.	1.4
Power Corporation of Canada	1.4
TELUS Corp.	1.3
Crescent Point Energy Corp.	1.3
Sun Life Financial Inc.	1.2
Pembina Pipeline Corp.	1.2
Silver Wheaton Corp.	1.2
Imperial Oil Ltd.	1.1
Top 25 Holdings	60.5

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

CANADIAN EQUITY FUND

RBC CANADIAN INDEX FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: State Street Global Advisors, Ltd.

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by tracking the performance of the benchmark S&P/TSX Capped Composite Total Return Index before fees and expenses are deducted.

The Fund makes investment decisions aimed at replicating the composition of the index and adjusts holdings to reflect changes in the underlying index as they occur.

Results of Operations

The Fund's net asset value was $701 million as of June 30, 2014.

Over the past six months, the Fund's units gained 12.5%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The S&P/TSX Composite Index comprises about 95% of the market capitalization of Canadian-based, Toronto Stock Exchange-listed companies. The index contained approximately 250 issues as of June 30, 2014.

The best-performing index sectors were Energy, Materials and Financials. The worst-performing sectors were Utilities, Information Technology and Telecommunication Services.

Recent Developments

The sub-advisor has no recent developments to report.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $3,000 (2013 – $6,000) or 30% (2013 – 40%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**25.34**	**0.40**	**(0.10)**	**0.29**	**2.56**	**3.15**	**–**	**–**	**–**	**–**	**–**	**28.50**
Dec. 31, 2013	23.07	0.76	(0.17)	0.37	1.87	2.83	–	(0.58)	–	–	(0.58)	25.33
Dec. 31, 2012	22.10	0.67	(0.16)	0.19	0.72	1.42	–	(0.45)	–	–	(0.45)	23.07
Dec. 31, 2011	24.87	0.60	(0.16)	0.49	(3.24)	(2.31)	–	(0.46)	–	–	(0.46)	22.10
Dec. 31, 2010	21.64	0.65	(0.15)	0.44	2.51	3.45	–	(0.42)	–	–	(0.42)	24.87
Dec. 31, 2009	16.44	0.60	(0.13)	(1.95)	7.20	5.72	–	(0.43)	–	–	(0.43)	21.64

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**28.50**	**701 119**	**24 599**	**0.72**	**0.72**	**7.96**	**–**
Dec. 31, 2013	25.34	628 845	24 812	0.72	0.72	7.28	0.01
Dec. 31, 2012	23.11	599 873	25 954	0.72	0.72	6.37	–
Dec. 31, 2011	22.15	594 578	26 848	0.71	0.71	13.98	0.01
Dec. 31, 2010	24.91	651 483	26 157	0.70	0.70	8.83	0.01
Dec. 31, 2009	21.69	538 567	24 831	0.68	0.68	11.11	0.02

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	0.50%	20%	80%

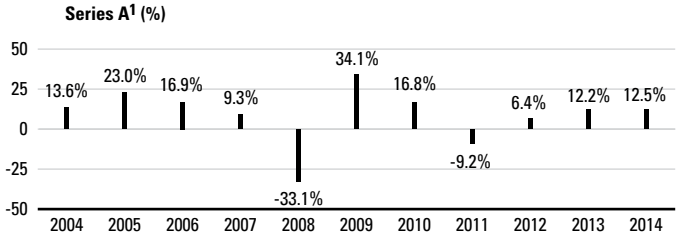
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.



[1] Inception date October 13, 1998.

This is a continuing fund resulting from the merger of certain RBC Funds on June 28, 2002.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Financials	33.6
Energy	27.0
Materials	12.3
Other Sectors	9.1
Industrials	7.8
Consumer Discretionary	5.3
Telecommunication Services	4.5
Cash/Other	0.4

Top 25 Holdings

	% of Net Asset Value
Royal Bank of Canada	5.9
Toronto-Dominion Bank	5.4
Bank of Nova Scotia	4.6
Suncor Energy Inc.	3.6
Canadian National Railway Co.	3.0
Canadian Natural Resources Ltd.	2.9
Bank of Montreal	2.7
Enbridge Inc.	2.3
Valeant Pharmaceuticals International Inc.	2.2
Manulife Financial Corporation	2.1
Canadian Imperial Bank of Commerce	2.1
BCE Inc.	2.0
TransCanada Corp.	1.9
Potash Corporation of Saskatchewan Inc.	1.8
Canadian Pacific Railway Ltd.	1.6
Brookfield Asset Management Inc., Class A	1.4
Cenovus Energy Inc.	1.4
Magna International Inc., Class A	1.3
TELUS Corp.	1.3
Goldcorp Inc.	1.3
Sun Life Financial Inc.	1.3
Barrick Gold Corp.	1.2
Crescent Point Energy Corp.	1.0
Encana Corp.	1.0
Rogers Communications Inc., Class B	0.8
Top 25 Holdings	56.1

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

CANADIAN EQUITY FUND

RBC O'SHAUGHNESSY CANADIAN EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: O'Shaughnessy Asset Management, L.L.C., Stamford, Connecticut

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term returns consisting of capital growth and current income by investing primarily in equity securities of Canadian and U.S. companies based on Strategy Indexing®, an investment portfolio management model developed in 1995 by Jim O'Shaughnessy.

The Fund invests in securities with the most attractive valuations based on a variety of measures, including a company's market capitalization ratios and financial statement metrics. The Fund also selects securities with the most attractive momentum based on a number of measures, such as six-month total return and nine-month total return. The Fund may hold up to 30% of its assets in U.S. stocks and uses currency hedges to reduce exposure to changes in the Canadian dollar versus the U.S. dollar.

Results of Operations

The Fund's net asset value was $995 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 6.7%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Global equity-market gains slowed during the first half of 2014 following a huge year in 2013. Many major stock indexes remained at or near all-time highs as the period ended, and large-cap stocks held up quite well. Earnings continued to climb, but stocks are more expensive than they have been in recent years. Investors continued to focus on actions by central banks, pausing to observe the effects of steps by the U.S. Federal Reserve to unwind bond purchases aimed at stimulating the economy.

Stocks with strong price momentum and low valuations, like those invested in by the sub-advisor, generally underperformed during the period. Among momentum stocks, the sub-advisor favours stocks with lower price volatility. This emphasis on low volatility underperformed. Additionally, the sub-advisor's emphasis on high-quality stocks, by excluding companies with poor financial strength and earnings quality, exhibited mixed performance. Excluding stocks with poor financial strength contributed positively, while excluding those with poor earnings quality and earnings growth detracted from performance.

Allocation among sectors and security selection were both negative for performance during the period. An underweight allocation to the Financials sector and an overweight allocation to Materials both contributed to returns, but were more than offset by security selection within the sectors. Within Financials, Industrial Alliance and Power Financial were among the top detractors. Stock selection in the Consumer Discretionary sector more than offset the negative effect of too much exposure to the sector. Within the sector, Linamar and Magna International were among the top contributors.

The Fund has a 20% allocation to U.S. securities. It is the policy of the Fund to maintain currency hedges at all times in order to neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar. This policy had a negative effect on returns during the period.

Recent Developments

To identify the most attractive investments, the sub-advisor uses objectively measured characteristics like low valuations, strong balance sheet and earnings quality, and strong but stable momentum. The sub-advisor believes that stock selection becomes more important when the overall market is more expensive, and that portfolios which are very different from the market offer the best chance to outperform.

Due to the Fund's investment process and market conditions over the past six months, the sub-advisor has decreased allocations to the Industrials sector, and increased allocations to Energy.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

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Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $45,000 (2013 – $16,000) or 9% (2013 – 3%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**18.94**	**0.23**	**(0.15)**	**1.55**	**(0.38)**	**1.25**	**–**	**–**	**–**	**–**	**–**	**20.21**
Dec. 31, 2013	14.47	0.43	(0.26)	1.79	2.63	4.59	–	(0.16)	–	–	(0.16)	18.93
Dec. 31, 2012	12.86	0.45	(0.21)	0.54	1.05	1.83	–	(0.21)	–	–	(0.21)	14.47
Dec. 31, 2011	14.20	0.38	(0.20)	0.48	(1.84)	(1.18)	–	(0.09)	–	–	(0.09)	12.86
Dec. 31, 2010	12.63	0.37	(0.19)	1.45	(0.03)	1.60	–	(0.14)	–	–	(0.14)	14.20
Dec. 31, 2009	10.13	0.44	(0.16)	(0.85)	3.26	2.69	–	(0.30)	–	–	(0.30)	12.63
Advisor Series												
June 30, 2014	**19.54**	**0.24**	**(0.15)**	**1.60**	**(0.39)**	**1.30**	**–**	**–**	**–**	**–**	**–**	**20.85**
Dec. 31, 2013	14.87	0.45	(0.26)	1.86	2.73	4.78	–	(0.10)	–	–	(0.10)	19.53
Dec. 31, 2012	13.19	0.46	(0.21)	0.56	1.09	1.90	–	(0.19)	–	–	(0.19)	14.87
Dec. 31, 2011	14.56	0.39	(0.20)	0.49	(1.89)	(1.21)	–	(0.09)	–	–	(0.09)	13.19
Dec. 31, 2010	12.97	0.38	(0.19)	1.49	(0.03)	1.65	–	(0.16)	–	–	(0.16)	14.56
Dec. 31, 2009	10.40	0.45	(0.16)	(0.87)	3.35	2.77	–	(0.30)	–	–	(0.30)	12.97
Series D												
June 30, 2014	**19.12**	**0.23**	**(0.12)**	**1.57**	**(0.39)**	**1.29**	**–**	**–**	**–**	**–**	**–**	**20.43**
Dec. 31, 2013	14.58	0.44	(0.20)	1.81	2.66	4.71	–	(0.20)	–	–	(0.20)	19.11
Dec. 31, 2012	12.95	0.45	(0.17)	0.55	1.06	1.89	–	(0.25)	–	–	(0.25)	14.58
Dec. 31, 2011	14.31	0.39	(0.16)	0.48	(1.86)	(1.15)	–	(0.14)	–	–	(0.14)	12.95
Dec. 31, 2010	12.73	0.37	(0.15)	1.47	(0.03)	1.66	–	(0.18)	–	–	(0.18)	14.31
Dec. 31, 2009	10.21	0.44	(0.13)	(0.85)	3.29	2.75	–	(0.33)	–	–	(0.33)	12.73
Series F												
June 30, 2014	**18.94**	**0.23**	**(0.09)**	**1.55**	**(0.38)**	**1.31**	**–**	**–**	**–**	**–**	**–**	**20.26**
Dec. 31, 2013	14.43	0.43	(0.16)	1.79	2.64	4.70	–	(0.24)	–	–	(0.24)	18.92
Dec. 31, 2012	12.83	0.45	(0.13)	0.54	1.05	1.91	–	(0.30)	–	–	(0.30)	14.43
Dec. 31, 2011	14.23	0.38	(0.12)	0.48	(1.84)	(1.10)	–	(0.23)	–	–	(0.23)	12.83
Dec. 31, 2010	12.69	0.37	(0.12)	1.46	(0.03)	1.68	–	(0.26)	–	–	(0.26)	14.23
Dec. 31, 2009	10.23	0.44	(0.10)	(0.85)	3.29	2.78	–	(0.43)	–	–	(0.43)	12.69

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**20.21**	**935 439**	**46 293**	**1.54**	**1.54**	**68.05**	**0.10**
Dec. 31, 2013	18.94	929 987	49 093	1.55	1.55	65.38	0.12
Dec. 31, 2012	14.51	809 137	55 757	1.54	1.54	79.17	0.15
Dec. 31, 2011	12.90	841 354	65 202	1.52	1.52	78.58	0.17
Dec. 31, 2010	14.22	1 091 569	76 739	1.50	1.50	93.68	0.23
Dec. 31, 2009	12.67	1 132 387	89 367	1.47	1.47	94.93	0.19
Advisor Series							
June 30, 2014	**20.85**	**2 350**	**113**	**1.51**	**1.51**	**68.05**	**0.10**
Dec. 31, 2013	19.54	1 949	100	1.51	1.51	65.38	0.12
Dec. 31, 2012	14.92	618	41	1.50	1.50	79.17	0.15
Dec. 31, 2011	13.24	476	36	1.49	1.49	78.58	0.17
Dec. 31, 2010	14.59	738	51	1.46	1.46	93.68	0.23
Dec. 31, 2009	13.00	962	74	1.42	1.42	94.93	0.19
Series D							
June 30, 2014	**20.43**	**51 128**	**2 502**	**1.21**	**1.21**	**68.05**	**0.10**
Dec. 31, 2013	19.12	44 712	2 338	1.21	1.21	65.38	0.12
Dec. 31, 2012	14.62	31 565	2 158	1.21	1.21	79.17	0.15
Dec. 31, 2011	13.00	30 920	2 379	1.19	1.19	78.58	0.17
Dec. 31, 2010	14.34	39 533	2 757	1.18	1.18	93.68	0.23
Dec. 31, 2009	12.77	40 045	3 136	1.16	1.16	94.93	0.19
Series F							
June 30, 2014	**20.26**	**6 201**	**306**	**0.94**	**0.94**	**68.05**	**0.10**
Dec. 31, 2013	18.94	5 142	272	0.94	0.94	65.38	0.12
Dec. 31, 2012	14.48	4 061	280	0.94	0.94	79.17	0.15
Dec. 31, 2011	12.87	4 405	342	0.91	0.91	78.58	0.17
Dec. 31, 2010	14.25	8 140	571	0.91	0.91	93.68	0.23
Dec. 31, 2009	12.73	10 834	851	0.89	0.89	94.93	0.19

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.25%	52%	48%
Advisor Series	1.25%	52%	48%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%

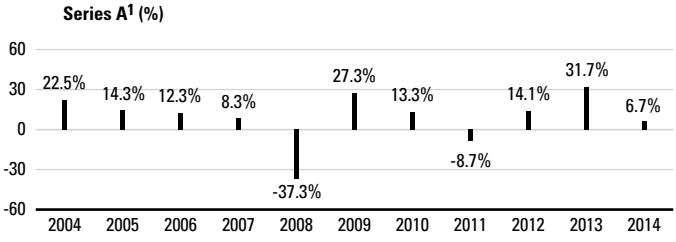
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

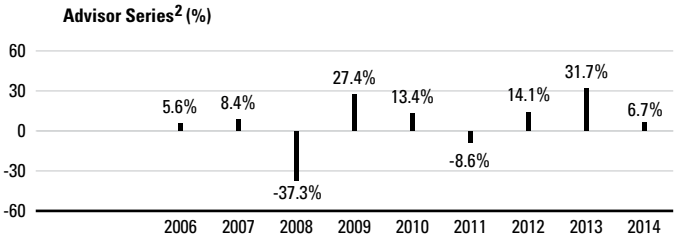
PAST PERFORMANCE

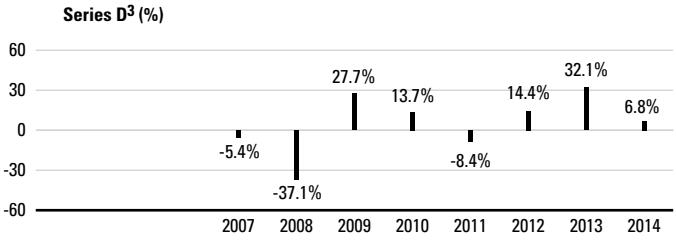
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

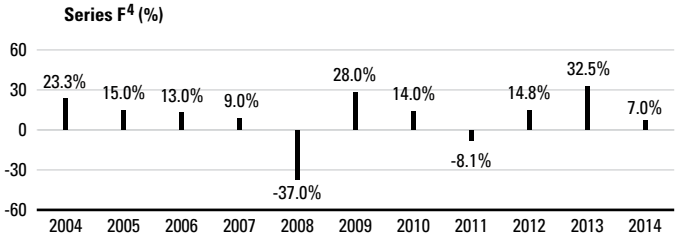
Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.









[1] Inception date November 4, 1997.
[2] Inception date August 28, 2006.
[3] Inception date July 3, 2007.
[4] Inception date August 13, 2001.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Financials	22.3
Consumer Discretionary	18.0
Energy	17.8
Materials	11.1
Industrials	9.3
Consumer Staples	7.6
Other Sectors	5.7
Information Technology	5.3
Cash/Other	2.9

Top 25 Holdings

	% of Net Asset Value
Magna International Inc., Class A	5.1
Linamar Corp.	3.7
Canadian Tire Corp. Ltd., Class A	3.4
Suncor Energy Inc.	3.3
Metro Inc., Class A	3.3
Power Financial Corp.	2.6
Bank of Montreal	2.5
Power Corporation of Canada	2.3
Industrial Alliance Insurance & Financial Services Inc.	2.3
Finning International Inc.	2.2
WestJet Airlines Ltd.	2.1
Canadian Oil Sands Ltd.	1.8
Manulife Financial Corporation	1.8
Parex Resources Inc.	1.7
Canam Manac Group Inc., Class A	1.7
Genworth MI Canada Inc.	1.6
Great-West Lifeco Inc.	1.5
Jean Coutu Group, Class A	1.5
Methanex Corp.	1.5
Husky Energy Inc.	1.3
Empire Co. Ltd., Class A	1.3
Teck Resources Ltd., Class B	1.3
Altus Group Ltd.	1.3
Cash & Cash Equivalents	1.3
Bankers Petroleum Ltd.	1.3
Top 25 Holdings	53.7

The Summary of Investment Portfolio may change due to ongoing portfolio transactions. A segment of the Fund is rebalanced around the end of the period. The Top 25 holdings may not reflect current positions. A quarterly update is available at www.rbcgam.com/funds.

CANADIAN EQUITY FUND

RBC O'SHAUGHNESSY ALL-CANADIAN EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: O'Shaughnessy Asset Management, L.L.C., Stamford, Connecticut

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term returns consisting of capital growth and current income by investing primarily in equity securities of Canadian companies based on Strategy Indexing®, an investment portfolio management model developed in 1995 by Jim O'Shaughnessy.

The Fund invests in securities with the most attractive valuations based on a variety of measures, including a company's market capitalization ratios and financial statement metrics. The Fund also selects securities with the most attractive momentum based on a number of measures, such as six-month total return and nine-month total return.

Results of Operations

The Fund's net asset value was $519 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 5.4%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Global equity-market gains slowed during the first half of 2014 following a huge year in 2013. Many major stock indexes remained at or near all-time highs as the period ended, and large-cap stocks held up quite well. Earnings continued to climb, but stocks are more expensive than they have been in recent years. Investors continued to focus on actions by central banks, pausing to observe the effects of steps by the U.S. Federal Reserve to unwind bond purchases aimed at stimulating the economy.

Stocks with strong price momentum and low valuations, like those invested in by the sub-advisor, generally underperformed during the period. Among momentum stocks, the sub-advisor favours stocks with lower price volatility. This emphasis on low volatility underperformed. Additionally, the sub-advisor's emphasis on high-quality stocks, which excludes companies with poor financial strength and earnings quality, exhibited mixed performance. Excluding stocks with poor financial strength contributed positively to returns, while excluding those with poor earnings quality detracted from performance.

Allocation among sectors and security selection were both negative overall for performance. An underweight allocation to the Energy sector and an overweight allocation to the Consumer Discretionary sector detracted from performance, while underweight allocations to Financials and Telecommunication Services were beneficial for returns. Security selection in the Industrials and Materials sectors detracted from performance, more than offsetting contributions from the Telecommunication Services and Energy sectors. In the Industrials sector, WestJet Airlines and TransForce were among the primary detractors from performance. In the Consumer Staples sector, Jean Coutu Group was the strongest performer.

Recent Developments

To identify the most attractive investments, the sub-advisor uses objectively measured characteristics like low valuations, strong balance sheet and earnings quality, and strong but stable momentum. The sub-advisor believes that stock selection becomes more important when the overall market is more expensive, and that portfolios which are very different from the market offer the best chance to outperform.

Due to the Fund's investment process and market conditions over the past six months, the sub-advisor has increased allocations to the Energy sector and decreased allocations to Materials, Industrials, and Financials.

Effective June 27, 2014, the RBC Private O'Shaughnessy Canadian Equity Pool merged into the Fund, and unitholders of the RBC Private O'Shaughnessy Canadian Equity Pool received units of the Fund on a dollar-for-dollar, tax-deferred basis.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

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Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $18,000 (2013 – $5,000) or 8% (2013 – 4%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**14.86**	**0.20**	**(0.14)**	**1.27**	**(0.49)**	**0.84**	**–**	**(0.03)**	**(0.63)**	**–**	**(0.65)**	**15.00**
Dec. 31, 2013	11.27	0.36	(0.23)	1.27	2.27	3.67	–	(0.07)	–	–	(0.07)	14.85
Dec. 31, 2012	10.37	0.32	(0.20)	0.33	0.50	0.95	–	(0.06)	–	–	(0.06)	11.27
Dec. 31, 2011	11.02	0.26	(0.19)	1.06	(1.79)	(0.66)	–	–	–	–	–	10.37
Dec. 31, 2010	8.96	0.30	(0.17)	1.10	0.86	2.09	–	(0.11)	–	–	(0.11)	11.02
Dec. 31, 2009	7.17	0.36	(0.13)	(0.78)	2.63	2.08	(0.11)	(0.13)	–	–	(0.24)	8.96
Advisor Series												
June 30, 2014	**14.92**	**0.20**	**(0.13)**	**1.27**	**(0.49)**	**0.85**	**–**	**(0.03)**	**(0.63)**	**–**	**(0.65)**	**15.07**
Dec. 31, 2013	11.32	0.36	(0.23)	1.28	2.28	3.69	–	(0.08)	–	–	(0.08)	14.91
Dec. 31, 2012	10.41	0.33	(0.19)	0.33	0.50	0.97	–	(0.07)	–	–	(0.07)	11.32
Dec. 31, 2011	11.05	0.26	(0.18)	1.07	(1.80)	(0.65)	–	–	–	–	–	10.41
Dec. 31, 2010	8.98	0.30	(0.16)	1.10	0.86	2.10	–	(0.11)	–	–	(0.11)	11.05
Dec. 31, 2009	7.18	0.36	(0.13)	(0.78)	2.63	2.08	(0.11)	(0.13)	–	–	(0.24)	8.98
Series D												
June 30, 2014	**15.16**	**0.20**	**(0.09)**	**1.29**	**(0.50)**	**0.90**	**–**	**(0.08)**	**(0.64)**	**–**	**(0.72)**	**15.30**
Dec. 31, 2013	11.47	0.37	(0.16)	1.30	2.31	3.82	–	(0.12)	–	–	(0.12)	15.15
Dec. 31, 2012	10.54	0.33	(0.13)	0.33	0.51	1.04	–	(0.12)	–	–	(0.12)	11.47
Dec. 31, 2011	11.13	0.26	(0.13)	1.08	(1.81)	(0.60)	–	–	–	–	–	10.54
Dec. 31, 2010	9.01	0.30	(0.11)	1.11	0.87	2.17	–	(0.13)	–	–	(0.13)	11.13
Dec. 31, 2009	7.19	0.36	(0.09)	(0.78)	2.64	2.13	(0.12)	(0.15)	–	–	(0.27)	9.01
Series F												
June 30, 2014	**15.16**	**0.20**	**(0.07)**	**1.29**	**(0.50)**	**0.92**	**–**	**(0.10)**	**(0.65)**	**–**	**(0.75)**	**15.30**
Dec. 31, 2013	11.49	0.37	(0.12)	1.30	2.32	3.87	–	(0.18)	–	–	(0.18)	15.16
Dec. 31, 2012	10.56	0.33	(0.11)	0.33	0.51	1.06	–	(0.15)	–	–	(0.15)	11.49
Dec. 31, 2011	11.12	0.26	(0.10)	1.08	(1.81)	(0.57)	–	–	–	–	–	10.56
Dec. 31, 2010	9.04	0.30	(0.09)	1.11	0.87	2.19	–	(0.20)	–	–	(0.20)	11.12
Dec. 31, 2009	7.21	0.36	(0.07)	(0.78)	2.65	2.16	(0.13)	(0.16)	–	–	(0.29)	9.04
Series O												
June 30, 2014	**15.90**	**0.20**	**–**	**1.32**	**(0.51)**	**1.01**	**–**	**(0.18)**	**(0.68)**	**–**	**(0.86)**	**16.04**
Dec. 31, 2013	12.01	0.39	–	1.37	2.43	4.19	–	(0.28)	–	–	(0.28)	15.89
Dec. 31, 2012	11.21	0.35	–	0.36	0.54	1.25	–	(0.46)	–	–	(0.46)	12.01
Dec. 31, 2011	11.70	0.28	–	1.14	(1.92)	(0.50)	–	–	–	–	–	11.21
Dec. 31, 2010	9.48	0.32	–	1.17	0.92	2.41	–	(0.30)	–	–	(0.30)	11.70
Dec. 31, 2009	7.49	0.38	–	(0.82)	2.76	2.32	(0.12)	(0.16)	–	–	(0.28)	9.48

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**15.00**	**272 571**	**18 173**	**1.82**	**1.82**	**72.40**	**0.13**
Dec. 31, 2013	14.86	260 650	17 545	1.82	1.82	72.29	0.12
Dec. 31, 2012	11.31	186 884	16 528	1.81	1.81	77.11	0.16
Dec. 31, 2011	10.40	188 051	18 083	1.82	1.82	90.46	0.18
Dec. 31, 2010	11.03	209 644	19 005	1.78	1.78	99.81	0.24
Dec. 31, 2009	8.99	167 879	18 674	1.74	1.74	125.09	0.27
Advisor Series							
June 30, 2014	**15.07**	**7 872**	**522**	**1.78**	**1.78**	**72.40**	**0.13**
Dec. 31, 2013	14.92	7 414	497	1.79	1.79	72.29	0.12
Dec. 31, 2012	11.35	5 953	524	1.76	1.76	77.11	0.16
Dec. 31, 2011	10.44	5 546	531	1.76	1.76	90.46	0.18
Dec. 31, 2010	11.07	6 406	579	1.73	1.73	99.81	0.24
Dec. 31, 2009	9.01	5 306	589	1.69	1.69	125.09	0.27
Series D							
June 30, 2014	**15.30**	**25 382**	**1 659**	**1.21**	**1.21**	**72.40**	**0.13**
Dec. 31, 2013	15.16	21 848	1 441	1.22	1.22	72.29	0.12
Dec. 31, 2012	11.50	10 813	940	1.21	1.21	77.11	0.16
Dec. 31, 2011	10.57	9 377	887	1.21	1.21	90.46	0.18
Dec. 31, 2010	11.14	7 782	698	1.19	1.19	99.81	0.24
Dec. 31, 2009	9.04	3 601	398	1.16	1.16	125.09	0.27
Series F							
June 30, 2014	**15.30**	**7 619**	**498**	**0.94**	**0.94**	**72.40**	**0.13**
Dec. 31, 2013	15.16	6 769	446	0.95	0.95	72.29	0.12
Dec. 31, 2012	11.52	4 695	407	0.96	0.96	77.11	0.16
Dec. 31, 2011	10.59	4 075	385	0.96	0.96	90.46	0.18
Dec. 31, 2010	11.14	4 579	411	0.93	0.93	99.81	0.24
Dec. 31, 2009	9.07	3 993	440	0.90	0.90	125.09	0.27
Series O							
June 30, 2014	**16.04**	**205 129**	**12 788**	**0.02**	**0.02**	**72.40**	**0.13**
Dec. 31, 2013	15.90	15 524	976	0.02	0.02	72.29	0.12
Dec. 31, 2012	12.04	9 820	815	0.02	0.02	77.11	0.16
Dec. 31, 2011	11.24	15 996	1 423	0.02	0.02	90.46	0.18
Dec. 31, 2010	11.71	10 397	888	0.02	0.02	99.81	0.24
Dec. 31, 2009	9.52	8 116	853	0.02	0.02	125.09	0.27

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.50%	50%	50%
Advisor Series	1.50%	50%	50%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

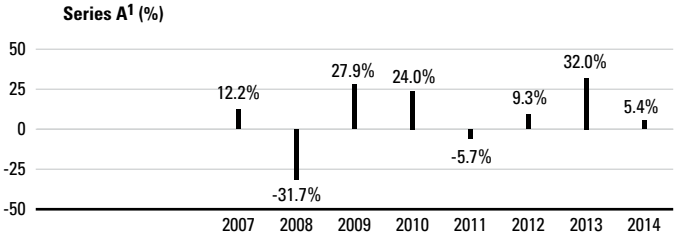
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

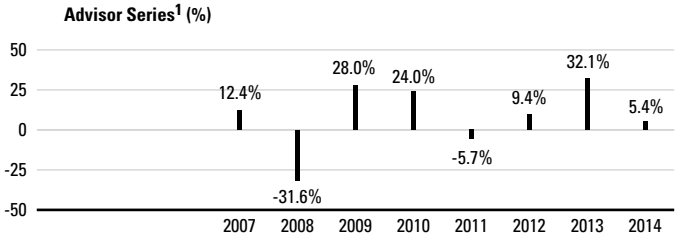
PAST PERFORMANCE

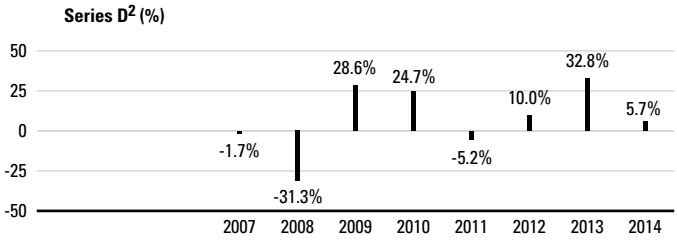
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

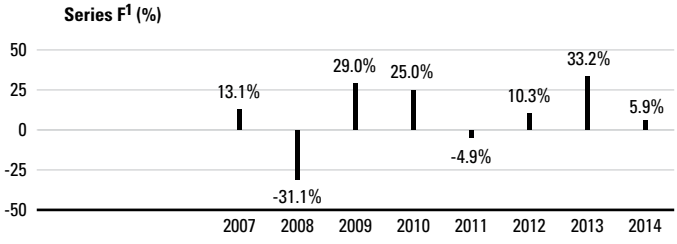
Year-by-Year Returns (%)

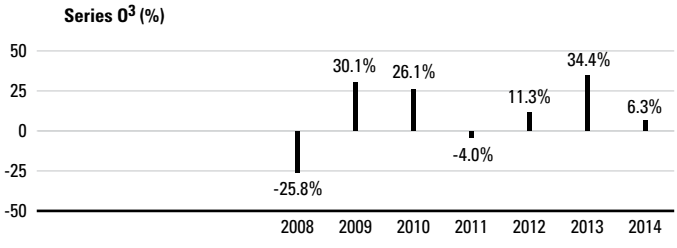
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











1 Inception date January 22, 2007.
2 Inception date July 3, 2007.
3 Inception date July 18, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Financials	24.0
Industrials	19.1
Consumer Discretionary	15.7
Energy	14.3
Materials	11.8
Consumer Staples	6.6
Information Technology	5.8
Other Sectors	1.5
Cash/Other	1.2

Top 25 Holdings

	% of Net Asset Value
Genworth MI Canada Inc.	3.7
Altus Group Ltd.	3.6
Western Forest Products Inc.	3.3
Jean Coutu Group, Class A	3.2
Canadian Tire Corp. Ltd., Class A	3.0
Linamar Corp.	2.9
TransForce Inc.	2.8
Aecon Group Inc.	2.4
WSP Global Inc.	2.4
Chemtrade Logistics Income Fund	2.3
Gluskin Sheff + Associates Inc.	2.2
Bank of Montreal	2.1
Finning International Inc.	2.1
Transcontinental Inc., Class A	2.0
Magna International Inc., Class A	2.0
Power Corporation of Canada	2.0
Yellow Media Ltd.	2.0
Parex Resources Inc.	2.0
Stantec Inc.	1.8
Metro Inc., Class A	1.7
Enerflex Ltd.	1.7
Celestica Inc.	1.6
Gildan Activewear Inc., Class A	1.6
Power Financial Corp.	1.6
Parkland Fuel Corp.	1.4
Top 25 Holdings	57.4

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

CANADIAN EQUITY FUND

RBC CANADIAN EQUITY INCOME FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide a high level of monthly cash flow, relatively tax-efficient distributions consisting primarily of returns of capital, capital gains and interest income, as well as the potential for modest capital growth.

To achieve its objective, the Fund invests primarily in a diversified portfolio of Canadian equity securities including common and preferred shares, real estate investment trusts and income trusts. The Fund may also invest in fixed-income securities, such as government and corporate bonds, debentures and notes.

Results of Operations

The Fund's net asset value was $4.0 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 12.4%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund made monthly distributions of 9.00 cents per Series A unit in the first half of 2014.

Canada's equity benchmark, the S&P/TSX Composite Index, outpaced most other developed-market economies during the first half of 2014. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged the overall market in recent years. Canadian stock markets were boosted by economic recoveries in the U.S. and Europe, generating demand for Canada's resources. Russia's seizure of the Crimean region from Ukraine and conflict in Iraq also aided Canada's Energy sector on worries that developments in those regions would jeopardize energy supplies. Emerging markets recovered somewhat in the latter stages of the period, also adding to the allure of Canadian stocks.

Strong relative performance in the Energy, Financials and Utilities sectors was partially offset by weaker performance in the Materials and Industrials sectors.

In the Energy sector, the Fund benefited from an overweight position in Canadian Energy Services on rising demand for drilling fluids used in the extraction of oil and natural-gas deposits. Allocations to Canadian Natural Resources and Veresen also had a positive impact on relative performance. In the Financials sector, an overweight position in Canaccord Genuity contributed to returns, as the company benefited from a rise in merger-and-acquisitions activity, particularly in the U.K. A lack of exposure to Power Financial also aided performance. In the Utilities sector, overweight positions in Entergy and Northland Power had a positive impact on performance.

The Materials sector performed well during the period as gold prices rose, and so a relative lack of exposure to producers including Agnico Eagle Mines and Franco-Nevada held back returns. In the Industrials sector, a position in KBR Inc., a U.S.-based engineering firm, had a negative impact on performance. The stock fell following the departure of its chief executive and the restatement of the company's 2013 financial statements. A complete lack of exposure to Canadian Pacific Railway and an underweight position in Canadian National Railway hurt performance as both companies benefited from strong overall demand for commodity shipments.

Recent Developments

In the view of the portfolio manager, strong Canadian equity-market returns during the first half of the year should be met with some caution, as relatively slow labour-market growth and ever-rising housing prices are causes for concern. However, prospects for exports should improve as the U.S. economy strengthens. In this mixed environment, the Bank of Canada appears unlikely to raise its benchmark interest rate in the coming year.

Recent U.S. economic data has been generally better than expected, indicating that weakness early in the year may have been temporary. U.S. growth should support the U.S. Federal Reserve's continued reduction of extraordinary monetary policy. In Europe, expectations for comprehensive stimulative action were surpassed in June, when the European Central Bank cut its benchmark interest rate and began charging banks for deposits held at the central bank to encourage lending. China continues to adjust to a lower-than-historical growth rate, with the economy looking less sure-footed than in the past, and geopolitical concerns continuing to mount.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $405,000 (2013 – $618,000) or 14% (2013 – 20%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**26.13**	**0.47**	**(0.28)**	**1.02**	**2.01**	**3.22**	**–**	**(0.54)**	**–**	**–**	**(0.54)**	**28.78**
Dec. 31, 2013	23.61	0.86	(0.52)	1.26	2.26	3.86	–	(0.39)	(0.95)	–	(1.34)	26.11
Dec. 31, 2012	22.77	0.82	(0.49)	0.62	0.66	1.61	–	(0.11)	(0.66)	(0.31)	(1.08)	23.61
Dec. 31, 2011	22.07	0.75	(0.46)	1.35	0.27	1.91	(0.13)	(0.15)	(1.25)	–	(1.53)	22.77
Dec. 31, 2010	19.43	0.91	(0.41)	2.45	1.96	4.91	(0.07)	(0.31)	(1.51)	–	(1.89)	22.07
Dec. 31, 2009	13.17	1.05	(0.34)	3.15	4.00	7.86	(0.50)	(0.16)	(0.77)	–	(1.43)	19.43
Advisor Series												
June 30, 2014	**26.27**	**0.48**	**(0.28)**	**1.03**	**2.02**	**3.25**	**–**	**(0.54)**	**–**	**–**	**(0.54)**	**28.95**
Dec. 31, 2013	23.72	0.86	(0.51)	1.26	2.27	3.88	–	(0.39)	(0.95)	–	(1.34)	26.25
Dec. 31, 2012	22.85	0.81	(0.48)	0.62	0.65	1.60	–	(0.11)	(0.66)	(0.31)	(1.08)	23.72
Dec. 31, 2011	22.13	0.72	(0.45)	1.30	0.26	1.83	(0.13)	(0.15)	(1.25)	–	(1.53)	22.85
Dec. 31, 2010	19.46	0.88	(0.40)	2.37	1.90	4.75	(0.07)	(0.31)	(1.51)	–	(1.89)	22.13
Dec. 31, 2009	13.19	1.01	(0.33)	3.05	3.88	7.61	(0.50)	(0.16)	(0.77)	–	(1.43)	19.46
Series D												
June 30, 2014	**27.90**	**0.51**	**(0.17)**	**1.10**	**2.15**	**3.59**	**–**	**(0.55)**	**–**	**–**	**(0.55)**	**30.90**
Dec. 31, 2013	24.93	0.91	(0.32)	1.33	2.39	4.31	–	(0.39)	(0.96)	–	(1.35)	27.88
Dec. 31, 2012	23.78	0.88	(0.30)	0.66	0.70	1.94	–	(0.12)	(0.66)	(0.31)	(1.09)	24.93
Dec. 31, 2011	22.82	0.78	(0.27)	1.41	0.28	2.20	(0.14)	(0.15)	(1.26)	–	(1.55)	23.78
Dec. 31, 2010	19.90	0.94	(0.25)	2.53	2.02	5.24	(0.08)	(0.31)	(1.53)	–	(1.92)	22.82
Dec. 31, 2009	13.34	1.04	(0.20)	3.14	3.99	7.97	(0.48)	(0.15)	(0.78)	–	(1.41)	19.90
Series F												
June 30, 2014	**28.79**	**0.52**	**(0.14)**	**1.13**	**2.22**	**3.73**	**–**	**(0.56)**	**–**	**–**	**(0.56)**	**31.95**
Dec. 31, 2013	25.64	0.94	(0.25)	1.38	2.47	4.54	–	(0.40)	(0.97)	–	(1.37)	28.77
Dec. 31, 2012	24.38	0.87	(0.24)	0.66	0.70	1.99	–	(0.11)	(0.68)	(0.32)	(1.11)	25.64
Dec. 31, 2011	23.34	0.73	(0.22)	1.33	0.26	2.10	(0.13)	(0.16)	(1.30)	–	(1.59)	24.38
Dec. 31, 2010	20.27	0.93	(0.20)	2.49	2.00	5.22	(0.07)	(0.29)	(1.60)	–	(1.96)	23.34
Dec. 31, 2009	13.54	1.17	(0.15)	3.54	4.50	9.06	(0.48)	(0.15)	(0.77)	–	(1.40)	20.27
Series O												
June 30, 2014	**27.60**	**0.49**	**–**	**1.07**	**2.10**	**3.66**	**–**	**(0.54)**	**–**	**–**	**(0.54)**	**30.75**
Dec. 31, 2013	24.38	0.89	(0.01)	1.31	2.35	4.54	–	(0.39)	(0.95)	–	(1.34)	27.57
Dec. 31, 2012	22.99	0.87	(0.01)	0.58	0.62	2.06	–	(0.11)	(0.66)	(0.31)	(1.08)	24.38
Dec. 31, 2011[3]	23.61[†]	0.28	–	0.50	0.10	0.88	(0.06)	(0.08)	(0.85)	–	(0.99)	22.99

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From July 11, 2011.

[†] Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**28.78**	**2 014 836**	**69 999**	**2.09**	**2.09**	**72.19**	**0.17**
Dec. 31, 2013	26.13	1 663 346	63 662	2.09	2.09	87.91	0.21
Dec. 31, 2012	23.66	1 219 564	51 540	2.10	2.10	134.31	0.38
Dec. 31, 2011	22.84	589 877	25 830	2.09	2.09	251.21	0.67
Dec. 31, 2010	22.11	210 950	9 541	2.06	2.06	311.99	0.97
Dec. 31, 2009	19.49	49 131	2 521	2.02	2.02	506.13	1.66
Advisor Series							
June 30, 2014	**28.95**	**1 008 869**	**34 849**	**2.02**	**2.02**	**72.19**	**0.17**
Dec. 31, 2013	26.27	830 298	31 609	2.04	2.04	87.91	0.21
Dec. 31, 2012	23.77	604 605	25 437	2.04	2.04	134.31	0.38
Dec. 31, 2011	22.92	202 803	8 848	2.05	2.05	251.21	0.67
Dec. 31, 2010	22.17	44 038	1 986	2.01	2.01	311.99	0.97
Dec. 31, 2009	19.52	7 030	360	1.97	1.97	506.13	1.66
Series D							
June 30, 2014	**30.90**	**298 780**	**9 668**	**1.21**	**1.21**	**72.19**	**0.17**
Dec. 31, 2013	27.90	217 303	7 789	1.21	1.21	87.91	0.21
Dec. 31, 2012	24.98	139 710	5 593	1.21	1.21	134.31	0.38
Dec. 31, 2011	23.86	78 188	3 277	1.21	1.21	251.21	0.67
Dec. 31, 2010	22.87	29 738	1 301	1.19	1.19	311.99	0.97
Dec. 31, 2009	19.96	5 538	278	1.18	1.18	506.13	1.66
Series F							
June 30, 2014	**31.95**	**276 009**	**8 640**	**0.93**	**0.93**	**72.19**	**0.17**
Dec. 31, 2013	28.79	200 234	6 954	0.94	0.94	87.91	0.21
Dec. 31, 2012	25.69	141 939	5 525	0.94	0.94	134.31	0.38
Dec. 31, 2011	24.46	45 887	1 876	0.95	0.95	251.21	0.67
Dec. 31, 2010	23.38	4 477	192	0.94	0.94	311.99	0.97
Dec. 31, 2009	20.34	845	42	0.91	0.91	506.13	1.66
Series O							
June 30, 2014	**30.75**	**449 423**	**14 617**	**0.02**	**0.02**	**72.19**	**0.17**
Dec. 31, 2013	27.60	179 938	6 521	0.02	0.02	87.91	0.21
Dec. 31, 2012	24.43	112 346	4 599	0.02	0.02	134.31	0.38
Dec. 31, 2011[4]	23.07	32	1	0.02	0.02	251.21	0.67

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From July 11, 2011.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.75%	66%	34%
Advisor Series	1.75%	66%	34%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

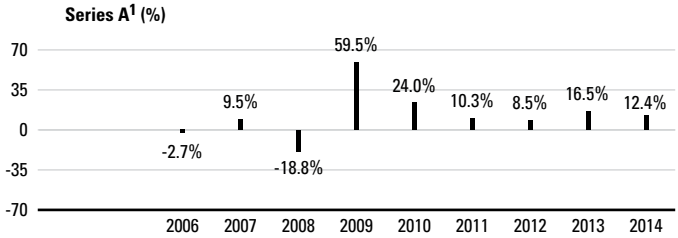
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

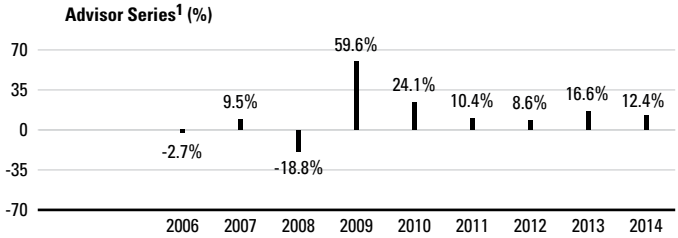
PAST PERFORMANCE

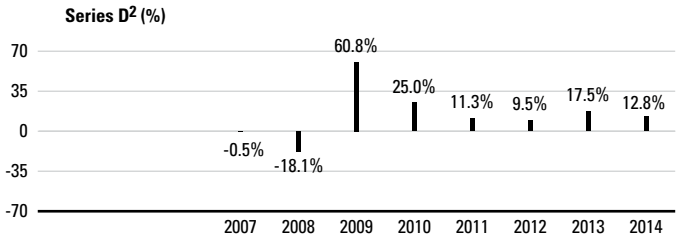
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

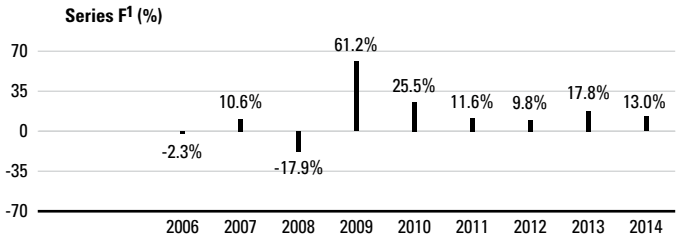
Year-by-Year Returns (%)

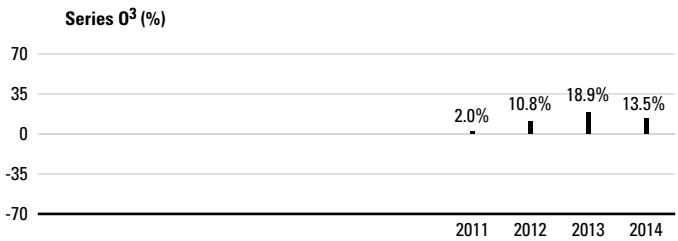
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











[1] Inception date August 28, 2006.
[2] Inception date July 3, 2007.
[3] Inception date July 11, 2011.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Financials	36.8
Energy	26.7
Industrials	8.0
Utilities	7.4
Telecommunication Services	4.7
Consumer Discretionary	4.6
Materials	4.5
Other Sectors	4.0
Cash/Other	3.3

Top 25 Holdings

	% of Net Asset Value
Royal Bank of Canada	4.8
Bank of Nova Scotia	4.2
Suncor Energy Inc.	3.3
Enbridge Inc.	2.9
Manulife Financial Corporation	2.8
Toronto-Dominion Bank	2.8
Canadian Natural Resources Ltd.	2.7
Bank of Montreal	2.6
TransCanada Corp.	2.4
Cash & Cash Equivalents	2.4
Brookfield Property Partners LP	2.2
Canadian Imperial Bank of Commerce	1.9
Loblaw Companies Ltd.	1.6
AT&T Inc.	1.6
Potash Corporation of Saskatchewan Inc.	1.6
BCE Inc.	1.5
Sun Life Financial Inc.	1.5
Progressive Waste Solutions Ltd.	1.3
Russel Metals Inc.	1.3
Veresen Inc.	1.3
Thomson Corp.	1.2
Cenovus Energy Inc.	1.2
Newalta Inc.	1.2
Algonquin Power & Utilities Corp.	1.2
Crescent Point Energy Corp.	1.1
Top 25 Holdings	52.6

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

CANADIAN EQUITY FUND

RBC CANADIAN SMALL & MID-CAP RESOURCES FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in small- and mid-cap equity securities of companies that are listed on an exchange in Canada, within the Energy and Materials sectors.

The Fund's investment process is primarily based on fundamental research, although the portfolio manager will also consider quantitative and technical factors. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook. The portfolio manager invests in companies that are involved directly or indirectly in the exploration, development, production or distribution of natural or other resources. This includes companies that provide services to, use, or may benefit from, developments in the natural resources sector or companies that develop, design or provide products and services significant to a country's or region's infrastructure and its future evolution.

Results of Operations

The Fund's Series O units were launched on October 3, 2013, and the Fund's net asset value was $587 million as of June 30, 2014. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

The portfolio manager expects natural-gas prices to be somewhat flat in 2014 as supply increases. Until ports are reconfigured to handle exports later this decade, the North American chemicals industry and Industrials sector will benefit from low feedstock costs. Low prices for raw materials should help to fuel the industrial renaissance occurring in the southwestern U.S., and the portfolio manager expects that a number of companies held by the Fund should benefit from this trend.

Chinese economic growth will likely continue to slow, but a pickup in global growth should be good for industrial commodities. Many projects have been shelved, and the last of the projects from the commodity boom are in the final stages of completion. Prices for metallurgical coal, which is used to make steel, have fallen to reflect declining demand, and iron ore will be the next commodity to reflect this development. However, copper prices could remain relatively strong in the medium term, and the same is true for nickel and zinc.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $103,000 or 9% of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**10.59**	**0.10**	**–**	**0.88**	**1.71**	**2.69**	**–**	**–**	**–**	**–**	**–**	**13.28**
Dec. 31, 2013[3]	10.00[†]	0.06	–	0.06	0.63	0.75	–	(0.04)	(0.07)	–	(0.11)	10.58

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From October 3, 2013.

[†] Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series O							
June 30, 2014	**13.28**	**586 627**	**44 174**	**0.02**	**0.02**	**87.46**	**0.40**
Dec. 31, 2013[4]	10.59	526 184	49 679	0.03	0.03	27.67	0.10

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From October 3, 2013.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore, is not charged to the Fund.

PAST PERFORMANCE

Investment performance in respect of a fund that has been available for less than one year is not provided. Series O units of this Fund were launched on October 3, 2013.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Oil, Gas and Consumable Fuels	55.3
Energy Equipment and Services	20.6
Metals and Mining	7.6
Paper and Forest Products	7.1
Chemicals	4.9
Containers and Packaging	1.9
Cash/Other	2.6

Top 25 Holdings

	% of Net Asset Value
Tourmaline Oil Corp.	6.1
West Fraser Timber Co. Ltd.	5.9
Vermilion Energy Inc.	5.3
Methanex Corp.	4.9
Baytex Energy Corp.	4.3
MEG Energy Corp.	4.3
Peyto Exploration & Development Corp.	4.0
Whitecap Resources Inc.	3.6
Precision Drilling Corp.	3.4
ShawCor Ltd.	3.4
Lundin Mining Corp.	3.2
Bonavista Energy Corp.	3.2
Pengrowth Energy Corp.	2.8
Trican Well Service Ltd.	2.7
Paramount Resources Ltd., Class A	2.7
Secure Energy Services Inc.	2.7
Cash & Cash Equivalents	2.4
Canadian Energy Services & Technology Corp.	2.2
Bankers Petroleum Ltd.	2.2
Raging River Exploration Inc.	2.2
Bellatrix Exploration Ltd.	2.0
Calfrac Well Services Ltd.	2.0
Legacy Oil + Gas Inc.	1.9
Trinidad Drilling Ltd.	1.9
CCL Industries, Class B	1.9
Top 25 Holdings	81.2

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

NORTH AMERICAN EQUITY FUND

RBC NORTH AMERICAN VALUE FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of Canadian and U.S. companies that are priced below their true value.

To achieve its objective, the Fund identifies quality companies that are undervalued based on criteria such as assets, earnings and cash flow. The approach provides for a lower level of volatility than a portfolio of growth companies. The Fund may also invest in income trusts.

Results of Operations

The Fund's net asset value was $2.1 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 8.5%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Canada's S&P/TSX Composite Index outpaced most other developed markets during the first half of 2014, including the U.S. benchmark, the S&P 500. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged the overall market in recent years. Canadian stock markets were boosted by economic recoveries in the U.S. and Europe, generating demand for Canada's resources. Russia's seizure of the Crimean region from Ukraine and conflict in Iraq also aided Canada's Energy sector. U.S. stocks rose on a steady rise in earnings and continued low interest rates.

Performance was driven in large part by strong performance in the U.S. and Canadian Energy sectors, which benefited from favourable oil and natural-gas prices. Overweight positions in Canadian Natural Resources; Gear Energy, which rose on acquisitions; and Anadarko Petroleum, which benefited from a legal settlement, aided the Fund's performance.

Security selection in Canada's Financials sector was an additional source of positive relative performance. An overweight position in Bank of Nova Scotia proved particularly successful, as investors focused on the potential for better earnings growth in the bank's international division. An overweight position in Brookfield Asset Management also helped performance.

An overweight position in the U.S. Consumer Discretionary sector had a negative impact on the Fund's returns. Overweight positions in International Gaming Technology and TJX Cos. held back returns the most. In the U.S. Industrials sector, an overweight position in Fluor and Rockwell Collins also hurt performance. The Consumer Discretionary and Materials sectors in Canada were also a source of underperformance.

Portfolio turnover was high for the Fund, as the portfolio manager attempted to generate better returns through active fund management.

Recent Developments

In the portfolio manager's view, strong Canadian equity-market returns during the first half of the year should be met with some caution, as relatively slow labour-market growth and ever-rising housing prices are causes for concern. However, prospects for exports should improve as the U.S. economy strengthens. In this mixed environment, the Bank of Canada appears unlikely to raise its benchmark interest rate in the coming year.

Recent U.S. economic data has been generally better than expected, indicating that weakness early in the year may have been temporary. U.S. growth should support the U.S. Federal Reserve's continued reduction of extraordinary monetary policy. In Europe, expectations for comprehensive stimulative action were surpassed in June, when the European Central Bank cut its benchmark interest rate and began charging banks for deposits held at the central bank to encourage lending. China continues to adjust to a lower-than-historical growth rate, with the economy looking less sure-footed than in the past and geopolitical concerns continuing to mount.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $149,000 (2013 – $112,000) or 6% (2013 – 7%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**19.40**	**0.20**	**(0.21)**	**1.21**	**0.46**	**1.66**	**–**	**–**	**–**	**–**	**–**	**21.04**
Dec. 31, 2013	16.63	0.37	(0.39)	1.53	2.39	3.90	–	–	(1.07)	–	(1.07)	19.39
Dec. 31, 2012	15.43	0.42	(0.34)	0.87	0.86	1.81	–	(0.01)	(0.61)	–	(0.62)	16.63
Dec. 31, 2011	16.23	0.32	(0.32)	0.01	(0.82)	(0.81)	–	–	(0.21)	–	(0.21)	15.43
Dec. 31, 2010	15.17	0.36	(0.32)	1.61	0.83	2.48	–	–	(1.26)	–	(1.26)	16.23
Dec. 31, 2009	12.23	0.33	(0.28)	1.61	1.87	3.53	–	–	(0.58)	–	(0.58)	15.17
Advisor Series												
June 30, 2014	**19.76**	**0.21**	**(0.21)**	**1.23**	**0.47**	**1.70**	**–**	**–**	**–**	**–**	**–**	**21.43**
Dec. 31, 2013	16.92	0.37	(0.39)	1.56	2.43	3.97	–	–	(1.08)	–	(1.08)	19.75
Dec. 31, 2012	15.68	0.43	(0.34)	0.88	0.87	1.84	–	(0.01)	(0.61)	–	(0.62)	16.92
Dec. 31, 2011	16.50	0.32	(0.32)	0.01	(0.83)	(0.82)	–	–	(0.21)	–	(0.21)	15.68
Dec. 31, 2010	15.39	0.34	(0.32)	1.54	0.79	2.35	–	–	(1.27)	–	(1.27)	16.50
Dec. 31, 2009	12.40	0.32	(0.28)	1.59	1.85	3.48	–	–	(0.58)	–	(0.58)	15.39
Series D												
June 30, 2014	**20.45**	**0.21**	**(0.13)**	**1.28**	**0.49**	**1.85**	**–**	**–**	**–**	**–**	**–**	**22.28**
Dec. 31, 2013	17.35	0.38	(0.24)	1.60	2.50	4.24	–	–	(1.10)	–	(1.10)	20.44
Dec. 31, 2012	16.06	0.44	(0.21)	0.91	0.90	2.04	–	(0.14)	(0.62)	–	(0.76)	17.35
Dec. 31, 2011	16.74	0.33	(0.19)	0.01	(0.85)	(0.70)	–	–	(0.21)	–	(0.21)	16.06
Dec. 31, 2010	15.50	0.36	(0.19)	1.65	0.84	2.66	–	–	(1.29)	–	(1.29)	16.74
Dec. 31, 2009	12.39	0.33	(0.16)	1.63	1.90	3.70	–	–	(0.59)	–	(0.59)	15.50
Series F												
June 30, 2014	**21.99**	**0.23**	**(0.11)**	**1.38**	**0.52**	**2.02**	**–**	**–**	**–**	**–**	**–**	**23.98**
Dec. 31, 2013	18.63	0.41	(0.20)	1.72	2.68	4.61	–	–	(1.20)	–	(1.20)	21.98
Dec. 31, 2012	17.23	0.47	(0.17)	0.97	0.96	2.23	–	(0.19)	(0.67)	–	(0.86)	18.63
Dec. 31, 2011	17.92	0.35	(0.16)	0.01	(0.90)	(0.70)	–	–	(0.22)	–	(0.22)	17.23
Dec. 31, 2010	16.54	0.39	(0.16)	1.75	0.90	2.88	–	–	(1.37)	–	(1.37)	17.92
Dec. 31, 2009	13.17	0.35	(0.14)	1.72	2.01	3.94	–	–	(0.61)	–	(0.61)	16.54
Series O												
June 30, 2014	**20.21**	**0.21**	**–**	**1.27**	**0.48**	**1.96**	**–**	**–**	**–**	**–**	**–**	**22.15**
Dec. 31, 2013	16.98	0.37	–	1.54	2.41	4.32	–	–	(1.12)	–	(1.12)	20.20
Dec. 31, 2012	15.57	0.47	–	0.84	0.83	2.14	–	(0.17)	(0.62)	–	(0.79)	16.98
Dec. 31, 2011[3]	16.61[†]	0.14	–	–	(0.36)	(0.22)	–	–	(0.22)	–	(0.22)	15.57

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From July 11, 2011.

[†] Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**21.04**	**1 290 222**	**61 332**	**2.10**	**2.10**	**166.76**	**0.29**
Dec. 31, 2013	19.40	973 884	50 213	2.11	2.11	169.00	0.34
Dec. 31, 2012	16.64	446 983	26 859	2.10	2.10	224.54	0.49
Dec. 31, 2011	15.45	305 919	19 802	2.09	2.09	283.38	0.61
Dec. 31, 2010	16.25	233 557	14 373	2.05	2.05	216.77	0.48
Dec. 31, 2009	15.19	161 150	10 611	2.00	2.00	426.50	0.82
Advisor Series							
June 30, 2014	**21.43**	**440 849**	**20 570**	**2.06**	**2.06**	**166.76**	**0.29**
Dec. 31, 2013	19.76	348 505	17 640	2.08	2.08	169.00	0.34
Dec. 31, 2012	16.94	155 592	9 186	2.06	2.06	224.54	0.49
Dec. 31, 2011	15.71	85 657	5 453	2.07	2.07	283.38	0.61
Dec. 31, 2010	16.52	54 274	3 286	2.03	2.03	216.77	0.48
Dec. 31, 2009	15.42	7 700	500	1.95	1.95	426.50	0.82
Series D							
June 30, 2014	**22.28**	**67 564**	**3 033**	**1.20**	**1.20**	**166.76**	**0.29**
Dec. 31, 2013	20.45	53 844	2 633	1.21	1.21	169.00	0.34
Dec. 31, 2012	17.37	22 023	1 268	1.21	1.21	224.54	0.49
Dec. 31, 2011	16.08	14 109	877	1.21	1.21	283.38	0.61
Dec. 31, 2010	16.76	9 425	562	1.19	1.19	216.77	0.48
Dec. 31, 2009	15.52	5 052	326	1.16	1.16	426.50	0.82
Series F							
June 30, 2014	**23.98**	**106 629**	**4 446**	**0.95**	**0.95**	**166.76**	**0.29**
Dec. 31, 2013	21.99	77 665	3 532	0.95	0.95	169.00	0.34
Dec. 31, 2012	18.65	30 763	1 650	0.95	0.95	224.54	0.49
Dec. 31, 2011	17.26	18 672	1 082	0.95	0.95	283.38	0.61
Dec. 31, 2010	17.94	11 329	632	0.93	0.93	216.77	0.48
Dec. 31, 2009	16.56	5 820	351	0.90	0.90	426.50	0.82
Series O							
June 30, 2014	**22.15**	**165 486**	**7 473**	**0.02**	**0.02**	**166.76**	**0.29**
Dec. 31, 2013	20.21	119 520	5 914	0.02	0.02	169.00	0.34
Dec. 31, 2012	17.00	31 569	1 857	0.02	0.02	224.54	0.49
Dec. 31, 2011[4]	15.59	–	–	0.02	0.02	283.38	0.61

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From July 11, 2011.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.75%	66%	34%
Advisor Series	1.75%	66%	34%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

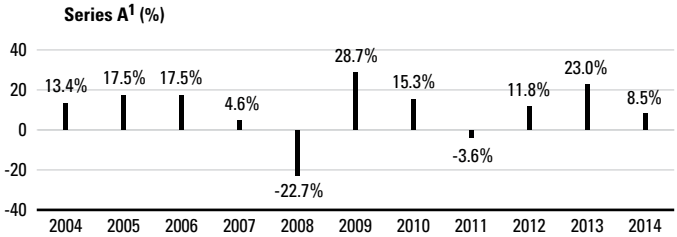
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

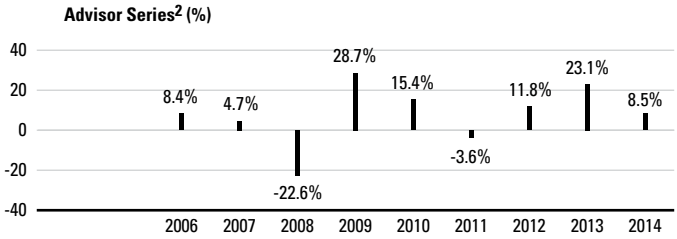
PAST PERFORMANCE

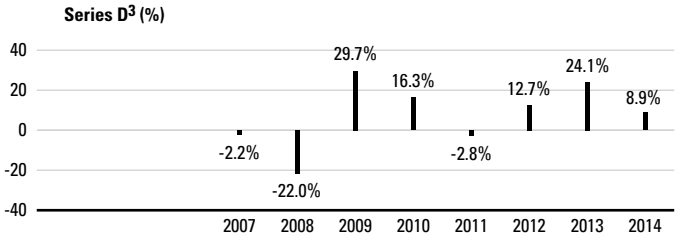
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

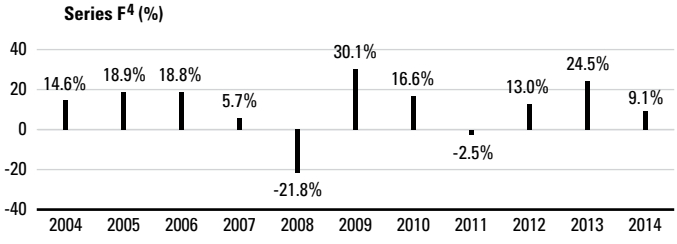
Year-by-Year Returns (%)

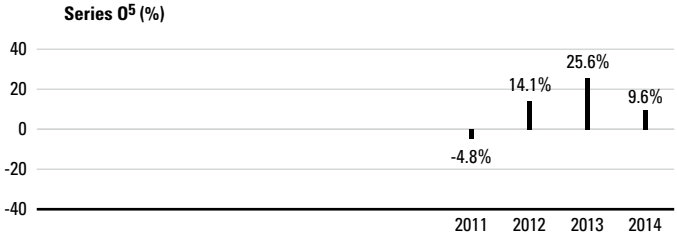
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











[1] Inception date April 20, 1998.
[2] Inception date August 28, 2006.
[3] Inception date July 3, 2007.
[4] Inception date August 13, 2001.
[5] Inception date July 11, 2011.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix – Sectors

	% of Net Asset Value
Financials	25.6
Energy	15.8
Health Care	9.5
Consumer Discretionary	9.4
Industrials	9.1
Consumer Staples	5.9
Materials	5.8
Information Technology	5.8
Other Sectors	1.8
Cash/Other	11.3

Investment Mix – Countries/Regions

	% of Net Asset Value
United States	44.1
Canada	39.6
Cash/Other	16.3

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	10.7
Royal Bank of Canada	3.3
Bank of Nova Scotia	3.3
Suncor Energy Inc.	2.3
Toronto-Dominion Bank	2.2
Canadian Natural Resources Ltd.	2.2
Manulife Financial Corporation	1.8
Enbridge Inc.	1.5
SPDR Gold Trust	1.5
Brookfield Asset Management Inc., Class A	1.5
Cenovus Energy Inc.	1.2
Apple Inc.	1.1
Goldcorp Inc.	1.1
Schlumberger Ltd.	1.1
Imperial Oil Ltd.	1.0
Brookfield Property Partners LP	1.0
Microsoft Corp.	1.0
Husky Energy Inc.	1.0
JPMorgan Chase & Co.	1.0
CI Financial Corp.	0.9
Trican Well Service Ltd.	0.9
Loblaw Companies Ltd.	0.9
Berkshire Hathaway Inc., Class B	0.9
ARC Resources Ltd.	0.9
Anadarko Petroleum Corp.	0.8
Top 25 Holdings	45.1

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

NORTH AMERICAN EQUITY FUND

RBC NORTH AMERICAN GROWTH FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing in equity securities of Canadian and U.S. companies that offer above-average prospects for growth.

To achieve its goal, the Fund searches for companies with a history of sales and earnings growth and prospects for continued expansion. The Fund may invest in equities of large, medium and small companies, and may also invest in income-trust units.

Results of Operations

The Fund's net asset value was $568 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 8.0%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Most major global stock markets continued to move higher over the first half of 2014, supported by accommodative central-bank policy. In spite of sluggish global growth rates, corporations continued to increase earnings due to a combination of low interest rates, cost-cutting and share buybacks.

Canada was one of the top-performing global markets, with all sectors recording gains. The Fund's performance benefited from the portfolio manager's decision to move to an overweight position in Canadian equities from a neutral position at the end of 2013. Stock selection in Canadian equities also aided relative returns. Following a strong 2013 performance, U.S. equity returns were modest during the first half of 2014. Stock selection had a negative impact on the Fund's returns, while the rise in the U.S. dollar against the Canadian dollar during that period had a positive effect on performance.

In the Canadian portion of the Fund, the best-performing sectors were Energy and Consumer Discretionary, while Information Technology lagged. Stocks that contributed to performance included Altus Group, Boyd Group Income Fund and Western Energy Services. Positions in Power Corp., Avigilon and Mood Media negatively affected portfolio returns.

In the U.S. portion of the Fund, the best-performing sector was Energy, while Financials and Utilities lagged. Stocks that contributed to performance included Diamondback Energy, NXP Semiconductor and United Rental. Affiliated Managers Group, Prudential Financial and Steel Dynamics negatively affected returns.

As of June 30, 2014, 55% of the Fund was invested in Canadian equities, and 42% in U.S. equities. The remaining 3% was held in cash.

Portfolio turnover is high for the Fund, as the portfolio manager attempts to generate better returns through active fund management.

Recent Developments

The portfolio manager will continue to favour Canadian equities over U.S. equities in the second half of the year given that Canadian equities offer higher exposure to the outperforming areas of Energy and some other economically sensitive sectors. Precious-metals stocks have bounced back from a very difficult 2013 and also look poised to outperform.

While risks including the threat of deflation have faded, others have intensified. Geopolitical risks have mounted, most obviously in eastern Ukraine and Iraq. Emerging-market credit excesses remain largely unaddressed, with tentative evidence of a reckoning underway in Chinese housing. However, the portfolio manager's sense is that the coming economic good news for the developed world is more likely than not to trump the downside risks.

The portfolio manager continues to believe that the return of economic optimism in 2013 and the abatement of fiscal austerity this year will lead to faster growth for the rest of this year and beyond. Much of the improved global growth will come from rejuvenated developed nations – the U.S. in particular. A better outlook for the housing and jobs markets supports the portfolio manager's view that the outlook is brightening. The outlook is promising enough, in the view of the portfolio manager, to warrant an end to the U.S. Federal Reserve's extraordinary easing measures this year, with prospects for interest-rate hikes sometime in 2015.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $30,000 (2013 – $42,000) or 7% (2013 – 11%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**28.07**	**0.59**	**(0.30)**	**1.65**	**0.31**	**2.25**	**–**	**–**	**–**	**–**	**–**	**30.33**
Dec. 31, 2013	23.46	1.05	(0.54)	2.72	1.88	5.11	–	(0.53)	–	–	(0.53)	28.06
Dec. 31, 2012	22.10	0.81	(0.48)	1.34	0.05	1.72	–	(0.34)	–	–	(0.34)	23.46
Dec. 31, 2011	24.05	0.51	(0.46)	0.90	(2.84)	(1.89)	–	–	–	–	–	22.10
Dec. 31, 2010	21.89	0.51	(0.44)	2.93	(1.31)	1.69	–	(0.33)	–	–	(0.33)	24.05
Dec. 31, 2009	18.01	0.96	(0.39)	(0.28)	4.36	4.65	(0.59)	–	–	–	(0.59)	21.89
Advisor Series												
June 30, 2014	**29.04**	**0.61**	**(0.31)**	**1.71**	**0.32**	**2.33**	**–**	**–**	**–**	**–**	**–**	**31.38**
Dec. 31, 2013	24.14	1.09	(0.55)	2.81	1.95	5.30	–	(0.40)	–	–	(0.40)	29.03
Dec. 31, 2012	22.68	0.84	(0.49)	1.37	0.06	1.78	–	(0.31)	–	–	(0.31)	24.14
Dec. 31, 2011	24.68	0.53	(0.46)	0.92	(2.92)	(1.93)	–	–	–	–	–	22.68
Dec. 31, 2010	22.46	0.53	(0.44)	3.03	(1.35)	1.77	–	(0.33)	–	–	(0.33)	24.68
Dec. 31, 2009	18.38	0.98	(0.40)	(0.28)	4.44	4.74	(0.28)	(0.20)	–	–	(0.48)	22.46
Series D												
June 30, 2014	**28.59**	**0.60**	**(0.18)**	**1.68**	**0.31**	**2.41**	**–**	**–**	**–**	**–**	**–**	**31.02**
Dec. 31, 2013	23.85	1.07	(0.32)	2.77	1.92	5.44	–	(0.75)	–	–	(0.75)	28.58
Dec. 31, 2012	22.47	0.83	(0.28)	1.36	0.06	1.97	–	(0.55)	–	–	(0.55)	23.85
Dec. 31, 2011	24.24	0.52	(0.27)	0.91	(2.87)	(1.71)	–	–	–	–	–	22.47
Dec. 31, 2010	21.97	0.51	(0.26)	2.96	(1.32)	1.89	–	(0.44)	–	–	(0.44)	24.24
Dec. 31, 2009	18.05	0.97	(0.23)	(0.28)	4.38	4.84	(0.43)	(0.32)	–	–	(0.75)	21.97
Series F												
June 30, 2014	**30.64**	**0.65**	**(0.15)**	**1.81**	**0.34**	**2.65**	**–**	**–**	**–**	**–**	**–**	**33.29**
Dec. 31, 2013	25.50	1.15	(0.27)	2.98	2.06	5.92	–	(0.80)	–	–	(0.80)	30.63
Dec. 31, 2012	24.04	0.89	(0.24)	1.46	0.06	2.17	–	(0.68)	–	–	(0.68)	25.50
Dec. 31, 2011	25.87	0.56	(0.22)	0.97	(3.08)	(1.77)	–	–	–	–	–	24.04
Dec. 31, 2010	23.37	0.56	(0.21)	3.21	(1.44)	2.12	–	(0.46)	–	–	(0.46)	25.87
Dec. 31, 2009	19.00	1.02	(0.19)	(0.30)	4.63	5.16	(0.37)	(0.27)	–	–	(0.64)	23.37
Series O												
June 30, 2014	**32.48**	**0.69**	**–**	**1.92**	**0.36**	**2.97**	**–**	**–**	**–**	**–**	**–**	**35.45**
Dec. 31, 2013	26.21	1.09	(0.01)	2.83	1.96	5.87	–	(0.15)	–	–	(0.15)	32.47
Dec. 31, 2012	24.61	0.92	(0.01)	1.50	0.06	2.47	–	(0.83)	–	–	(0.83)	26.21
Dec. 31, 2011	26.24	0.57	–	0.99	(3.14)	(1.58)	–	–	–	–	–	24.61
Dec. 31, 2010	23.51	0.45	(0.01)	2.59	(1.16)	1.87	–	(0.48)	–	–	(0.48)	26.24
Dec. 31, 2009	19.22	1.03	–	(0.30)	4.68	5.41	(0.55)	(0.40)	–	–	(0.95)	23.51

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**30.33**	**531 980**	**17 541**	**2.09**	**2.09**	**159.74**	**0.15**
Dec. 31, 2013	28.07	515 703	18 371	2.09	2.09	134.47	0.16
Dec. 31, 2012	23.48	459 337	19 562	2.08	2.08	137.82	0.14
Dec. 31, 2011	22.12	476 390	21 533	2.07	2.07	116.41	0.15
Dec. 31, 2010	24.07	579 818	24 087	2.04	2.04	114.12	0.18
Dec. 31, 2009	21.92	580 524	26 482	2.00	2.00	124.15	0.19
Advisor Series							
June 30, 2014	**31.38**	**2 655**	**85**	**2.05**	**2.05**	**159.74**	**0.15**
Dec. 31, 2013	29.04	2 216	76	2.08	2.08	134.47	0.16
Dec. 31, 2012	24.16	1 161	48	2.05	2.05	137.82	0.14
Dec. 31, 2011	22.71	968	43	2.05	2.05	116.41	0.15
Dec. 31, 2010	24.70	956	39	2.00	2.00	114.12	0.18
Dec. 31, 2009	22.50	786	35	1.95	1.95	124.15	0.19
Series D							
June 30, 2014	**31.02**	**28 685**	**925**	**1.21**	**1.21**	**159.74**	**0.15**
Dec. 31, 2013	28.59	25 417	889	1.21	1.21	134.47	0.16
Dec. 31, 2012	23.88	20 865	874	1.21	1.21	137.82	0.14
Dec. 31, 2011	22.50	20 727	921	1.19	1.19	116.41	0.15
Dec. 31, 2010	24.26	25 498	1 051	1.18	1.18	114.12	0.18
Dec. 31, 2009	22.00	24 619	1 119	1.16	1.16	124.15	0.19
Series F							
June 30, 2014	**33.29**	**2 738**	**82**	**0.94**	**0.94**	**159.74**	**0.15**
Dec. 31, 2013	30.64	2 255	74	0.94	0.94	134.47	0.16
Dec. 31, 2012	25.52	1 538	60	0.95	0.95	137.82	0.14
Dec. 31, 2011	24.07	1 492	62	0.93	0.93	116.41	0.15
Dec. 31, 2010	25.89	1 229	47	0.92	0.92	114.12	0.18
Dec. 31, 2009	23.41	483	21	0.89	0.89	124.15	0.19
Series O							
June 30, 2014	**35.45**	**2 248**	**63**	**0.02**	**0.02**	**159.74**	**0.15**
Dec. 31, 2013	32.48	1 736	53	0.02	0.02	134.47	0.16
Dec. 31, 2012	26.24	49 269	1 878	0.02	0.02	137.82	0.14
Dec. 31, 2011	24.64	40 882	1 659	0.02	0.02	116.41	0.15
Dec. 31, 2010	26.26	34 939	1 330	0.02	0.02	114.12	0.18
Dec. 31, 2009	23.54	592 962	25 185	0.02	0.02	124.15	0.19

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.75%	66%	34%
Advisor Series	1.75%	66%	34%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

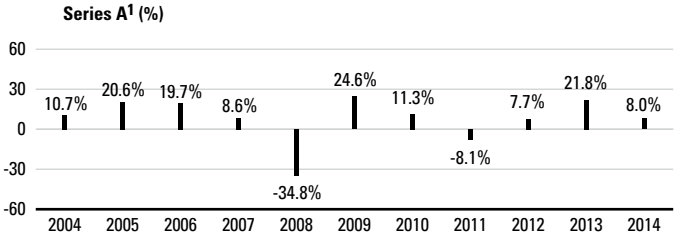
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

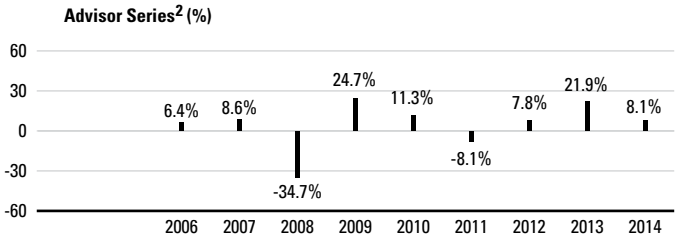
PAST PERFORMANCE

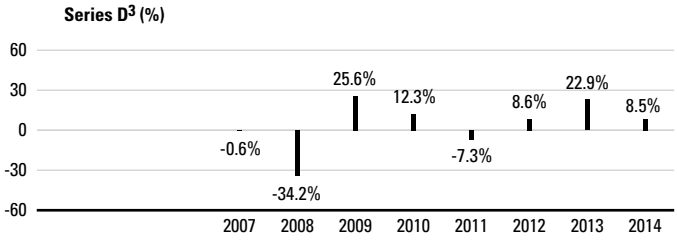
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

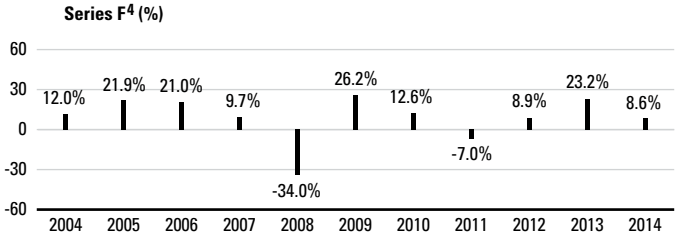
Year-by-Year Returns (%)

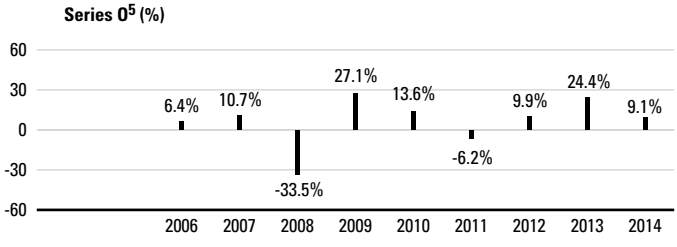
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











1 Inception date January 11, 1993.
2 Inception date August 28, 2006.
3 Inception date July 3, 2007.
4 Inception date August 13, 2001.
5 Inception date September 5, 2006.

This is a continuing fund resulting from the merger of certain RBC Funds on June 28, 2002.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix – Sectors

	% of Net Asset Value
Financials	21.9
Energy	17.5
Information Technology	9.6
Materials	7.6
Industrials	6.8
Consumer Discretionary	5.6
Health Care	5.3
Consumer Staples	3.6
Other Sectors	3.5
Cash/Other	18.6

Investment Mix – Countries/Regions

	% of Net Asset Value
Canada	48.5
United States	31.6
Cash/Other	19.9

Top 25 Holdings

	% of Net Asset Value
Royal Bank of Canada	3.9
Toronto-Dominion Bank	3.6
Bank of Nova Scotia	2.9
Cash & Cash Equivalents	2.7
Suncor Energy Inc.	2.4
Canadian National Railway Co.	2.1
Canadian Natural Resources Ltd.	2.1
Apple Inc.	1.8
Bank of Montreal	1.8
Canadian Imperial Bank of Commerce	1.5
Valeant Pharmaceuticals International Inc.	1.5
TransCanada Corp.	1.4
Manulife Financial Corporation	1.3
Enbridge Inc.	1.3
Wells Fargo & Company	1.3
Magna International Inc., Class A	1.3
Power Corporation of Canada	1.1
Goldcorp Inc.	1.1
TELUS Corp.	1.0
BCE Inc.	1.0
Cenovus Energy Inc.	1.0
Brookfield Asset Management Inc., Class A	1.0
Microsoft Corp.	0.9
Johnson & Johnson	0.9
Potash Corporation of Saskatchewan Inc.	0.8
Top 25 Holdings	41.7

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

U.S. EQUITY FUND

RBC U.S. DIVIDEND FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund invests primarily in common and preferred shares of major U.S. companies with above-average dividend yields in order to provide targeted exposure to opportunities in U.S. equity markets. Stocks that qualify as investments will generally carry above-average dividend yields and offer the potential for increased payouts.

Results of Operations

The Fund's net asset value was $942 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 4.3%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The S&P 500 advanced during the first half of 2014, driven by improvement in the outlook for the U.S. economy, decent earnings given the muted growth environment, substantial improvement in the U.S. fiscal deficit, very low reported inflation, and extremely accommodative global monetary policies. The U.S. Federal Reserve's (the "Fed") loose approach to monetary policy continued to keep interest rates low, make returns on cash deposits highly unattractive and lower the odds that a number of dire "end-game" scenarios might take place.

The economically sensitive Materials, Energy and Information Technology sectors were the best-performing in the Fund during the period, with help from the Utilities sector, which moved higher as interest rates fell in anticipation of lower rates in Europe and strong investor demand for bonds. Underweight positions in the Telecommunication Services and Consumer Staples sectors aided returns. Strong stock selection in the Industrials and Materials sectors also contributed. Union Pacific, the railroad, and commercial construction firm Tyco International were standouts in the Industrials sector, as global manufacturing production accelerated and stock repurchases drove the stocks higher. LyondellBasell and Dow Chemical, which make basic chemicals, were leaders in the Materials sector, as lower prices for raw materials, steady product demand and buybacks led to surging profits and stock prices.

Performance was hurt by the Fund's positions in Information Technology, where weakness in spending on big computer networks pressured data-storage and networking companies such as Cisco, Western Digital and Seagate Technology. The Fund's overweight positions in the Financials sector companies Prudential Financial and MetLife also hurt performance, as the companies' investment portfolios were hurt by interest-rate declines. A large position in JPMorgan also detracted from performance, with lower capital-markets activity and regulatory changes pressuring earnings. The Fund's position in Exxon Mobil also hurt performance. The stock did not keep up with the strong rally experienced by many shale-related energy producers and services companies.

Portfolio turnover is normally high for this Fund, as the portfolio manager attempts to generate better returns through active sector and stock selection.

Recent Developments

In the portfolio manager's opinion, the S&P 500 remains attractive relative to bonds as the index's free cash flow and earnings yields remain well above fixed-income yields. So while valuations appear slightly above fair value, there appears scope for further gains should inflation remain low and corporate revenues and earnings re-accelerate in 2014. Historically, most bull markets end when corporate management teams are optimistic, merger activity is rampant, capital expenditures and inventories are high and labour markets are tight. In this environment, the Fed generally raises short-term interest rates to slow inflation caused by the excesses and economic activity stalls over the next several quarters. While merger activity has picked up, none of the other conditions is present today nor seems likely to unfold over the intermediate term. As such, the portfolio manager does not believe that the Fed will raise short-term rates before 2015 and the Fund is positioned to benefit from continuing economic expansion, higher interest rates and benign inflation.

Effective June 27, 2014, the RBC DS U.S. Focus Fund merged into the Fund, and unitholders of the RBC DS U.S. Focus Fund received units of the Fund on a dollar-for-dollar, tax-deferred basis.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Series T5, Series T8, Series H and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $68,000 (2013 – $77,000) or 6% (2013 – 12%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**20.24**	**0.24**	**(0.22)**	**1.58**	**(0.79)**	**0.81**	**–**	**(0.01)**	**(1.43)**	**–**	**(1.43)**	**19.69**
Dec. 31, 2013	15.70	0.48	(0.38)	2.14	3.01	5.25	–	(0.08)	(0.55)	–	(0.63)	20.24
Dec. 31, 2012	14.58	0.47	(0.32)	0.87	0.01	1.03	–	(0.10)	–	–	(0.10)	15.70
Dec. 31, 2011	14.62	0.30	(0.29)	0.31	(0.39)	(0.07)	–	–	–	–	–	14.58
Dec. 31, 2010	13.56	0.26	(0.27)	0.39	0.63	1.01	–	(0.01)	–	–	(0.01)	14.62
Dec. 31, 2009	12.25	0.30	(0.25)	(1.74)	3.10	1.41	–	(0.07)	–	–	(0.07)	13.56
Advisor Series												
June 30, 2014	**20.26**	**0.24**	**(0.21)**	**1.58**	**(0.79)**	**0.82**	**–**	**(0.01)**	**(1.43)**	**–**	**(1.43)**	**19.70**
Dec. 31, 2013	15.71	0.48	(0.37)	2.14	3.01	5.26	–	(0.08)	(0.55)	–	(0.63)	20.26
Dec. 31, 2012	14.57	0.45	(0.32)	0.85	0.01	0.99	–	(0.09)	–	–	(0.09)	15.71
Dec. 31, 2011	14.60	0.30	(0.28)	0.31	(0.39)	(0.06)	–	–	–	–	–	14.57
Dec. 31, 2010	13.54	0.26	(0.26)	0.39	0.63	1.02	–	(0.01)	–	–	(0.01)	14.60
Dec. 31, 2009	12.23	0.30	(0.24)	(1.74)	3.10	1.42	–	(0.07)	–	–	(0.07)	13.54
Series T5												
June 30, 2014	**19.75**	**0.23**	**(0.21)**	**1.52**	**(0.79)**	**0.78**	**–**	**(0.50)**	**(0.88)**	**–**	**(1.38)**	**19.23**
Dec. 31, 2013	15.57	0.44	(0.36)	1.97	2.77	4.82	–	(0.08)	(0.79)	–	(0.87)	19.75
Dec. 31, 2012[3]	15.94[†]	0.09	(0.09)	0.17	–	0.17	–	(0.03)	–	(0.17)	(0.20)	15.57
Series T8												
June 30, 2014	**10.02**	**0.12**	**(0.10)**	**0.77**	**(0.38)**	**0.41**	**–**	**(0.40)**	**(0.32)**	**–**	**(0.72)**	**9.73**
Dec. 31, 2013	8.09	0.24	(0.18)	1.07	1.51	2.64	–	(0.05)	(0.27)	(0.33)	(0.65)	10.02
Dec. 31, 2012	8.06	0.25	(0.17)	0.46	0.01	0.55	–	(0.06)	–	(0.58)	(0.64)	8.09
Dec. 31, 2011	8.79	0.17	(0.16)	0.18	(0.23)	(0.04)	–	–	–	(0.70)	(0.70)	8.06
Dec. 31, 2010	8.86	0.16	(0.17)	0.24	0.39	0.62	–	–	–	(0.72)	(0.72)	8.79
Dec. 31, 2009	8.68	0.21	(0.16)	(1.18)	2.11	0.98	–	(0.68)	–	(0.04)	(0.72)	8.86
Series H												
June 30, 2014	**20.28**	**0.24**	**(0.21)**	**1.57**	**(0.78)**	**0.82**	**–**	**(0.02)**	**(1.45)**	**–**	**(1.47)**	**19.70**
Dec. 31, 2013[4]	18.33[†]	0.16	(0.15)	0.71	0.99	1.71	–	(0.04)	(0.55)	–	(0.59)	20.28
Series D												
June 30, 2014	**20.73**	**0.25**	**(0.13)**	**1.62**	**(0.81)**	**0.93**	**–**	**(0.10)**	**(1.46)**	**–**	**(1.56)**	**20.16**
Dec. 31, 2013	16.05	0.49	(0.23)	2.18	3.07	5.51	–	(0.23)	(0.55)	–	(0.78)	20.73
Dec. 31, 2012	14.87	0.46	(0.19)	0.87	0.01	1.15	–	(0.21)	–	–	(0.21)	16.05
Dec. 31, 2011	14.79	0.30	(0.17)	0.31	(0.40)	0.04	–	–	–	–	–	14.87
Dec. 31, 2010	13.63	0.26	(0.16)	0.39	0.63	1.12	–	(0.03)	–	–	(0.03)	14.79
Dec. 31, 2009	12.29	0.30	(0.14)	(1.75)	3.11	1.52	–	(0.15)	–	–	(0.15)	13.63

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**22.17**	**0.27**	**(0.11)**	**1.73**	**(0.86)**	**1.03**	**–**	**(0.14)**	**(1.57)**	**–**	**(1.71)**	**21.55**
Dec. 31, 2013	17.15	0.52	(0.19)	2.30	3.24	5.87	–	(0.29)	(0.58)	–	(0.87)	22.16
Dec. 31, 2012	15.87	0.48	(0.16)	0.90	0.01	1.23	–	(0.25)	–	–	(0.25)	17.15
Dec. 31, 2011	15.74	0.32	(0.14)	0.33	(0.42)	0.09	–	–	–	–	–	15.87
Dec. 31, 2010	14.48	0.27	(0.13)	0.41	0.67	1.22	–	(0.05)	–	–	(0.05)	15.74
Dec. 31, 2009	13.04	0.32	(0.12)	(1.86)	3.31	1.65	–	(0.18)	–	–	(0.18)	14.48
Series I												
June 30, 2014	**22.31**	**0.27**	**(0.08)**	**1.73**	**(0.86)**	**1.06**	**–**	**(0.21)**	**(1.57)**	**–**	**(1.78)**	**21.64**
Dec. 31, 2013[4]	20.07[†]	0.17	(0.07)	0.76	1.07	1.93	–	(0.07)	(0.58)	–	(0.65)	22.30
Series O												
June 30, 2014	**21.78**	**0.26**	**–**	**1.70**	**(0.85)**	**1.11**	**–**	**(0.24)**	**(1.57)**	**–**	**(1.81)**	**21.14**
Dec. 31, 2013	16.82	0.50	–	2.23	3.14	5.87	–	(0.43)	(0.57)	–	(1.00)	21.78
Dec. 31, 2012	15.50	0.43	–	0.80	0.01	1.24	–	(0.32)	–	–	(0.32)	16.82
Dec. 31, 2011	15.23	0.31	–	0.32	(0.41)	0.22	–	–	–	–	–	15.50
Dec. 31, 2010	13.91	0.26	–	0.40	0.65	1.31	–	(0.08)	–	–	(0.08)	15.23
Dec. 31, 2009	12.51	0.31	–	(1.78)	3.17	1.70	–	(0.25)	–	–	(0.25)	13.91

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
[2] Distributions are reinvested in additional units of the Fund or paid in cash.
[3] From September 24, 2012.
[4] From August 12, 2013.
[†] Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**19.69**	**438 992**	**22 299**	**2.08**	**2.08**	**281.93**	**0.30**
Dec. 31, 2013	20.24	369 340	18 244	2.09	2.09	272.14	0.32
Dec. 31, 2012	15.70	172 425	10 981	2.09	2.09	229.79	0.22
Dec. 31, 2011	14.58	100 160	6 868	2.09	2.09	390.52	0.55
Dec. 31, 2010	14.62	102 172	6 987	2.04	2.04	302.67	0.48
Dec. 31, 2009	13.57	101 788	7 502	2.00	2.00	262.26	0.33
Advisor Series							
June 30, 2014	**19.70**	**209 312**	**10 627**	**2.06**	**2.06**	**281.93**	**0.30**
Dec. 31, 2013	20.26	137 259	6 774	2.05	2.05	272.14	0.32
Dec. 31, 2012	15.71	63 797	4 060	2.03	2.03	229.79	0.22
Dec. 31, 2011	14.58	23 232	1 594	2.04	2.04	390.52	0.55
Dec. 31, 2010	14.61	27 809	1 904	1.99	1.99	302.67	0.48
Dec. 31, 2009	13.55	32 633	2 409	1.95	1.95	262.26	0.33
Series T5							
June 30, 2014	**19.23**	**2 081**	**108**	**2.05**	**2.05**	**281.93**	**0.30**
Dec. 31, 2013	19.75	1 805	91	2.02	2.02	272.14	0.32
Dec. 31, 2012[4]	15.58	286	18	2.09	2.09	229.79	0.22

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series T8							
June 30, 2014	**9.73**	**4 220**	**434**	**2.04**	**2.04**	**281.93**	**0.30**
Dec. 31, 2013	10.02	3 391	338	2.03	2.03	272.14	0.32
Dec. 31, 2012	8.09	2 030	251	2.02	2.02	229.79	0.22
Dec. 31, 2011	8.06	1 337	166	2.03	2.03	390.52	0.55
Dec. 31, 2010	8.79	1 558	177	2.00	2.00	302.67	0.48
Dec. 31, 2009	8.87	1 269	143	1.95	1.95	262.26	0.33
Series H							
June 30, 2014	**19.70**	**2 414**	**123**	**1.97**	**1.97**	**281.93**	**0.30**
Dec. 31, 2013[5]	20.28	246	12	1.98	1.98	272.14	0.32
Series D							
June 30, 2014	**20.16**	**26 632**	**1 321**	**1.19**	**1.19**	**281.93**	**0.30**
Dec. 31, 2013	20.73	20 520	990	1.22	1.22	272.14	0.32
Dec. 31, 2012	16.06	8 128	506	1.21	1.21	229.79	0.22
Dec. 31, 2011	14.88	2 935	197	1.21	1.21	390.52	0.55
Dec. 31, 2010	14.79	2 260	153	1.18	1.18	302.67	0.48
Dec. 31, 2009	13.63	1 890	139	1.16	1.16	262.26	0.33
Series F							
June 30, 2014	**21.55**	**79 595**	**3 694**	**0.93**	**0.93**	**281.93**	**0.30**
Dec. 31, 2013	22.17	52 099	2 350	0.95	0.95	272.14	0.32
Dec. 31, 2012	17.16	16 761	977	0.95	0.95	229.79	0.22
Dec. 31, 2011	15.88	4 982	314	0.96	0.96	390.52	0.55
Dec. 31, 2010	15.75	6 495	412	0.92	0.92	302.67	0.48
Dec. 31, 2009	14.49	6 998	483	0.90	0.90	262.26	0.33
Series I							
June 30, 2014	**21.64**	**1 025**	**47**	**0.73**	**0.73**	**281.93**	**0.30**
Dec. 31, 2013[5]	22.31	1 001	45	0.79	0.79	272.14	0.32
Series O							
June 30, 2014	**21.14**	**177 488**	**8 395**	**0.02**	**0.02**	**281.93**	**0.30**
Dec. 31, 2013	21.78	107 685	4 944	0.02	0.02	272.14	0.32
Dec. 31, 2012	16.82	18 892	1 123	0.02	0.02	229.79	0.22
Dec. 31, 2011	15.51	1 002	65	0.03	0.03	390.52	0.55
Dec. 31, 2010	15.23	496	33	0.02	0.02	302.67	0.48
Dec. 31, 2009	13.92	414	30	0.03	0.03	262.26	0.33

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From September 24, 2012.

[5] From August 12, 2013.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.75%	66%	34%
Advisor Series	1.75%	66%	34%
Series T5	1.75%	66%	34%
Series T8	1.75%	66%	34%
Series H	1.65%	70%	30%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

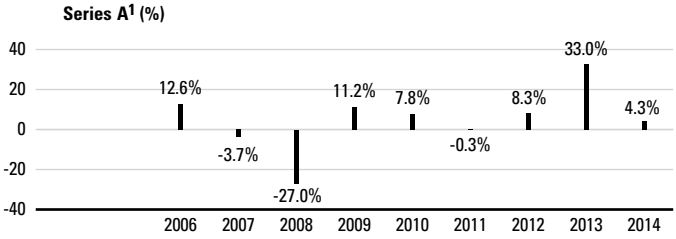
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

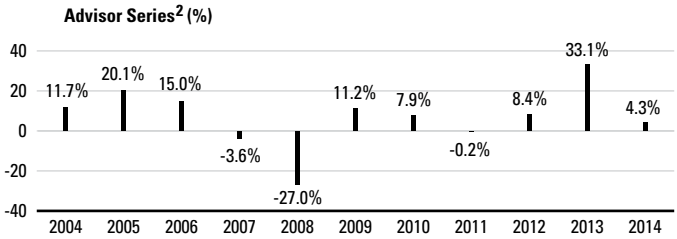
PAST PERFORMANCE

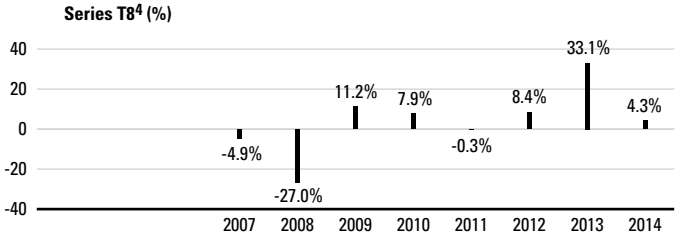
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

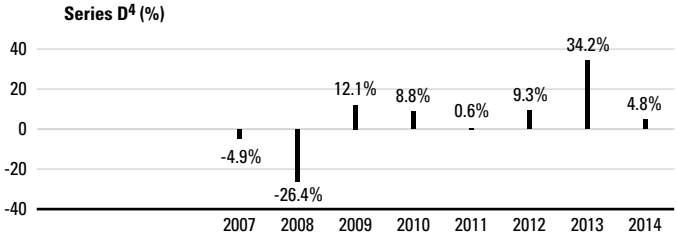
Year-by-Year Returns (%)

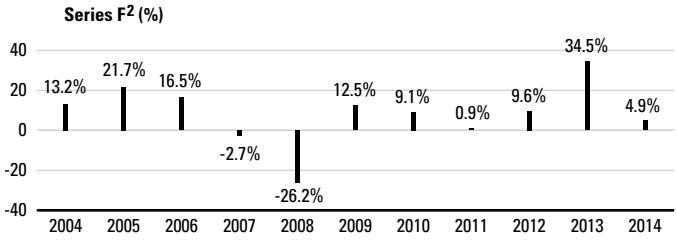
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.



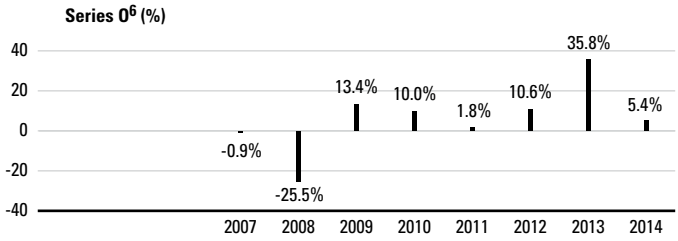








PAST PERFORMANCE (cont.)



1 Inception date July 4, 2006.
2 Inception date October 29, 2001.
3 Inception date September 24, 2012.
4 Inception date July 3, 2007.
5 Inception date August 12, 2013.
6 Inception date October 1, 2007.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Information Technology	17.2
Financials	14.3
Health Care	16.0
Consumer Staples	11.3
Consumer Discretionary	11.3
Energy	10.0
Industrials	9.3
Other Sectors	8.2
Cash/Other	2.4

Top 25 Holdings

	% of Net Asset Value
Apple Inc.	4.3
Microsoft Corp.	2.9
JPMorgan Chase & Co.	2.6
Wells Fargo & Company	2.6
Cardinal Health Inc.	2.5
ConocoPhillips	2.3
Cash & Cash Equivalents	2.3
Intel Corp.	2.3
Merck & Co. Inc.	2.3
Pfizer Inc.	2.3
Chevron Corp.	2.3
Time Warner Cable Inc.	2.2
Philip Morris International Inc.	2.1
AbbVie Inc.	2.1
Altria Group Inc.	2.0
Johnson & Johnson	2.0
CVS Corp.	2.0
Dow Chemical Company	2.0
LyondellBasell Industries N.V.	2.0
WellPoint Inc.	1.7
MetLife Inc.	1.7
Prudential Financial Inc.	1.7
PepsiCo Inc.	1.6
McDonald's Corp.	1.5
Phillips 66 Company	1.4
Top 25 Holdings	54.7

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

U.S. EQUITY FUND

RBC U.S. EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of U.S. companies, providing broad exposure to economic growth through the U.S. stock market.

The Fund diversifies across industries and selects companies with strong management, focused business models and the potential for growth in earnings and cash flow.

Results of Operations

The Fund's net asset value was $3.5 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 4.9%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

U.S. equity markets rose to new highs in the first half of 2014, with markets registering year-to-date gains in the mid-single digits. The solid performance was fuelled by factors including a commitment from new U.S. Federal Reserve (the "Fed") Chair Janet Yellen to keep short-term interest rates low; a declining unemployment rate; and an improving outlook for U.S. manufacturing.

Inflation remained low and interest rates at levels conducive to home purchases and investment. Investors largely ignored first-quarter disruptions related to a colder-than-normal winter in parts of the U.S. In March, investors shifted out of growth-oriented sectors such as Consumer Discretionary, Health Care and Information Technology to Energy and Materials as commodity prices firmed, as well as to more conservative, income-oriented sectors such as Utilities and Telecommunication Services.

The Fund's relatively weak performance was due to stock selection in the Consumer Discretionary, Health Care and Financials sectors, along with underweight exposure to the Information Technology sector. A lack of relative exposure to the Health Care sector held back returns amid merger-and-acquisition activity linked to efforts to relocate to countries offering lower corporate tax rates.

On the positive side, the Fund benefited from strong stock selection in the Energy sector. Exploration and production companies in rapidly developing shale basins in the U.S. performed strongly. Energy-services stocks also performed well, with an increasing number of rigs at work in the U.S., as well as a more positive outlook for oil and natural gas prices. The Fund also benefited from an underweight position in the Telecommunication Services sector, where competition has been heating up.

United Rentals, Apple Inc., Diamondback Energy and Halliburton were among stocks that aided the Fund's performance, while Ocwen Financial, EMC and Cardinal Health were stocks that weighed on the Fund's returns.

Portfolio turnover is normally high for this Fund, as the portfolio manager attempts to generate better returns through active sector and stock selection.

Recent Developments

The portfolio manager expects moderate returns for the balance of 2014, but believes that a near-term pullback is possible given the market's strong advance has resulted in a market that is more fairly valued. The U.S. housing recovery, while positive, has been uneven, with pending home sales down on a year-over-year basis while prices continue to rise.

The portfolio manager continues to believe that the Fed will have to strike a delicate balance between providing access to funds sufficient to keep the market's momentum in place, while at the same time remaining mindful that the U.S. economy will eventually have to expand with less help from monetary policy.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $456,000 (2013 – $429,000) or 7% (2013 – 8%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**28.56**	**0.23**	**(0.31)**	**3.49**	**(2.07)**	**1.34**	**–**	**–**	**–**	**–**	**–**	**29.96**
Dec. 31, 2013	21.12	0.37	(0.52)	4.69	3.01	7.55	–	–	–	–	–	28.56
Dec. 31, 2012	19.53	0.43	(0.43)	1.75	(0.16)	1.59	–	–	–	–	–	21.12
Dec. 31, 2011	20.44	0.29	(0.39)	(0.45)	(0.33)	(0.88)	–	–	–	–	–	19.53
Dec. 31, 2010	19.50	0.26	(0.38)	0.57	0.33	0.78	–	–	–	–	–	20.44
Dec. 31, 2009	18.19	0.25	(0.36)	(0.79)	2.19	1.29	–	–	–	–	–	19.50
Advisor Series												
June 30, 2014	**28.66**	**0.23**	**(0.30)**	**3.51**	**(2.08)**	**1.36**	**–**	**–**	**–**	**–**	**–**	**30.07**
Dec. 31, 2013	21.18	0.37	(0.51)	4.71	3.02	7.59	–	–	–	–	–	28.66
Dec. 31, 2012	19.57	0.43	(0.41)	1.75	(0.16)	1.61	–	(0.01)	–	–	(0.01)	21.18
Dec. 31, 2011	20.45	0.29	(0.38)	(0.45)	(0.33)	(0.87)	–	–	–	–	–	19.57
Dec. 31, 2010	19.50	0.27	(0.37)	0.58	0.33	0.81	–	–	–	–	–	20.45
Dec. 31, 2009	18.18	0.24	(0.35)	(0.79)	2.19	1.29	–	–	–	–	–	19.50
Series D												
June 30, 2014	**29.81**	**0.24**	**(0.19)**	**3.66**	**(2.17)**	**1.54**	**–**	**–**	**–**	**–**	**–**	**31.40**
Dec. 31, 2013	21.89	0.39	(0.32)	4.88	3.13	8.08	–	(0.07)	–	–	(0.07)	29.80
Dec. 31, 2012	20.24	0.45	(0.26)	1.82	(0.17)	1.84	–	(0.18)	–	–	(0.18)	21.89
Dec. 31, 2011	21.03	0.30	(0.23)	(0.47)	(0.34)	(0.74)	–	(0.04)	–	–	(0.04)	20.24
Dec. 31, 2010	19.91	0.27	(0.23)	0.59	0.34	0.97	–	(0.02)	–	–	(0.02)	21.03
Dec. 31, 2009	18.42	0.25	(0.22)	(0.81)	2.22	1.44	–	–	–	–	–	19.91
Series F												
June 30, 2014	**32.04**	**0.26**	**(0.16)**	**3.93**	**(2.33)**	**1.70**	**–**	**–**	**–**	**–**	**–**	**33.79**
Dec. 31, 2013	23.52	0.42	(0.27)	5.25	3.37	8.77	–	(0.14)	–	–	(0.14)	32.04
Dec. 31, 2012	21.73	0.48	(0.22)	1.95	(0.18)	2.03	–	(0.25)	–	–	(0.25)	23.52
Dec. 31, 2011	22.58	0.32	(0.19)	(0.50)	(0.36)	(0.73)	–	(0.10)	–	–	(0.10)	21.73
Dec. 31, 2010	21.37	0.29	(0.19)	0.63	0.36	1.09	–	(0.07)	–	–	(0.07)	22.58
Dec. 31, 2009	19.73	0.27	(0.18)	(0.86)	2.38	1.61	–	(0.01)	–	–	(0.01)	21.37
Series I												
June 30, 2014	**32.31**	**0.26**	**(0.11)**	**3.99**	**(2.36)**	**1.78**	**–**	**–**	**–**	**–**	**–**	**34.13**
Dec. 31, 2013	23.66	0.42	(0.19)	5.31	3.41	8.95	–	(0.15)	–	–	(0.15)	32.31
Dec. 31, 2012	21.84	0.48	(0.15)	1.97	(0.18)	2.12	–	(0.30)	–	–	(0.30)	23.66
Dec. 31, 2011	22.69	0.32	(0.14)	(0.51)	(0.37)	(0.70)	–	(0.16)	–	–	(0.16)	21.84
Dec. 31, 2010	21.46	0.29	(0.13)	0.64	0.36	1.16	–	(0.12)	–	–	(0.12)	22.69
Dec. 31, 2009	19.80	0.27	(0.12)	(0.87)	2.40	1.68	–	(0.06)	–	–	(0.06)	21.46

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**31.02**	**0.25**	**–**	**3.77**	**(2.24)**	**1.78**	**–**	**–**	**–**	**–**	**–**	**32.87**
Dec. 31, 2013	22.75	0.40	(0.01)	5.10	3.27	8.76	–	(0.38)	–	–	(0.38)	31.02
Dec. 31, 2012	21.04	0.47	–	1.89	(0.17)	2.19	–	(0.47)	–	–	(0.47)	22.75
Dec. 31, 2011	21.84	0.31	–	(0.49)	(0.35)	(0.53)	–	(0.27)	–	–	(0.27)	21.04
Dec. 31, 2010	20.68	0.28	–	0.61	0.35	1.24	–	(0.28)	–	–	(0.28)	21.84
Dec. 31, 2009	19.04	0.26	–	(0.84)	2.31	1.73	–	(0.14)	–	–	(0.14)	20.68

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**29.96**	**512 654**	**17 112**	**2.10**	**2.10**	**270.91**	**0.31**
Dec. 31, 2013	28.56	482 220	16 883	2.11	2.11	243.45	0.31
Dec. 31, 2012	21.12	356 974	16 902	2.09	2.09	273.45	0.39
Dec. 31, 2011	19.53	355 224	18 186	2.07	2.07	311.16	0.55
Dec. 31, 2010	20.44	395 093	19 330	2.04	2.04	249.64	0.48
Dec. 31, 2009	19.51	402 681	20 643	2.00	2.00	177.01	0.42
Advisor Series							
June 30, 2014	**30.07**	**7 077**	**235**	**2.07**	**2.07**	**270.91**	**0.31**
Dec. 31, 2013	28.66	5 949	208	2.05	2.05	243.45	0.31
Dec. 31, 2012	21.18	3 484	164	1.97	1.97	273.45	0.39
Dec. 31, 2011	19.57	2 307	118	1.96	1.96	311.16	0.55
Dec. 31, 2010	20.46	1 831	90	1.97	1.97	249.64	0.48
Dec. 31, 2009	19.51	948	49	1.94	1.94	177.01	0.42
Series D							
June 30, 2014	**31.40**	**20 023**	**638**	**1.23**	**1.23**	**270.91**	**0.31**
Dec. 31, 2013	29.81	15 589	523	1.23	1.23	243.45	0.31
Dec. 31, 2012	21.90	9 344	427	1.21	1.21	273.45	0.39
Dec. 31, 2011	20.24	10 498	519	1.19	1.19	311.16	0.55
Dec. 31, 2010	21.04	12 015	571	1.18	1.18	249.64	0.48
Dec. 31, 2009	19.92	9 916	498	1.16	1.16	177.01	0.42
Series F							
June 30, 2014	**33.79**	**6 419**	**190**	**0.97**	**0.97**	**270.91**	**0.31**
Dec. 31, 2013	32.04	6 354	198	0.97	0.97	243.45	0.31
Dec. 31, 2012	23.53	4 525	192	0.93	0.93	273.45	0.39
Dec. 31, 2011	21.74	3 933	181	0.92	0.92	311.16	0.55
Dec. 31, 2010	22.59	4 014	178	0.91	0.91	249.64	0.48
Dec. 31, 2009	21.38	3 507	164	0.89	0.89	177.01	0.42

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series I							
June 30, 2014	**34.13**	**1 945**	**57**	**0.66**	**0.66**	**270.91**	**0.31**
Dec. 31, 2013	32.31	1 663	51	0.66	0.66	243.45	0.31
Dec. 31, 2012	23.66	6	–	0.66	0.66	273.45	0.39
Dec. 31, 2011	21.85	5	–	0.65	0.65	311.16	0.55
Dec. 31, 2010	22.69	5	–	0.66	0.66	249.64	0.48
Dec. 31, 2009	21.47	5	–	0.62	0.62	177.01	0.42
Series O							
June 30, 2014	**32.87**	**2 998 614**	**91 220**	**0.03**	**0.03**	**270.91**	**0.31**
Dec. 31, 2013	31.02	3 612 380	116 449	0.03	0.03	243.45	0.31
Dec. 31, 2012	22.75	2 693 259	118 374	0.03	0.03	273.45	0.39
Dec. 31, 2011	21.04	2 355 754	111 952	0.02	0.02	311.16	0.55
Dec. 31, 2010	21.84	2 093 533	95 839	0.02	0.02	249.64	0.48
Dec. 31, 2009	20.69	2 220 733	107 326	0.02	0.02	177.01	0.42

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.75%	66%	34%
Advisor Series	1.75%	66%	34%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

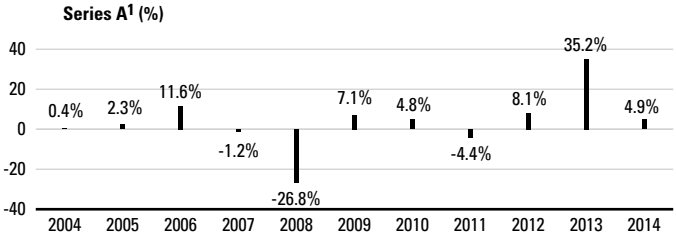
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

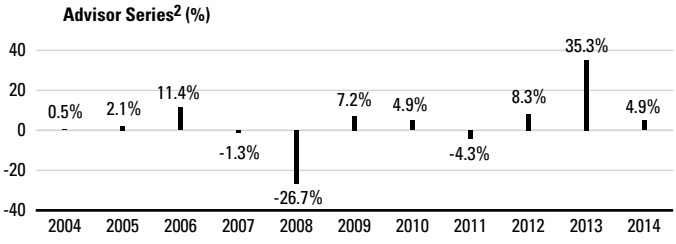
PAST PERFORMANCE

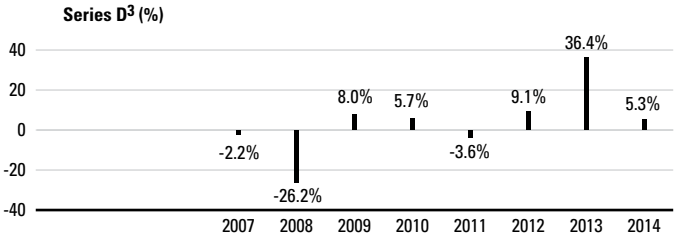
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

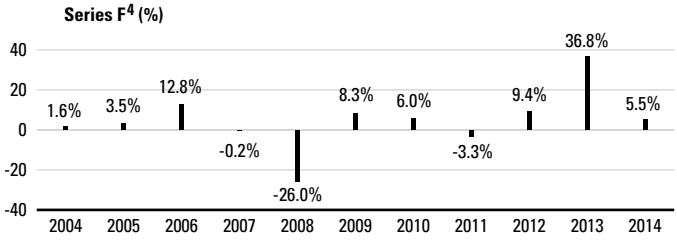
Year-by-Year Returns (%)

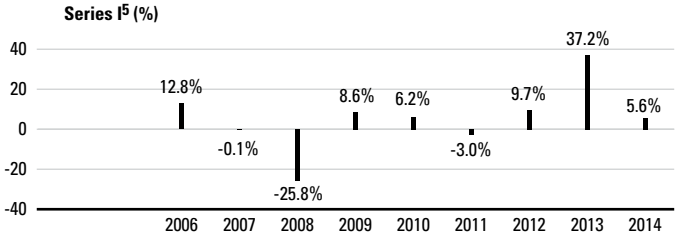
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

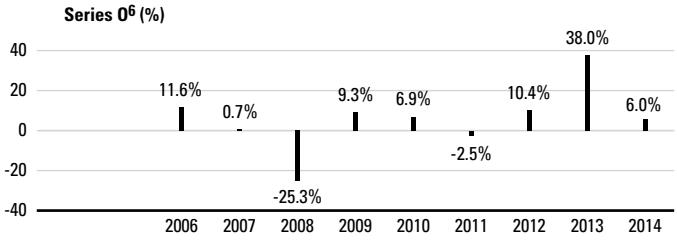












1 Inception date July 29, 1966, however performance history only available from October 31, 1972.
2 Inception date August 6, 2003.
3 Inception date July 3, 2007.
4 Inception date August 13, 2001.
5 Inception date August 8, 2006.
6 Inception date September 5, 2006.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Information Technology	19.5
Financials	12.9
Health Care	10.7
Consumer Discretionary	10.3
Energy	10.1
U.S. Equity Funds	9.3
Industrials	9.1
Other Sectors	8.7
Consumer Staples	8.0
Cash/Other	1.4

Top 25 Holdings

	% of Net Asset Value
RBC U.S. Mid-Cap Equity Fund	4.1
RBC U.S. Mid-Cap Value Equity Fund	4.1
Apple Inc.	3.8
Wells Fargo & Company	2.1
Microsoft Corp.	1.9
Johnson & Johnson	1.7
JPMorgan Chase & Co.	1.3
Halliburton Co.	1.3
Hess Corp.	1.2
Google Inc., Class A	1.2
Intel Corp.	1.2
WellPoint Inc.	1.1
Tyco International Ltd.	1.1
Union Pacific Corp.	1.1
RBC U.S. Small-Cap Core Equity Fund	1.1
Baker Hughes Inc.	1.0
Cash & Cash Equivalents	1.0
The Walt Disney Company	1.0
Facebook Inc., Class A	1.0
Merck & Co. Inc.	1.0
Cisco Systems Inc.	1.0
Home Depot Inc.	1.0
Eli Lilly & Co.	1.0
Sempra Energy	1.0
MetLife Inc.	1.0
Top 25 Holdings	38.3

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

U.S. EQUITY FUND

RBC U.S. EQUITY CURRENCY NEUTRAL FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital appreciation primarily through investing in equities of U.S. companies while minimizing the exposure to fluctuations between the U.S. and Canadian dollars. The Fund seeks to provide broad exposure to superior investment opportunities in the U.S. equity market.

The Fund diversifies across industries and selects companies with strong management, focused business models and the potential for growth in earnings and cash flow. The Fund uses currency hedges to minimize the impact of fluctuations in the U.S. dollar versus the Canadian dollar.

Results of Operations

The Fund's net asset value was $43 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 4.3%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

U.S. equity markets rose to new highs in the first half of 2014, with markets registering year-to-date gains in the mid-single digits. The solid performance was fuelled by factors including a commitment from new U.S. Federal Reserve (the "Fed") Chair Janet Yellen to keep short-term interest rates low; a declining unemployment rate; and an improving outlook for U.S. manufacturing.

Inflation remained low and interest rates at levels conducive to home purchases and investment. Investors largely ignored first-quarter disruptions related to a colder-than-normal winter in parts of the U.S. In March, investors shifted out of growth-oriented sectors such as Consumer Discretionary, Health Care and Information Technology to Energy and Materials as commodity prices firmed, as well as to more conservative, income-oriented sectors such as Utilities and Telecommunication Services.

The Fund's relatively weak performance was due to stock selection in the Consumer Discretionary, Health Care and Financials sectors, along with underweight exposure to the Information Technology sector. A lack of relative exposure to the Health Care sector held back returns amid merger-and-acquisition activity linked to efforts to relocate to countries offering lower corporate tax rates.

On the positive side, the Fund benefited from strong stock selection in the Energy sector. Exploration and production companies in rapidly-developing shale basins in the U.S. performed strongly. Energy-services stocks also performed well, with an increasing number of rigs at work in the U.S., as well as a more positive outlook for oil and natural gas prices. The Fund also benefited from an underweight position in the Telecommunication Services sector, where competition has been heating up.

United Rentals, Apple Inc., Diamondback Energy and Halliburton were among stocks that aided the Fund's performance, while Ocwen Financial, EMC and Cardinal Health were stocks that weighed on the Fund's returns.

The Fund's currency-hedging strategy had little effect on performance during the period, as the Canadian dollar did not move significantly against the U.S. dollar.

Portfolio turnover is normally high for this Fund, as the portfolio manager attempts to generate better returns through active sector and stock selection.

Recent Developments

The portfolio manager expects moderate returns for the balance of 2014, but believes that a near-term pullback is possible given the market's strong advance has resulted in a market that is more fairly valued. The U.S. housing recovery, while positive, has been uneven, with pending home sales down on a year-over-year basis while prices continue to rise.

The portfolio manager continues to believe that the Fed will have to strike a delicate balance between providing access to funds sufficient to keep the market's momentum in place, while at the same time remaining mindful that the U.S. economy will eventually have to expand with less help from monetary policy.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $5,000 (2013 – $5,000) or 8% (2013 – 8%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**11.19**	**0.09**	**(0.12)**	**0.80**	**(0.30)**	**0.47**	**–**	**–**	**–**	**–**	**–**	**11.67**
Dec. 31, 2013	8.73	0.15	(0.21)	1.54	0.98	2.46	–	–	–	–	–	11.19
Dec. 31, 2012	7.85	0.18	(0.18)	0.98	(0.12)	0.86	–	–	–	–	–	8.73
Dec. 31, 2011	8.37	0.12	(0.17)	(0.02)	(0.44)	(0.51)	–	–	–	–	–	7.85
Dec. 31, 2010	7.61	0.11	(0.15)	0.60	(0.08)	0.48	–	–	–	–	–	8.37
Dec. 31, 2009	6.41	0.09	(0.14)	0.49	0.90	1.34	–	–	–	–	–	7.61
Advisor Series												
June 30, 2014	**11.79**	**0.09**	**(0.12)**	**0.84**	**(0.32)**	**0.49**	**–**	**–**	**–**	**–**	**–**	**12.29**
Dec. 31, 2013	9.19	0.16	(0.22)	1.62	1.03	2.59	–	–	–	–	–	11.79
Dec. 31, 2012	8.27	0.19	(0.19)	1.03	(0.13)	0.90	–	–	–	–	–	9.19
Dec. 31, 2011	8.82	0.13	(0.17)	(0.02)	(0.47)	(0.53)	–	–	–	–	–	8.27
Dec. 31, 2010	8.01	0.12	(0.16)	0.65	(0.09)	0.52	–	–	–	–	–	8.82
Dec. 31, 2009	6.74	0.09	(0.14)	0.51	0.93	1.39	–	–	–	–	–	8.01
Series D												
June 30, 2014	**11.76**	**0.09**	**(0.07)**	**0.84**	**(0.32)**	**0.54**	**–**	**–**	**–**	**–**	**–**	**12.32**
Dec. 31, 2013	9.09	0.16	(0.13)	1.61	1.03	2.67	–	–	–	–	–	11.76
Dec. 31, 2012	8.12	0.19	(0.11)	1.02	(0.12)	0.98	–	–	–	–	–	9.09
Dec. 31, 2011	8.58	0.12	(0.10)	(0.02)	(0.45)	(0.45)	–	–	–	–	–	8.12
Dec. 31, 2010	7.77	0.11	(0.09)	0.62	(0.08)	0.56	–	(0.05)	–	–	(0.05)	8.58
Dec. 31, 2009	6.49	0.09	(0.08)	0.49	0.91	1.41	–	–	–	–	–	7.77
Series F												
June 30, 2014	**12.17**	**0.09**	**(0.06)**	**0.87**	**(0.33)**	**0.57**	**–**	**–**	**–**	**–**	**–**	**12.76**
Dec. 31, 2013	9.38	0.16	(0.10)	1.66	1.06	2.78	–	–	–	–	–	12.17
Dec. 31, 2012	8.35	0.19	(0.09)	1.05	(0.13)	1.02	–	–	–	–	–	9.38
Dec. 31, 2011	8.80	0.13	(0.08)	(0.02)	(0.46)	(0.43)	–	–	–	–	–	8.35
Dec. 31, 2010	7.95	0.11	(0.07)	0.63	(0.08)	0.59	–	(0.05)	–	–	(0.05)	8.80
Dec. 31, 2009	6.62	0.09	(0.06)	0.51	0.93	1.47	–	–	–	–	–	7.95
Series O												
June 30, 2014	**12.55**	**0.10**	**–**	**0.90**	**(0.34)**	**0.66**	**–**	**–**	**–**	**–**	**–**	**13.23**
Dec. 31, 2013	9.59	0.17	–	1.71	1.09	2.97	–	–	–	–	–	12.55
Dec. 31, 2012	8.46	0.20	–	1.06	(0.13)	1.13	–	–	–	–	–	9.59
Dec. 31, 2011	8.83	0.13	–	(0.02)	(0.47)	(0.36)	–	–	–	–	–	8.46
Dec. 31, 2010	7.92	0.09	–	0.51	(0.07)	0.53	–	(0.10)	–	–	(0.10)	8.83
Dec. 31, 2009	6.54	0.09	–	0.50	0.92	1.51	–	–	–	–	–	7.92

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**11.67**	**36 309**	**3 112**	**2.11**	**2.12**	**246.58**	**0.30**
Dec. 31, 2013	11.19	36 604	3 272	2.13	2.13	230.83	0.32
Dec. 31, 2012	8.73	30 531	3 498	2.09	2.09	261.65	0.39
Dec. 31, 2011	7.86	28 484	3 625	2.10	2.10	304.68	0.55
Dec. 31, 2010	8.38	36 461	4 353	2.05	2.05	243.38	0.47
Dec. 31, 2009	7.61	34 504	4 532	2.01	2.01	169.28	0.41
Advisor Series							
June 30, 2014	**12.29**	**4 204**	**342**	**2.09**	**2.10**	**246.58**	**0.30**
Dec. 31, 2013	11.79	5 391	457	2.10	2.10	230.83	0.32
Dec. 31, 2012	9.19	4 253	463	2.10	2.10	261.65	0.39
Dec. 31, 2011	8.28	3 624	438	2.10	2.10	304.68	0.55
Dec. 31, 2010	8.82	2 310	262	2.03	2.03	243.38	0.47
Dec. 31, 2009	8.02	1 169	146	1.96	1.96	169.28	0.41
Series D							
June 30, 2014	**12.32**	**1 234**	**100**	**1.20**	**1.21**	**246.58**	**0.30**
Dec. 31, 2013	11.76	1 167	99	1.22	1.22	230.83	0.32
Dec. 31, 2012	9.10	773	85	1.23	1.23	261.65	0.39
Dec. 31, 2011	8.12	619	76	1.23	1.23	304.68	0.55
Dec. 31, 2010	8.58	603	70	1.19	1.19	243.38	0.47
Dec. 31, 2009	7.78	541	70	1.17	1.17	169.28	0.41
Series F							
June 30, 2014	**12.76**	**1 285**	**101**	**0.94**	**0.95**	**246.58**	**0.30**
Dec. 31, 2013	12.17	1 252	103	0.97	0.97	230.83	0.32
Dec. 31, 2012	9.38	980	104	0.95	0.95	261.65	0.39
Dec. 31, 2011	8.35	1 278	153	0.96	0.96	304.68	0.55
Dec. 31, 2010	8.80	2 379	270	0.92	0.92	243.38	0.47
Dec. 31, 2009	7.96	2 915	366	0.90	0.90	169.28	0.41
Series O							
June 30, 2014	**13.23**	**2**	**–**	**0.03**	**0.04**	**246.58**	**0.30**
Dec. 31, 2013	12.55	2	–	0.04	0.04	230.83	0.32
Dec. 31, 2012	9.59	1	–	0.02	0.02	261.65	0.39
Dec. 31, 2011	8.46	1	–	0.02	0.02	304.68	0.55
Dec. 31, 2010	8.83	1	–	0.02	0.02	243.38	0.47
Dec. 31, 2009	7.92	22 871	2 888	0.03	0.03	169.28	0.41

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.75%	66%	34%
Advisor Series	1.75%	66%	34%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

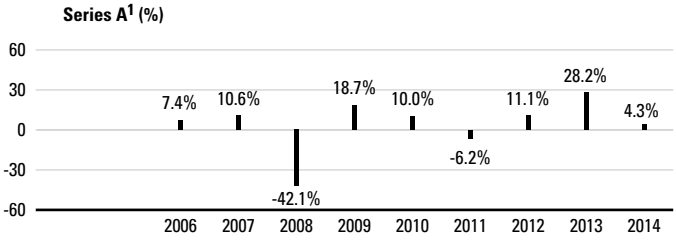
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

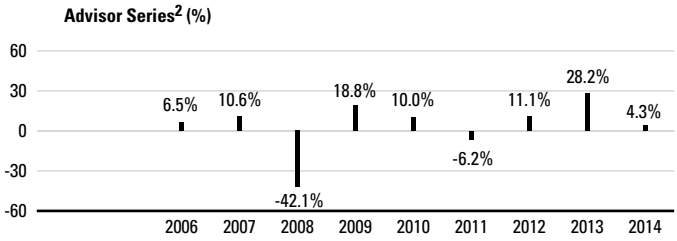
PAST PERFORMANCE

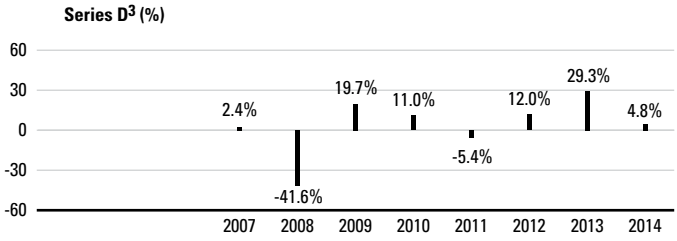
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

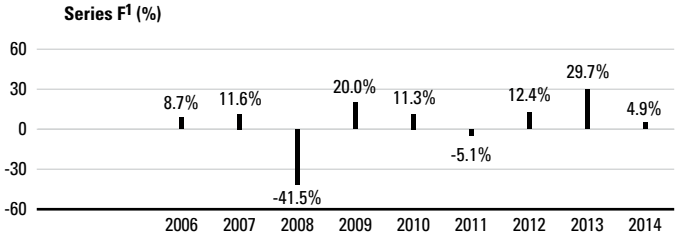
Year-by-Year Returns (%)

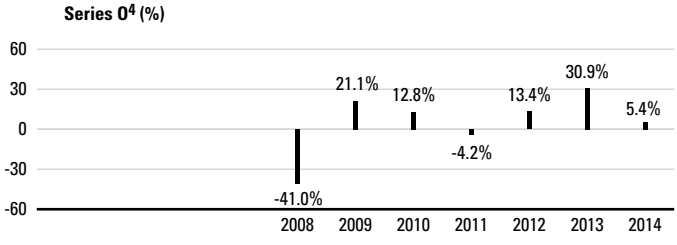
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











1 Inception date January 23, 2006.
2 Inception date August 28, 2006.
3 Inception date July 3, 2007.
4 Inception date December 31, 2007.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Information Technology	19.3
Financials	13.0
Health Care	10.5
Energy	10.1
Consumer Discretionary	9.8
U.S. Equity Funds	9.5
Industrials	9.1
Other Sectors	8.2
Consumer Staples	7.6
Cash/Other	2.9

Top 25 Holdings

	% of Net Asset Value
RBC U.S. Mid-Cap Equity Fund	4.3
RBC U.S. Mid-Cap Value Equity Fund	4.2
Apple Inc.	3.7
Wells Fargo & Company	1.9
Microsoft Corp.	1.9
Johnson & Johnson	1.8
Halliburton Co.	1.4
JPMorgan Chase & Co.	1.3
Hess Corp.	1.3
Intel Corp.	1.2
Google Inc., Class A	1.2
WellPoint Inc.	1.1
Capital One Financial Corp.	1.1
Union Pacific Corp.	1.1
Tyco International Ltd.	1.1
Baker Hughes Inc.	1.1
Morgan Stanley	1.1
MetLife Inc.	1.0
Merck & Co. Inc.	1.0
Hewlett-Packard Co.	1.0
RBC U.S. Small-Cap Core Equity Fund	1.0
Bank of America Corp.	1.0
Cisco Systems Inc.	1.0
Facebook Inc., Class A	1.0
PepsiCo Inc.	1.0
Top 25 Holdings	38.8

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U.S. EQUITY FUND

RBC QUBE U.S. EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

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Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of U.S. companies using a quantitative investment approach.

The Fund is managed using a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors. The portfolio manager will diversify across industries within the U.S. equity market.

Results of Operations

The Fund's net asset value was $1.0 billion as of June 30, 2014.

Over the past six months, the Fund's units gained 9.3%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund's gains were due to stock selection in the Industrials, Consumer Staples and Utilities sectors. A significant overweight position in the Utilities sector was an especially big contributor to relative performance, with strong returns in electricity producers and utilities that generate more than one type of energy. Stock selection of food and tobacco companies aided returns in the Consumer Staples sector, while stock selection in the Information Technology and Financials sectors had a negative impact on relative performance. In Financials, the Fund was hurt by a relative lack of exposure to real estate investment trusts, which performed especially well during the period as the overall level of interest rates declined.

Recent Developments

Stock markets, having continued to perform well even after the significant gains of 2013, appear to be approaching fair value. However, valuations remain reasonable and history indicates that markets frequently continue to rise long after they have reached equilibrium. At current market valuations the portfolio manager expects total returns to investors to be lower, although still positive. Volatility has remained low in 2014.

The portfolio manager expects any further gains to come from earnings growth rather than a rise in overall market valuations. As long as the economic recovery gains traction, the portfolio manager expects higher economic growth to translate into expanding sales and profits.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**11.28**	**0.13**	**–**	**0.08**	**0.79**	**1.00**	**–**	**–**	**–**	**–**	**–**	**12.33**
Dec. 31, 2013[3]	10.00[†]	0.11	–	0.38	1.31	1.80	–	(0.11)	(0.41)	–	(0.52)	11.28

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
[2] Distributions are reinvested in additional units of the Fund or paid in cash.
[3] From June 28, 2013.
[†] Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series O							
June 30, 2014	**12.33**	**1 040 637**	**84 424**	**0.02**	**0.02**	**24.95**	**0.07**
Dec. 31, 2013[4]	11.28	4 719	418	0.02	0.05	78.89	0.09

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.
[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.
[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.
[4] From June 28, 2013.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore, is not charged to the Fund.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

[1] Inception date June 28, 2013.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Information Technology	20.2
Financials	15.4
Industrials	13.4
Consumer Staples	11.0
Health Care	10.9
Consumer Discretionary	8.8
Energy	8.2
Utilities	5.3
Telecommunication Services	3.8
Materials	2.9
Cash/Other	0.1

Top 25 Holdings

	% of Net Asset Value
Apple Inc.	4.8
ConocoPhillips	3.3
Wells Fargo & Company	3.0
Lockheed Martin Corporation	2.7
Caterpillar Inc.	2.6
Microsoft Corp.	2.3
Bank of America Corp.	2.3
KeyCorp	2.1
Archer Daniels Midland Co.	2.0
Morgan Stanley	1.9
Colgate-Palmolive Company	1.9
Deere & Co.	1.8
LyondellBasell Industries N.V.	1.7
QUALCOMM Inc.	1.7
Pfizer Inc.	1.7
Southwest Airlines	1.7
Public Service Enterprise Group	1.6
American Electric Power	1.6
The Kroger Co.	1.6
Merck & Co. Inc.	1.5
Intuit Inc.	1.5
Xerox Corp.	1.5
Computer Sciences Corp.	1.4
Wal-Mart Stores, Inc.	1.4
Mondelez International Inc.	1.4
Top 25 Holdings	51.0

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

U.S. EQUITY FUND

RBC QUBE LOW VOLATILITY U.S. EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of U.S. companies using a quantitative approach. The Fund seeks to achieve a reduced level of volatility of returns compared with the broader U.S. equity market.

The Fund is managed using a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors. The portfolio manager will diversify across industries within the U.S. equity market.

Results of Operations

The Fund's net asset value was $153 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 6.4%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund tends to invest in more defensive sectors such as Health Care, Consumer Staples and Utilities. During the past six months, these sectors contributed significantly to the Fund's performance. Investments in pharmaceuticals makers, as well as in electricity producers and utilities that produce more than one type of energy, had the most significant positive impact on returns.

Individual stocks that contributed to the Fund's returns were blue-chip stocks such as Johnson & Johnson, DTE Energy and Wisconsin Energy.

Recent Developments

Stock markets, having continued to perform well even after the significant gains of 2013, appear to be approaching fair value. However, valuations remain reasonable and history indicates that markets frequently continue to rise long after they have reached equilibrium. At current market valuations the portfolio manager expects total returns to investors to be lower, although still positive. Volatility has remained low in 2014.

The portfolio manager expects any further gains to come from earnings growth rather than a rise in overall market valuations. As long as the economic recovery gains traction, the portfolio manager expects higher economic growth to translate into expanding sales and profits.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Series H and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**13.16**	**0.15**	**(0.14)**	**0.37**	**0.42**	**0.80**	**–**	**–**	**–**	**–**	**–**	**14.01**
Dec. 31, 2013	10.13	0.26	(0.25)	0.08	2.20	2.29	–	–	(0.06)	–	(0.06)	13.16
Dec. 31, 2012[3]	10.00†	0.06	(0.03)	–	0.08	0.11	–	(0.02)	(0.01)	–	(0.03)	10.13
Advisor Series												
June 30, 2014	**13.15**	**0.15**	**(0.14)**	**0.37**	**0.43**	**0.81**	**–**	**–**	**–**	**–**	**–**	**14.00**
Dec. 31, 2013	10.13	0.28	(0.26)	0.09	2.35	2.46	–	–	(0.06)	–	(0.06)	13.15
Dec. 31, 2012[3]	10.00†	0.06	(0.03)	–	0.08	0.11	–	(0.02)	(0.01)	–	(0.03)	10.13
Series H												
June 30, 2014	**13.16**	**0.15**	**(0.12)**	**0.38**	**0.44**	**0.85**	**–**	**–**	**–**	**–**	**–**	**14.03**
Dec. 31, 2013[4]	12.32†	0.06	(0.08)	0.02	0.52	0.52	–	(0.01)	(0.06)	–	(0.07)	13.16
Series D												
June 30, 2014	**13.24**	**0.15**	**(0.08)**	**0.37**	**0.43**	**0.87**	**–**	**–**	**–**	**–**	**–**	**14.15**
Dec. 31, 2013	10.14	0.24	(0.15)	0.08	1.98	2.15	–	(0.04)	(0.06)	–	(0.10)	13.24
Dec. 31, 2012[3]	10.00†	0.06	(0.02)	–	0.09	0.13	–	(0.02)	(0.01)	–	(0.03)	10.14
Series F												
June 30, 2014	**13.20**	**0.15**	**(0.06)**	**0.37**	**0.43**	**0.89**	**–**	**–**	**–**	**–**	**–**	**14.13**
Dec. 31, 2013	10.14	0.34	(0.11)	0.11	2.85	3.19	–	(0.12)	(0.06)	–	(0.18)	13.20
Dec. 31, 2012[3]	10.00†	0.06	(0.01)	–	0.08	0.13	–	(0.02)	(0.01)	–	(0.03)	10.14
Series I												
June 30, 2014	**13.31**	**0.15**	**(0.05)**	**0.37**	**0.43**	**0.90**	**–**	**–**	**–**	**–**	**–**	**14.25**
Dec. 31, 2013[4]	12.41†	0.06	(0.04)	0.02	0.52	0.56	–	(0.02)	(0.06)	–	(0.08)	13.30
Series O												
June 30, 2014	**13.28**	**0.15**	**–**	**0.37**	**0.43**	**0.95**	**–**	**–**	**–**	**–**	**–**	**14.28**
Dec. 31, 2013	10.12	0.26	–	0.08	2.18	2.52	–	(0.13)	(0.06)	–	(0.19)	13.28
Dec. 31, 2012[3]	10.00†	0.06	–	–	0.09	0.15	–	(0.05)	(0.01)	–	(0.06)	10.12

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From November 19, 2012.

[4] From August 12, 2013.

† Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**14.01**	**40 747**	**2 909**	**2.04**	**2.04**	**39.96**	**0.02**
Dec. 31, 2013	13.16	21 777	1 655	2.05	2.05	31.83	0.03
Dec. 31, 2012[4]	10.13	444	44	2.09	2.09	–	0.07
Advisor Series							
June 30, 2014	**14.00**	**5 456**	**390**	**2.05**	**2.05**	**39.96**	**0.02**
Dec. 31, 2013	13.15	5 142	391	2.11	2.11	31.83	0.03
Dec. 31, 2012[4]	10.13	26	3	2.09	2.09	–	0.07
Series H							
June 30, 2014	**14.03**	**5**	**–**	**1.79**	**1.79**	**39.96**	**0.02**
Dec. 31, 2013[5]	13.16	1	–	1.92	1.92	31.83	0.03
Series D							
June 30, 2014	**14.15**	**13 541**	**957**	**1.18**	**1.18**	**39.96**	**0.02**
Dec. 31, 2013	13.24	8 978	678	1.20	1.20	31.83	0.03
Dec. 31, 2012[4]	10.14	116	11	1.24	1.24	–	0.07
Series F							
June 30, 2014	**14.13**	**8 747**	**619**	**0.91**	**0.91**	**39.96**	**0.02**
Dec. 31, 2013	13.20	7 866	596	0.91	0.91	31.83	0.03
Dec. 31, 2012[4]	10.14	820	81	0.96	0.96	–	0.07
Series I							
June 30, 2014	**14.25**	**3 635**	**255**	**0.79**	**0.79**	**39.96**	**0.02**
Dec. 31, 2013[5]	13.31	3 280	247	0.79	0.79	31.83	0.03
Series O							
June 30, 2014	**14.28**	**81 012**	**5 674**	**0.02**	**0.02**	**39.96**	**0.02**
Dec. 31, 2013	13.28	66 443	5 003	0.03	0.03	31.83	0.03
Dec. 31, 2012[4]	10.12	3 363	332	0.02	0.02	–	0.07

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From November 19, 2012.

[5] From August 12, 2013.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.75%	57%	43%
Advisor Series	1.75%	57%	43%
Series H	1.60%	63%	37%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

1 Inception date November 19, 2012.
2 Inception date August 12, 2013.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Consumer Staples	24.1
Utilities	20.0
Health Care	16.1
Financials	9.9
Information Technology	7.1
Consumer Discretionary	7.0
Industrials	5.4
Other Sectors	5.3
Energy	4.7
Cash/Other	0.4

Top 25 Holdings

	% of Net Asset Value
PepsiCo Inc.	3.0
Johnson & Johnson	3.0
Wal-Mart Stores, Inc.	3.0
McDonald's Corp.	3.0
Colgate-Palmolive Company	2.9
3M Co.	2.9
Southern Co.	2.7
Wisconsin Energy Corp.	2.6
Sempra Energy	2.5
Chevron Corp.	2.5
DTE Energy Company	2.4
U.S. Bancorp	2.4
The Hershey Co.	2.4
Pfizer Inc.	2.4
Home Depot Inc.	2.3
The Coca-Cola Co.	2.3
General Mills Inc.	2.2
Becton Dickinson & Co.	2.2
Costco Wholesale Corp.	2.2
Jack Henry & Associates Inc.	2.1
Thermo Fisher Scientific Inc.	2.0
Sigma-Aldrich Corp.	2.0
Wells Fargo & Company	1.9
Berkshire Hathaway Inc., Class B	1.9
Exxon Mobil Corp.	1.9
Top 25 Holdings	60.7

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

U.S. EQUITY FUND

RBC U.S. EQUITY VALUE FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of U.S. companies that are attractively valued relative to their peers, their own history and the broader stock market while offering long-term opportunities for growth.

To achieve the Fund's objectives, the portfolio manager applies a bottom-up stock-selection process to identify quality companies that are undervalued based on criteria such as assets, earnings and cash flow. The portfolio manager reviews economic, industry and company-specific information to assess a company's prospects and monitors companies to ensure that the best relative values are identified.

Results of Operations

The Fund's Series A units were launched on March 10, 2014, and the Fund's net asset value was $17 million as of June 30, 2014. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

The portfolio manager expects moderate returns for the balance of 2014, but believes that a near-term pullback is possible given the market's strong advance has resulted in a market that is more fairly valued. The U.S. housing recovery, while positive, has been uneven, with pending home sales down on a year-over-year basis while prices continue to rise.

The portfolio manager continues to believe that the U.S. Federal Reserve will have to strike a delicate balance between providing access to funds sufficient to keep the market's momentum in place, while at the same time remaining mindful that the U.S. economy will eventually have to expand with less help from monetary policy.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014[3]	**10.00†**	**0.13**	**(0.07)**	**(0.16)**	**0.07**	**(0.03)**	**–**	**–**	**–**	**–**	**–**	**9.93**
Advisor Series												
June 30, 2014[3]	**10.00†**	**0.13**	**(0.07)**	**(0.16)**	**0.07**	**(0.03)**	**–**	**–**	**–**	**–**	**–**	**9.93**
Series H												
June 30, 2014[3]	**10.00†**	**0.14**	**(0.06)**	**(0.17)**	**0.08**	**(0.01)**	**–**	**–**	**–**	**–**	**–**	**9.94**
Series D												
June 30, 2014[3]	**10.00†**	**0.14**	**(0.04)**	**(0.17)**	**0.08**	**0.01**	**–**	**–**	**–**	**–**	**–**	**9.96**
Series F												
June 30, 2014[3]	**10.00†**	**0.13**	**(0.03)**	**(0.15)**	**0.07**	**0.02**	**–**	**–**	**–**	**–**	**–**	**9.97**
Series I												
June 30, 2014[3]	**10.00†**	**0.13**	**(0.03)**	**(0.17)**	**0.08**	**0.01**	**–**	**–**	**–**	**–**	**–**	**9.97**
Series O												
June 30, 2014[3]	**10.00†**	**0.15**	**–**	**(0.18)**	**0.08**	**0.05**	**–**	**–**	**–**	**–**	**–**	**10.00**

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From March 10, 2014.

† Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014[4]	**9.93**	**5 185**	**522**	**2.10**	**2.12**	**71.41**	**0.21**
Advisor Series							
June 30, 2014[4]	**9.93**	**2 433**	**245**	**2.10**	**2.12**	**71.41**	**0.21**
Series H							
June 30, 2014[4]	**9.94**	**597**	**60**	**1.91**	**1.93**	**71.41**	**0.21**
Series D							
June 30, 2014[4]	**9.96**	**518**	**52**	**1.24**	**1.26**	**71.41**	**0.21**
Series F							
June 30, 2014[4]	**9.97**	**706**	**71**	**0.97**	**0.99**	**71.41**	**0.21**
Series I							
June 30, 2014[4]	**9.97**	**1 727**	**173**	**0.79**	**0.81**	**71.41**	**0.21**
Series O							
June 30, 2014[4]	**10.00**	**5 982**	**598**	**0.02**	**0.04**	**71.41**	**0.21**

1 The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

2 The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

3 The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

4 From March 10, 2014.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.75%	57%	43%
Advisor Series	1.75%	57%	43%
Series H	1.60%	63%	37%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

Investment performance in respect of a fund that has been available for less than one year is not provided. Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O units of this Fund were launched on March 10, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Information Technology	17.4
Financials	16.1
Consumer Discretionary	15.3
Health Care	12.7
Industrials	11.7
Energy	9.7
Consumer Staples	6.6
Materials	2.8
Utilities	2.0
Cash/Other	5.7

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	5.7
Apple Inc.	3.4
Microsoft Corp.	1.8
Google Inc., Class A	1.8
JPMorgan Chase & Co.	1.7
Exxon Mobil Corp.	1.5
Wells Fargo & Company	1.4
Berkshire Hathaway Inc., Class B	1.3
PepsiCo Inc.	1.3
Schlumberger Ltd.	1.2
Intel Corp.	1.1
The Walt Disney Company	1.0
International Business Machines	1.0
Comcast Corp., Class A	1.0
Pfizer Inc.	1.0
Johnson & Johnson	1.0
Merck & Co. Inc.	1.0
Chevron Corp.	0.9
Procter & Gamble Co.	0.9
Bank of America Corp.	0.9
Google Inc., Class C	0.8
UnitedHealth Group Incorporated	0.8
Union Pacific Corp.	0.8
Citigroup Inc.	0.8
Oracle Corporation	0.8
Top 25 Holdings	34.9

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

U.S. EQUITY FUND

RBC U.S. INDEX FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: State Street Global Advisors, Ltd.

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by tracking the performance of the Standard & Poor's 500 Total Return Index.

The Fund invests directly in the securities that make up the S&P 500 Index. Stocks are purchased in U.S. dollars. As a result, the Fund's return consists of a combination of the U.S. market return and the movement of the U.S. dollar relative to the Canadian currency.

Results of Operations

The Fund's net asset value was $361 million as of June 30, 2014.

Over the past six months, the Fund's units gained 7.0%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The best-performing index sectors were Information Technology, Health Care and Energy. The worst-performing sectors were Telecommunication Services, Consumer Discretionary and Materials.

Recent Developments

The sub-advisor has no recent developments to report.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**12.18**	**0.13**	**(0.05)**	**0.01**	**0.75**	**0.84**	**–**	**–**	**–**	**–**	**–**	**13.03**
Dec. 31, 2013	8.78	0.20	(0.08)	(0.06)	3.40	3.46	–	(0.11)	–	–	(0.11)	12.18
Dec. 31, 2012	7.94	0.18	(0.06)	–	0.76	0.88	–	(0.10)	–	–	(0.10)	8.78
Dec. 31, 2011	7.76	0.15	(0.05)	(0.06)	0.22	0.26	–	(0.08)	–	–	(0.08)	7.94
Dec. 31, 2010	7.25	0.13	(0.05)	(0.05)	0.56	0.59	–	(0.07)	–	–	(0.07)	7.76
Dec. 31, 2009	6.80	0.15	(0.05)	(0.32)	0.83	0.61	–	(0.11)	–	–	(0.11)	7.25

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**13.03**	**360 904**	**27 688**	**0.72**	**0.72**	**3.90**	**–**
Dec. 31, 2013	12.18	302 353	24 829	0.72	0.72	13.13	0.01
Dec. 31, 2012	8.78	145 318	16 543	0.72	0.72	26.10	0.01
Dec. 31, 2011	7.94	97 119	12 226	0.72	0.72	32.87	0.01
Dec. 31, 2010	7.77	68 719	8 849	0.71	0.71	14.28	0.01
Dec. 31, 2009	7.26	56 788	7 827	0.69	0.69	21.19	0.01

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	0.50%	20%	80%

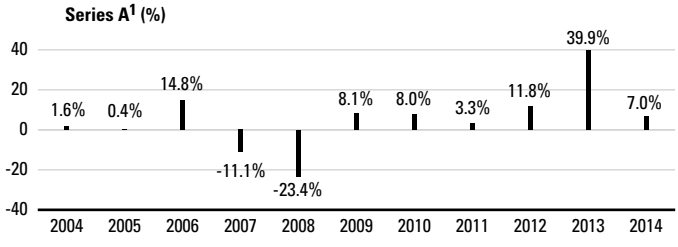
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.



[1] Inception date October 13, 1998.

This is a continuing fund resulting from the merger of certain RBC Funds on June 28, 2002.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Information Technology	18.7
Financials	16.0
Health Care	13.2
Consumer Discretionary	11.8
Energy	10.8
Industrials	10.4
Other Sectors	9.5
Consumer Staples	9.4
Cash/Other	0.2

Top 25 Holdings

	% of Net Asset Value
Apple Inc.	3.2
Exxon Mobil Corp.	2.5
Microsoft Corp.	1.8
Johnson & Johnson	1.7
General Electric Company	1.5
Wells Fargo & Company	1.4
Chevron Corp.	1.4
Berkshire Hathaway Inc., Class B	1.3
JPMorgan Chase & Co.	1.2
Procter & Gamble Co.	1.2
Verizon Communications Inc.	1.2
Pfizer Inc.	1.1
AT&T Inc.	1.0
International Business Machines	1.0
Merck & Co. Inc.	1.0
Google Inc., Class A	0.9
Google Inc., Class C	0.9
Bank of America Corp.	0.9
The Coca-Cola Co.	0.9
Intel Corp.	0.9
Schlumberger Ltd.	0.9
Citigroup Inc.	0.8
Oracle Corporation	0.8
Comcast Corp., Class A	0.8
The Walt Disney Company	0.8
Top 25 Holdings	31.1

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

U.S. EQUITY FUND

RBC U.S. INDEX CURRENCY NEUTRAL FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: State Street Global Advisors, Ltd.

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to track the performance of the Standard & Poor's 500 Total Return Index (USD).

The Fund invests in derivatives such as futures, options and forward contracts to replicate the performance of the underlying index while holding most of its assets in Government of Canada Treasury bills and other money-market securities. By investing primarily in Canadian money market securities, the Fund is generally not exposed to currency fluctuations between the Canadian dollar and foreign currencies. The Fund's return is based on the U.S. market return.

Results of Operations

The Fund's net asset value was $339 million as of June 30, 2014.

Over the past six months, the Fund's units gained 6.7%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The best-performing index sectors were Information Technology, Health Care and Energy. The worst-performing sectors were Consumer Discretionary, Telecommunication Services and Materials.

It is the policy of the Fund to maintain currency hedges at all times in order to neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar. This policy did not have a significant impact on the Fund's returns in the first half of 2014, as the U.S. dollar changed little against the Canadian dollar during the period.

Recent Developments

The sub-advisor has no recent developments to report.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**9.68**	**0.70**	**(0.04)**	**(0.03)**	**0.01**	**0.64**	**–**	**–**	**–**	**–**	**–**	**10.33**
Dec. 31, 2013	8.44	2.71	(0.07)	–	–	2.64	(1.39)	–	–	–	(1.39)	9.68
Dec. 31, 2012	7.34	1.17	(0.06)	–	(0.01)	1.10	–	–	–	–	–	8.44
Dec. 31, 2011	7.32	0.10	(0.05)	(0.03)	–	0.02	–	–	–	–	–	7.34
Dec. 31, 2010	6.50	0.85	(0.05)	–	–	0.80	–	–	–	–	–	7.32
Dec. 31, 2009	5.30	1.25	(0.04)	–	–	1.21	–	–	–	–	–	6.50

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**10.33**	**338 649**	**32 783**	**0.72**	**0.72**	**n/a**	**–**
Dec. 31, 2013	9.68	332 186	34 313	0.72	0.72	n/a	–
Dec. 31, 2012	8.44	256 073	30 337	0.72	0.72	n/a	–
Dec. 31, 2011	7.34	228 087	31 067	0.70	0.70	n/a	–
Dec. 31, 2010	7.32	244 097	33 331	0.70	0.70	n/a	–
Dec. 31, 2009	6.50	233 835	35 958	0.69	0.69	n/a	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	0.50%	20%	80%

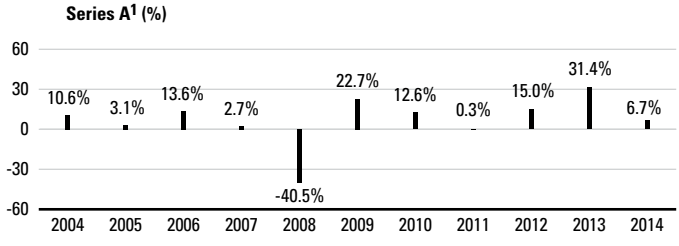
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.



[1] Inception date October 13, 1998.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Information Technology	18.4
Financials	16.1
Health Care	13.2
Consumer Discretionary	11.8
Industrials	10.7
Energy	10.7
Consumer Staples	10.0
Other Sectors	9.2

Top 25 Holdings

	% of Net Asset Value
Apple Inc.	3.2
Exxon Mobil Corp.	2.5
Microsoft Corp.	1.8
Johnson & Johnson	1.7
General Electric Company	1.5
Wells Fargo & Company	1.4
Chevron Corp.	1.4
Berkshire Hathaway Inc., Class B	1.3
JPMorgan Chase & Co.	1.3
Procter & Gamble Co.	1.2
Verizon Communications Inc.	1.2
Pfizer Inc.	1.1
AT&T Inc.	1.1
International Business Machines	1.0
Merck & Co. Inc.	1.0
Google Inc., Class A	1.0
Google Inc., Class C	0.9
Bank of America Corp.	0.9
The Coca-Cola Co.	0.9
Intel Corp.	0.9
Schlumberger Ltd.	0.9
Citigroup Inc.	0.8
Comcast Corp., Class A	0.8
Oracle Corporation	0.8
The Walt Disney Company	0.8
Top 25 Holdings	31.4

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

U.S. EQUITY FUND

RBC O'SHAUGHNESSY U.S. VALUE FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: O'Shaughnessy Asset Management, L.L.C., Stamford, Connecticut

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term total returns consisting of capital growth and current income by investing primarily in equity securities of U.S. companies based on Strategy Indexing®, an investment portfolio management model developed in 1995 by Jim O'Shaughnessy.

To achieve its objective, the Fund selects securities with the highest shareholder yield. Shareholder yield measures the combined effect of dividend yield and stock repurchases. The stocks must also meet certain market capitalization and liquidity thresholds. The Fund uses currency hedges to minimize the fluctuations in the U.S. dollar versus the Canadian dollar.

Results of Operations

The Fund's net asset value was $2.0 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 6.1%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Global equity-market gains slowed during the first half of 2014 following a huge year in 2013. Many major stock indexes remained at or near all-time highs as the period ended, and large-cap stocks held up quite well. Earnings continued to climb, but stocks are more expensive than they have been in recent years. Investors continued to focus on actions by central banks, pausing to observe the effects of steps by the U.S. Federal Reserve to unwind bond purchases aimed at stimulating the economy.

Exposure to companies with attractive valuations contributed to returns during the period. Stocks with high shareholder yield, which are emphasized by the sub-advisor, had a slightly negative effect. The sub-advisor's emphasis on high-quality stocks, which excludes companies with poor financial strength, earnings quality, and earnings growth, held back overall returns.

From a sector perspective, the negative effect of sector allocation more than offset the positive effect of security selection. Positive security selection in the Consumer Discretionary sector overcame the negative impact of an overweight allocation to the sector. Security selection in the Consumer Staples sector also contributed to returns, and Lorillard and Reynolds American were among the top contributors in the sector. An underweight allocation to the Health Care sector and security selection in the sector detracted from returns. Additionally, security selection in the Information Technology sector held back performance. Seagate Technology and Western Union were among the primary detractors from performance in the sector.

It is the policy of the Fund to maintain currency hedges at all times in order to neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar. This policy had a slightly negative effect on returns during the period.

Recent Developments

To identify the most attractive investments, the sub-advisor uses historically proven, objectively measured characteristics like low valuations, strong balance sheet and earnings quality, and high shareholder yields. The sub-advisor believes that stock selection becomes more important when the overall market is more expensive, and that portfolios which are very different from the market offer the best chance to outperform.

Due to the Fund's investment process and market conditions over the past six months, the Fund has decreased allocations to the Consumer Discretionary sector, and increased allocations to Materials and Energy.

Effective June 27, 2014, the RBC Private O'Shaughnessy U.S. Value Equity Pool merged into the Fund, and unitholders of the RBC Private O'Shaughnessy U.S. Value Equity Pool received units of the Fund on a dollar-for-dollar, tax-deferred basis.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

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Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $1,000 (2013 – $3,000) or 0% (2013 – 1%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**14.93**	**0.38**	**(0.12)**	**0.90**	**(0.24)**	**0.92**	**–**	**(0.27)**	**–**	**–**	**(0.27)**	**15.58**
Dec. 31, 2013	10.19	0.27	(0.19)	1.35	3.40	4.83	–	(0.09)	–	–	(0.09)	14.91
Dec. 31, 2012	9.26	0.37	(0.15)	0.90	0.02	1.14	–	(0.20)	–	–	(0.20)	10.19
Dec. 31, 2011	8.78	0.25	(0.13)	0.51	(0.03)	0.60	–	(0.11)	–	–	(0.11)	9.26
Dec. 31, 2010	7.75	0.21	(0.12)	1.16	(0.14)	1.11	–	(0.09)	–	–	(0.09)	8.78
Dec. 31, 2009	6.30	0.17	(0.09)	(0.18)	1.61	1.51	–	(0.09)	–	–	(0.09)	7.75
Advisor Series												
June 30, 2014	**15.09**	**0.38**	**(0.11)**	**0.91**	**(0.24)**	**0.94**	**–**	**(0.27)**	**–**	**–**	**(0.27)**	**15.74**
Dec. 31, 2013	10.30	0.27	(0.19)	1.36	3.42	4.86	–	(0.09)	–	–	(0.09)	15.07
Dec. 31, 2012	9.33	0.37	(0.15)	0.90	0.02	1.14	–	(0.19)	–	–	(0.19)	10.30
Dec. 31, 2011	8.85	0.26	(0.13)	0.51	(0.03)	0.61	–	(0.12)	–	–	(0.12)	9.33
Dec. 31, 2010	7.81	0.21	(0.12)	1.17	(0.14)	1.12	–	(0.10)	–	–	(0.10)	8.85
Dec. 31, 2009	6.34	0.17	(0.09)	(0.18)	1.63	1.53	–	(0.09)	–	–	(0.09)	7.81
Series D												
June 30, 2014	**14.98**	**0.38**	**(0.09)**	**0.90**	**(0.24)**	**0.95**	**–**	**(0.28)**	**–**	**–**	**(0.28)**	**15.63**
Dec. 31, 2013	10.22	0.27	(0.16)	1.35	3.40	4.86	–	(0.12)	–	–	(0.12)	14.96
Dec. 31, 2012	9.26	0.37	(0.12)	0.90	0.02	1.17	–	(0.22)	–	–	(0.22)	10.22
Dec. 31, 2011	8.77	0.25	(0.11)	0.51	(0.03)	0.62	–	(0.13)	–	–	(0.13)	9.26
Dec. 31, 2010	7.74	0.21	(0.09)	1.16	(0.14)	1.14	–	(0.11)	–	–	(0.11)	8.77
Dec. 31, 2009	6.28	0.17	(0.07)	(0.18)	1.61	1.53	–	(0.11)	–	–	(0.11)	7.74
Series F												
June 30, 2014	**15.40**	**0.39**	**(0.07)**	**0.93**	**(0.25)**	**1.00**	**–**	**(0.33)**	**–**	**–**	**(0.33)**	**16.06**
Dec. 31, 2013	10.51	0.27	(0.12)	1.39	3.50	5.04	–	(0.16)	–	–	(0.16)	15.39
Dec. 31, 2012	9.54	0.38	(0.10)	0.93	0.02	1.23	–	(0.27)	–	–	(0.27)	10.51
Dec. 31, 2011	9.05	0.26	(0.08)	0.52	(0.03)	0.67	–	(0.17)	–	–	(0.17)	9.54
Dec. 31, 2010	7.99	0.21	(0.07)	1.20	(0.15)	1.19	–	(0.14)	–	–	(0.14)	9.05
Dec. 31, 2009	6.49	0.18	(0.06)	(0.18)	1.66	1.60	–	(0.13)	–	–	(0.13)	7.99
Series I												
June 30, 2014	**15.09**	**0.38**	**(0.05)**	**0.91**	**(0.24)**	**1.00**	**–**	**(0.33)**	**–**	**–**	**(0.33)**	**15.75**
Dec. 31, 2013	10.29	0.27	(0.09)	1.36	3.43	4.97	–	(0.19)	–	–	(0.19)	15.07
Dec. 31, 2012	9.32	0.37	(0.07)	0.90	0.02	1.22	–	(0.27)	–	–	(0.27)	10.29
Dec. 31, 2011	8.83	0.26	(0.06)	0.51	(0.03)	0.68	–	(0.18)	–	–	(0.18)	9.32
Dec. 31, 2010	7.79	0.21	(0.05)	1.17	(0.14)	1.19	–	(0.15)	–	–	(0.15)	8.83
Dec. 31, 2009	6.32	0.17	(0.04)	(0.18)	1.62	1.57	–	(0.14)	–	–	(0.14)	7.79

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**15.29**	**0.39**	**–**	**0.92**	**(0.24)**	**1.07**	**–**	**(0.39)**	**–**	**–**	**(0.39)**	**15.96**
Dec. 31, 2013	10.44	0.27	–	1.38	3.49	5.14	–	(0.28)	–	–	(0.28)	15.28
Dec. 31, 2012	9.44	0.38	–	0.91	0.02	1.31	–	(0.32)	–	–	(0.32)	10.44
Dec. 31, 2011	8.95	0.26	–	0.52	(0.03)	0.75	–	(0.25)	–	–	(0.25)	9.44
Dec. 31, 2010	7.90	0.21	–	1.19	(0.14)	1.26	–	(0.21)	–	–	(0.21)	8.95
Dec. 31, 2009	6.41	0.17	–	(0.18)	1.64	1.63	–	(0.18)	–	–	(0.18)	7.90

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**15.58**	**1 291 019**	**82 887**	**1.55**	**1.55**	**62.18**	**0.06**
Dec. 31, 2013	14.93	1 192 091	79 839	1.55	1.55	58.22	0.06
Dec. 31, 2012	10.20	758 380	74 381	1.53	1.53	69.92	0.07
Dec. 31, 2011	9.26	676 376	73 066	1.53	1.53	51.10	0.05
Dec. 31, 2010	8.78	692 814	78 904	1.50	1.50	59.51	0.07
Dec. 31, 2009	7.75	673 389	86 836	1.47	1.47	109.63	0.16
Advisor Series							
June 30, 2014	**15.74**	**43 389**	**2 756**	**1.49**	**1.49**	**62.18**	**0.06**
Dec. 31, 2013	15.09	36 500	2 419	1.51	1.51	58.22	0.06
Dec. 31, 2012	10.30	16 435	1 596	1.48	1.48	69.92	0.07
Dec. 31, 2011	9.34	10 184	1 091	1.48	1.48	51.10	0.05
Dec. 31, 2010	8.85	10 733	1 212	1.45	1.45	59.51	0.07
Dec. 31, 2009	7.82	11 354	1 452	1.42	1.42	109.63	0.16
Series D							
June 30, 2014	**15.63**	**106 377**	**6 806**	**1.22**	**1.22**	**62.18**	**0.06**
Dec. 31, 2013	14.98	86 516	5 777	1.23	1.23	58.22	0.06
Dec. 31, 2012	10.22	38 146	3 732	1.22	1.22	69.92	0.07
Dec. 31, 2011	9.26	24 418	2 636	1.21	1.21	51.10	0.05
Dec. 31, 2010	8.78	17 865	2 036	1.18	1.18	59.51	0.07
Dec. 31, 2009	7.74	12 426	1 605	1.16	1.16	109.63	0.16
Series F							
June 30, 2014	**16.06**	**81 949**	**5 103**	**0.94**	**0.94**	**62.18**	**0.06**
Dec. 31, 2013	15.40	77 040	5 002	0.95	0.95	58.22	0.06
Dec. 31, 2012	10.51	42 321	4 026	0.94	0.94	69.92	0.07
Dec. 31, 2011	9.54	36 649	3 841	0.94	0.94	51.10	0.05
Dec. 31, 2010	9.05	42 834	4 732	0.92	0.92	59.51	0.07
Dec. 31, 2009	7.99	46 826	5 859	0.89	0.89	109.63	0.16

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series I							
June 30, 2014	**15.75**	**27 384**	**1 739**	**0.69**	**0.69**	**62.18**	**0.06**
Dec. 31, 2013	15.09	22 693	1 504	0.70	0.70	58.22	0.06
Dec. 31, 2012	10.30	9 824	954	0.65	0.65	69.92	0.07
Dec. 31, 2011	9.32	5 615	602	0.68	0.68	51.10	0.05
Dec. 31, 2010	8.83	4 386	497	0.67	0.67	59.51	0.07
Dec. 31, 2009	7.79	3 608	463	0.65	0.65	109.63	0.16
Series O							
June 30, 2014	**15.96**	**432 710**	**27 120**	**0.02**	**0.02**	**62.18**	**0.06**
Dec. 31, 2013	15.29	210 081	13 737	0.02	0.02	58.22	0.06
Dec. 31, 2012	10.44	152 528	14 609	0.02	0.02	69.92	0.07
Dec. 31, 2011	9.44	89 779	9 513	0.02	0.02	51.10	0.05
Dec. 31, 2010	8.95	86 832	9 699	0.02	0.02	59.51	0.07
Dec. 31, 2009	7.90	77 723	9 836	0.02	0.02	109.63	0.16

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.25%	52%	48%
Advisor Series	1.25%	52%	48%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

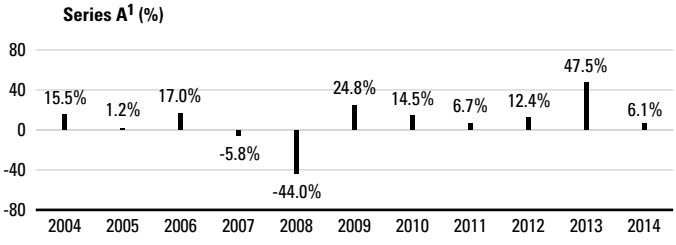
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

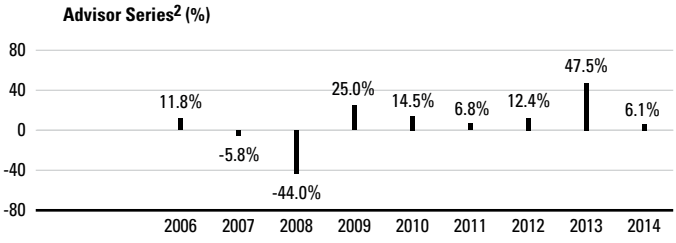
PAST PERFORMANCE

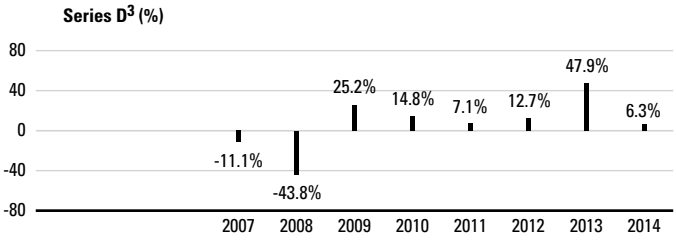
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

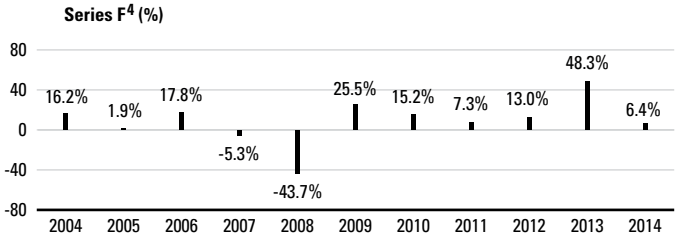
Year-by-Year Returns (%)

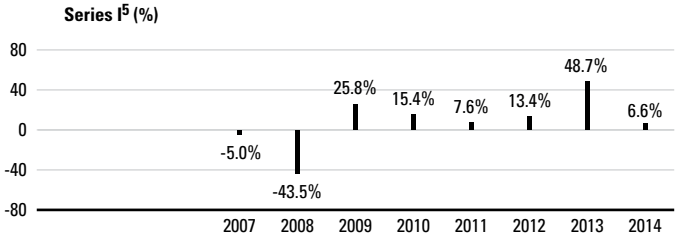
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

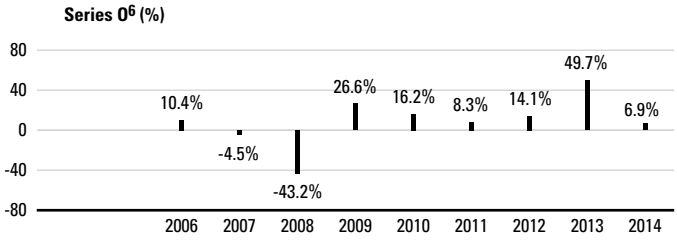












[1] Inception date November 4, 1997.
[2] Inception date August 28, 2006.
[3] Inception date July 3, 2007.
[4] Inception date August 13, 2001.
[5] Inception date October 1, 2007.
[6] Inception date September 5, 2006.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Consumer Discretionary	21.2
Information Technology	19.0
Industrials	12.1
Energy	8.2
Health Care	8.1
Financials	7.7
Consumer Staples	7.5
Telecommunication Services	6.4
Materials	5.1
Cash/Other	4.7

Top 25 Holdings

	% of Net Asset Value
DIRECTV, LLC	4.2
Northrop Grumman Corp.	4.0
Seagate Technology	3.9
Coca-Cola Enterprises Inc.	3.9
Marathon Petroleum Corp.	3.2
Viacom Inc.	3.2
Kohls Corp.	2.9
Pfizer Inc.	2.7
Halliburton Co.	2.7
L-3 Communications Holdings Inc.	2.7
Motorola Solutions Inc.	2.6
Lowe's Companies	2.5
CenturyTel Inc.	2.4
Nvidia Corp.	2.4
Flowserve Corp.	2.4
Quest Diagnostics Inc.	2.4
AT&T Inc.	2.3
Cash & Cash Equivalents	2.2
CF Industries Holdings Inc.	2.1
PPG Industries Inc.	2.1
The Western Union Co.	2.0
Macy's Inc.	1.9
AmerisourceBergen Corp.	1.9
Lorillard Inc.	1.8
Sandisk Corp.	1.6
Top 25 Holdings	66.0

The Summary of Investment Portfolio may change due to ongoing portfolio transactions. A segment of the Fund is rebalanced around the end of the period. The Top 25 holdings may not reflect current positions. A quarterly update is available at www.rbcgam.com/funds.

U.S. EQUITY FUND

RBC U.S. MID-CAP EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (U.S.) Inc., Minneapolis, Minnesota

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in U.S. mid-cap equities and common-stock equivalents, allowing broad exposure to growth opportunities in U.S. equity markets.

The Fund diversifies across industries in the U.S. market and seeks companies with strong management, focused business models and prospects for growth in earnings and cash flow.

Results of Operations

The Fund's net asset value was $1.1 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 1.5%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Mid-cap stocks posted returns in the single digits during the first half of 2014 in an environment of modest economic growth and the continuation of central-bank policies aimed at stimulating the economy. Tempering the gains were somewhat disappointing macroeconomic data, relatively high equity valuations, and geopolitical conflict in Ukraine and Iraq. The best-performing sectors in the first half were Telecommunication Services, Utilities and Energy. Lagging sectors included Consumer Discretionary, Financials and Information Technology.

Security selection in the Information Technology, Consumer Discretionary and Consumer Staples sectors had the most negative impact on relative returns. The Fund benefited from an underweight position in the Consumer Discretionary sector and an overweight position in Health Care. Portfolio performance was hurt by security selection in the Consumer Discretionary, Information Technology and Health Care sectors.

As of June 30, 2014, the Fund had the largest exposure to the Health Care, Information Technology and Industrials sectors, while Consumer Discretionary, Telecommunication Services and Consumer Staples were the most underweighted sectors. The Fund purchased three new stocks and sold two stocks during the six-month period. The three purchases were Copart, which operates online vehicle auctions; DaVita HealthCare, which operates dialysis centres; and Pentair, a diversified industrial-products company. The Fund sold Actavis, a pharmaceuticals company, and Ecolab, a specialty chemicals company, after both companies' market capitalizations reached the Fund's upper limit.

Recent Developments

Janet Yellen took over as U.S. Federal Reserve (the "Fed") Chair at the beginning of the year. Starting in July, the Fed's Federal Open Market Committee reduced its bond-buying program to US$35 billion per month and it is probable that the program will be completed prior to year-end. Overall, the sub-advisor anticipates continued revenue and earnings growth along with stable operating margins in 2014 for the companies in the portfolio. The sub-advisor believes that while overall U.S. economic growth prospects for the remainder of 2014 are favourable, bouts of volatility may continue.

Effective June 27, 2014, the RBC Private U.S. Mid-Cap Equity Pool merged into the Fund, and unitholders of the RBC Private U.S. Mid-Cap Equity Pool received units of the Fund on a dollar-for-dollar, tax-deferred basis.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Global Asset Management (U.S.) Inc. is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**23.24**	**0.05**	**(0.25)**	**0.53**	**(0.02)**	**0.31**	**–**	**–**	**–**	**–**	**–**	**23.60**
Dec. 31, 2013	16.90	0.09	(0.43)	0.59	6.05	6.30	–	–	–	–	–	23.24
Dec. 31, 2012	16.55	0.21	(0.36)	1.53	(0.98)	0.40	–	–	–	–	–	16.90
Dec. 31, 2011	16.91	0.13	(0.33)	0.22	(0.38)	(0.36)	–	–	–	–	–	16.55
Dec. 31, 2010	14.85	0.16	(0.30)	2.39	0.05	2.30	–	–	–	–	–	16.91
Dec. 31, 2009	13.22	0.18	(0.27)	(0.47)	2.22	1.66	–	–	–	–	–	14.85
Advisor Series												
June 30, 2014	**23.28**	**0.05**	**(0.25)**	**0.53**	**(0.02)**	**0.32**	**–**	**–**	**–**	**–**	**–**	**23.64**
Dec. 31, 2013	16.93	0.09	(0.43)	0.59	6.05	6.30	–	–	–	–	–	23.28
Dec. 31, 2012	16.56	0.21	(0.34)	1.54	(0.99)	0.42	–	–	–	–	–	16.93
Dec. 31, 2011	16.91	0.13	(0.32)	0.22	(0.38)	(0.35)	–	–	–	–	–	16.56
Dec. 31, 2010	14.84	0.16	(0.29)	2.41	0.05	2.33	–	–	–	–	–	16.91
Dec. 31, 2009	13.20	0.18	(0.27)	(0.47)	2.21	1.65	–	–	–	–	–	14.84
Series D												
June 30, 2014	**24.58**	**0.06**	**(0.15)**	**0.56**	**(0.02)**	**0.45**	**–**	**–**	**–**	**–**	**–**	**25.06**
Dec. 31, 2013	17.72	0.09	(0.26)	0.62	6.37	6.82	–	–	–	–	–	24.58
Dec. 31, 2012	17.20	0.22	(0.22)	1.60	(1.02)	0.58	–	–	–	–	–	17.72
Dec. 31, 2011	17.42	0.14	(0.20)	0.23	(0.39)	(0.22)	–	–	–	–	–	17.20
Dec. 31, 2010	15.16	0.17	(0.18)	2.45	0.05	2.49	–	–	–	–	–	17.42
Dec. 31, 2009	13.38	0.19	(0.16)	(0.48)	2.26	1.81	–	–	–	–	–	15.16
Series F												
June 30, 2014	**26.10**	**0.06**	**(0.13)**	**0.60**	**(0.02)**	**0.51**	**–**	**–**	**–**	**–**	**–**	**26.64**
Dec. 31, 2013	18.77	0.10	(0.22)	0.65	6.75	7.28	–	–	–	–	–	26.09
Dec. 31, 2012	18.19	0.23	(0.18)	1.69	(1.09)	0.65	–	(0.03)	–	–	(0.03)	18.77
Dec. 31, 2011	18.38	0.15	(0.16)	0.25	(0.41)	(0.17)	–	–	–	–	–	18.19
Dec. 31, 2010	15.96	0.18	(0.15)	2.57	0.05	2.65	–	–	–	–	–	18.38
Dec. 31, 2009	14.05	0.20	(0.13)	(0.50)	2.38	1.95	–	–	–	–	–	15.96
Series I												
June 30, 2014[3]	**26.83†**	**0.02**	**(0.08)**	**0.21**	**(0.01)**	**0.14**	**–**	**–**	**–**	**–**	**–**	**26.64**

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**26.30**	**0.06**	**–**	**0.60**	**(0.02)**	**0.64**	**–**	**(0.03)**	**–**	**–**	**(0.03)**	**26.95**
Dec. 31, 2013	18.79	0.10	(0.01)	0.66	6.78	7.53	–	(0.07)	–	–	(0.07)	26.30
Dec. 31, 2012	18.18	0.23	–	1.69	(1.09)	0.83	–	(0.16)	–	–	(0.16)	18.79
Dec. 31, 2011	18.29	0.15	–	0.25	(0.41)	(0.01)	–	(0.10)	–	–	(0.10)	18.18
Dec. 31, 2010	15.85	0.17	–	2.56	0.05	2.78	–	(0.14)	–	–	(0.14)	18.29
Dec. 31, 2009	13.84	0.19	–	(0.49)	2.35	2.05	–	–	–	–	–	15.85

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
[2] Distributions are reinvested in additional units of the Fund or paid in cash.
[3] From April 21, 2014.
† Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**23.60**	**86 688**	**3 674**	**2.10**	**2.10**	**12.55**	**0.02**
Dec. 31, 2013	23.24	80 436	3 460	2.11	2.11	17.96	0.02
Dec. 31, 2012	16.91	59 501	3 518	2.09	2.09	340.62	0.46
Dec. 31, 2011	16.56	64 153	3 873	2.08	2.08	283.13	0.37
Dec. 31, 2010	16.91	64 765	3 829	2.04	2.04	288.20	0.41
Dec. 31, 2009	14.86	61 089	4 112	2.00	2.00	215.38	0.31
Advisor Series							
June 30, 2014	**23.64**	**1 066**	**45**	**2.09**	**2.09**	**12.55**	**0.02**
Dec. 31, 2013	23.28	1 139	49	2.11	2.11	17.96	0.02
Dec. 31, 2012	16.94	338	20	1.98	1.98	340.62	0.46
Dec. 31, 2011	16.57	411	25	2.02	2.02	283.13	0.37
Dec. 31, 2010	16.91	68	4	1.97	1.97	288.20	0.41
Dec. 31, 2009	14.85	76	5	1.94	1.94	215.38	0.31
Series D							
June 30, 2014	**25.06**	**6 624**	**264**	**1.20**	**1.20**	**12.55**	**0.02**
Dec. 31, 2013	24.58	5 323	217	1.21	1.21	17.96	0.02
Dec. 31, 2012	17.73	3 284	185	1.20	1.20	340.62	0.46
Dec. 31, 2011	17.21	3 641	212	1.21	1.21	283.13	0.37
Dec. 31, 2010	17.42	2 461	141	1.19	1.19	288.20	0.41
Dec. 31, 2009	15.17	2 044	135	1.16	1.16	215.38	0.31
Series F							
June 30, 2014	**26.64**	**1 549**	**58**	**0.95**	**0.95**	**12.55**	**0.02**
Dec. 31, 2013	26.10	1 268	49	0.96	0.96	17.96	0.02
Dec. 31, 2012	18.78	684	36	0.95	0.95	340.62	0.46
Dec. 31, 2011	18.20	902	50	0.94	0.94	283.13	0.37
Dec. 31, 2010	18.38	943	51	0.93	0.93	288.20	0.41
Dec. 31, 2009	15.97	801	50	0.89	0.89	215.38	0.31
Series I							
June 30, 2014[4]	**26.64**	**3 522**	**132**	**0.74**	**0.74**	**12.55**	**0.02**

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series O							
June 30, 2014	**26.95**	**998 748**	**37 063**	**0.02**	**0.02**	**12.55**	**0.02**
Dec. 31, 2013	26.30	810 859	30 827	0.02	0.02	17.96	0.02
Dec. 31, 2012	18.80	535 492	28 480	0.02	0.02	340.62	0.46
Dec. 31, 2011	18.19	420 238	23 106	0.02	0.02	283.13	0.37
Dec. 31, 2010	18.29	390 019	21 319	0.02	0.02	288.20	0.41
Dec. 31, 2009	15.86	316 337	19 943	0.02	0.02	215.38	0.31

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From April 21, 2014.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.75%	66%	34%
Advisor Series	1.75%	66%	34%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

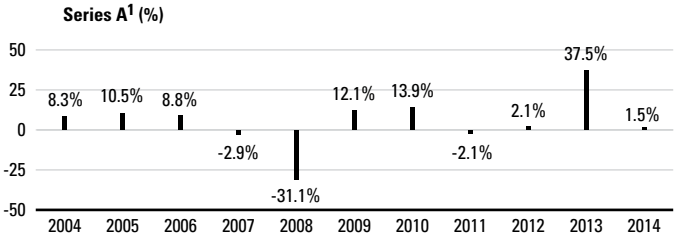
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

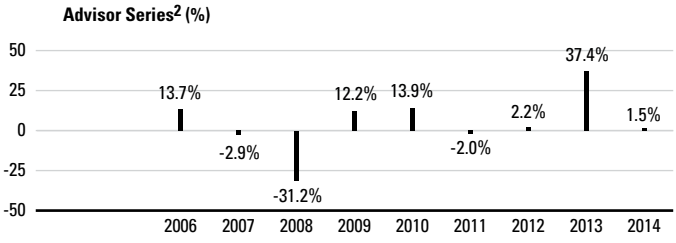
PAST PERFORMANCE

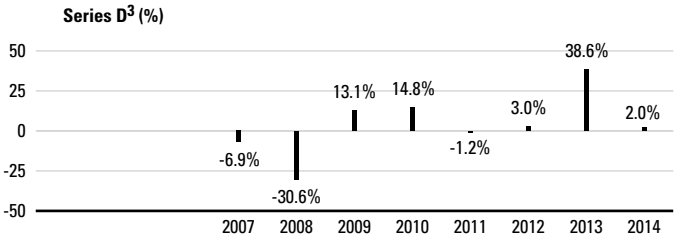
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

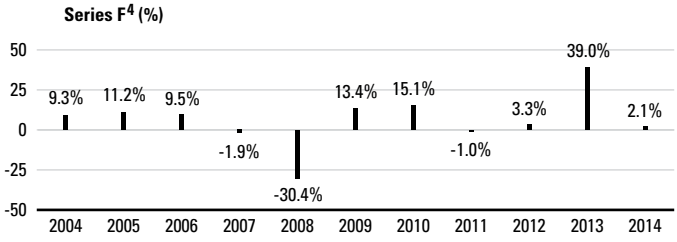
Year-by-Year Returns (%)

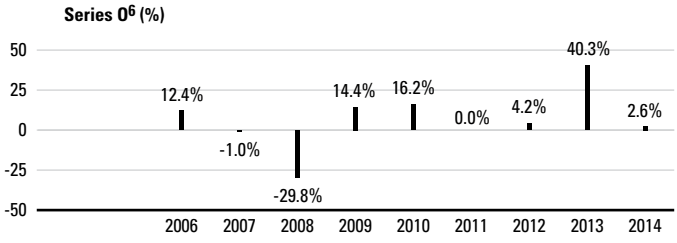
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











[1] Inception date March 31, 1992.
[2] Inception date August 28, 2006.
[3] Inception date July 3, 2007.
[4] Inception date August 13, 2001.
[5] Inception date April 21, 2014.
[6] Inception date September 5, 2006.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Information Technology	18.5
Industrials	17.6
Health Care	17.6
Consumer Discretionary	16.3
Financials	9.5
Consumer Staples	7.6
Energy	6.5
Materials	4.2
Cash/Other	2.2

Top 25 Holdings

	% of Net Asset Value
Under Armour Inc., Class A	2.2
Cash & Cash Equivalents	2.2
Signature Bank	1.8
Henry Schein Inc.	1.8
Treehouse Foods Inc.	1.7
Trimble Navigation Ltd.	1.7
LKQ Corp.	1.6
Parexel International Corp.	1.6
O'Reilly Automotive Inc.	1.6
Continental Resources Inc.	1.6
Affiliated Managers Group Inc.	1.5
WEX Inc.	1.5
IDEXX Laboratories Inc.	1.5
V.F. Corporation	1.5
Tractor Supply Co.	1.4
Oceaneering International Inc.	1.4
Ametek Inc.	1.4
Open Text Corp.	1.4
Stericycle Inc.	1.4
Portfolio Recovery Associates Inc.	1.4
C.R. Bard Inc.	1.4
MSC Industrial Direct Co.	1.4
Roper Industries Inc.	1.4
Perrigo Company Plc.	1.4
Concho Resources Inc.	1.4
Top 25 Holdings	39.2

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

U.S. EQUITY FUND

RBC U.S. MID-CAP EQUITY CURRENCY NEUTRAL FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (U.S.) Inc., Minneapolis, Minnesota

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital appreciation, primarily through investing in mid-capitalized equity securities of U.S. companies while minimizing the exposure to fluctuations between the U.S. and Canadian dollar exchange rates.

The Fund diversifies across industries and selects companies with strong management, focused business models and the potential for growth in earnings and cash flow. The Fund uses currency hedges to minimize the impact of fluctuations in the U.S. dollar versus the Canadian dollar.

Results of Operations

The Fund's net asset value was $11 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 1.3%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Mid-cap stocks posted returns in the single digits during the first half of 2014 in an environment of modest economic growth and the continuation of central-bank policies aimed at stimulating the economy. Tempering the gains were somewhat disappointing macroeconomic data, relatively high equity valuations, and geopolitical conflict in Ukraine and Iraq. The best-performing sectors in the first half were Telecommunication Services, Utilities and Energy. Lagging sectors included Consumer Discretionary, Financials and Information Technology.

Security selection in the Information Technology, Consumer Discretionary and Consumer Staples sectors had the most negative impact on relative returns. The Fund benefited from an underweight position in the Consumer Discretionary sector and an overweight position in Health Care.

As of June 30, 2014, the Fund had the largest exposure to the Health Care, Information Technology and Industrials sectors, while Consumer Discretionary, Telecommunication Services and Consumer Staples were the most underweighted sectors. The Fund purchased three new stocks and sold two stocks during the six-month period. The three purchases were Copart, which operates online vehicle auctions; DaVita HealthCare, which operates dialysis centres; and Pentair, a diversified industrial-products company. The Fund sold Actavis, a pharmaceuticals company, and Ecolab, a specialty chemicals company, after both companies' market capitalizations reached the Fund's upper limit.

The Fund's currency-hedging strategy had little effect on returns, as the Canadian dollar did not move significantly against the U.S. dollar during the period.

Recent Developments

Janet Yellen took over as U.S. Federal Reserve (the "Fed") Chair at the beginning of the year. Starting in July, the Fed's Federal Open Market Committee reduced its bond-buying program to US$35 billion per month and it is probable that the entire program will be completed prior to year-end. Overall, the sub-advisor anticipates continued revenue and earnings growth along with stable operating margins in 2014 for the companies in the portfolio. The sub-advisor believes that while overall U.S. economic growth prospects for the remainder of 2014 are favourable, bouts of volatility may continue.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Global Asset Management (U.S.) Inc. is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**11.22**	**0.03**	**(0.12)**	**0.19**	**0.03**	**0.13**	**–**	**–**	**–**	**–**	**–**	**11.37**
Dec. 31, 2013	8.63	0.04	(0.21)	(0.07)	2.84	2.60	–	–	–	–	–	11.22
Dec. 31, 2012	8.27	0.11	(0.18)	1.02	(0.59)	0.36	–	–	–	–	–	8.63
Dec. 31, 2011	8.63	0.07	(0.18)	(0.06)	(0.25)	(0.42)	–	–	–	–	–	8.27
Dec. 31, 2010	7.22	0.08	(0.15)	1.40	0.03	1.36	–	–	–	–	–	8.63
Dec. 31, 2009	5.82	0.08	(0.13)	0.45	1.04	1.44	–	–	–	–	–	7.22
Advisor Series												
June 30, 2014	**11.26**	**0.03**	**(0.11)**	**0.20**	**0.03**	**0.15**	**–**	**–**	**–**	**–**	**–**	**11.41**
Dec. 31, 2013	8.66	0.04	(0.21)	(0.07)	2.85	2.61	–	–	–	–	–	11.26
Dec. 31, 2012	8.29	0.11	(0.18)	1.03	(0.59)	0.37	–	–	–	–	–	8.66
Dec. 31, 2011	8.66	0.07	(0.17)	(0.06)	(0.25)	(0.41)	–	–	–	–	–	8.29
Dec. 31, 2010	7.24	0.08	(0.15)	1.40	0.03	1.36	–	–	–	–	–	8.66
Dec. 31, 2009	5.83	0.08	(0.12)	0.45	1.04	1.45	–	–	–	–	–	7.24
Series D												
June 30, 2014	**11.86**	**0.03**	**(0.07)**	**0.21**	**0.03**	**0.20**	**–**	**–**	**–**	**–**	**–**	**12.06**
Dec. 31, 2013	9.04	0.05	(0.13)	(0.07)	2.99	2.84	–	–	–	–	–	11.85
Dec. 31, 2012	8.58	0.11	(0.11)	1.07	(0.62)	0.45	–	–	–	–	–	9.04
Dec. 31, 2011	8.89	0.07	(0.11)	(0.06)	(0.26)	(0.36)	–	–	–	–	–	8.58
Dec. 31, 2010	7.38	0.08	(0.09)	1.44	0.03	1.46	–	–	–	–	–	8.89
Dec. 31, 2009	5.89	0.08	(0.08)	0.45	1.04	1.49	–	–	–	–	–	7.38
Series F												
June 30, 2014	**12.20**	**0.03**	**(0.06)**	**0.21**	**0.03**	**0.21**	**–**	**–**	**–**	**–**	**–**	**12.43**
Dec. 31, 2013	9.28	0.05	(0.11)	(0.07)	3.07	2.94	–	–	–	–	–	12.20
Dec. 31, 2012	8.79	0.11	(0.09)	1.09	(0.63)	0.48	–	–	–	–	–	9.28
Dec. 31, 2011	9.08	0.08	(0.09)	(0.06)	(0.27)	(0.34)	–	–	–	–	–	8.79
Dec. 31, 2010	7.51	0.08	(0.07)	1.47	0.03	1.51	–	–	–	–	–	9.08
Dec. 31, 2009	5.98	0.08	(0.06)	0.46	1.07	1.55	–	–	–	–	–	7.51

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**11.37**	**10 652**	**937**	**2.08**	**2.10**	**8.94**	**0.02**
Dec. 31, 2013	11.22	11 192	997	2.11	2.11	7.11	0.01
Dec. 31, 2012	8.64	9 650	1 117	2.10	2.10	335.69	0.46
Dec. 31, 2011	8.27	9 852	1 191	2.12	2.12	280.13	0.37
Dec. 31, 2010	8.63	9 644	1 117	2.09	2.09	284.92	0.40
Dec. 31, 2009	7.23	8 297	1 148	2.08	2.08	211.17	0.30
Advisor Series							
June 30, 2014	**11.41**	**251**	**22**	**2.03**	**2.05**	**8.94**	**0.02**
Dec. 31, 2013	11.26	248	22	2.07	2.07	7.11	0.01
Dec. 31, 2012	8.67	172	20	2.08	2.08	335.69	0.46
Dec. 31, 2011	8.30	230	28	2.12	2.12	280.13	0.37
Dec. 31, 2010	8.66	128	15	2.05	2.05	284.92	0.40
Dec. 31, 2009	7.25	130	18	2.03	2.03	211.17	0.30
Series D							
June 30, 2014	**12.06**	**271**	**22**	**1.20**	**1.22**	**8.94**	**0.02**
Dec. 31, 2013	11.86	554	47	1.22	1.22	7.11	0.01
Dec. 31, 2012	9.05	403	45	1.24	1.24	335.69	0.46
Dec. 31, 2011	8.59	299	35	1.27	1.27	280.13	0.37
Dec. 31, 2010	8.89	295	33	1.25	1.25	284.92	0.40
Dec. 31, 2009	7.38	65	9	1.24	1.24	211.17	0.30
Series F							
June 30, 2014	**12.43**	**236**	**19**	**0.95**	**0.97**	**8.94**	**0.02**
Dec. 31, 2013	12.20	77	6	0.97	0.97	7.11	0.01
Dec. 31, 2012	9.29	105	11	0.97	0.97	335.69	0.46
Dec. 31, 2011	8.79	144	16	1.01	1.01	280.13	0.37
Dec. 31, 2010	9.08	229	25	0.98	0.98	284.92	0.40
Dec. 31, 2009	7.52	74	10	0.98	0.98	211.17	0.30

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.75%	66%	34%
Advisor Series	1.75%	66%	34%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%

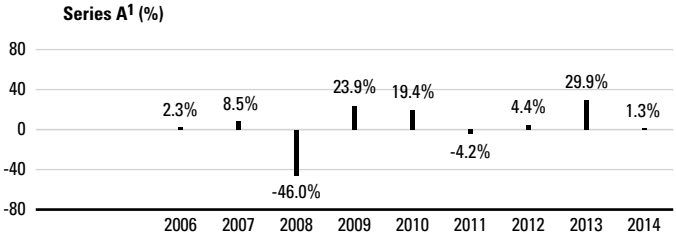
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

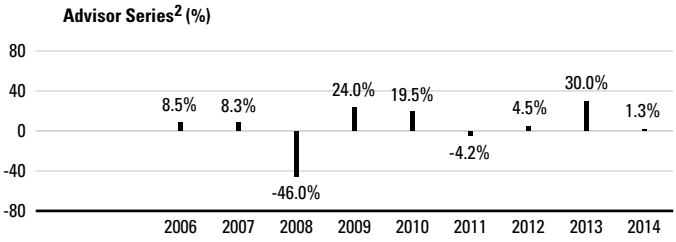
PAST PERFORMANCE

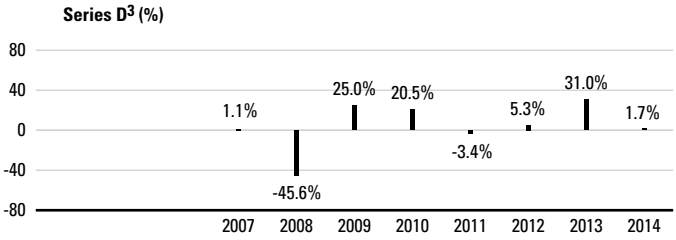
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

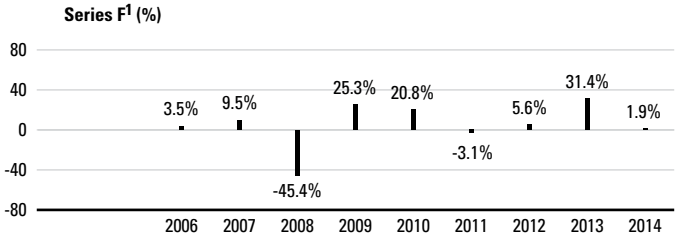
Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.









1 Inception date January 23. 2006.
2 Inception date August 28, 2006.
3 Inception date July 3, 2007.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Information Technology	18.3
Industrials	17.5
Health Care	17.4
Consumer Discretionary	16.1
Financials	9.5
Consumer Staples	7.5
Energy	6.3
Materials	4.2
Cash/Other	3.2

Top 25 Holdings

	% of Net Asset Value
Under Armour Inc., Class A	2.2
Signature Bank	1.8
Henry Schein Inc.	1.7
Treehouse Foods Inc.	1.7
Trimble Navigation Ltd.	1.7
Parexel International Corp.	1.6
LKQ Corp.	1.6
O'Reilly Automotive Inc.	1.5
Continental Resources Inc.	1.5
Affiliated Managers Group Inc.	1.5
WEX Inc.	1.5
IDEXX Laboratories Inc.	1.5
V.F. Corporation	1.5
Tractor Supply Co.	1.4
Stericycle Inc.	1.4
Ametek Inc.	1.4
Oceaneering International Inc.	1.4
Portfolio Recovery Associates Inc.	1.4
Open Text Corp.	1.4
C.R. Bard Inc.	1.4
Roper Industries Inc.	1.4
Perrigo Company Plc.	1.4
MSC Industrial Direct Co.	1.4
Church & Dwight Co. Inc.	1.3
Concho Resources Inc.	1.3
Top 25 Holdings	37.9

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

U.S. EQUITY FUND

RBC U.S. MID-CAP VALUE EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (U.S.) Inc., Minneapolis, Minnesota

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of U.S. mid-cap companies that are deemed to be undervalued in order to provide broad exposure to economic growth opportunities in the equity markets.

The Fund's investment process is based primarily on fundamental research, although the portfolio manager will also consider quantitative and technical factors. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook. The portfolio manager diversifies the Fund across industries in the U.S. market and selects companies based on strong management, focused business models and the potential for future growth in earnings and cash flow.

Results of Operations

The Fund's net asset value was $221 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 11.5%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

U.S. equity markets rose during the first half of 2014, extending the returns from an exceptionally strong 2013. Mid-cap stocks performed generally in line with larger-cap indexes. Economic growth accelerated during the latter stages of the period after a historically cold winter held back employment and housing, resulting in some market weakness. The spring thaw brought renewed enthusiasm among consumers and investors, with economic data indicating modestly accelerating growth and supporting further equity-market advances.

The Fund's performance was driven by favourable stock selection, most notably in the Information Technology and Industrials sectors. Within Information Technology, a trio of semiconductor manufacturing companies – Skyworks Solutions, NXP Semiconductor, Avago Technologies – led strong performance, while equipment-rental company United Rentals and low-cost airline Spirit Airlines drove performance in the Industrials sector. Individual stocks that had a negative impact on performance included internet content provider AOL and offshore drilling-rig operator Noble Corp. Sector allocation had a slightly negative impact on returns, as significant underweight positions in the Utilities sector and real estate investment trusts dampened portfolio returns. These investment areas tend to do well during periods when interest rates are generally falling, as was the case in the first half of the year.

Portfolio turnover is high for the Fund, as the sub-advisor trims and adds to positions based on valuation.

Recent Developments

The significant equity-market returns of 2013 and further gains in the first half of 2014 were driven largely by rising market valuations, making it more difficult to identify which sectors will perform best in the coming months. As a result, stock selection based on solid earnings prospects and other fundamentals, combined with attractive individual-stock valuations, will be critical in 2014. This market environment is one in which the mid-cap value portfolio has historically done well, as it emphasizes these investment characteristics.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Global Asset Management (U.S.) Inc. is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**13.08**	**0.07**	**(0.15)**	**2.69**	**(1.08)**	**1.53**	**–**	**–**	**–**	**–**	**–**	**14.58**
Dec. 31, 2013	10.25	0.12	(0.28)	1.39	2.85	4.08	–	–	(1.26)	–	(1.26)	13.07
Dec. 31, 2012[3]	10.00†	1.57	(0.20)	(1.30)	0.26	0.33	–	–	(0.08)	–	(0.08)	10.25
Advisor Series												
June 30, 2014	**13.09**	**0.07**	**(0.15)**	**2.69**	**(1.08)**	**1.53**	**–**	**–**	**–**	**–**	**–**	**14.59**
Dec. 31, 2013	10.25	0.12	(0.28)	1.38	2.84	4.06	–	–	(1.26)	–	(1.26)	13.09
Dec. 31, 2012[3]	10.00†	0.67	(0.20)	(0.56)	0.42	0.33	–	–	(0.08)	–	(0.08)	10.25
Series D												
June 30, 2014	**13.31**	**0.07**	**(0.09)**	**2.75**	**(1.10)**	**1.63**	**–**	**–**	**–**	**–**	**–**	**14.89**
Dec. 31, 2013	10.32	0.13	(0.18)	1.41	2.89	4.25	–	–	(1.26)	–	(1.26)	13.30
Dec. 31, 2012[3]	10.00†	0.33	(0.12)	(0.27)	0.47	0.41	–	(0.01)	(0.08)	–	(0.09)	10.32
Series F												
June 30, 2014	**13.39**	**0.07**	**(0.08)**	**2.76**	**(1.11)**	**1.64**	**–**	**–**	**–**	**–**	**–**	**15.01**
Dec. 31, 2013	10.36	0.12	(0.14)	1.40	2.88	4.26	–	–	(1.26)	–	(1.26)	13.39
Dec. 31, 2012[3]	10.00†	0.25	(0.09)	(0.21)	0.50	0.45	–	–	(0.09)	–	(0.09)	10.36
Series O												
June 30, 2014	**13.44**	**0.07**	**(0.01)**	**2.75**	**(1.11)**	**1.70**	**–**	**–**	**–**	**–**	**–**	**15.13**
Dec. 31, 2013	10.38	0.13	(0.01)	1.43	2.94	4.49	–	(0.12)	(1.26)	–	(1.38)	13.43
Dec. 31, 2012[3]	10.00†	0.14	(0.01)	(0.12)	0.51	0.52	–	(0.06)	(0.08)	–	(0.14)	10.38

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From January 30, 2012.

† Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**14.58**	**12 513**	**859**	**2.15**	**2.15**	**136.54**	**0.29**
Dec. 31, 2013	13.08	7 507	574	2.17	2.17	104.36	0.18
Dec. 31, 2012[4]	10.25	457	45	2.20	2.20	106.06	0.52
Advisor Series							
June 30, 2014	**14.59**	**11 932**	**818**	**2.11**	**2.11**	**136.54**	**0.29**
Dec. 31, 2013	13.09	8 903	680	2.12	2.12	104.36	0.18
Dec. 31, 2012[4]	10.26	40	4	2.16	2.16	106.06	0.52
Series D							
June 30, 2014	**14.89**	**3 668**	**246**	**1.33**	**1.33**	**136.54**	**0.29**
Dec. 31, 2013	13.31	1 734	130	1.36	1.36	104.36	0.18
Dec. 31, 2012[4]	10.33	54	5	1.26	1.26	106.06	0.52
Series F							
June 30, 2014	**15.01**	**6 116**	**408**	**1.05**	**1.05**	**136.54**	**0.29**
Dec. 31, 2013	13.39	4 050	302	1.09	1.09	104.36	0.18
Dec. 31, 2012[4]	10.36	54	5	1.02	1.02	106.06	0.52
Series O							
June 30, 2014	**15.13**	**186 439**	**12 325**	**0.11**	**0.11**	**136.54**	**0.29**
Dec. 31, 2013	13.44	210 466	15 665	0.11	0.11	104.36	0.18
Dec. 31, 2012[4]	10.38	161 440	15 550	0.12	0.12	106.06	0.52

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From January 30, 2012.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series D	1.10%	23%	77%
Series F	0.85%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

[1] Inception date January 30, 2012.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Financials	25.0
Industrials	17.6
Information Technology	14.1
Consumer Discretionary	10.6
Materials	9.0
Health Care	7.8
Utilities	6.6
Energy	6.0
Cash/Other	3.3

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	3.3
Hartford Financial Services Inc.	2.9
Skyworks Solutions Inc.	2.5
CIT Group Inc.	2.5
AOL Inc.	2.4
NXP Semiconductor N.V.	2.4
Jarden Corp.	2.3
TRW Automotive Holdings Corp.	2.3
Mylan Laboratories Inc.	2.2
KKR & Co. Ltd. Part.	2.2
First Republic Bank	2.1
CMS Energy Corp.	2.1
Crown Holdings Inc.	2.0
HCC Insurance Holdings Inc.	2.0
Fifth Third Bancorp	2.0
Waste Connections Inc.	1.9
Lincoln National Corp.	1.8
Arrow Electronics Inc.	1.8
Newell Rubbermaid Inc.	1.8
Cytec Industries Inc.	1.8
AmerisourceBergen Corp.	1.7
Huntington Bancshares	1.7
Universal Health Services Inc., Class B	1.6
Avery Dennison Corp.	1.6
Miller (Herman) Inc.	1.5
Top 25 Holdings	52.4

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

U.S. EQUITY FUND

RBC U.S. SMALL-CAP CORE EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (U.S.) Inc., Minneapolis, Minnesota

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of U.S. small-cap companies in order to provide broad exposure to economic growth opportunities in the equity markets.

The Fund's investment process is based primarily on fundamental research, although the portfolio manager will also consider quantitative and technical factors. Stock selection decisions are ultimately based on an understanding of the company, its business and its outlook. The portfolio manager diversifies the Fund across industries in the U.S. market and selects companies based on strong management, focused business models and the potential for future growth in earnings and cash flow.

Results of Operations

The Fund's net asset value was $134 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 2.2%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

U.S. equity markets rose during the first half of 2014, extending the returns from an exceptionally strong 2013. However, smaller-cap stocks underperformed during the period. Economic growth accelerated during the latter stages of the period after a historically cold winter held back employment and housing, resulting in some market weakness. The spring thaw brought renewed enthusiasm among consumers and investors, with economic data indicating modestly accelerating growth and supporting further equity-market advances.

The Fund's performance was most hurt by sector allocation. Results were held back by exposure to the Consumer Discretionary and Industrials sectors, as well as a relative lack of exposure to the Utilities sector and to the biotechnology/pharmaceuticals area of the Health Care sector.

Offsetting some of the impact of sector allocation was favourable stock selection in the Consumer Discretionary and Information Technology sectors. Within Consumer Discretionary, television remote-control manufacturer Universal Electronics was among the strongest performers in the portfolio, while glassmaker Libbey also contributed to returns. Strong stock selection in the Information Technology sector was driven by semiconductor manufacturer Skyworks Solutions, mobile-interface provider Synaptics and sensor manufacturer Measurement Specialties. Individual stocks that had a negative impact on performance included seismic-instrument manufacturer Geospace Technologies and Interactive Intelligence, a designer of software that runs call centres.

Recent Developments

The sub-advisor is optimistic that the U.S. economy will continue its steady recovery in the second half of 2014, and the Fund maintains a preference for the economically sensitive Industrials, Consumer Discretionary and Information Technology sectors. The holdings are concentrated in companies that emphasize strong balance sheets, high returns on equity and market leadership, and are designed to decline less than the overall stock market in the event of a downturn.

Returns in 2014 are likely to be driven by strong fundamentals as opposed to broad market themes and expectations as in years past. The portfolio continues to trade at a valuation discount on several measures while providing superior return on equity and projected earnings growth.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Global Asset Management (U.S.) Inc. is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**14.62**	**0.05**	**(0.16)**	**0.38**	**–**	**0.27**	**–**	**–**	**–**	**–**	**–**	**14.94**
Dec. 31, 2013	10.06	0.10	(0.29)	0.38	3.92	4.11	–	–	(0.11)	–	(0.11)	14.61
Dec. 31, 2012[3]	10.00†	0.22	(0.20)	0.33	0.07	0.42	–	–	(0.36)	–	(0.36)	10.06
Advisor Series												
June 30, 2014	**14.63**	**0.05**	**(0.16)**	**0.38**	**–**	**0.27**	**–**	**–**	**–**	**–**	**–**	**14.95**
Dec. 31, 2013	10.08	0.09	(0.31)	0.35	3.56	3.69	–	–	(0.11)	–	(0.11)	14.62
Dec. 31, 2012[3]	10.00†	0.22	(0.19)	0.34	0.07	0.44	–	–	(0.36)	–	(0.36)	10.08
Series D												
June 30, 2014	**14.85**	**0.05**	**(0.10)**	**0.39**	**–**	**0.34**	**–**	**–**	**–**	**–**	**–**	**15.24**
Dec. 31, 2013	10.14	0.10	(0.17)	0.38	3.93	4.24	–	–	(0.11)	–	(0.11)	14.84
Dec. 31, 2012[3]	10.00†	0.33	(0.13)	0.22	0.08	0.50	–	–	(0.36)	–	(0.36)	10.14
Series F												
June 30, 2014	**14.92**	**0.05**	**(0.08)**	**0.39**	**–**	**0.36**	**–**	**–**	**–**	**–**	**–**	**15.34**
Dec. 31, 2013	10.16	0.09	(0.14)	0.34	3.53	3.82	–	(0.01)	(0.11)	–	(0.12)	14.91
Dec. 31, 2012[3]	10.00†	0.24	(0.10)	0.31	0.08	0.53	–	–	(0.37)	–	(0.37)	10.16
Series O												
June 30, 2014	**14.95**	**0.05**	**(0.01)**	**0.39**	**–**	**0.43**	**–**	**–**	**–**	**–**	**–**	**15.43**
Dec. 31, 2013	10.15	0.11	(0.02)	0.44	4.52	5.05	–	(0.09)	(0.11)	–	(0.20)	14.94
Dec. 31, 2012[3]	10.00†	0.28	(0.01)	0.28	0.07	0.62	–	(0.11)	(0.36)	–	(0.47)	10.15

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From January 30, 2012.

† Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**14.94**	**10 640**	**712**	**2.17**	**2.17**	**29.78**	**0.09**
Dec. 31, 2013	14.62	11 188	765	2.17	2.17	24.23	0.14
Dec. 31, 2012[4]	10.18	462	45	2.17	2.17	95.17	0.51
Advisor Series							
June 30, 2014	**14.95**	**4 586**	**307**	**2.18**	**2.18**	**29.78**	**0.09**
Dec. 31, 2013	14.63	4 624	316	2.27	2.27	24.23	0.14
Dec. 31, 2012[4]	10.19	23	2	2.09	2.09	95.17	0.51
Series D							
June 30, 2014	**15.24**	**5 312**	**348**	**1.33**	**1.33**	**29.78**	**0.09**
Dec. 31, 2013	14.85	6 254	421	1.29	1.29	24.23	0.14
Dec. 31, 2012[4]	10.25	139	14	1.37	1.37	95.17	0.51
Series F							
June 30, 2014	**15.34**	**6 745**	**440**	**1.07**	**1.07**	**29.78**	**0.09**
Dec. 31, 2013	14.92	5 292	355	1.04	1.04	24.23	0.14
Dec. 31, 2012[4]	10.27	32	3	1.05	1.05	95.17	0.51
Series O							
June 30, 2014	**15.43**	**106 728**	**6 917**	**0.11**	**0.11**	**29.78**	**0.09**
Dec. 31, 2013	14.95	97 355	6 513	0.12	0.12	24.23	0.14
Dec. 31, 2012[4]	10.26	41 000	3 997	0.12	0.12	95.17	0.51

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From January 30, 2012.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Management Fees	Breakdown of Services	
		Distribution	Other*
Series A	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series D	1.10%	23%	77%
Series F	0.85%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

1 Inception date January 30, 2012.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Industrials	26.2
Consumer Discretionary	21.9
Information Technology	18.8
Financials	9.0
Health Care	7.7
Materials	5.7
Energy	5.6
Other Sectors	2.5
Cash/Other	2.6

Top 25 Holdings

	% of Net Asset Value
Universal Electronics Inc.	4.3
Cash & Cash Equivalents	2.6
Tyler Technologies Inc.	2.6
Synaptics Inc.	2.6
The Greenbrier Co. Inc.	2.5
EnerSys	2.5
Synchronoss Technologies Inc.	2.5
Columbus McKinnon Corp.	2.3
AZZ Inc.	2.3
Compass Diversified Holdings	2.2
Skyworks Solutions Inc.	2.2
West Pharmaceutical Services Inc.	2.0
Astronics Corp.	1.9
Interactive Intelligence Group	1.9
Libbey Inc.	1.8
Take-Two Interactive Software Inc.	1.8
Gulfport Energy Corp.	1.8
Helen Of Troy Ltd.	1.7
Amerisafe Inc.	1.6
Primoris Services Corp.	1.6
Smith & Wesson Holding Corp.	1.5
Old Dominion Freight Line Inc.	1.5
BioScrip Inc.	1.5
Tessco Technologies Inc.	1.5
Destination XL Group Inc.	1.5
Top 25 Holdings	52.2

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

U.S. EQUITY FUND

RBC O'SHAUGHNESSY U.S. GROWTH FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: O'Shaughnessy Asset Management, L.L.C., Stamford, Connecticut

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

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This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of U.S. companies based on Strategy Indexing®, an investment portfolio management model developed in 1995 by Jim O'Shaughnessy.

To achieve its objective, the Fund selects stocks with the most attractive momentum based on a variety of measures, including six-month total return and nine-month total return. The stocks must also meet certain market capitalization and liquidity thresholds. The Fund uses currency hedges to minimize the impact of fluctuations in the U.S. dollar versus the Canadian dollar.

Results of Operations

The Fund's net asset value was $176 million as of June 30, 2014.

Over the past six months, the Fund's Series A units lost 0.4%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Global equity-market gains slowed during the first half of 2014 following a huge year in 2013. Many major stock indexes remained at or near all-time highs as the period ended, and large-cap stocks held up quite well. Earnings continued to climb, but stocks are more expensive than they have been in recent years. Investors continued to focus on actions by central banks, pausing to observe the effects of steps by the U.S. Federal Reserve to unwind bond purchases aimed at stimulating the economy.

Companies whose stocks exhibited strong price momentum, like those invested in by the sub-advisor, generally underperformed. Exposure to companies with attractive valuations, which are targeted as a component of the stock-selection process, had a negative effect on returns. Additionally, exposure to stocks with high earnings growth, financial strength and earnings quality held back performance.

From a sector perspective, allocation among sectors had a positive effect, but was offset by negative security selection. An overweight allocation in Energy contributed to performance during the period, with Panhandle Oil & Gas and Westmoreland Coal among the top performers. Additionally, an underweight allocation in the Consumer Staples sector contributed to overall performance. Poor security selection and an underweight allocation in the Health Care sector had a negative effect on returns, with Questcor Pharmaceuticals and Intermune among the top detractors from performance. Security selection in the Financials sector also held back returns.

It is the policy of the Fund to maintain currency hedges at all times in order to neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar. This policy had a negative effect on returns during the period.

Portfolio turnover for the Fund is typically high. Inherent in the investment process for O'Shaughnessy Funds is the periodic rebalancing of segments of the portfolio as the sub-advisor attempts to generate better returns through stock selection.

Recent Developments

To identify the most attractive investments, the sub-advisor uses historically proven, objectively measured characteristics like low valuations, strong balance sheet and earnings quality, and strong but stable momentum. The sub-advisor believes that stock selection becomes more important when the overall market is more expensive, and that portfolios which are very different from the market offer the best chance to outperform.

Due to the Fund's investment process and market conditions over the past six months, the Fund has decreased allocations to the Industrials and Materials sectors, and increased allocations to Energy.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

® Registered trademark of Royal Bank of Canada. Used under licence.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $1,000 (2013 – $2,000) or 1% (2013 – 1%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**14.51**	**0.07**	**(0.11)**	**1.35**	**(1.40)**	**(0.09)**	**–**	**–**	**–**	**–**	**–**	**14.45**
Dec. 31, 2013	10.06	0.18	(0.19)	2.53	1.91	4.43	–	–	–	–	–	14.50
Dec. 31, 2012	8.59	0.18	(0.15)	1.37	0.14	1.54	–	–	–	–	–	10.06
Dec. 31, 2011	9.31	0.11	(0.13)	0.23	(0.90)	(0.69)	–	–	–	–	–	8.59
Dec. 31, 2010	8.02	0.04	(0.12)	0.89	0.42	1.23	–	–	–	–	–	9.31
Dec. 31, 2009	8.08	0.05	(0.11)	(1.19)	1.06	(0.19)	–	–	–	–	–	8.02
Series D												
June 30, 2014	**14.82**	**0.07**	**(0.09)**	**1.38**	**(1.44)**	**(0.08)**	**–**	**–**	**–**	**–**	**–**	**14.78**
Dec. 31, 2013	10.24	0.18	(0.15)	2.58	1.95	4.56	–	–	–	–	–	14.80
Dec. 31, 2012	8.71	0.19	(0.12)	1.37	0.14	1.58	–	–	–	–	–	10.24
Dec. 31, 2011	9.42	0.11	(0.11)	0.24	(0.91)	(0.67)	–	–	–	–	–	8.71
Dec. 31, 2010	8.08	0.04	(0.10)	0.90	0.43	1.27	–	–	–	–	–	9.42
Dec. 31, 2009	8.12	0.06	(0.08)	(1.19)	1.06	(0.15)	–	–	–	–	–	8.08
Series F												
June 30, 2014	**15.75**	**0.08**	**(0.07)**	**1.46**	**(1.53)**	**(0.06)**	**–**	**–**	**–**	**–**	**–**	**15.74**
Dec. 31, 2013	10.85	0.19	(0.12)	2.74	2.06	4.87	–	–	–	–	–	15.74
Dec. 31, 2012	9.21	0.20	(0.10)	1.39	0.15	1.64	–	–	–	–	–	10.85
Dec. 31, 2011	9.93	0.12	(0.08)	0.25	(0.96)	(0.67)	–	–	–	–	–	9.21
Dec. 31, 2010	8.50	0.04	(0.08)	0.94	0.45	1.35	–	–	–	–	–	9.93
Dec. 31, 2009	8.52	0.06	(0.07)	(1.25)	1.11	(0.15)	–	–	–	–	–	8.50
Series O												
June 30, 2014	**15.98**	**0.08**	**–**	**1.53**	**(1.59)**	**0.02**	**–**	**–**	**–**	**–**	**–**	**16.03**
Dec. 31, 2013	10.91	0.19	–	2.77	2.08	5.04	–	–	–	–	–	15.96
Dec. 31, 2012	9.11	0.20	–	1.39	0.14	1.73	–	–	–	–	–	10.91
Dec. 31, 2011	9.73	0.12	–	0.24	(0.95)	(0.59)	–	–	–	–	–	9.11
Dec. 31, 2010	8.26	0.04	–	0.92	0.44	1.40	–	–	–	–	–	9.73
Dec. 31, 2009	8.20	0.06	–	(1.21)	1.08	(0.07)	–	–	–	–	–	8.26

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**14.45**	**162 514**	**11 246**	**1.54**	**1.54**	**100.26**	**0.17**
Dec. 31, 2013	14.51	174 322	12 015	1.55	1.55	103.96	0.17
Dec. 31, 2012	10.14	139 087	13 719	1.54	1.54	104.26	0.20
Dec. 31, 2011	8.64	139 776	16 187	1.49	1.49	124.43	0.29
Dec. 31, 2010	9.33	178 010	19 084	1.50	1.50	144.45	0.43
Dec. 31, 2009	8.04	185 807	23 117	1.47	1.47	133.61	0.37
Series D							
June 30, 2014	**14.78**	**9 080**	**614**	**1.22**	**1.22**	**100.26**	**0.17**
Dec. 31, 2013	14.82	9 979	674	1.23	1.23	103.96	0.17
Dec. 31, 2012	10.32	5 376	521	1.22	1.22	104.26	0.20
Dec. 31, 2011	8.76	4 800	548	1.17	1.17	124.43	0.29
Dec. 31, 2010	9.43	5 175	549	1.18	1.18	144.45	0.43
Dec. 31, 2009	8.10	4 524	558	1.16	1.16	133.61	0.37
Series F							
June 30, 2014	**15.74**	**4 632**	**294**	**0.92**	**0.92**	**100.26**	**0.17**
Dec. 31, 2013	15.75	4 821	306	0.93	0.93	103.96	0.17
Dec. 31, 2012	10.94	3 861	353	0.94	0.94	104.26	0.20
Dec. 31, 2011	9.26	4 215	455	0.90	0.90	124.43	0.29
Dec. 31, 2010	9.95	5 854	589	0.91	0.91	144.45	0.43
Dec. 31, 2009	8.52	7 012	823	0.90	0.90	133.61	0.37
Series O							
June 30, 2014	**16.03**	**28**	**2**	**0.02**	**0.02**	**100.26**	**0.17**
Dec. 31, 2013	15.98	1	–	0.02	0.02	103.96	0.17
Dec. 31, 2012	10.99	1	–	0.02	0.02	104.26	0.20
Dec. 31, 2011	9.16	18 549	2 025	0.02	0.02	124.43	0.29
Dec. 31, 2010	9.75	17 832	1 829	0.02	0.02	144.45	0.43
Dec. 31, 2009	8.28	17 606	2 127	0.02	0.02	133.61	0.37

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.25%	52%	48%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

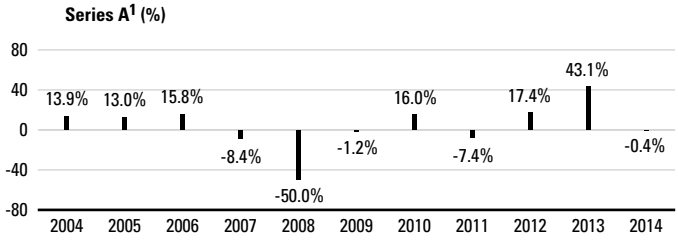
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

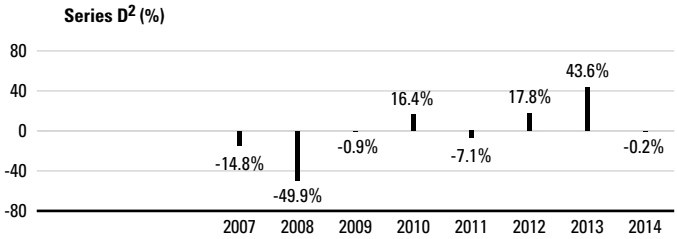
PAST PERFORMANCE

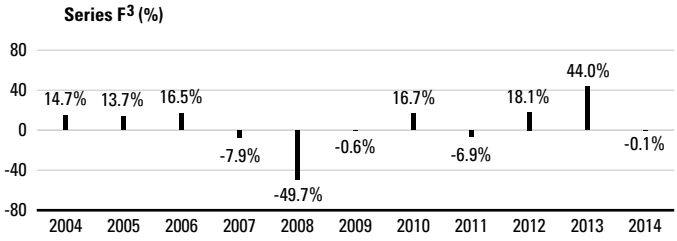
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

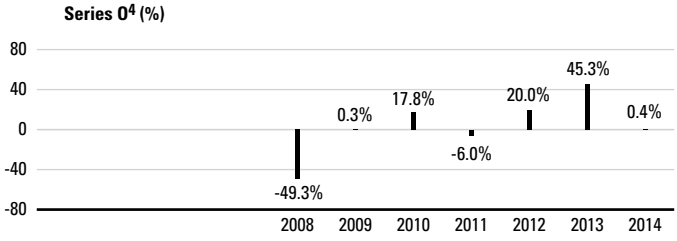
Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.









[1] Inception date November 4, 1997.
[2] Inception date July 3, 2007.
[3] Inception date August 13, 2001.
[4] Inception date January 1, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Industrials	20.2
Financials	19.8
Consumer Discretionary	14.5
Information Technology	14.0
Energy	13.8
Health Care	5.6
Consumer Staples	4.2
Other Sectors	3.6
Cash/Other	4.3

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	2.0
United Insurance Holdings Corp.	1.7
NN Inc.	1.6
The Greenbrier Co. Inc.	1.6
Westmoreland Coal Co.	1.6
Panhandle Oil and Gas Inc., Class A	1.5
Corvel Corp.	1.5
Netscout Systems Inc.	1.5
Huron Consulting Group Inc.	1.4
American Equity Investment Life Holding Co.	1.4
The Andersons Inc.	1.4
Electronics for Imaging Inc.	1.4
Matrix Service Co.	1.2
Circor International Inc.	1.2
North American Energy Partners Inc.	1.2
John Bean Technologies Corp.	1.2
Cavco Industries Inc.	1.1
Home Bancshares Inc.	1.1
Argan Inc.	1.1
WSFS Financial Corp.	1.1
MDC Partners Inc.	1.1
HFF Inc., Class A	1.1
Knight Transportation Inc.	1.0
Beneficial Mutual Bancorp Inc.	1.0
Pioneer Energy Services Corp.	1.0
Top 25 Holdings	33.0

The Summary of Investment Portfolio may change due to ongoing portfolio transactions. A segment of the Fund is rebalanced around the end of the period. The Top 25 holdings may not reflect current positions. A quarterly update is available at www.rbcgam.com/funds.

U.S. EQUITY FUND

RBC O'SHAUGHNESSY U.S. GROWTH FUND II

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: O'Shaughnessy Asset Management, L.L.C., Stamford, Connecticut

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of U.S. companies based on Strategy Indexing®, an investment portfolio management model developed in 1995 by Jim O'Shaughnessy.

To achieve its objective, the Fund selects stocks with the most attractive momentum based on a variety of measures, including six-month total return and nine-month total return. The stocks must also meet certain market capitalization and liquidity thresholds. The Fund uses currency hedges to minimize the impact of fluctuations in the U.S. dollar versus the Canadian dollar.

Results of Operations

The Fund's net asset value was $57 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 0.6%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Global equity-market gains slowed during the first half of 2014 following a huge year in 2013. Many major stock indexes remained at or near all-time highs as the period ended, and large-cap stocks held up quite well. Earnings continued to climb, but stocks are more expensive than they have been in recent years. Investors continued to focus on actions by central banks, pausing to observe the effects of steps by the U.S. Federal Reserve to unwind bond purchases aimed at stimulating the economy.

Companies whose stocks exhibited strong price momentum, like those invested in by the sub-advisor, generally underperformed. In the momentum area, the sub-advisor favoured stocks with lower price volatility, and these stocks finished the period with a negative effect on returns. Exposure to companies with attractive valuations, which are targeted as a component of the stock-selection process, had a slightly positive effect on returns. Exposure to stocks with high earnings quality, high financial strength and earnings growth held back performance.

Allocation among sectors and security selection both had a negative effect on performance. An underweight allocation and security selection in the Health Care sector detracted from Fund performance. Additionally, security selection in the Industrials sector held back returns. Within the sector, Barrett Business Services and Aceto were among the top detractors from returns. An overweight allocation to Consumer Discretionary detracted from performance, but this was more than offset by security selection in the sector. Security selection within Materials also contributed. Within the sector, American Pacific Corp. was among the top performers.

It is the policy of the Fund to maintain currency hedges at all times in order to neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar. This policy had a negative effect on returns during the period.

Portfolio turnover for the Fund is typically high. Inherent in the investment process for O'Shaughnessy Funds is the periodic rebalancing of segments of the portfolio as the sub-advisor attempts to generate better returns through stock selection.

Recent Developments

To identify the most attractive investments, the sub-advisor uses historically proven, objectively measured characteristics like low valuations, strong balance sheet and earnings quality, and strong but stable momentum. The sub-advisor believes that stock selection becomes more important when the overall market is more expensive, and that portfolios which are very different from the market offer the best chance to outperform.

Due to the Fund's investment process and market conditions over the past six months, the Fund has decreased allocations to the Industrials sector and increased allocations to Energy.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A and Series D units.

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Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $0 (2013 – $1,000) or 0% (2013 – 4%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**9.17**	**0.05**	**(0.10)**	**0.79**	**(0.70)**	**0.04**	**–**	**–**	**–**	**–**	**–**	**9.23**
Dec. 31, 2013	6.48	0.11	(0.17)	1.41	1.34	2.69	–	–	–	–	–	9.17
Dec. 31, 2012	5.51	0.10	(0.14)	0.60	0.43	0.99	–	–	–	–	–	6.48
Dec. 31, 2011	6.56	0.06	(0.13)	(0.11)	(0.90)	(1.08)	–	–	–	–	–	5.51
Dec. 31, 2010	5.29	0.04	(0.12)	0.64	0.68	1.24	–	–	–	–	–	6.56
Dec. 31, 2009	4.92	0.03	(0.10)	(0.28)	0.87	0.52	–	–	–	–	–	5.29
Advisor Series												
June 30, 2014	**9.23**	**0.05**	**(0.10)**	**0.80**	**(0.70)**	**0.05**	**–**	**–**	**–**	**–**	**–**	**9.29**
Dec. 31, 2013	6.51	0.11	(0.17)	1.42	1.34	2.70	–	–	–	–	–	9.22
Dec. 31, 2012	5.54	0.10	(0.13)	0.60	0.43	1.00	–	–	–	–	–	6.51
Dec. 31, 2011	6.59	0.06	(0.13)	(0.11)	(0.90)	(1.08)	–	–	–	–	–	5.54
Dec. 31, 2010	5.31	0.04	(0.12)	0.64	0.68	1.24	–	–	–	–	–	6.59
Dec. 31, 2009	4.94	0.03	(0.10)	(0.29)	0.88	0.52	–	–	–	–	–	5.31
Series D												
June 30, 2014	**9.65**	**0.05**	**(0.06)**	**0.84**	**(0.74)**	**0.09**	**–**	**–**	**–**	**–**	**–**	**9.76**
Dec. 31, 2013	6.76	0.11	(0.11)	1.48	1.40	2.88	–	–	–	–	–	9.65
Dec. 31, 2012	5.70	0.10	(0.08)	0.62	0.45	1.09	–	–	–	–	–	6.76
Dec. 31, 2011	6.72	0.06	(0.08)	(0.12)	(0.92)	(1.06)	–	–	–	–	–	5.70
Dec. 31, 2010	5.38	0.04	(0.07)	0.65	0.69	1.31	–	–	–	–	–	6.72
Dec. 31, 2009	4.96	0.03	(0.06)	(0.29)	0.88	0.56	–	–	–	–	–	5.38
Series F												
June 30, 2014	**9.81**	**0.05**	**(0.05)**	**0.85**	**(0.75)**	**0.10**	**–**	**–**	**–**	**–**	**–**	**9.93**
Dec. 31, 2013	6.85	0.11	(0.09)	1.50	1.42	2.94	–	–	–	–	–	9.81
Dec. 31, 2012	5.76	0.11	(0.07)	0.63	0.45	1.12	–	–	–	–	–	6.85
Dec. 31, 2011	6.78	0.06	(0.07)	(0.12)	(0.94)	(1.07)	–	–	–	–	–	5.76
Dec. 31, 2010	5.41	0.04	(0.06)	0.66	0.69	1.33	–	–	–	–	–	6.78
Dec. 31, 2009	4.97	0.03	(0.05)	(0.29)	0.88	0.57	–	–	–	–	–	5.41

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**9.23**	**48 820**	**5 289**	**2.21**	**2.21**	**95.64**	**0.11**
Dec. 31, 2013	9.17	51 596	5 625	2.22	2.22	99.20	0.11
Dec. 31, 2012	6.50	33 028	5 080	2.19	2.19	100.75	0.14
Dec. 31, 2011	5.53	28 940	5 232	2.20	2.20	127.66	0.21
Dec. 31, 2010	6.56	27 401	4 176	2.16	2.16	139.41	0.31
Dec. 31, 2009	5.30	19 984	3 772	2.13	2.13	201.38	0.40
Advisor Series							
June 30, 2014	**9.29**	**1 465**	**158**	**2.20**	**2.20**	**95.64**	**0.11**
Dec. 31, 2013	9.23	1 667	181	2.20	2.20	99.20	0.11
Dec. 31, 2012	6.54	1 228	188	2.14	2.14	100.75	0.14
Dec. 31, 2011	5.56	1 257	226	2.14	2.14	127.66	0.21
Dec. 31, 2010	6.59	1 553	236	2.10	2.10	139.41	0.31
Dec. 31, 2009	5.32	1 492	281	2.08	2.08	201.38	0.40
Series D							
June 30, 2014	**9.76**	**3 918**	**401**	**1.32**	**1.32**	**95.64**	**0.11**
Dec. 31, 2013	9.65	4 500	466	1.33	1.33	99.20	0.11
Dec. 31, 2012	6.78	1 576	232	1.32	1.32	100.75	0.14
Dec. 31, 2011	5.72	1 575	275	1.33	1.33	127.66	0.21
Dec. 31, 2010	6.73	1 427	212	1.30	1.30	139.41	0.31
Dec. 31, 2009	5.39	479	89	1.28	1.28	201.38	0.40
Series F							
June 30, 2014	**9.93**	**2 836**	**285**	**1.04**	**1.04**	**95.64**	**0.11**
Dec. 31, 2013	9.81	3 255	332	1.07	1.07	99.20	0.11
Dec. 31, 2012	6.88	5 163	751	1.04	1.04	100.75	0.14
Dec. 31, 2011	5.79	5 330	921	1.04	1.04	127.66	0.21
Dec. 31, 2010	6.78	9 874	1 456	1.02	1.02	139.41	0.31
Dec. 31, 2009	5.41	7 961	1 470	1.02	1.02	201.38	0.40

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series D	1.10%	23%	77%
Series F	0.85%	–	100%

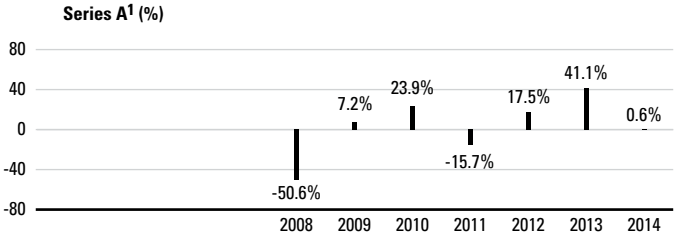
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

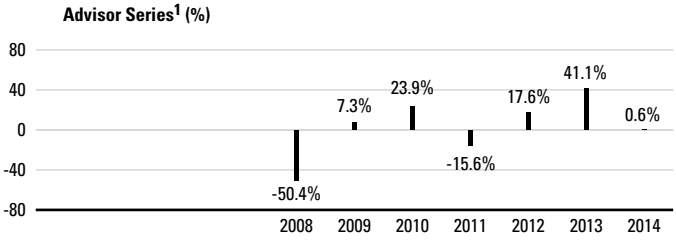
PAST PERFORMANCE

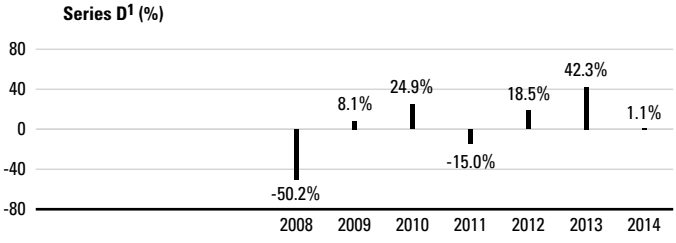
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

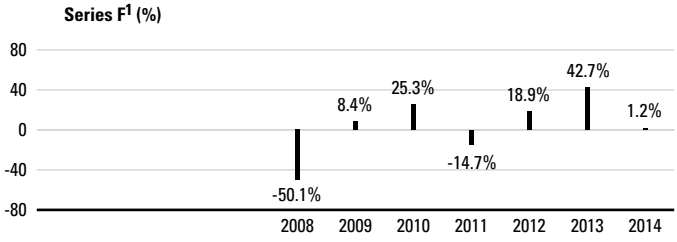
Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.









[1] Inception date January 14, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Industrials	26.2
Information Technology	20.4
Consumer Discretionary	20.2
Health Care	10.8
Energy	8.2
Other Sectors	6.7
Materials	4.3
Cash/Other	3.2

Top 25 Holdings

	% of Net Asset Value
Manhattan Associates Inc.	1.9
Skyworks Solutions Inc.	1.8
Corvel Corp.	1.7
Hanesbrands Inc.	1.6
Packaging Corp. of America	1.6
US Ecology Inc.	1.5
Trinity Industries	1.4
Huntington Ingalls Industries Inc.	1.4
AAON Inc.	1.4
Targa Resources Corp.	1.3
Sonic Corp.	1.2
Graham Holdings Co.	1.2
Jazz Pharmaceuticals Plc.	1.2
Smith (A.O.) Corp.	1.2
Electronics for Imaging Inc.	1.1
Euronet Worldwide Inc.	1.1
NN Inc.	1.1
Avis Budget Group Inc.	1.1
The Andersons Inc.	1.1
WuXi PharmaTech Cayman Inc. ADR	1.1
Huron Consulting Group Inc.	1.1
Cash & Cash Equivalents	1.0
The Greenbrier Co. Inc.	1.0
Circor International Inc.	1.0
Acuity Brands Inc.	1.0
Top 25 Holdings	32.1

The Summary of Investment Portfolio may change due to ongoing portfolio transactions. A segment of the Fund is rebalanced around the end of the period. The Top 25 holdings may not reflect current positions. A quarterly update is available at www.rbcgam.com/funds.

U.S. EQUITY FUND

RBC LIFE SCIENCE AND TECHNOLOGY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to deliver long-term capital growth by investing primarily in equity securities of U.S. companies whose businesses relate to life sciences and technology and are expected to benefit from scientific and technological advances.

The Fund invests in companies with strong management, focused business models and a competitive advantage.

Results of Operations

The Fund's net asset value was $124 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 8.1%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund's returns were, in general, held back by investments in biotechnology companies, which underperformed significantly during the period on concern that shares of many companies were too high given the industry's prospects. Puma Biotechnology and Neogen were holdings that had a particularly negative impact on the portfolio's relative performance.

In the Information Technology sector, the year began with declines after a strong fourth quarter of 2013. The sector rallied between early February and March before selling off in a downturn led by Twitter, Facebook and other social-networking companies. The sector outperformed for the rest of the period. Stocks that aided the Fund's performance were those expected to benefit from faster economic growth, including Cisco and Hewlett-Packard, as well as semiconductor companies such as Intel, Sandisk and Micron Technology.

Within the Health Care sector, exposure to biotechnology was reduced marginally during the period, and proceeds were reinvested in companies looking to benefit from merger-and-acquisition activity and medical-equipment companies. Health-care stocks that had a positive impact on the Fund's performance were Allergan and Shire Plc, both of which are subject to potential takeovers, as well as Cigna and HCA Holdings – managed-care companies that benefited from implementation of the new U.S. health-care law.

Portfolio turnover is normally high for this Fund given the volatility of the Health Care and Information Technology sectors. As a result of this volatility, the portfolio manager actively manages the portfolio to capture profits and/or minimize losses.

Recent Developments

The portfolio manager believes that technology stocks can continue to perform well in the second half of 2014, as the recovery in North America's economy and apparent stabilization in Europe and Asia boost demand for consumer electronics. For the first time in several years, replacement demand for personal computers is ticking up, and as corporate confidence rises, the portfolio manager foresees companies accelerating spending in cloud-related areas where data is stored in remote servers. Finally, momentum is building for the "Internet of Things," whereby devices are controlled from computers elsewhere.

The pace of innovation in drug research has been staggering, especially in treatments for cancer. The Fund is positioned to take advantage in this area, which is characterized by companies pursuing therapies that suppress the immune system. The portfolio manager is less optimistic about companies that conduct clinical trials for pharmaceutical companies, as a spate of industry takeovers has prompted companies to put off drug testing.

Generally speaking, the portfolio manager remains optimistic about prospects for U.S. equities. However, a near-term decline is possible, given that the market's advance over the past year has resulted in stocks being more fairly valued.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $3,000 (2013 – $4,000) or 1% (2013 – 5%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**9.12**	**0.05**	**(0.11)**	**1.42**	**(0.72)**	**0.64**	**–**	**–**	**–**	**–**	**–**	**9.86**
Dec. 31, 2013	6.11	0.06	(0.16)	2.19	0.91	3.00	–	–	–	–	–	9.12
Dec. 31, 2012	5.70	0.06	(0.14)	0.45	0.08	0.45	–	–	–	–	–	6.11
Dec. 31, 2011	5.89	0.03	(0.13)	0.61	(0.67)	(0.16)	–	–	–	–	–	5.70
Dec. 31, 2010	5.27	0.03	(0.11)	0.65	0.01	0.58	–	–	–	–	–	5.89
Dec. 31, 2009	4.17	0.03	(0.10)	0.24	0.92	1.09	–	–	–	–	–	5.27
Series D												
June 30, 2014	**9.71**	**0.06**	**(0.06)**	**1.51**	**(0.76)**	**0.75**	**–**	**–**	**–**	**–**	**–**	**10.55**
Dec. 31, 2013	6.44	0.07	(0.10)	2.33	0.96	3.26	–	–	–	–	–	9.71
Dec. 31, 2012	5.95	0.06	(0.08)	0.47	0.08	0.53	–	–	–	–	–	6.44
Dec. 31, 2011	6.08	0.03	(0.07)	0.63	(0.70)	(0.11)	–	–	–	–	–	5.95
Dec. 31, 2010	5.40	0.03	(0.06)	0.67	0.02	0.66	–	–	–	–	–	6.08
Dec. 31, 2009	4.23	0.03	(0.05)	0.24	0.94	1.16	–	–	–	–	–	5.40
Series F												
June 30, 2014	**10.87**	**0.06**	**(0.06)**	**1.68**	**(0.85)**	**0.83**	**–**	**–**	**–**	**–**	**–**	**11.82**
Dec. 31, 2013	7.20	0.07	(0.09)	2.61	1.08	3.67	–	–	–	–	–	10.87
Dec. 31, 2012	6.63	0.07	(0.07)	0.49	0.08	0.57	–	–	–	–	–	7.20
Dec. 31, 2011	6.76	0.04	(0.06)	0.71	(0.79)	(0.10)	–	–	–	–	–	6.63
Dec. 31, 2010	5.98	0.04	(0.05)	0.73	0.02	0.74	–	–	–	–	–	6.76
Dec. 31, 2009	4.67	0.03	(0.05)	0.27	1.04	1.29	–	–	–	–	–	5.98

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**9.86**	**106 020**	**10 755**	**2.20**	**2.20**	**401.30**	**0.33**
Dec. 31, 2013	9.12	98 870	10 839	2.21	2.21	261.52	0.24
Dec. 31, 2012	6.12	74 012	12 097	2.20	2.20	213.64	0.14
Dec. 31, 2011	5.71	78 672	13 788	2.21	2.21	236.18	0.21
Dec. 31, 2010	5.89	91 432	15 522	2.15	2.15	208.45	0.23
Dec. 31, 2009	5.28	93 309	17 672	2.11	2.11	184.24	0.19
Series D							
June 30, 2014	**10.55**	**17 210**	**1 632**	**1.20**	**1.20**	**401.30**	**0.33**
Dec. 31, 2013	9.71	8 930	919	1.21	1.21	261.52	0.24
Dec. 31, 2012	6.45	2 993	464	1.20	1.20	213.64	0.14
Dec. 31, 2011	5.96	2 738	460	1.21	1.21	236.18	0.21
Dec. 31, 2010	6.09	2 555	420	1.18	1.18	208.45	0.23
Dec. 31, 2009	5.41	2 241	415	1.16	1.16	184.24	0.19
Series F							
June 30, 2014	**11.82**	**383**	**32**	**0.95**	**0.95**	**401.30**	**0.33**
Dec. 31, 2013	10.87	242	22	0.96	0.96	261.52	0.24
Dec. 31, 2012	7.20	28	4	0.96	0.96	213.64	0.14
Dec. 31, 2011	6.63	3 702	558	0.97	0.97	236.18	0.21
Dec. 31, 2010	6.76	33	5	0.93	0.93	208.45	0.23
Dec. 31, 2009	5.99	34	6	0.90	0.90	184.24	0.19

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

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		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	62%	38%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%

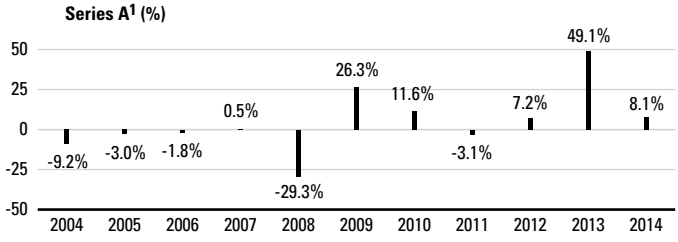
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

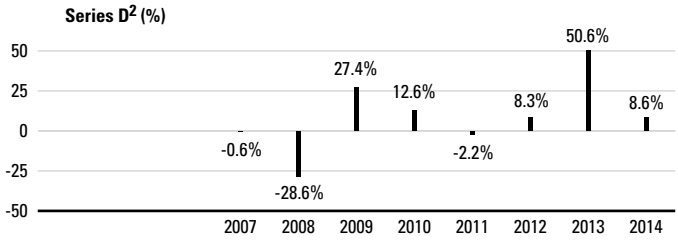
PAST PERFORMANCE

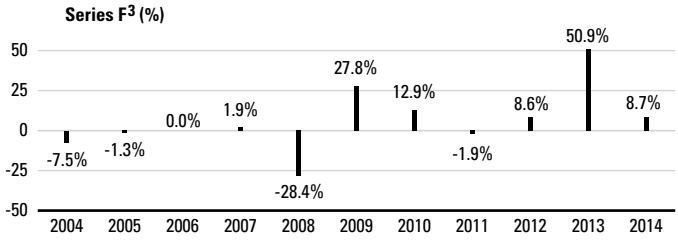
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.







[1] Inception date July 31, 1995.
[2] Inception date July 3, 2007.
[3] Inception date August 13, 2001.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Semiconductor Equipment and Products	20.3
Pharmaceuticals	14.2
Biotechnology	13.3
Technology Hardware, Storage and Peripherals	11.7
Health Care Providers and Services	8.0
Software	7.1
Internet Software and Services	6.9
Health Care Equipment and Supplies	6.8
Other Sectors	6.6
Communications Equipment	3.4
Cash/Other	1.7

Top 25 Holdings

	% of Net Asset Value
Apple Inc.	7.3
Facebook Inc., Class A	2.5
Intel Corp.	2.5
Microsoft Corp.	2.3
Hewlett-Packard Co.	2.2
Micron Technology Inc.	1.8
Teva Pharmaceutical Industries Ltd. ADR	1.8
NXP Semiconductor N.V.	1.6
Humana Inc.	1.5
Cisco Systems Inc.	1.5
Cash & Cash Equivalents	1.5
St. Jude Medical Inc.	1.5
NetFlix Inc.	1.4
Palo Alto Networks Inc.	1.4
Google Inc., Class A	1.4
Celgene Corp.	1.3
Monolithic Power Systems Inc.	1.3
Salesforce.com Inc.	1.3
Western Digital Corp.	1.3
Google Inc., Class C	1.2
Corning Inc.	1.2
Hologic Inc.	1.2
CareFusion Corporation	1.2
HCA Holdings Inc.	1.2
Cigna Corp.	1.2
Top 25 Holdings	44.6

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

INTERNATIONAL EQUITY FUND

RBC INTERNATIONAL DIVIDEND GROWTH FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of major companies domiciled in developed countries outside of North America.

The Fund invests in stocks that have undergone a selection process emphasizing companies with a leading market position or lucrative niche, consistent and predictable profit growth and strong management teams.

Results of Operations

The Fund's net asset value was $58 million as of June 30, 2014.

Over the past six months, the Fund's Advisor Series units gained 1.1%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Eurozone's weaker economies, mostly in southern Europe, led performance among international markets in the first six months of 2014 as investors took a more favourable view of the stability of the global financial system, and Europe in particular. The top-performing sectors were Utilities, Energy, Health Care and Consumer Staples, while Information Technology and Consumer Discretionary were the weakest. Strength in Utilities reflected continued moderation in interest-rate levels. Performance in Energy was driven by investor confidence in the major integrated oil companies, led by Total, which displayed greater discipline in capital spending and allocation to drive shareholder value. Performance in the Health Care sector was driven, in part, by merger-and-acquisition activity, highlighting the attractiveness of European-based companies in lower-taxed jurisdictions to U.S.-based companies.

The Fund remained underexposed to the weaker economies of southern Europe, driving underperformance over the six-month period. The portfolio manager added to the Fund's holdings in Total and BASF in the belief that the earnings of these high-quality companies can continue to improve, as well as the near-term prospects for the Energy sector and chemicals companies within the Materials sector. The Fund took advantage of Financials-sector weakness to build a large position in Legal & General, a U.K.-based life insurer and asset manager that has a dominant position in providing solutions to corporations seeking to immunize themselves from risks in their defined-benefit pension plans, a growing trend. This path represents a multi-year growth opportunity for Legal & General. The Fund also took advantage of weakness in Toyota stock to increase its position in a company that the portfolio manager believes is poised to deliver stronger earnings and free cash flow.

Strength in Energy-sector companies such as Total and Statoil was offset by weakness in Consumer Discretionary stocks such as Wynn Macau and Sands China. The Fund has sold its position in Wynn Macau and added to its position in Sands China, which is more insulated from the current weakness in high-stakes gaming traffic to Macau. Rio Tinto was negatively affected by lower iron prices, driven by concerns over the pace of growth in China. Rio Tinto remains the lowest-cost producer and, with expanding volumes and capital-allocation discipline, the portfolio manager believes it continues to represent an excellent investment for the Fund.

Portfolio turnover is relatively high for the Fund, as the portfolio manager attempts to generate better returns through active fund management.

Recent Developments

The global economy continues to expand at a modest rate, aided by clearly accommodative and coordinated monetary policy in most jurisdictions. Markets continue to reflect the willingness of investors to hold stocks and other higher-risk investments, which is reflected in a greater focus by companies on large-scale mergers and acquisitions. While the direction of corporate profits and free cash flows remains positive, the continued availability of bank and debt-market financing is becoming a greater driver of growth in corporate earnings and equity values, and this trend will bear watching in the months ahead.

The Fund remains positioned to benefit from companies with strong business and financial positions providing the ability to deliver sustainable dividend growth.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Advisor Series units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrar

RBC IS is the registrar of the Fund and keeps records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $2,000 (2013 – $0) or 1% (2013 – 0%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Advisor Series												
June 30, 2014	**9.40**	**0.30**	**(0.10)**	**0.97**	**(1.04)**	**0.13**	**–**	**(0.20)**	**–**	**–**	**(0.20)**	**9.31**
Dec. 31, 2013	7.18	0.21	(0.18)	1.35	0.86	2.24	–	(0.07)	–	–	(0.07)	9.40
Dec. 31, 2012	6.31	0.24	(0.15)	0.15	0.75	0.99	–	(0.10)	–	–	(0.10)	7.18
Dec. 31, 2011	7.22	0.28	(0.15)	(0.03)	(0.79)	(0.69)	–	(0.13)	–	–	(0.13)	6.31
Dec. 31, 2010	7.17	0.21	(0.14)	0.14	(0.18)	0.03	–	(0.08)	–	–	(0.08)	7.22
Dec. 31, 2009	6.25	0.23	(0.13)	(1.72)	2.65	1.03	–	(0.11)	–	–	(0.11)	7.17
Series F												
June 30, 2014	**9.45**	**0.30**	**(0.05)**	**0.97**	**(1.05)**	**0.17**	**–**	**(0.25)**	**–**	**–**	**(0.25)**	**9.37**
Dec. 31, 2013	7.22	0.21	(0.08)	1.36	0.86	2.35	–	(0.16)	–	–	(0.16)	9.45
Dec. 31, 2012	6.35	0.25	(0.07)	0.15	0.76	1.09	–	(0.19)	–	–	(0.19)	7.22
Dec. 31, 2011	7.27	0.28	(0.07)	(0.03)	(0.79)	(0.61)	–	(0.22)	–	–	(0.22)	6.35
Dec. 31, 2010	7.21	0.22	(0.06)	0.15	(0.18)	0.13	–	(0.16)	–	–	(0.16)	7.27
Dec. 31, 2009	6.28	0.23	(0.06)	(1.72)	2.64	1.09	–	(0.16)	–	–	(0.16)	7.21
Series O												
June 30, 2014	**9.43**	**0.30**	**–**	**0.97**	**(1.04)**	**0.23**	**–**	**(0.32)**	**–**	**–**	**(0.32)**	**9.32**
Dec. 31, 2013	7.19	0.21	–	1.35	0.85	2.41	–	(0.23)	–	–	(0.23)	9.43
Dec. 31, 2012	6.32	0.25	–	0.15	0.76	1.16	–	(0.24)	–	–	(0.24)	7.19
Dec. 31, 2011	7.25	0.28	–	(0.03)	(0.80)	(0.55)	–	(0.29)	–	–	(0.29)	6.32
Dec. 31, 2010	7.20	0.21	–	0.15	(0.18)	0.18	–	(0.22)	–	–	(0.22)	7.25
Dec. 31, 2009[3]	7.00[†]	0.04	–	(0.33)	0.51	0.22	–	(0.03)	–	–	(0.03)	7.20

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From October 26, 2009.

[†] Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Advisor Series							
June 30, 2014	**9.31**	**13 191**	**1 417**	**2.21**	**2.21**	**108.39**	**0.56**
Dec. 31, 2013	9.40	13 763	1 464	2.22	2.22	110.68	0.49
Dec. 31, 2012	7.18	12 618	1 757	2.19	2.19	113.92	0.50
Dec. 31, 2011	6.31	15 975	2 531	2.18	2.18	130.47	0.63
Dec. 31, 2010	7.22	25 648	3 553	2.14	2.14	73.23	0.37
Dec. 31, 2009	7.17	35 796	4 995	2.10	2.10	102.10	0.29
Series F							
June 30, 2014	**9.37**	**5 964**	**636**	**1.00**	**1.00**	**108.39**	**0.56**
Dec. 31, 2013	9.45	4 972	526	1.01	1.01	110.68	0.49
Dec. 31, 2012	7.22	4 617	640	0.99	0.99	113.92	0.50
Dec. 31, 2011	6.35	7 500	1 181	0.99	0.99	130.47	0.63
Dec. 31, 2010	7.27	9 743	1 340	0.97	0.97	73.23	0.37
Dec. 31, 2009	7.21	12 059	1 671	0.95	0.95	102.10	0.29
Series O							
June 30, 2014	**9.32**	**38 502**	**4 132**	**0.03**	**0.03**	**108.39**	**0.56**
Dec. 31, 2013	9.43	43 095	4 571	0.03	0.03	110.68	0.49
Dec. 31, 2012	7.19	44 591	6 199	0.03	0.03	113.92	0.50
Dec. 31, 2011	6.32	45 352	7 179	0.02	0.02	130.47	0.63
Dec. 31, 2010	7.25	67 457	9 306	0.02	0.02	73.23	0.37
Dec. 31, 2009[4]	7.20	82 723	11 494	0.04	0.04	102.10	0.29

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From October 26, 2009.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Advisor Series	1.85%	62%	38%
Series F	0.75%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

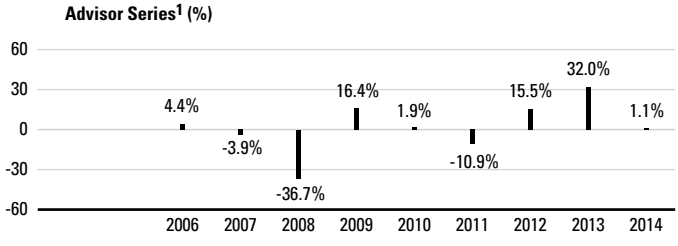
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

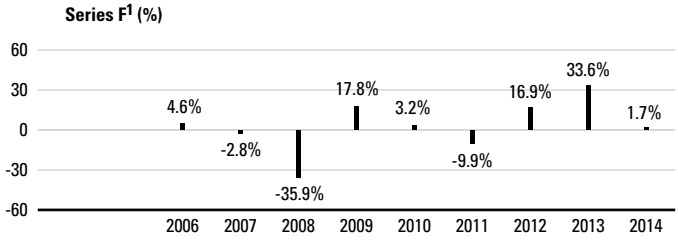
PAST PERFORMANCE

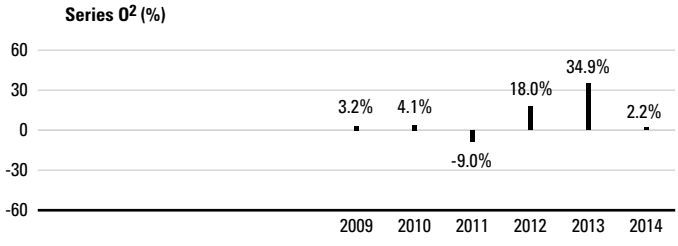
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.







1 Inception date November 6, 2006.
2 Inception date October 26, 2009.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United Kingdom	23.9
Germany	16.4
Japan	12.2
Other Countries	11.9
France	11.6
Belgium	7.1
Switzerland	7.0
Sweden	5.4
Finland	4.0
Cash/Other	0.5

Top 25 Holdings

	% of Net Asset Value
InBev N.V.	4.2
Rio Tinto Plc.	4.1
Total S.A.	4.1
Shire Plc.	4.1
Deutsche Telekom AG	4.0
Sampo OYJ	4.0
Legal & General Group Plc.	3.9
Prudential Corporation Plc.	3.8
Roche Holdings AG Genusscheine	3.5
KDDI Corporation	3.4
Sands China Ltd.	3.2
Toyota Motor Corp.	3.2
Bayerische Motoren Werke (BMW) AG	3.1
BASF AG	3.1
The Sage Group Plc.	2.9
KBC Groep N.V.	2.9
Airbus Group N.V.	2.8
Bayer AG	2.7
StatoilHydro ASA	2.6
Nestlé S.A.	2.5
Sumitomo Mitsui Financial Group Inc.	2.5
Vinci S.A.	2.5
Safran S.A.	2.5
Allianz SE	2.5
DBS Group Holdings Ltd.	2.4
Top 25 Holdings	80.5

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by contacting us at 1-800-662-0652.

INTERNATIONAL EQUITY FUND

RBC INTERNATIONAL EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

Sub-Advisor: RBC Investment Management (Asia) Limited, Hong Kong, China

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund aims to provide long-term capital growth by investing in stocks of companies outside North America, providing exposure to economies that may be at different stages of the business cycle or offer growth opportunities unavailable in U.S. and Canadian markets. The Fund focuses on companies that are primarily in Europe, Australasia and the Far East.

Results of Operations

The Fund's net asset value was $243 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 0.1%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

European stocks performed well during the first half of 2014, driven by an improving U.K. economy and early signs of an economic recovery in the Eurozone. After a strong start to the year, Eurozone equities dropped in February on concern that deflation was starting to take root, prompting the European Central Bank (the "ECB") to hint that it would take steps to bolster asset prices, and these measures were delivered in June. Russia's seizure of the Crimea from Ukraine in March also weighed on stocks. The backdrop in Asia was more challenging amid concerns about China's slowing economy and excessive debt levels in the world's second-largest economy. Japanese stocks were among the worst developed-market equity markets as the yen strengthened and investors became less optimistic that economic reforms would be enacted.

The Fund's performance in Europe was held back by the portfolio's relative lack of exposure to large-cap companies such as Unilever and AB-InBev, whose stocks improved after a period of weakness. Instead, the Fund favoured high-quality mid-cap companies that perform best during the early stages of an economic expansion. Toward the end of the period, the sub-advisor increased exposure to the larger-cap companies on indications that economic growth may soon slow in Germany and Europe's other strong economies. Stocks that contributed strongly to performance during the period were Novo-Nordisk and ACS. The biggest detractors have been Rio Tinto and clothes retailer SuperGroup.

In Asia, the Fund performed somewhat poorly on a relative basis during the period, largely because of the negative effect of Japanese stock selection, while in the rest of Asia on balance the Fund had more success. The markets remained fairly volatile over the period, particularly the large North Asian markets of Japan and China, which were weak in the first quarter but bounced back in the subsequent three months.

At the company level, Jardine Matheson, the Hong Kong-based conglomerate, had a positive impact on the Fund's returns, as did allocations to companies in Thailand. Stock selection in South Korea had a negative impact on relative performance. Samsung Heavy Industries fell on declining demand for offshore-production facilities and drillships. The relatively weak environment prompted the sub-advisor to ensure that the portfolio had significant exposure to higher-quality companies with strong balance sheets and solid management.

Recent Developments

Currency movements and politics are areas to which the sub-advisor is paying close attention. In the Eurozone, ECB President Mario Draghi has embarked on a new round of ultra-loose monetary policy that appears to have weakened the euro for now. A weakening euro would be good for corporate profits in the Eurozone. In Britain, the pound has been very strong on speculation that Bank of England Governor Mark Carney might increase interest rates earlier than was previously expected. The pound's strength has hurt U.K. companies that derive a large portion of their income from abroad, and further strengthening would further reduce the profitability of these holdings.

Financial markets have largely ignored geopolitical issues involving Russia and Ukraine, and this is likely to continue unless the conflict erupts into a fully fledged war. The U.S. is showing further signs of economic recovery, and Europe's economy appears to be gaining traction with the potential for further easing by the ECB. The main issues facing Asian markets remain the impact of excessive credit and rising non-performing loans in China, and the likelihood of further policy action in Japan. Markets in other Asian countries will depend on election outcomes.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisors

RBC Global Asset Management (UK) Limited and RBC Investment Management (Asia) Limited are the sub-advisors and provide investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $24,000 (2013 – $0) or 4% (2013 – 0%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**15.96**	**0.22**	**(0.18)**	**0.78**	**(0.78)**	**0.04**	**–**	**–**	**–**	**–**	**–**	**15.98**
Dec. 31, 2013	12.32	0.36	(0.32)	0.65	3.05	3.74	–	(0.03)	–	–	(0.03)	15.96
Dec. 31, 2012	10.73	0.35	(0.26)	0.02	1.57	1.68	–	(0.10)	–	–	(0.10)	12.32
Dec. 31, 2011	12.21	0.34	(0.25)	(0.07)	(1.40)	(1.38)	–	(0.07)	–	–	(0.07)	10.73
Dec. 31, 2010	12.13	0.28	(0.25)	(0.33)	0.22	(0.08)	–	(0.07)	–	–	(0.07)	12.21
Dec. 31, 2009	11.32	0.36	(0.24)	(1.93)	2.73	0.92	–	(0.14)	–	–	(0.14)	12.13
Advisor Series												
June 30, 2014	**15.83**	**0.21**	**(0.17)**	**0.77**	**(0.77)**	**0.04**	**–**	**–**	**–**	**–**	**–**	**15.85**
Dec. 31, 2013	12.21	0.35	(0.32)	0.63	2.96	3.62	–	(0.03)	–	–	(0.03)	15.83
Dec. 31, 2012	10.62	0.35	(0.25)	0.02	1.56	1.68	–	(0.09)	–	–	(0.09)	12.21
Dec. 31, 2011	12.09	0.34	(0.24)	(0.06)	(1.39)	(1.35)	–	(0.07)	–	–	(0.07)	10.62
Dec. 31, 2010	12.00	0.27	(0.24)	(0.32)	0.21	(0.08)	–	(0.07)	–	–	(0.07)	12.09
Dec. 31, 2009	11.18	0.36	(0.23)	(1.91)	2.70	0.92	–	(0.11)	–	–	(0.11)	12.00
Series D												
June 30, 2014	**16.23**	**0.22**	**(0.10)**	**0.79**	**(0.79)**	**0.12**	**–**	**–**	**–**	**–**	**–**	**16.34**
Dec. 31, 2013	12.48	0.36	(0.19)	0.65	3.03	3.85	–	(0.12)	–	–	(0.12)	16.23
Dec. 31, 2012	10.86	0.35	(0.15)	0.02	1.60	1.82	–	(0.21)	–	–	(0.21)	12.48
Dec. 31, 2011	12.26	0.35	(0.14)	(0.07)	(1.43)	(1.29)	–	(0.09)	–	–	(0.09)	10.86
Dec. 31, 2010	12.14	0.28	(0.14)	(0.33)	0.22	0.03	–	(0.15)	–	–	(0.15)	12.26
Dec. 31, 2009	11.31	0.36	(0.14)	(1.94)	2.74	1.02	–	(0.22)	–	–	(0.22)	12.14
Series F												
June 30, 2014	**17.63**	**0.24**	**(0.09)**	**0.87**	**(0.86)**	**0.16**	**–**	**–**	**–**	**–**	**–**	**17.76**
Dec. 31, 2013	13.57	0.40	(0.16)	0.72	3.36	4.32	–	(0.20)	–	–	(0.20)	17.63
Dec. 31, 2012	11.84	0.36	(0.13)	0.02	1.74	1.99	–	(0.31)	–	–	(0.31)	13.57
Dec. 31, 2011	13.54	0.38	(0.12)	(0.07)	(1.56)	(1.37)	–	(0.28)	–	–	(0.28)	11.84
Dec. 31, 2010	13.41	0.31	(0.12)	(0.36)	0.24	0.07	–	(0.20)	–	–	(0.20)	13.54
Dec. 31, 2009	12.57	0.41	(0.12)	(2.16)	3.05	1.18	–	(0.38)	–	–	(0.38)	13.41
Series O												
June 30, 2014	**16.66**	**0.22**	**–**	**0.79**	**(0.79)**	**0.22**	**–**	**–**	**–**	**–**	**–**	**16.87**
Dec. 31, 2013	12.73	0.36	–	0.64	3.00	4.00	–	(0.23)	–	–	(0.23)	16.66
Dec. 31, 2012	10.87	0.36	–	0.02	1.63	2.01	–	(0.14)	–	–	(0.14)	12.73
Dec. 31, 2011	12.25	0.35	–	(0.07)	(1.44)	(1.16)	–	(0.25)	–	–	(0.25)	10.87
Dec. 31, 2010	12.11	0.26	–	(0.30)	0.20	0.16	–	(0.28)	–	–	(0.28)	12.25
Dec. 31, 2009	11.27	0.37	–	(1.94)	2.75	1.18	–	(0.37)	–	–	(0.37)	12.11

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**15.98**	**126 097**	**7 890**	**2.26**	**2.26**	**75.80**	**0.52**
Dec. 31, 2013	15.96	124 714	7 814	2.27	2.27	55.63	0.30
Dec. 31, 2012	12.32	87 471	7 100	2.25	2.25	89.96	0.43
Dec. 31, 2011	10.73	83 992	7 830	2.25	2.25	115.22	0.65
Dec. 31, 2010	12.21	108 490	8 883	2.20	2.20	123.29	0.62
Dec. 31, 2009	12.13	119 636	9 860	2.16	2.16	154.18	0.75
Advisor Series							
June 30, 2014	**15.85**	**1 864**	**118**	**2.21**	**2.21**	**75.80**	**0.52**
Dec. 31, 2013	15.83	1 353	85	2.23	2.23	55.63	0.30
Dec. 31, 2012	12.21	523	43	2.21	2.21	89.96	0.43
Dec. 31, 2011	10.62	376	35	2.21	2.21	115.22	0.65
Dec. 31, 2010	12.09	473	39	2.16	2.16	123.29	0.62
Dec. 31, 2009	12.00	533	44	2.11	2.11	154.18	0.75
Series D							
June 30, 2014	**16.34**	**35 528**	**2 175**	**1.27**	**1.27**	**75.80**	**0.52**
Dec. 31, 2013	16.23	25 776	1 588	1.29	1.29	55.63	0.30
Dec. 31, 2012	12.48	9 300	745	1.28	1.28	89.96	0.43
Dec. 31, 2011	10.86	7 951	732	1.27	1.27	115.22	0.65
Dec. 31, 2010	12.26	2 618	214	1.24	1.24	123.29	0.62
Dec. 31, 2009	12.14	2 701	223	1.21	1.21	154.18	0.75
Series F							
June 30, 2014	**17.76**	**1 883**	**106**	**1.01**	**1.01**	**75.80**	**0.52**
Dec. 31, 2013	17.63	1 907	108	1.01	1.01	55.63	0.30
Dec. 31, 2012	13.57	1 196	88	1.01	1.01	89.96	0.43
Dec. 31, 2011	11.84	1 443	122	1.01	1.01	115.22	0.65
Dec. 31, 2010	13.54	2 105	155	0.98	0.98	123.29	0.62
Dec. 31, 2009	13.41	2 524	188	0.95	0.95	154.18	0.75
Series O							
June 30, 2014	**16.87**	**77 838**	**4 614**	**0.02**	**0.02**	**75.80**	**0.52**
Dec. 31, 2013	16.66	27 929	1 676	0.02	0.02	55.63	0.30
Dec. 31, 2012	12.73	4 026	316	0.03	0.03	89.96	0.43
Dec. 31, 2011	10.87	644	59	0.02	0.02	115.22	0.65
Dec. 31, 2010	12.25	91	7	0.02	0.02	123.29	0.62
Dec. 31, 2009	12.11	23 876	1 972	0.03	0.03	154.18	0.75

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	62%	38%
Advisor Series	1.85%	62%	38%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

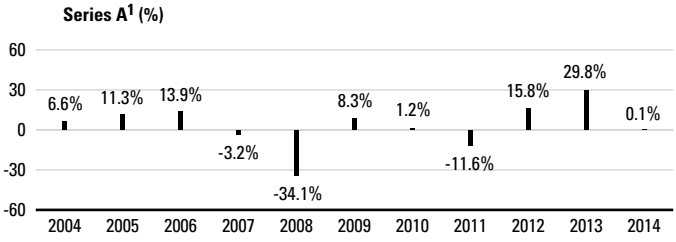
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

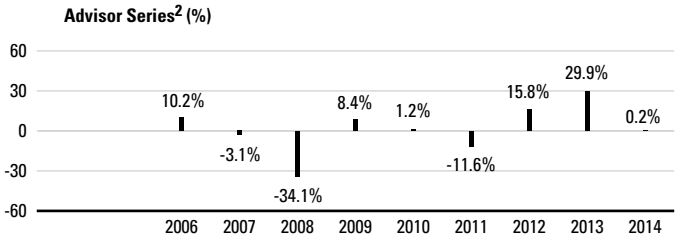
PAST PERFORMANCE

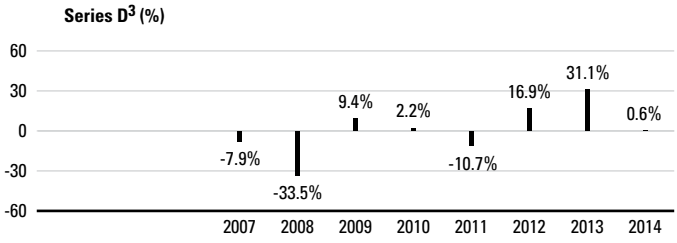
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

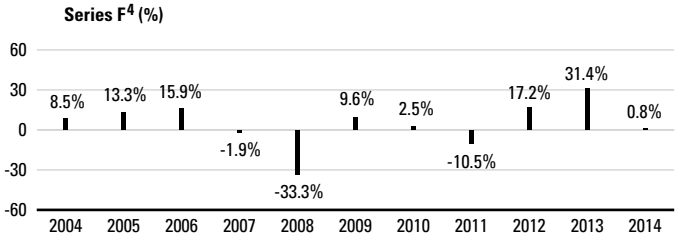
Year-by-Year Returns (%)

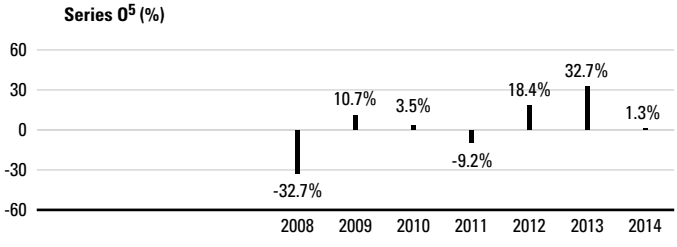
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











[1] Inception date January 11, 1993.
[2] Inception date August 28, 2006.
[3] Inception date July 3, 2007.
[4] Inception date August 13, 2001.
[5] Inception date January 1, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United Kingdom	25.1
Japan	19.0
Switzerland	6.8
Germany	6.7
Netherlands	6.7
Other Countries	6.1
Australia	5.1
Hong Kong	4.4
Spain	4.4
France	3.8
Belgium	3.5
Denmark	3.3
Finland	2.9
Cash/Other	2.2

Top 25 Holdings

	% of Net Asset Value
Unilever Plc.	2.8
InBev N.V.	2.8
Roche Holdings AG Genusscheine	2.7
Royal Dutch Shell Plc., A Shares	2.6
Elsevier N.V.	2.5
Novo Nordisk A/S	2.3
Shire Plc.	2.3
BP Plc.	2.2
Rio Tinto Plc.	2.0
Cash & Cash Equivalents	2.0
Koninklijke KPN N.V.	2.0
BT Group Plc.	1.9
Sampo OYJ	1.8
ACS Actividades Construccion y Servicios S.A.	1.8
Novartis AG	1.8
Christian Dior S.A.	1.6
Henkel KGaA, Preferred Non-Voting	1.6
Bayer AG	1.6
ING Groep N.V.	1.5
Daily Mail & General Trust Plc.	1.4
Tencent Holdings Ltd.	1.4
Safran S.A.	1.3
SoftBank Corp.	1.3
Toyota Motor Corp.	1.3
Diageo Plc.	1.2
Top 25 Holdings	47.7

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

INTERNATIONAL EQUITY FUND

RBC INTERNATIONAL INDEX CURRENCY NEUTRAL FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: State Street Global Advisors, Ltd.

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by tracking the performance of the Morgan Stanley Capital International – Europe, Australasia and Far East Total Return Index ("MSCI EAFE Index") (in local currencies). By investing primarily in Canadian money market securities, the Fund is generally not exposed to currency fluctuations between the Canadian dollar and foreign currencies. The Fund's return is based on the international markets' returns, in their local currencies.

To track the performance of the benchmark, the Fund uses derivatives, such as futures, to gain exposure to the markets and securities.

Results of Operations

The Fund's net asset value was $339 million as of June 30, 2014.

Over the past six months, the Fund's units gained 2.8%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The individual stock markets that contributed most to performance were the U.K., followed by Australia and Switzerland. The markets that had the most negative impact on performance were Austria, Portugal and Ireland. The best-performing international sectors were Health Care, Energy and Consumer Staples. The worst-performing sectors were Information Technology, Telecommunication Services and Consumer Discretionary.

The Fund's currency-hedging strategy had a negative effect on performance, as unitholders did not benefit from the appreciation of global currencies against the Canadian dollar during the first six months of 2014.

Recent Developments

The sub-advisor has no recent developments to report.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**9.68**	**0.33**	**(0.03)**	**(0.03)**	**0.01**	**0.28**	**–**	**–**	**–**	**–**	**–**	**9.95**
Dec. 31, 2013	7.70	2.03	(0.06)	–	–	1.97	–	–	–	–	–	9.68
Dec. 31, 2012	6.61	1.14	(0.05)	–	(0.01)	1.08	–	–	–	–	–	7.70
Dec. 31, 2011	7.55	(0.87)	(0.05)	(0.02)	–	(0.94)	–	–	–	–	–	6.61
Dec. 31, 2010	7.31	0.27	(0.05)	–	–	0.22	–	–	–	–	–	7.55
Dec. 31, 2009	5.98	1.37	(0.04)	–	–	1.33	–	–	–	–	–	7.31

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**9.95**	**339 195**	**34 103**	**0.71**	**0.71**	**n/a**	**–**
Dec. 31, 2013	9.68	315 975	32 642	0.71	0.71	n/a	–
Dec. 31, 2012	7.70	216 401	28 112	0.70	0.70	n/a	–
Dec. 31, 2011	6.61	193 188	29 206	0.68	0.68	n/a	–
Dec. 31, 2010	7.55	246 795	32 679	0.69	0.69	n/a	–
Dec. 31, 2009	7.31	259 292	35 459	0.68	0.68	n/a	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	0.50%	20%	80%

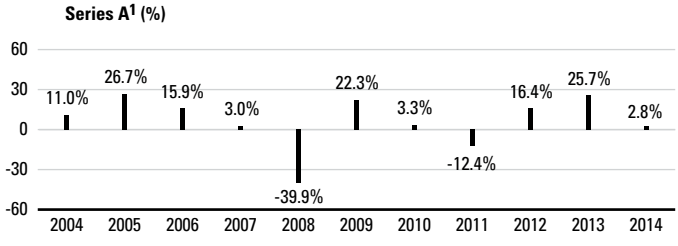
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.



[1] Inception date October 13, 1998.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United Kingdom	21.9
Japan	20.0
France	10.5
Germany	9.5
Switzerland	9.2
Australia	7.8
Other Countries	4.7
Hong Kong	4.2
Sweden	3.9
Spain	3.7
Italy	2.7
Netherlands	2.6
Cash/Other	(0.7)

Top 25 Holdings

	% of Net Asset Value
Nestlé S.A.	1.8
Roche Holdings AG Genusscheine	1.5
Novartis AG	1.5
HSBC Holdings Plc. (U.K. Reg.)	1.4
Toyota Motor Corp.	1.2
BP Plc.	1.2
Royal Dutch Shell Plc.	1.2
Total S.A.	1.1
GlaxoSmithKline Plc.	0.9
Sanofi	0.9
BCO Santander Central Hispano S.A.	0.9
Commonwealth Bank of Australia	0.9
Bayer AG	0.9
British American Tobacco Plc.	0.8
BHP Billiton Ltd.	0.8
BASF AG	0.8
Royal Dutch Shell Plc., B Shares	0.8
Siemens AG	0.8
Westpac Banking Corporation	0.7
AstraZeneca Plc.	0.7
InBev N.V.	0.7
Novo Nordisk A/S	0.7
Daimler AG	0.7
Vodafone Group Plc.	0.6
Australia & New Zealand Banking Group Ltd.	0.6
Top 25 Holdings	24.1

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

INTERNATIONAL EQUITY FUND

RBC O'SHAUGHNESSY INTERNATIONAL EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: O'Shaughnessy Asset Management, L.L.C., Stamford, Connecticut

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term total returns composed of capital growth and current income from investments outside North America. Stock selection is based on Strategy Indexing®, an investment portfolio management model developed in 1995 by Jim O'Shaughnessy.

To achieve its objective, the Fund selects high dividend-yielding stocks. The stocks must also meet certain market capitalization and liquidity thresholds. In addition, the Fund selects stocks with the most attractive momentum based on a variety of measures such as six-month total return and nine-month total return. The Fund does not hedge currency exposure back to Canadian dollars.

Results of Operations

The Fund's net asset value was $522 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 8.7%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Global equity-market gains slowed during the first half of 2014 following a huge year in 2013. Many major stock indexes remained at or near all-time highs as the period ended, and large-cap stocks held up quite well. Earnings continued to climb, but stocks are more expensive than they have been in recent years. Investors continued to focus on actions by central banks, pausing to observe the effects of steps by the U.S. Federal Reserve to unwind bond purchases aimed at stimulating the economy.

Companies with low valuations, which are emphasized by the Fund, contributed to performance during the period. Stocks with high momentum, which are also emphasized, underperformed. In the momentum area, the sub-advisor favoured stocks with lower price volatility, which outperformed. Stocks with high dividend yields contributed positively to overall performance. Additionally, stocks with high earnings quality helped performance, while stocks with high financial strength had a slightly negative effect.

Allocation among countries and stock selection had positive effects on returns during the period. Overweight allocations and security selection in France and Germany generally contributed to the Fund's results, while underweight allocations and security selection in Australia and Switzerland detracted from returns. From a sector perspective, overweight allocations to the Consumer Discretionary and Telecommunication Services sectors detracted from returns, but these were more than offset by security selection in the sectors. Within the Consumer Discretionary sector, French auto-parts maker Montupet and Plastic Omnium, also of France, were among the Fund's top contributors. An underweight allocation to the Consumer Staples sector detracted from overall performance. Additionally, security selection in the Financials sector had a negative impact. Within the sector, French insurer Euler Hermes and Banco Santander of Spain had the most negative impact on performance.

Recent Developments

To identify the most attractive investments, the sub-advisor uses historically proven, objectively measured characteristics like low valuations, strong balance sheet and earnings quality, and strong but stable momentum. In 2013, international stocks with these characteristics outperformed the market, and the sub-advisor expects this trend to continue in 2014. The sub-advisor believes that stock selection becomes more important when the overall market is more expensive, and that portfolios which are very different from the market offer the best chance to outperform.

Due to the Fund's investment process and market conditions over the past six months, the Fund has decreased allocations to the Consumer Discretionary sector and increased allocations to Materials.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

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Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**9.18**	**0.28**	**(0.11)**	**0.97**	**(0.36)**	**0.78**	**–**	**–**	**–**	**–**	**–**	**9.98**
Dec. 31, 2013	6.77	0.31	(0.18)	0.60	1.82	2.55	–	(0.14)	–	–	(0.14)	9.18
Dec. 31, 2012	6.32	0.32	(0.15)	(0.69)	1.15	0.63	–	(0.20)	–	–	(0.20)	6.77
Dec. 31, 2011	7.73	0.43	(0.16)	0.13	(1.44)	(1.04)	–	(0.31)	–	–	(0.31)	6.32
Dec. 31, 2010	7.41	0.28	(0.15)	0.03	0.18	0.34	–	(0.12)	–	–	(0.12)	7.73
Dec. 31, 2009	7.19	0.25	(0.15)	(0.97)	1.17	0.30	–	(0.12)	–	–	(0.12)	7.41
Advisor Series												
June 30, 2014	**9.08**	**0.28**	**(0.11)**	**0.96**	**(0.36)**	**0.77**	**–**	**–**	**–**	**–**	**–**	**9.87**
Dec. 31, 2013	6.69	0.30	(0.17)	0.59	1.79	2.51	–	(0.14)	–	–	(0.14)	9.08
Dec. 31, 2012	6.26	0.32	(0.14)	(0.68)	1.14	0.64	–	(0.22)	–	–	(0.22)	6.69
Dec. 31, 2011	7.70	0.43	(0.16)	0.13	(1.43)	(1.03)	–	(0.35)	–	–	(0.35)	6.26
Dec. 31, 2010	7.41	0.28	(0.15)	0.03	0.18	0.34	–	(0.16)	–	–	(0.16)	7.70
Dec. 31, 2009	7.19	0.25	(0.15)	(0.97)	1.16	0.29	–	(0.13)	–	–	(0.13)	7.41
Series D												
June 30, 2014	**9.26**	**0.29**	**(0.07)**	**0.98**	**(0.36)**	**0.84**	**–**	**–**	**–**	**–**	**–**	**10.10**
Dec. 31, 2013	6.79	0.31	(0.11)	0.61	1.83	2.64	–	(0.18)	–	–	(0.18)	9.26
Dec. 31, 2012	6.33	0.32	(0.09)	(0.69)	1.16	0.70	–	(0.25)	–	–	(0.25)	6.79
Dec. 31, 2011	7.74	0.44	(0.10)	0.13	(1.45)	(0.98)	–	(0.37)	–	–	(0.37)	6.33
Dec. 31, 2010	7.43	0.28	(0.09)	0.03	0.18	0.40	–	(0.20)	–	–	(0.20)	7.74
Dec. 31, 2009	7.20	0.25	(0.09)	(0.98)	1.17	0.35	–	(0.17)	–	–	(0.17)	7.43
Series F												
June 30, 2014	**8.59**	**0.27**	**(0.05)**	**0.91**	**(0.34)**	**0.79**	**–**	**–**	**–**	**–**	**–**	**9.39**
Dec. 31, 2013	6.33	0.29	(0.08)	0.56	1.70	2.47	–	(0.23)	–	–	(0.23)	8.59
Dec. 31, 2012	5.96	0.30	(0.07)	(0.65)	1.08	0.66	–	(0.33)	–	–	(0.33)	6.33
Dec. 31, 2011	7.62	0.43	(0.08)	0.12	(1.41)	(0.94)	–	(0.64)	–	–	(0.64)	5.96
Dec. 31, 2010	7.32	0.28	(0.07)	0.03	0.18	0.42	–	(0.23)	–	–	(0.23)	7.62
Dec. 31, 2009	7.11	0.25	(0.07)	(0.96)	1.16	0.38	–	(0.22)	–	–	(0.22)	7.32
Series I												
June 30, 2014	**10.05**	**0.31**	**(0.04)**	**1.07**	**(0.40)**	**0.94**	**–**	**–**	**–**	**–**	**–**	**11.00**
Dec. 31, 2013	7.40	0.34	(0.07)	0.66	2.00	2.93	–	(0.28)	–	–	(0.28)	10.05
Dec. 31, 2012	6.88	0.36	(0.06)	(0.76)	1.27	0.81	–	(0.30)	–	–	(0.30)	7.40
Dec. 31, 2011	8.40	0.48	(0.07)	0.14	(1.58)	(1.03)	–	(0.42)	–	–	(0.42)	6.88
Dec. 31, 2010	8.22	0.31	(0.06)	0.03	0.20	0.48	–	(0.43)	–	–	(0.43)	8.40
Dec. 31, 2009	7.95	0.28	(0.06)	(1.08)	1.30	0.44	–	(0.22)	–	–	(0.22)	8.22

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**8.25**	**0.26**	**–**	**0.88**	**(0.33)**	**0.81**	**–**	**–**	**–**	**–**	**–**	**9.07**
Dec. 31, 2013	6.05	0.28	–	0.54	1.64	2.46	–	(0.26)	–	–	(0.26)	8.25
Dec. 31, 2012	6.51	0.36	–	(0.69)	1.16	0.83	–	(1.30)	–	–	(1.30)	6.05
Dec. 31, 2011	8.00	0.46	–	0.13	(1.51)	(0.92)	–	(0.50)	–	–	(0.50)	6.51
Dec. 31, 2010	7.64	0.29	–	0.03	0.19	0.51	–	(0.27)	–	–	(0.27)	8.00
Dec. 31, 2009	7.38	0.26	–	(1.01)	1.21	0.46	–	(0.26)	–	–	(0.26)	7.64

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**9.98**	**445 635**	**44 664**	**2.25**	**2.25**	**75.06**	**0.16**
Dec. 31, 2013	9.18	407 485	44 377	2.26	2.26	71.42	0.13
Dec. 31, 2012	6.77	330 243	48 812	2.24	2.24	58.58	0.14
Dec. 31, 2011	6.32	374 035	59 211	2.25	2.25	73.28	0.13
Dec. 31, 2010	7.73	531 488	68 784	2.20	2.20	93.69	0.19
Dec. 31, 2009	7.41	635 544	85 805	2.15	2.15	135.94	0.29
Advisor Series							
June 30, 2014	**9.87**	**7 217**	**732**	**2.20**	**2.20**	**75.06**	**0.16**
Dec. 31, 2013	9.08	5 350	589	2.22	2.22	71.42	0.13
Dec. 31, 2012	6.69	4 469	668	2.20	2.20	58.58	0.14
Dec. 31, 2011	6.26	5 553	888	2.18	2.18	73.28	0.13
Dec. 31, 2010	7.70	9 797	1 272	2.15	2.15	93.69	0.19
Dec. 31, 2009	7.41	15 558	2 099	2.10	2.10	135.94	0.29
Series D							
June 30, 2014	**10.10**	**21 252**	**2 103**	**1.37**	**1.37**	**75.06**	**0.16**
Dec. 31, 2013	9.26	12 508	1 351	1.38	1.38	71.42	0.13
Dec. 31, 2012	6.79	7 326	1 078	1.38	1.38	58.58	0.14
Dec. 31, 2011	6.33	7 160	1 131	1.38	1.38	73.28	0.13
Dec. 31, 2010	7.74	9 135	1 179	1.34	1.34	93.69	0.19
Dec. 31, 2009	7.43	11 672	1 570	1.31	1.31	135.94	0.29
Series F							
June 30, 2014	**9.39**	**16 346**	**1 741**	**1.08**	**1.08**	**75.06**	**0.16**
Dec. 31, 2013	8.59	12 870	1 498	1.10	1.10	71.42	0.13
Dec. 31, 2012	6.33	11 108	1 755	1.09	1.09	58.58	0.14
Dec. 31, 2011	5.96	18 823	3 157	1.09	1.09	73.28	0.13
Dec. 31, 2010	7.62	48 276	6 339	1.07	1.07	93.69	0.19
Dec. 31, 2009	7.32	65 270	8 918	1.05	1.05	135.94	0.29

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series I							
June 30, 2014	**11.00**	**14 118**	**1 284**	**0.81**	**0.81**	**75.06**	**0.16**
Dec. 31, 2013	10.05	13 510	1 344	0.82	0.82	71.42	0.13
Dec. 31, 2012	7.40	10 232	1 383	0.86	0.86	58.58	0.14
Dec. 31, 2011	6.88	8 273	1 202	0.86	0.86	73.28	0.13
Dec. 31, 2010	8.40	9 521	1 134	0.83	0.83	93.69	0.19
Dec. 31, 2009	8.22	19 858	2 417	0.81	0.81	135.94	0.29
Series O							
June 30, 2014	**9.07**	**17 931**	**1 978**	**0.02**	**0.02**	**75.06**	**0.16**
Dec. 31, 2013	8.25	15 416	1 868	0.02	0.02	71.42	0.13
Dec. 31, 2012	6.05	10 010	1 655	0.02	0.02	58.58	0.14
Dec. 31, 2011	6.51	46 844	7 194	0.02	0.02	73.28	0.13
Dec. 31, 2010	8.00	59 765	7 467	0.02	0.02	93.69	0.19
Dec. 31, 2009	7.64	53 171	6 960	0.02	0.02	135.94	0.29

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series D	1.10%	23%	77%
Series F	0.85%	–	100%
Series I	0.75%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

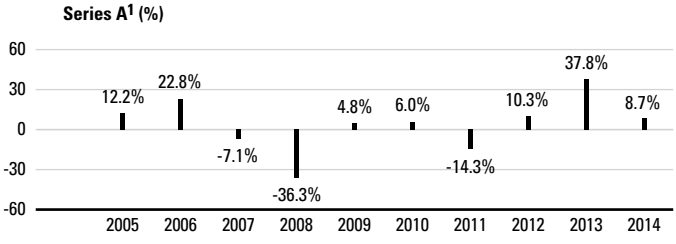
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

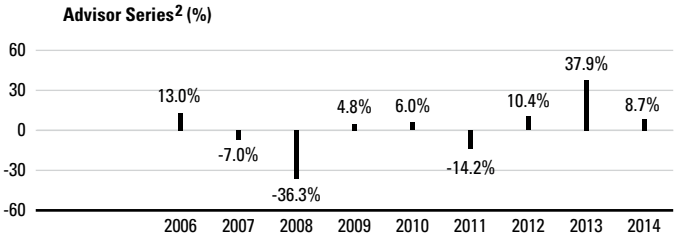
PAST PERFORMANCE

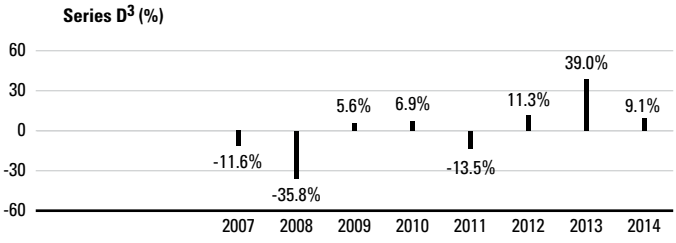
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

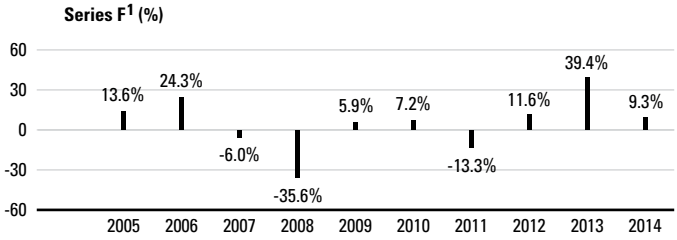
Year-by-Year Returns (%)

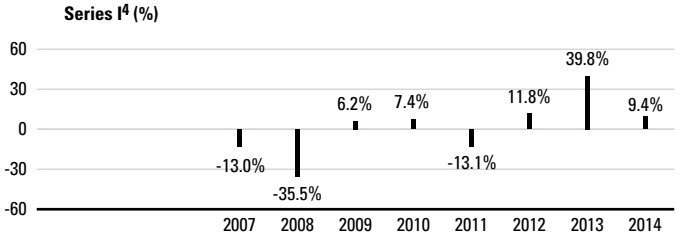
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

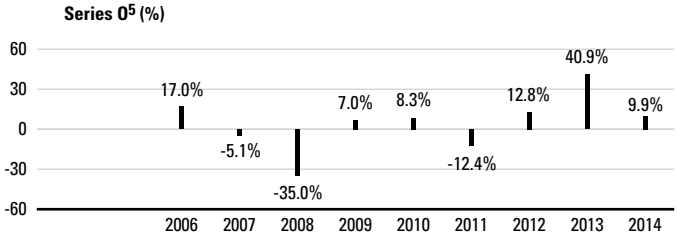












[1] Inception date January 17, 2005.
[2] Inception date March 20, 2006.
[3] Inception date July 3, 2007.
[4] Inception date April 17, 2007.
[5] Inception date September 5, 2006.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
France	18.0
Japan	15.7
Other Countries	13.6
United Kingdom	11.0
Germany	9.5
Italy	7.4
Australia	6.0
Norway	4.6
Israel	4.3
New Zealand	3.6
Spain	3.2
Cash/Other	3.1

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	3.3
ENI S.p.A.	2.7
Bezeq Israeli Telecommunication Corporation Ltd.	2.7
Telecom Corp. of New Zealand Ltd.	2.7
GDF Suez	2.5
Total S.A.	2.4
E.ON SE	2.3
Telstra Corp. Ltd.	2.2
Deutsche Telekom AG	2.2
UPM-Kymmene OYJ	2.1
Valeo S.A.	1.9
France Telecom S.A.	1.8
Montupet	1.6
StatoilHydro ASA	1.5
Euler Hermes Group	1.3
NOF Corp.	1.3
Iberdrola S.A.	1.2
Centrica Plc.	1.1
Yara International ASA	1.1
Continental AG	1.1
Chesnara Plc.	1.0
A P Moller - Maersk A/S	1.0
Portucel S.A.	1.0
Electricite de France S.A.	1.0
Energias de Portugal S.A.	0.9
Top 25 Holdings	43.9

The Summary of Investment Portfolio may change due to ongoing portfolio transactions. A segment of the Fund is rebalanced around the end of the period. The Top 25 holdings may not reflect current positions. A quarterly update is available at www.rbcgam.com/funds.

INTERNATIONAL EQUITY FUND

RBC EUROPEAN EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund pursues long-term capital growth by investing primarily in European stocks.

The Fund provides exposure to growth opportunities in the European economy and diversification benefits beyond North America.

The sub-advisor reviews the economic outlook for Europe and then selects stocks based on fundamental, technical and quantitative inputs. The Fund is managed to limit risk by spreading investments across different industries. The Fund may also invest in debt securities issued or guaranteed by European governments and international agencies.

Results of Operations

The Fund's net asset value was $3.7 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 1.0%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

European stocks performed well during the first six months of 2014, driven by an improving U.K. economy and early signs of a recovery in the Eurozone. After a strong start to the year, Eurozone stocks dropped in February on concern that deflation was starting to take root, prompting the European Central Bank (the "ECB") to hint that it would take steps to bolster asset prices, and these measures were delivered in June. Russia's seizure of Crimea from Ukraine in March introduced another element of uncertainty and had a negative effect on stocks. However, equities recovered after the conflict did not erupt into a full-scale war.

The Fund's performance was held back by the portfolio's relative lack of exposure to large-cap companies such as Unilever and AB-InBev, whose stocks improved after a period of weakness. Instead, the Fund favoured high-quality mid-cap companies that perform best during the early stages of an economic expansion. Toward the end of the period, the sub-advisor increased exposure to the larger-cap companies on indications that economic growth may soon slow in Germany and Europe's other strong economies.

A natural consequence of this scenario for somewhat slower European growth is that our sector weightings have shifted. During the period, the portfolio has moved to an overweight position in the Consumer Staples sector from an underweight, increased exposure to Health Care and lowered exposure to Industrials and Financials. Europe's weaker economies – the so-called peripherals – outperformed Germany, Austria and other "core" European countries during the period. The sub-advisor responded by taking an overweight position in Spain and underweight positions in France and Germany. The Fund continues to hold overweight positions in Scandinavia and the Netherlands.

Stocks that contributed strongly to performance during the period were Novo-Nordisk and ACS. The biggest detractors were the mining company Rio Tinto and clothes retailer SuperGroup.

Recent Developments

Currency movements and politics are areas to which the sub-advisor is paying close attention. In the Eurozone, ECB President Mario Draghi has embarked on a new round of ultra-loose monetary policy that appears to have weakened the euro for now. A weakening euro would be good for corporate profits in the Eurozone.

In Britain, the pound has been very strong on speculation that Bank of England Governor Mark Carney might increase interest rates earlier than was previously expected. The pound's strength has hurt U.K. companies that derive a large portion of their income from abroad, and further strengthening would further reduce the profitability of these holdings. In addition, the Scottish referendum for independence in September may have negative implications for both the U.K. market and the wider European market.

Effective June 27, 2014, the RBC Private European Equity Pool merged into the Fund and unitholders of the RBC Private European Equity Pool received units of the Fund on a dollar-for-dollar, tax-deferred basis.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $489,000 (2013 – $0) or 6% (2013 – 0%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**21.05**	**0.29**	**(0.24)**	**1.84**	**(1.68)**	**0.21**	**–**	**(0.06)**	**–**	**–**	**(0.06)**	**21.21**
Dec. 31, 2013	15.45	0.46	(0.41)	1.42	4.16	5.63	–	(0.05)	–	–	(0.05)	21.05
Dec. 31, 2012	13.13	0.46	(0.32)	0.28	2.23	2.65	–	(0.14)	–	–	(0.14)	15.45
Dec. 31, 2011	14.97	0.46	(0.31)	(0.40)	(1.41)	(1.66)	–	(0.13)	–	–	(0.13)	13.13
Dec. 31, 2010	14.93	0.33	(0.30)	(0.52)	0.68	0.19	–	(0.03)	–	–	(0.03)	14.97
Dec. 31, 2009	13.90	0.52	(0.30)	(2.02)	3.35	1.55	–	(0.25)	–	–	(0.25)	14.93
Advisor Series												
June 30, 2014	**21.28**	**0.29**	**(0.24)**	**1.85**	**(1.68)**	**0.22**	**–**	**(0.06)**	**–**	**–**	**(0.06)**	**21.45**
Dec. 31, 2013	15.60	0.46	(0.43)	1.44	4.23	5.70	–	(0.03)	–	–	(0.03)	21.28
Dec. 31, 2012	13.26	0.46	(0.32)	0.28	2.22	2.64	–	(0.14)	–	–	(0.14)	15.60
Dec. 31, 2011	15.04	0.46	(0.30)	(0.40)	(1.42)	(1.66)	–	(0.08)	–	–	(0.08)	13.26
Dec. 31, 2010	15.02	0.33	(0.30)	(0.52)	0.68	0.19	–	(0.05)	–	–	(0.05)	15.04
Dec. 31, 2009	13.97	0.52	(0.29)	(2.03)	3.37	1.57	–	(0.25)	–	–	(0.25)	15.02
Series D												
June 30, 2014	**21.16**	**0.29**	**(0.14)**	**1.85**	**(1.69)**	**0.31**	**–**	**(0.18)**	**–**	**–**	**(0.18)**	**21.30**
Dec. 31, 2013	15.49	0.46	(0.23)	1.43	4.19	5.85	–	(0.18)	–	–	(0.18)	21.16
Dec. 31, 2012	13.13	0.46	(0.18)	0.28	2.22	2.78	–	(0.25)	–	–	(0.25)	15.49
Dec. 31, 2011	14.98	0.46	(0.17)	(0.40)	(1.41)	(1.52)	–	(0.28)	–	–	(0.28)	13.13
Dec. 31, 2010	14.94	0.33	(0.17)	(0.52)	0.68	0.32	–	(0.17)	–	–	(0.17)	14.98
Dec. 31, 2009	13.89	0.52	(0.17)	(2.03)	3.36	1.68	–	(0.38)	–	–	(0.38)	14.94
Series F												
June 30, 2014	**22.47**	**0.31**	**(0.11)**	**1.95**	**(1.77)**	**0.38**	**–**	**(0.17)**	**–**	**–**	**(0.17)**	**22.68**
Dec. 31, 2013	16.37	0.49	(0.20)	1.51	4.45	6.25	–	(0.15)	–	–	(0.15)	22.47
Dec. 31, 2012	13.91	0.49	(0.15)	0.28	2.24	2.86	–	(0.35)	–	–	(0.35)	16.37
Dec. 31, 2011	16.00	0.49	(0.14)	(0.43)	(1.52)	(1.60)	–	(0.44)	–	–	(0.44)	13.91
Dec. 31, 2010	15.98	0.36	(0.14)	(0.56)	0.73	0.39	–	(0.26)	–	–	(0.26)	16.00
Dec. 31, 2009	15.01	0.57	(0.14)	(2.21)	3.66	1.88	–	(0.61)	–	–	(0.61)	15.98
Series O												
June 30, 2014	**21.36**	**0.30**	**–**	**1.87**	**(1.70)**	**0.47**	**–**	**(0.30)**	**–**	**–**	**(0.30)**	**21.52**
Dec. 31, 2013	15.66	0.47	–	1.45	4.25	6.17	–	(0.47)	–	–	(0.47)	21.36
Dec. 31, 2012	13.25	0.46	–	0.28	2.24	2.98	–	(0.42)	–	–	(0.42)	15.66
Dec. 31, 2011	15.15	0.47	–	(0.41)	(1.44)	(1.38)	–	(0.46)	–	–	(0.46)	13.25
Dec. 31, 2010	15.09	0.34	–	(0.53)	0.69	0.50	–	(0.35)	–	–	(0.35)	15.15
Dec. 31, 2009	13.94	0.52	–	(2.04)	3.37	1.85	–	(0.47)	–	–	(0.47)	15.09

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**21.21**	**277 409**	**13 080**	**2.26**	**2.26**	**74.48**	**0.50**
Dec. 31, 2013	21.05	262 203	12 459	2.27	2.27	51.92	0.31
Dec. 31, 2012	15.45	189 468	12 259	2.25	2.25	85.50	0.46
Dec. 31, 2011	13.13	187 379	14 269	2.23	2.23	131.45	0.75
Dec. 31, 2010	14.97	254 600	17 007	2.20	2.20	130.00	0.68
Dec. 31, 2009	14.93	302 025	20 224	2.15	2.15	140.63	0.79
Advisor Series							
June 30, 2014	**21.45**	**6 063**	**283**	**2.19**	**2.19**	**74.48**	**0.50**
Dec. 31, 2013	21.28	2 946	138	2.23	2.23	51.92	0.31
Dec. 31, 2012	15.60	191	12	2.23	2.23	85.50	0.46
Dec. 31, 2011	13.26	157	12	2.19	2.19	131.45	0.75
Dec. 31, 2010	15.04	89	6	2.15	2.15	130.00	0.68
Dec. 31, 2009	15.02	188	13	2.10	2.10	140.63	0.79
Series D							
June 30, 2014	**21.30**	**18 292**	**859**	**1.27**	**1.27**	**74.48**	**0.50**
Dec. 31, 2013	21.16	15 483	732	1.28	1.28	51.92	0.31
Dec. 31, 2012	15.49	7 042	455	1.27	1.27	85.50	0.46
Dec. 31, 2011	13.13	5 103	389	1.25	1.25	131.45	0.75
Dec. 31, 2010	14.98	5 970	398	1.24	1.24	130.00	0.68
Dec. 31, 2009	14.94	6 322	423	1.21	1.21	140.63	0.79
Series F							
June 30, 2014	**22.68**	**9 626**	**424**	**0.98**	**0.98**	**74.48**	**0.50**
Dec. 31, 2013	22.47	1 651	73	1.00	1.00	51.92	0.31
Dec. 31, 2012	16.37	330	20	0.99	0.99	85.50	0.46
Dec. 31, 2011	13.91	311	22	0.97	0.97	131.45	0.75
Dec. 31, 2010	16.00	653	41	0.97	0.97	130.00	0.68
Dec. 31, 2009	15.98	1 024	64	0.95	0.95	140.63	0.79
Series O							
June 30, 2014	**21.52**	**3 371 739**	**156 660**	**0.02**	**0.02**	**74.48**	**0.50**
Dec. 31, 2013	21.36	2 737 024	128 123	0.02	0.02	51.92	0.31
Dec. 31, 2012	15.66	1 961 068	125 229	0.02	0.02	85.50	0.46
Dec. 31, 2011	13.25	1 401 048	105 716	0.02	0.02	131.45	0.75
Dec. 31, 2010	15.15	1 442 311	95 222	0.02	0.02	130.00	0.68
Dec. 31, 2009	15.09	1 332 002	88 262	0.02	0.02	140.63	0.79

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	62%	38%
Advisor Series	1.85%	62%	38%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

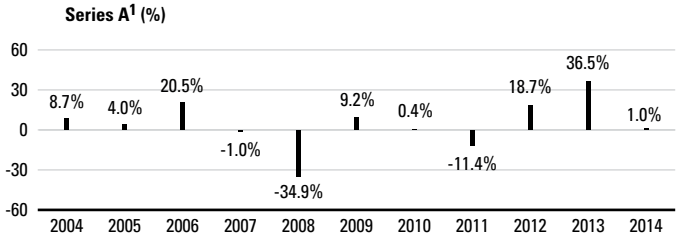
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

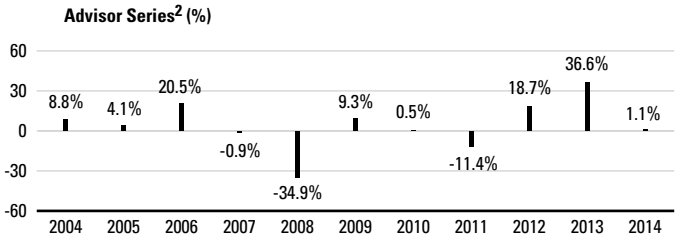
PAST PERFORMANCE

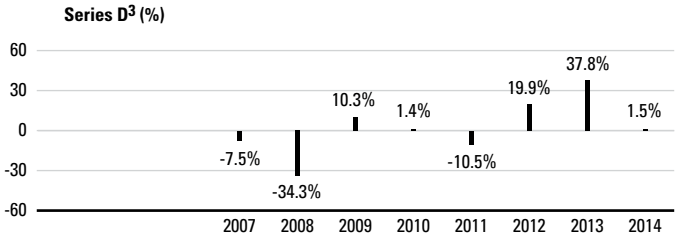
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

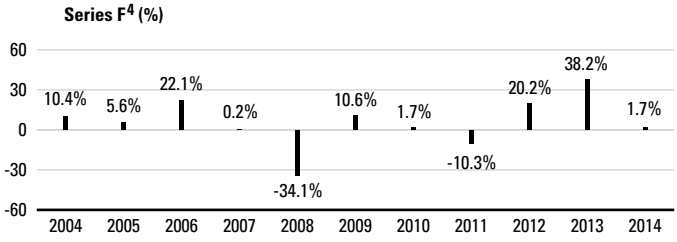
Year-by-Year Returns (%)

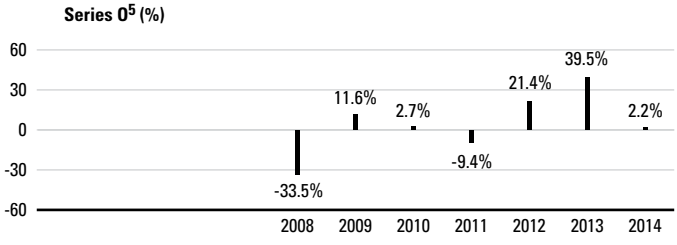
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











[1] Inception date July 31, 1987.
[2] Inception date January 13, 2003.
[3] Inception date July 3, 2007.
[4] Inception date August 13, 2001.
[5] Inception date January 1, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United Kingdom	36.2
Other Countries	11.4
Germany	10.2
Netherlands	9.2
Switzerland	9.1
Spain	6.5
France	5.4
Belgium	5.2
Denmark	4.4
Cash/Other	2.4

Top 25 Holdings

	% of Net Asset Value
Royal Dutch Shell Plc., A Shares	4.1
InBev N.V.	3.9
Roche Holdings AG Genusscheine	3.8
Unilever Plc.	3.7
Shire Plc.	3.6
Elsevier N.V.	3.3
Novo Nordisk A/S	3.2
BP Plc.	3.2
Rio Tinto Plc.	2.9
BT Group Plc.	2.8
Sampo OYJ	2.8
Henkel KGaA, Preferred Non-Voting	2.7
ACS Actividades Construccion y Servicios S.A.	2.7
Koninklijke KPN N.V.	2.6
Bayer AG	2.4
ING Groep N.V.	2.4
Daily Mail & General Trust Plc.	2.4
Christian Dior S.A.	2.2
Diageo Plc.	2.0
Cash & Cash Equivalents	2.0
Safran S.A.	1.9
London Stock Exchange Group Plc.	1.8
Azimut Holding S.p.A.	1.7
Straumann Holding AG	1.6
Novartis AG	1.6
Top 25 Holdings	67.3

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

INTERNATIONAL EQUITY FUND

RBC ASIAN EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Investment Management (Asia) Limited, Hong Kong, China

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term total returns by investing in equity securities of companies located in or having a principal business interest in Asian markets such as Japan, Hong Kong, Taiwan, South Korea, Singapore, China and Australia.

The Fund focuses on Asian sectors and themes and diversifies its holdings across the region to reduce risk. The Fund typically diversifies by sector within the region.

Results of Operations

The Fund's net asset value was $229 million as of June 30, 2014.

Over the past six months, the Fund's Series A units lost 0.6%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The macroeconomic environment in Asia was challenging during the first six months of 2014 amid concerns about a growth slowdown and excessive debt levels in China, the world's second-largest economy. As a result, the sub-advisor tried to ensure that the portfolio had significant exposure to higher-quality companies with strong balance sheets and solid management.

The Fund performed somewhat poorly on a relative basis during the first half of 2014, largely because of the negative effect of Japanese stock selection, while in the rest of Asia on balance the Fund had more success. The markets remained fairly volatile over the period, particularly the large North Asian markets of Japan and China, which were weak in the first quarter but bounced back in the subsequent three months.

The Fund's poor performance in Japan was due to significant exposure to exporting and industrial companies, which were hurt as a rise in the Japanese currency during the period made their products more expensive for overseas purchasers. The Fund had significant exposure to exporters at the beginning of the period and was not quick enough to reduce that exposure as the yen rose. The appreciating yen had a particularly negative impact on the Fund in the first four months of the period, but performance improved in May and June as the reduction in currency exposure began to benefit returns and the sub-advisor added higher-quality companies with dependable earnings and high returns on equity.

At the company level, Jardine Matheson, the Hong Kong-based conglomerate, had a positive impact on the Fund's returns, as did allocations to companies in Thailand. Stock selection in South Korea had a negative impact on relative performance. Samsung Heavy Industries fell on declining demand for offshore-production facilities and drillships.

Portfolio turnover was higher than usual because of a sub-advisor change.

Recent Developments

Financial markets have largely ignored geopolitical issues involving Russia and Ukraine, and this is likely to continue unless the conflict erupts into a fully fledged war. The U.S. is showing further signs of economic recovery, and Europe's economy appears to be gaining traction with the potential for further easing by the European Central Bank. The main issues facing Asian markets remain the impact of excessive credit and rising non-performing loans in China, and the likelihood of further policy action in Japan. Performance in other Asian markets will depend on election outcomes. Markets in India have been extremely strong since the big BJP ballot win, while Indonesian markets will turn largely on the outcome of the July presidential election.

Effective June 23, 2014, the Fund's investment objectives were changed to provide the Fund with the flexibility to invest its assets primarily in units of other funds managed by RBC GAM or an RBC GAM affiliate. This change enables the Fund to invest in units of the RBC Asia Pacific ex-Japan Equity Fund and RBC Japanese Equity Fund and enables the sub-advisor to more efficiently manage the regional asset allocations within the Fund.

The administration fee for Series A units of the Fund will be reduced from 0.20% to 0.05%, effective July 1, 2014. The administration fees for Advisor Series, Series D, and Series F units of the Fund will be reduced from 0.15% to 0.05%, effective July 1, 2014.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Investment Management (Asia) Limited is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**8.50**	**0.28**	**(0.09)**	**10.20**	**(11.66)**	**(1.27)**	**–**	**–**	**–**	**–**	**–**	**8.45**
Dec. 31, 2013	7.14	0.21	(0.18)	0.62	0.74	1.39	–	(0.02)	–	–	(0.02)	8.50
Dec. 31, 2012	6.49	0.19	(0.15)	(0.19)	0.92	0.77	–	(0.04)	–	–	(0.04)	7.14
Dec. 31, 2011	8.02	0.18	(0.16)	(0.54)	(0.97)	(1.49)	–	(0.01)	–	–	(0.01)	6.49
Dec. 31, 2010	7.81	0.15	(0.16)	0.06	0.26	0.31	–	–	–	–	–	8.02
Dec. 31, 2009	6.97	0.14	(0.15)	(0.14)	1.12	0.97	–	–	–	–	–	7.81
Advisor Series												
June 30, 2014	**8.53**	**0.29**	**(0.09)**	**10.56**	**(12.08)**	**(1.32)**	**–**	**–**	**–**	**–**	**–**	**8.48**
Dec. 31, 2013	7.16	0.21	(0.18)	0.62	0.74	1.39	–	(0.02)	–	–	(0.02)	8.53
Dec. 31, 2012	6.51	0.19	(0.15)	(0.19)	0.92	0.77	–	(0.04)	–	–	(0.04)	7.16
Dec. 31, 2011	8.05	0.18	(0.16)	(0.55)	(0.98)	(1.51)	–	(0.01)	–	–	(0.01)	6.51
Dec. 31, 2010	7.83	0.15	(0.16)	0.06	0.26	0.31	–	–	–	–	–	8.05
Dec. 31, 2009	6.99	0.14	(0.15)	(0.14)	1.12	0.97	–	–	–	–	–	7.83
Series D												
June 30, 2014	**8.57**	**0.29**	**(0.05)**	**10.46**	**(11.97)**	**(1.27)**	**–**	**–**	**–**	**–**	**–**	**8.56**
Dec. 31, 2013	7.20	0.21	(0.10)	0.63	0.75	1.49	–	(0.10)	–	–	(0.10)	8.57
Dec. 31, 2012	6.54	0.19	(0.09)	(0.19)	0.93	0.84	–	(0.11)	–	–	(0.11)	7.20
Dec. 31, 2011	8.10	0.19	(0.09)	(0.55)	(0.98)	(1.43)	–	(0.09)	–	–	(0.09)	6.54
Dec. 31, 2010	7.86	0.15	(0.09)	0.06	0.26	0.38	–	(0.06)	–	–	(0.06)	8.10
Dec. 31, 2009	7.00	0.14	(0.09)	(0.15)	1.13	1.03	–	(0.06)	–	–	(0.06)	7.86
Series F												
June 30, 2014	**9.23**	**0.30**	**(0.05)**	**11.01**	**(12.59)**	**(1.33)**	**–**	**–**	**–**	**–**	**–**	**9.23**
Dec. 31, 2013	7.76	0.23	(0.09)	0.68	0.81	1.63	–	(0.15)	–	–	(0.15)	9.23
Dec. 31, 2012	7.06	0.20	(0.07)	(0.21)	0.91	0.83	–	(0.15)	–	–	(0.15)	7.76
Dec. 31, 2011	8.77	0.20	(0.08)	(0.60)	(1.07)	(1.55)	–	(0.13)	–	–	(0.13)	7.06
Dec. 31, 2010	8.50	0.16	(0.08)	0.06	0.28	0.42	–	(0.07)	–	–	(0.07)	8.77
Dec. 31, 2009	7.58	0.16	(0.07)	(0.16)	1.23	1.16	–	(0.10)	–	–	(0.10)	8.50
Series O												
June 30, 2014	**8.63**	**0.04**	**–**	**1.47**	**(1.68)**	**(0.17)**	**–**	**–**	**–**	**–**	**–**	**8.71**
Dec. 31, 2013	7.24	0.21	–	0.64	0.76	1.61	–	(0.20)	–	–	(0.20)	8.63
Dec. 31, 2012	6.56	0.19	–	(0.19)	0.92	0.92	–	(0.17)	–	–	(0.17)	7.24
Dec. 31, 2011	8.13	0.19	–	(0.55)	(0.99)	(1.35)	–	(0.18)	–	–	(0.18)	6.56
Dec. 31, 2010	7.86	0.15	–	0.06	0.26	0.47	–	(0.13)	–	–	(0.13)	8.13
Dec. 31, 2009	6.99	0.14	–	(0.15)	1.13	1.12	–	(0.13)	–	–	(0.13)	7.86

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**8.45**	**59 017**	**6 986**	**2.25**	**2.25**	**146.34**	**0.89**
Dec. 31, 2013	8.50	63 284	7 445	2.26	2.26	86.06	0.33
Dec. 31, 2012	7.14	57 926	8 111	2.25	2.25	98.72	0.46
Dec. 31, 2011	6.49	59 267	9 128	2.25	2.25	113.78	0.57
Dec. 31, 2010	8.02	83 741	10 436	2.20	2.20	128.51	0.69
Dec. 31, 2009	7.81	92 159	11 798	2.16	2.16	174.35	0.96
Advisor Series							
June 30, 2014	**8.48**	**306**	**36**	**2.25**	**2.25**	**146.34**	**0.89**
Dec. 31, 2013	8.53	260	30	2.22	2.22	86.06	0.33
Dec. 31, 2012	7.16	63	9	2.20	2.20	98.72	0.46
Dec. 31, 2011	6.51	58	9	2.21	2.21	113.78	0.57
Dec. 31, 2010	8.05	118	15	2.15	2.15	128.51	0.69
Dec. 31, 2009	7.83	133	17	2.10	2.10	174.35	0.96
Series D							
June 30, 2014	**8.56**	**5 595**	**654**	**1.27**	**1.27**	**146.34**	**0.89**
Dec. 31, 2013	8.57	5 512	643	1.27	1.27	86.06	0.33
Dec. 31, 2012	7.20	3 675	511	1.26	1.26	98.72	0.46
Dec. 31, 2011	6.54	3 328	509	1.26	1.26	113.78	0.57
Dec. 31, 2010	8.10	4 339	536	1.24	1.24	128.51	0.69
Dec. 31, 2009	7.86	5 490	698	1.21	1.21	174.35	0.96
Series F							
June 30, 2014	**9.23**	**263**	**28**	**1.01**	**1.01**	**146.34**	**0.89**
Dec. 31, 2013	9.23	285	31	1.01	1.01	86.06	0.33
Dec. 31, 2012	7.76	175	22	1.00	1.00	98.72	0.46
Dec. 31, 2011	7.06	190	27	0.99	0.99	113.78	0.57
Dec. 31, 2010	8.77	297	34	0.97	0.97	128.51	0.69
Dec. 31, 2009	8.50	295	35	0.95	0.95	174.35	0.96
Series O							
June 30, 2014	**8.71**	**163 392**	**18 768**	**0.02**	**0.02**	**146.34**	**0.89**
Dec. 31, 2013	8.63	1 163 528	134 860	0.02	0.02	86.06	0.33
Dec. 31, 2012	7.24	892 460	123 264	0.02	0.02	98.72	0.46
Dec. 31, 2011	6.56	662 670	101 089	0.02	0.02	113.78	0.57
Dec. 31, 2010	8.13	706 273	86 920	0.02	0.02	128.51	0.69
Dec. 31, 2009	7.86	600 591	76 364	0.02	0.02	174.35	0.96

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

FINANCIAL HIGHLIGHTS (cont.)

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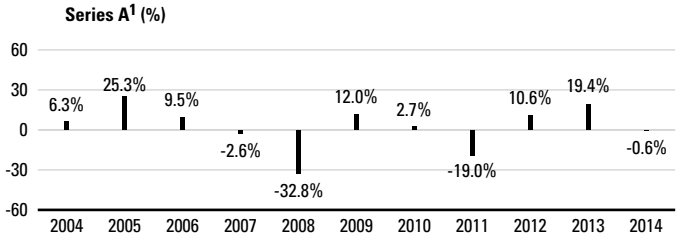
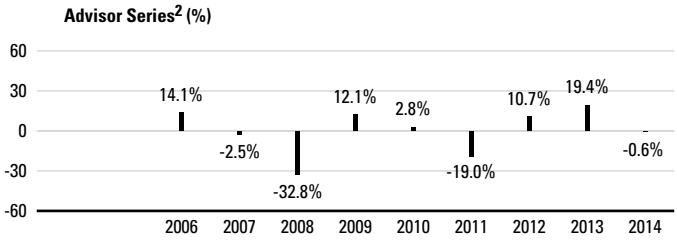
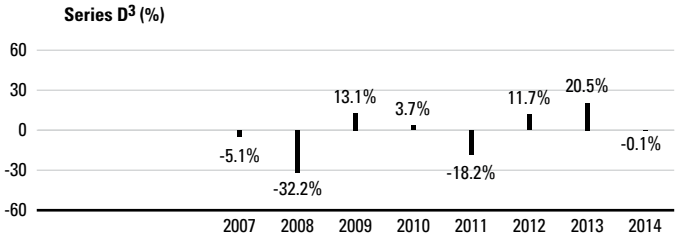
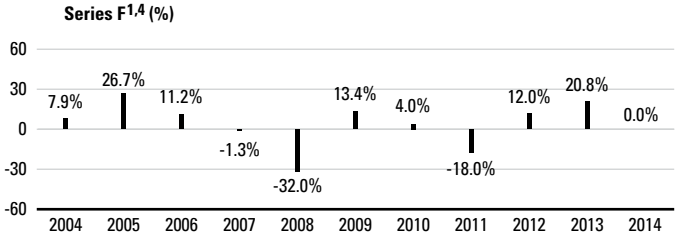
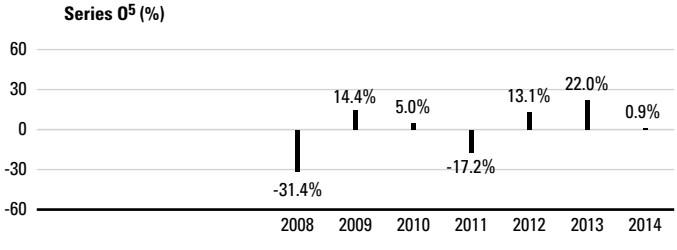
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











1 The Fund changed its investment objectives and merged with the Royal Japanese Stock Fund on June 28, 2002. Since this was a significant change, the Fund in its current form started at that time and no prior performance data can be published. Since inception performance is from June 28, 2002 only.
2 Inception date August 28, 2006.
3 Inception date July 3, 2007.
4 Inception date August 13, 2001.
5 Inception date January 1, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Asian Equity Funds	70.6
Japan	11.7
Other Countries	7.6
Australia	4.3
Hong Kong	3.6
Cash/Other	2.2

Top 25 Holdings

	% of Net Asset Value
RBC Asia Pacific ex-Japan Equity Fund	40.9
RBC Japanese Equity Fund	29.7
Cash & Cash Equivalents	2.1
Toyota Motor Corp.	0.8
Commonwealth Bank of Australia	0.7
Sumitomo Mitsui Financial Group Inc.	0.7
Samsung Electronics Co. Ltd.	0.6
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	0.6
SoftBank Corp.	0.6
AIA Group Ltd.	0.5
Seiko Epson Corp.	0.5
Daikin Industries Ltd.	0.5
Jardine Matheson Holdings Ltd.	0.5
Tencent Holdings Ltd.	0.5
Fuji Heavy Industries Ltd.	0.5
Hyundai Motor Co.	0.5
Bridgestone Corp.	0.5
National Australia Bank Ltd.	0.5
Seven & I Holdings Co. Ltd.	0.4
Baidu.com Inc. ADR	0.4
Japan Tobacco Inc.	0.4
The Dai-ichi Life Insurance Co. Ltd.	0.4
Mitsubishi UFJ Financial Group Inc.	0.4
Mizuho Financial Group Inc.	0.4
Olympus Optical Co. Ltd.	0.4
Top 25 Holdings	84.0

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

INTERNATIONAL EQUITY FUND

RBC ASIA PACIFIC EX-JAPAN EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Investment Management (Asia) Limited, Hong Kong, China

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of companies located or having a principal business interest in Asian markets such as Hong Kong, South Korea, China, Taiwan, Australia, New Zealand, Singapore, India, Malaysia, Thailand, the Philippines and Indonesia. The Fund does not invest in Japan.

To achieve the Fund's objectives, the portfolio manager uses primarily fundamental research to assess the economic outlook for the Asian region, including expected growth, market valuations and economic trends. The portfolio manager may invest as much as 10% of the Fund's assets in other mutual funds managed by RBC GAM or an affiliate.

Results of Operations

The Fund's Series A units were launched on March 10, 2014 and the Fund's net asset value was $936 million as of June 30, 2014. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

Financial markets have largely ignored geopolitical issues involving Russia and Ukraine, and this is likely to continue unless the conflict erupts into a fully fledged war. The U.S. is showing further signs of economic recovery, and Europe's economy appears to be gaining traction with the potential for further easing by the European Central Bank. The main issues facing Asian markets remain the impact of excessive credit and rising non-performing loans in China, and the likelihood of further policy action in Japan. The main story in other Asian markets will be election led, with India enjoying an extremely strong market reaction to the big BJP ballot win, while Indonesian markets will turn largely on the outcome of the July presidential election.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Investment Management (Asia) Limited is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014[3]	**10.00†**	**0.09**	**(0.07)**	**0.05**	**0.21**	**0.28**	**–**	**–**	**–**	**–**	**–**	**10.23**
Advisor Series												
June 30, 2014[3]	**10.00†**	**0.25**	**(0.06)**	**0.16**	**0.61**	**0.96**	**–**	**–**	**–**	**–**	**–**	**10.24**
Series H												
June 30, 2014[3]	**10.00†**	**0.25**	**(0.06)**	**0.16**	**0.61**	**0.96**	**–**	**–**	**–**	**–**	**–**	**10.24**
Series D												
June 30, 2014[3]	**10.00†**	**0.09**	**(0.04)**	**0.05**	**0.21**	**0.31**	**–**	**–**	**–**	**–**	**–**	**10.26**
Series F												
June 30, 2014[3]	**10.00†**	**0.25**	**(0.03)**	**0.16**	**0.61**	**0.99**	**–**	**–**	**–**	**–**	**–**	**10.27**
Series I												
June 30, 2014[3]	**10.00†**	**0.25**	**(0.02)**	**0.16**	**0.61**	**1.00**	**–**	**–**	**–**	**–**	**–**	**10.28**
Series O												
June 30, 2014[3]	**10.00†**	**0.09**	**–**	**0.05**	**0.21**	**0.35**	**–**	**–**	**–**	**–**	**–**	**10.30**

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From March 10, 2014.

† Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014[4]	**10.23**	**573**	**56**	**2.27**	**2.27**	**49.06**	**0.42**
Advisor Series							
June 30, 2014[4]	**10.24**	**1**	**–**	**2.26**	**2.26**	**49.06**	**0.42**
Series H							
June 30, 2014[4]	**10.24**	**1**	**–**	**2.09**	**2.09**	**49.06**	**0.42**
Series D							
June 30, 2014[4]	**10.26**	**95**	**9**	**1.42**	**1.42**	**49.06**	**0.42**
Series F							
June 30, 2014[4]	**10.27**	**1**	**–**	**1.13**	**1.13**	**49.06**	**0.42**
Series I							
June 30, 2014[4]	**10.28**	**1**	**–**	**0.96**	**0.96**	**49.06**	**0.42**
Series O							
June 30, 2014[4]	**10.30**	**935 360**	**90 822**	**0.02**	**0.02**	**49.06**	**0.42**

1 The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

2 The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

3 The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

4 From March 10, 2014.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series H	1.70%	59%	41%
Series D	1.10%	23%	77%
Series F	0.85%	–	100%
Series I	0.70%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

Investment performance in respect of a fund that has been available for less than one year is not provided. Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O units of this Fund were launched on March 10, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Australia	24.0
Hong Kong	19.9
China	15.2
South Korea	10.6
India	10.4
Taiwan	7.7
Indonesia	4.7
Thailand	4.0
Cash/Other	3.5

Top 25 Holdings

	% of Net Asset Value
Commonwealth Bank of Australia	3.8
Samsung Electronics Co. Ltd.	3.4
Cash & Cash Equivalents	3.2
Jardine Matheson Holdings Ltd.	2.8
AIA Group Ltd.	2.8
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	2.7
Hyundai Motor Co.	2.7
Tencent Holdings Ltd.	2.6
National Australia Bank Ltd.	2.4
China Mobile (Hong Kong) Ltd.	2.0
HDFC Bank Ltd. ADR	2.0
Baidu.com Inc. ADR	2.0
CSL Ltd.	2.0
China Construction Bank Corp.	2.0
ICICI Bank Ltd. ADR	2.0
Macquarie Group Ltd.	2.0
BHP Billiton Ltd.	1.9
KB Financial Group Inc.	1.9
Lend Lease Corporation Limited	1.8
Samsonite International S.A.	1.8
Oil Search Ltd.	1.6
Brambles Ltd.	1.6
Tech Mahindra Ltd., Participation Notes	1.5
Ping An Insurance Group Company of China Ltd.	1.5
21Vianet Group Inc. ADR	1.4
Top 25 Holdings	55.4

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

INTERNATIONAL EQUITY FUND

RBC JAPANESE EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Investment Management (Asia) Limited, Hong Kong, China

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of Japanese companies.

To achieve the Fund's objectives, the portfolio manager uses primarily fundamental research to assess the economic outlook for Japan, including expected growth, market valuations and economic trends. The portfolio manager may invest as much as 10% of the Fund's assets in other mutual funds managed by RBC GAM or an affiliate.

Results of Operations

The Fund's Series A units were launched on March 10, 2014 and the Fund's net asset value was $648 million as of June 30, 2014. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

The Japanese stock market will likely continue to rise if the yen falls, and vice versa. The sub-advisor believes that the Japanese currency will fall to the 108 yen per U.S. dollar level sometime over the next year, and that this trend would be positive for the stock market. There will likely be a further move by the Bank of Japan and Prime Minister Shinzo Abe to extend the economic momentum of the past two years. Inflation is starting to pick up as desired, helped by April's jump in the consumption tax. However, significant structural and legislative hurdles remain to a full recovery in Japan's economy.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Investment Management (Asia) Limited is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014[3]	**10.00†**	**0.05**	**(0.07)**	**(0.02)**	**0.45**	**0.41**	**–**	**–**	**–**	**–**	**–**	**9.99**
Advisor Series												
June 30, 2014[3]	**10.00†**	**0.13**	**(0.06)**	**(0.06)**	**1.16**	**1.17**	**–**	**–**	**–**	**–**	**–**	**10.00**
Series H												
June 30, 2014[3]	**10.00†**	**0.13**	**(0.05)**	**(0.06)**	**1.16**	**1.18**	**–**	**–**	**–**	**–**	**–**	**10.01**
Series D												
June 30, 2014[3]	**10.00†**	**0.05**	**(0.04)**	**(0.02)**	**0.48**	**0.47**	**–**	**–**	**–**	**–**	**–**	**10.02**
Series F												
June 30, 2014[3]	**10.00†**	**0.13**	**(0.03)**	**(0.06)**	**1.16**	**1.20**	**–**	**–**	**–**	**–**	**–**	**10.04**
Series I												
June 30, 2014[3]	**10.00†**	**0.13**	**(0.02)**	**(0.06)**	**1.16**	**1.21**	**–**	**–**	**–**	**–**	**–**	**10.04**
Series O												
June 30, 2014[3]	**10.00†**	**0.06**	**–**	**(0.03)**	**0.49**	**0.52**	**–**	**–**	**–**	**–**	**–**	**10.06**

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From March 10, 2014.

† Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014[4]	**9.99**	**346**	**35**	**2.26**	**2.26**	**29.75**	**0.22**
Advisor Series							
June 30, 2014[4]	**10.00**	**1**	**–**	**2.26**	**2.26**	**29.75**	**0.22**
Series H							
June 30, 2014[4]	**10.01**	**1**	**–**	**2.09**	**2.09**	**29.75**	**0.22**
Series D							
June 30, 2014[4]	**10.02**	**161**	**16**	**1.39**	**1.39**	**29.75**	**0.22**
Series F							
June 30, 2014[4]	**10.04**	**1**	**–**	**1.13**	**1.13**	**29.75**	**0.22**
Series I							
June 30, 2014[4]	**10.04**	**1**	**–**	**0.96**	**0.96**	**29.75**	**0.22**
Series O							
June 30, 2014[4]	**10.06**	**647 726**	**64 368**	**0.02**	**0.02**	**29.75**	**0.22**

1 The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

2 The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

3 The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

4 From March 10, 2014.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series H	1.70%	59%	41%
Series D	1.10%	23%	77%
Series F	0.85%	–	100%
Series I	0.70%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

Investment performance in respect of a fund that has been available for less than one year is not provided. Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O units of this Fund were launched on March 10, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Consumer Discretionary	29.5
Financials	16.1
Industrials	13.1
Information Technology	12.8
Consumer Staples	8.5
Telecommunication Services	6.6
Health Care	6.1
Other Sectors	4.9
Cash/Other	2.4

Top 25 Holdings

	% of Net Asset Value
Toyota Motor Corp.	5.9
SoftBank Corp.	4.4
Mitsubishi UFJ Financial Group Inc.	3.3
Sumitomo Mitsui Financial Group Inc.	3.2
Fuji Heavy Industries Ltd.	2.8
Mizuho Financial Group Inc.	2.7
Seiko Epson Corp.	2.7
Daikin Industries Ltd.	2.5
Fujitsu Ltd.	2.4
Olympus Optical Co. Ltd.	2.4
East Japan Railway Company	2.3
Cash & Cash Equivalents	2.3
KDDI Corporation	2.2
Sumitomo Electric Industries Ltd.	2.1
Nippon Steel & Sumitomo Metal Corp.	1.9
Nippon Television Holdings Inc.	1.8
Suzuki Motor Co. Ltd.	1.8
Mitsubishi Corp.	1.8
Mitsui & Co.	1.7
GMO internet Inc.	1.7
Yahoo! Japan	1.7
Aisin Seiki Co. Ltd.	1.6
Casio Computer Co., Ltd.	1.6
Denso Corp.	1.6
Sekisui Chemical Co. Ltd.	1.6
Top 25 Holdings	60.0

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

INTERNATIONAL EQUITY FUND

RBC EMERGING MARKETS DIVIDEND FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term total returns consisting of dividend income and capital growth by investing in equity securities of companies that are located or active in emerging markets and that offer above-average dividend yields.

To achieve the Fund's objectives, the portfolio manager selects equity securities of companies in emerging-market countries, including, but not limited to, China, Brazil, South Korea, Taiwan, India, South Africa, Russia, Mexico, Peru, Malaysia, Indonesia, Turkey, Chile, Thailand and Poland. The Fund's investment process is based primarily on fundamental research, although the portfolio manager will also consider quantitative and technical factors. Stock selection is ultimately based on an understanding of the company, its business and its outlook. The portfolio manager also assesses the economic outlook in each emerging-market region, including expected growth, market valuations and economic trends. The Fund is diversified by sector and emerging-market country to help reduce risk.

Results of Operations

The Fund's net asset value was $206 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 5.3%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund has a value bias and suffered in the first three months of the year as the market dropped and investors bought into quality and growth independently of valuation levels. The underperformance was accentuated by the large drop in the Russian market following the annexation of Crimea. Russia was at the time the biggest country overweight in the Fund.

From mid-March, better economic data in China, the probability of the reformist Modi winning the elections in India increasing, and a calmer situation in Ukraine led to a recovery in emerging equity markets. Sentiment changed and turned more positive, driving up the market. Value stocks started to outperform, benefiting the Fund and the underperformance of the beginning of the year was erased.

The Materials and Energy sectors brought the highest returns for the Fund, mainly from names in India such as ONGC and UPL. On the other hand, stock picking in the Industrials and consumer sectors was poor and detracted from performance.

Looking at countries, the Indian and Taiwanese holdings, mainly in the Information Technology sector, did best. The Fund had been building an overweight position in India since November 2013, when the sub-advisor became convinced that a desire for change would bring a new government to power. These positions rallied strongly in May. The Taiwanese Information Technology sector is also a sector favoured by the sub-advisor, as it contains first-class companies at attractive valuations and with fast-growing dividends. The Fund's holdings in South Africa and Russia did poorly overall.

Recent Developments

The positive shift in investor sentiment toward emerging markets since the beginning of the year has support from improving earnings prospects and rebounding currencies. Furthermore, another round of elections in emerging markets holds out prospects for needed economic reforms. This environment is positive for the value-biased Fund.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.68**	**0.21**	**(0.13)**	**0.05**	**0.50**	**0.63**	**–**	**(0.01)**	**–**	**–**	**(0.01)**	**11.23**
Dec. 31, 2013[4]	10.00†	0.15	(0.15)	(0.10)	0.48	0.38	–	(0.02)	–	–	(0.02)	10.67
Advisor Series												
June 30, 2014	**10.68**	**0.20**	**(0.13)**	**0.05**	**0.49**	**0.61**	**–**	**(0.01)**	**–**	**–**	**(0.01)**	**11.24**
Dec. 31, 2013[4]	10.00†	0.14	(0.15)	(0.10)	0.46	0.35	–	(0.02)	–	–	(0.02)	10.68
Series D												
June 30, 2014	**10.70**	**0.21**	**(0.09)**	**0.06**	**0.51**	**0.69**	**–**	**(0.05)**	**–**	**–**	**(0.05)**	**11.26**
Dec. 31, 2013[4]	10.00†	0.15	(0.10)	(0.10)	0.48	0.43	–	(0.03)	–	–	(0.03)	10.70
Series F												
June 30, 2014	**10.71**	**0.21**	**(0.07)**	**0.05**	**0.50**	**0.69**	**–**	**(0.05)**	**–**	**–**	**(0.05)**	**11.28**
Dec. 31, 2013[4]	10.00†	0.15	(0.08)	(0.10)	0.47	0.44	–	(0.03)	–	–	(0.03)	10.70
Series O												
June 30, 2014	**10.43**	**0.20**	**(0.01)**	**0.05**	**0.49**	**0.73**	**–**	**(0.10)**	**–**	**–**	**(0.10)**	**11.00**
Dec. 31, 2013[3]	10.00†	0.17	(0.02)	(0.12)	0.56	0.59	(0.01)	(0.11)	–	–	(0.12)	10.42

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From June 10, 2013.

[4] From August 12, 2013.

† Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**11.23**	**7 806**	**695**	**2.46**	**2.46**	**95.77**	**0.71**
Dec. 31, 2013[5]	10.68	3 362	315	2.46	2.46	45.95	0.43
Advisor Series							
June 30, 2014	**11.24**	**1 220**	**109**	**2.39**	**2.39**	**95.77**	**0.71**
Dec. 31, 2013[5]	10.68	408	38	2.38	2.38	45.95	0.43
Series D							
June 30, 2014	**11.26**	**1 047**	**93**	**1.62**	**1.62**	**95.77**	**0.71**
Dec. 31, 2013[5]	10.70	696	65	1.62	1.62	45.95	0.43
Series F							
June 30, 2014	**11.28**	**2 258**	**200**	**1.34**	**1.34**	**95.77**	**0.71**
Dec. 31, 2013[5]	10.71	602	56	1.34	1.34	45.95	0.43
Series O							
June 30, 2014	**11.00**	**193 589**	**17 603**	**0.28**	**0.28**	**95.77**	**0.71**
Dec. 31, 2013[4]	10.43	94 132	9 026	0.28	0.28	45.95	0.43

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From June 10, 2013.

[5] From August 12, 2013

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series D	1.10%	23%	77%
Series F	0.85%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

[1] Inception date August 12, 2013.
[2] Inception date June 10, 2013.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
China	16.6
South Korea	15.8
Other Countries	15.0
Taiwan	10.8
Brazil	10.3
India	9.1
Russia	7.3
South Africa	6.6
Turkey	3.5
Indonesia	2.9
Cash/Other	2.1

Top 25 Holdings

	% of Net Asset Value
Samsung Electronics Co. Ltd.	4.0
China Construction Bank Corp.	3.0
Taiwan Semiconductor Manufacturing Co. Ltd.	2.8
Bank of China Ltd.	2.7
Hyundai Motor Co.	2.3
Itau Unibanco Holding S.A. Preference	2.2
Petroleo Brasileiro S.A.	2.1
China Mobile (Hong Kong) Ltd.	2.0
Vale S.A. Preference	1.9
CNOOC Ltd.	1.9
Gazprom OAO ADR	1.9
China Petroleum & Chemical Corp.	1.8
Naspers Ltd.	1.8
Cash & Cash Equivalents	1.7
Standard Bank Group Ltd.	1.6
KT&G Corp.	1.6
LUKOIL ADR	1.5
Grupo Mexico S.A.B. de C.V.	1.5
Hynix Semiconductor Inc.	1.4
Petrochina Co.	1.4
Turkiye Sinai Kalkinma Bankasi A.S.	1.4
SK Telecom Co. Ltd.	1.3
Hon Hai Precision Industry Co. Ltd.	1.3
Turkiye Is Bankasi	1.3
Cia Energetica de Minas Gerais Preference	1.3
Top 25 Holdings	47.7

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

INTERNATIONAL EQUITY FUND

RBC EMERGING MARKETS EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund aims to provide long-term capital growth by investing primarily in equity securities of companies located or active in emerging markets.

The Fund's investment process is based primarily on fundamental research, and includes an assessment of each emerging-market region, including expected growth, market valuations and economic trends. Quantitative and technical factors may also be considered. The Fund may invest in securities of companies located or active in emerging-market countries, including, but not limited to: China, Brazil, South Korea, Taiwan, India, South Africa, Russia, Mexico, Israel, Malaysia, Indonesia, Turkey, Chile, Thailand and Poland. The portfolio is diversified by sector and emerging-market country to help reduce risk. Individual stocks are selected based on the intrinsic value of each company, liquidity and overall portfolio risk.

Results of Operations

The Fund's net asset value was $1.6 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 7.3%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Emerging markets rallied later in the first half of 2014 and finished the period with returns largely in line with developed markets. The top emerging-market story of the period was Russia's seizure of the Crimea region of Ukraine, and Russia's stock market was among the worst-performing after the U.S. and the E.U. imposed sanctions on Russia. However, prospects for economic reform in India, Brazil, Indonesia and other countries led to rallies in those markets. In China, the largest emerging market, macroeconomic data was weaker than expected, as the economy slowed and investors became concerned about increasing debt levels in the economy.

Elections were an important influence in many emerging markets during the period. In India, the BJP was the first political party in 30 years to win control of the country's parliament, leading to optimism about a revival in growth and expectations for economic reforms. Similar expectations drove equities higher in Brazil and Indonesia, both of which will hold elections in the second half of 2014. There were also local elections in Turkey, where the AKP party's large margin of victory boosted the market on expectations for a greater chance of political stability.

The Fund favoured stocks of high-quality companies whose earnings benefit from domestic economic growth and was less invested in commodity-related companies. Over the past six months, the Fund's underweight position in Materials proved to be positive for performance as this was the worst-performing sector. An underweight stance in the Energy sector and an overweight position in the Consumer Discretionary sector were also beneficial, while an overweight position in the Consumer Staples sector was not beneficial to performance. The Fund's relative lack of exposure to the Information Technology sector was negative for performance, as this sector was the best performing. The Fund further reduced exposure to the Materials sector during the period and increased exposure to Information Technology toward the end of the period – steps that were good for overall performance.

Also aiding the Fund's performance was an overweight position in India, which was one of the best-performing markets. The Fund also benefited from underweight positions in the weak markets of Mexico and Russia. Holding back results was an underweight allocation to Taiwan, which outperformed.

The Fund benefited from positions in Coway, a South Korean maker of devices for air and water filtration, and Hikma, a pharmaceuticals company. Both companies are quality stocks with strong management teams and high brand awareness.

Recent Developments

The positive shift in investor sentiment toward emerging markets since the beginning of the year has support from improving earnings prospects and rebounding currencies. Furthermore, another round of elections in emerging markets holds the prospect of needed economic reforms. Looking ahead, the Fund plans to retain its bias toward high-quality stocks that can capitalize on local economies.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc. and RBC Dominion Securities Inc. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**11.50**	**0.15**	**(0.14)**	**0.32**	**0.55**	**0.88**	**–**	**–**	**–**	**–**	**–**	**12.34**
Dec. 31, 2013	10.97	0.26	(0.27)	0.27	0.25	0.51	–	–	–	–	–	11.49
Dec. 31, 2012	9.33	0.25	(0.24)	(0.12)	1.95	1.84	–	(0.01)	–	–	(0.01)	10.97
Dec. 31, 2011	11.06	0.25	(0.23)	(0.52)	(1.21)	(1.71)	–	–	–	–	–	9.33
Dec. 31, 2010	10.22	0.16	(0.25)	0.10	1.35	1.36	–	–	(0.05)	–	(0.05)	11.06
Dec. 31, 2009[3]	10.00[†]	–	–	0.11	0.11	0.22	–	–	–	–	–	10.22
Advisor Series												
June 30, 2014	**11.48**	**0.15**	**(0.14)**	**0.32**	**0.55**	**0.88**	**–**	**–**	**–**	**–**	**–**	**12.32**
Dec. 31, 2013	10.95	0.26	(0.27)	0.27	0.25	0.51	–	–	–	–	–	11.47
Dec. 31, 2012	9.31	0.25	(0.24)	(0.12)	1.92	1.81	–	(0.01)	–	–	(0.01)	10.95
Dec. 31, 2011	11.05	0.25	(0.23)	(0.52)	(1.21)	(1.71)	–	–	–	–	–	9.31
Dec. 31, 2010	10.22	0.16	(0.24)	0.10	1.35	1.37	–	–	(0.05)	–	(0.05)	11.05
Dec. 31, 2009[3]	10.00[†]	–	–	0.11	0.11	0.22	–	–	–	–	–	10.22
Series D												
June 30, 2014	**11.61**	**0.15**	**(0.09)**	**0.32**	**0.56**	**0.94**	**–**	**–**	**–**	**–**	**–**	**12.52**
Dec. 31, 2013	11.06	0.26	(0.17)	0.28	0.26	0.63	–	(0.09)	–	–	(0.09)	11.60
Dec. 31, 2012	9.39	0.25	(0.15)	(0.12)	1.98	1.96	–	(0.09)	–	–	(0.09)	11.06
Dec. 31, 2011	11.14	0.25	(0.15)	(0.53)	(1.23)	(1.66)	–	(0.09)	–	–	(0.09)	9.39
Dec. 31, 2010	10.22	0.21	(0.15)	0.13	1.81	2.00	–	(0.02)	(0.05)	–	(0.07)	11.14
Dec. 31, 2009[3]	10.00[†]	–	–	0.11	0.11	0.22	–	–	–	–	–	10.22
Series F												
June 30, 2014	**11.63**	**0.15**	**(0.07)**	**0.32**	**0.56**	**0.96**	**–**	**–**	**–**	**–**	**–**	**12.55**
Dec. 31, 2013	11.06	0.27	(0.13)	0.28	0.26	0.68	–	(0.10)	–	–	(0.10)	11.62
Dec. 31, 2012	9.37	0.25	(0.12)	(0.12)	1.96	1.97	–	(0.11)	–	–	(0.11)	11.06
Dec. 31, 2011	11.16	0.26	(0.12)	(0.54)	(1.25)	(1.65)	–	(0.16)	–	–	(0.16)	9.37
Dec. 31, 2010	10.22	0.20	(0.12)	0.13	1.85	2.06	–	(0.03)	(0.05)	–	(0.08)	11.16
Dec. 31, 2009[3]	10.00[†]	–	–	0.11	0.11	0.22	–	–	–	–	–	10.22
Series I												
June 30, 2014	**11.70**	**0.15**	**(0.05)**	**0.32**	**0.57**	**0.99**	**–**	**–**	**–**	**–**	**–**	**12.66**
Dec. 31, 2013	11.09	0.27	(0.10)	0.28	0.26	0.71	–	(0.10)	–	–	(0.10)	11.69
Dec. 31, 2012[4]	9.82[†]	0.11	(0.05)	(0.05)	0.86	0.87	–	(0.08)	–	–	(0.08)	11.09

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**11.72**	**0.15**	**(0.02)**	**0.32**	**0.56**	**1.01**	**–**	**–**	**–**	**–**	**–**	**12.71**
Dec. 31, 2013	11.18	0.27	(0.03)	0.28	0.26	0.78	–	(0.25)	–	–	(0.25)	11.71
Dec. 31, 2012	9.46	0.25	(0.03)	(0.12)	1.98	2.08	–	(0.19)	–	–	(0.19)	11.18
Dec. 31, 2011	11.21	0.26	(0.03)	(0.54)	(1.24)	(1.55)	–	(0.19)	–	–	(0.19)	9.46
Dec. 31, 2010	10.22	0.21	(0.03)	0.14	1.85	2.17	–	(0.09)	(0.05)	–	(0.14)	11.21
Dec. 31, 2009[3]	10.00†	–	–	0.11	0.11	0.22	–	–	–	–	–	10.22

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
[2] Distributions are reinvested in additional units of the Fund or paid in cash.
[3] From December 23, 2009.
[4] From July 9, 2012.
† Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**12.34**	**100 887**	**8 176**	**2.43**	**2.43**	**41.76**	**0.31**
Dec. 31, 2013	11.50	93 340	8 119	2.44	2.44	42.50	0.25
Dec. 31, 2012	10.97	69 217	6 307	2.40	2.40	37.84	0.32
Dec. 31, 2011	9.33	48 449	5 193	2.39	2.39	65.49	0.46
Dec. 31, 2010	11.07	30 930	2 794	2.39	2.39	60.54	0.58
Dec. 31, 2009[4]	10.22	1	–	2.31	2.31	–	0.20
Advisor Series							
June 30, 2014	**12.32**	**6 255**	**508**	**2.44**	**2.44**	**41.76**	**0.31**
Dec. 31, 2013	11.48	3 870	337	2.41	2.41	42.50	0.25
Dec. 31, 2012	10.96	1 143	104	2.44	2.44	37.84	0.32
Dec. 31, 2011	9.32	541	58	2.43	2.43	65.49	0.46
Dec. 31, 2010	11.06	412	37	2.43	2.43	60.54	0.58
Dec. 31, 2009[4]	10.22	1	–	2.31	2.31	–	0.20
Series D							
June 30, 2014	**12.52**	**16 186**	**1 293**	**1.48**	**1.48**	**41.76**	**0.31**
Dec. 31, 2013	11.61	13 121	1 130	1.48	1.48	42.50	0.25
Dec. 31, 2012	11.07	8 197	741	1.49	1.49	37.84	0.32
Dec. 31, 2011	9.40	5 607	597	1.49	1.49	65.49	0.46
Dec. 31, 2010	11.15	4 857	436	1.50	1.50	60.54	0.58
Dec. 31, 2009[4]	10.22	1	–	1.42	1.42	–	0.20
Series F							
June 30, 2014	**12.55**	**6 331**	**504**	**1.19**	**1.19**	**41.76**	**0.31**
Dec. 31, 2013	11.63	3 400	292	1.19	1.19	42.50	0.25
Dec. 31, 2012	11.06	1 219	110	1.22	1.22	37.84	0.32
Dec. 31, 2011	9.37	828	88	1.21	1.21	65.49	0.46
Dec. 31, 2010	11.17	1 236	111	1.22	1.22	60.54	0.58
Dec. 31, 2009[4]	10.22	1	–	1.15	1.15	–	0.20

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series I							
June 30, 2014	**12.66**	**529**	**42**	**0.90**	**0.90**	**41.76**	**0.31**
Dec. 31, 2013	11.70	256	22	0.90	0.90	42.50	0.25
Dec. 31, 2012[5]	11.10	1	–	0.96	0.96	37.84	0.32
Series O							
June 30, 2014	**12.71**	**1 445 512**	**113 712**	**0.28**	**0.28**	**41.76**	**0.31**
Dec. 31, 2013	11.72	1 412 998	120 577	0.28	0.28	42.50	0.25
Dec. 31, 2012	11.19	1 395 194	124 730	0.28	0.28	37.84	0.32
Dec. 31, 2011	9.46	834 723	88 216	0.28	0.28	65.49	0.46
Dec. 31, 2010	11.21	757 118	67 511	0.27	0.27	60.54	0.58
Dec. 31, 2009[4]	10.22	148	15	0.26	0.26	–	0.20

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From December 23, 2009.

[5] From July 9, 2012.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

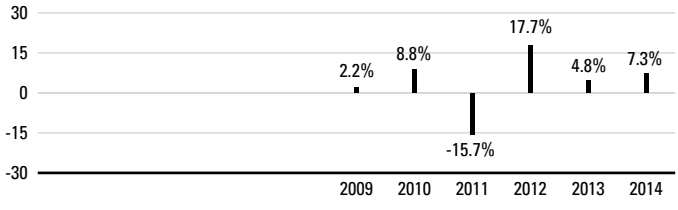
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

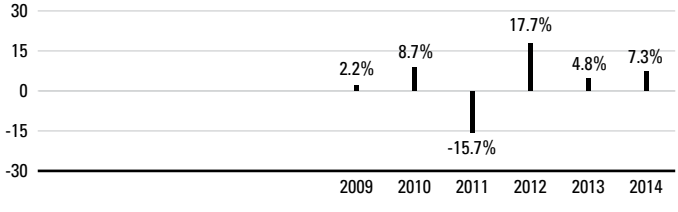
Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

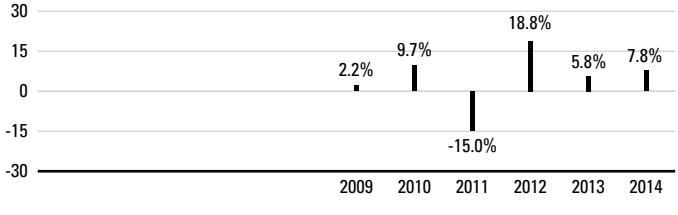
Series A[1] (%)



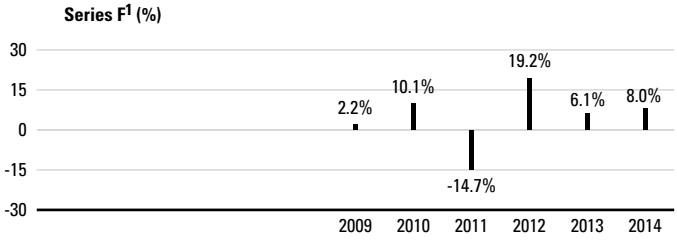
Advisor Series[1] (%)



Series D[1] (%)

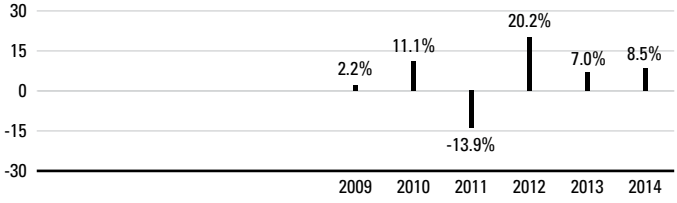


Series F[1] (%)



Series I[2] (%)

Series O[1] (%)



[1] Inception date December 23, 2009.
[2] Inception date July 9, 2012.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
South Korea	12.1
India	11.9
Other Countries	10.9
South Africa	10.3
China	10.2
Taiwan	9.8
Hong Kong	7.0
Brazil	6.7
Indonesia	3.9
Malaysia	3.7
Chile	3.2
Peru	2.4
Ireland	2.3
Philippines	2.3
Cash/Other	3.3

Top 25 Holdings

	% of Net Asset Value
Housing Development Finance Corp.	4.4
Taiwan Semiconductor Manufacturing Co. Ltd.	4.0
Samsung Electronics Co. Ltd.	3.8
Cash & Cash Equivalents	3.0
Naspers Ltd.	2.7
Credicorp Ltd.	2.4
South African Breweries Plc.	2.4
Lenovo Group Limited	2.3
Dragon Oil Plc.	2.3
SM Investments Corp.	2.3
HCL Technologies Ltd.	2.3
Lupin Ltd.	2.2
Samsung Fire & Marine Insurance Co. Ltd.	2.2
Hyundai Motor Co., Preferred	2.1
AIA Group Ltd.	2.1
Axiata Group Bhd	2.0
Hikma Pharmaceuticals Plc.	2.0
China Mobile (Hong Kong) Ltd.	2.0
Standard Foods Corp.	1.9
Samsonite International S.A.	1.9
Cheung Kong (Holdings) Ltd.	1.9
Clicks Group Ltd.	1.7
Baidu.com Inc. ADR	1.7
China Merchants Holdings Co. Ltd.	1.7
Banco Bradesco S.A. ADR	1.7
Top 25 Holdings	59.0

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

INTERNATIONAL EQUITY FUND

RBC EMERGING MARKETS SMALL-CAP EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of small-cap companies located or active in emerging markets.

To achieve the Fund's objectives, the portfolio manager selects equity securities of companies in emerging-market countries, including, but not limited to, China, Brazil, South Korea, Taiwan, India, South Africa, Russia, Mexico, Peru, Malaysia, Indonesia, Turkey, Chile, Thailand and Poland. The Fund's investment process is based primarily on fundamental research, although the portfolio manager will also consider quantitative and technical factors. Stock selection is ultimately based on an understanding of the company, its business and its outlook. The portfolio manager also assesses the economic outlook in each emerging-market region, including expected growth, market valuations and economic trends. The Fund is diversified by sector and emerging market country to help reduce risk.

Results of Operations

The Fund's net asset value was $133 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 9.4%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund has a top-down bias away from commodities and towards domestic sectors and quality. Over the past six months, the Fund's underweight position in Energy was positive for performance, as this was the worst-performing sector. At the same time, overweight positions in the Telecommunication Services and Health Care sectors benefited performance, as these were the best-performing sectors over the period. Detracting from performance was the overweight position in Consumer Staples, which was the second-worst performing sector, while an underweight position in the Information Technology sector was also a negative.

The Fund reduced exposure to the Consumer Staples sector over the period and increased exposure to Information Technology, which was good for overall performance.

Also benefiting the Fund's performance was an overweight position in India, as this was the best-performing emerging market in the period due to a positive election outcome. The Fund also benefited from an overweight allocation to Thailand and an underweight position in China. Holding back results was a lack of exposure to the strong-performing Egyptian market and an overweight position in Chile.

Stock selection is the principal driver of relative performance. The Fund has a focus on high-quality growth stocks trading at reasonable valuations. Stocks with these characteristics did well in the first four months of the year. However, in the last two months of the period, there was a rotation into value stocks. The Fund benefited from a position in Chroma ATE in Taiwan, which is exposed to increasing automation in manufacturing, and from a position in Tube Investments in India, which is exposed to domestic growth with a dominant market position and strong management team.

Recent Developments

In the first months of 2014, emerging-market equities underperformed developed-market equities, but since then, emerging-market equities staged a strong rebound and have performed in line with developed markets over the period.

The positive shift in investor sentiment toward emerging markets since the beginning of the year has support from improving earnings prospects and rebounding currencies. Furthermore, another round of elections in emerging-market countries hold out the prospects for needed economic reforms. Looking ahead, the Fund will retain its bias towards high-quality stocks and domestic sectors and away from areas exposed to commodity prices.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.14**	**0.24**	**(0.13)**	**0.05**	**0.77**	**0.93**	**–**	**–**	**–**	**–**	**–**	**11.09**
Dec. 31, 2013[4]	10.00†	–	(0.14)	(0.04)	0.30	0.12	–	–	–	–	–	10.12
Advisor Series												
June 30, 2014	**10.14**	**0.24**	**(0.13)**	**0.05**	**0.76**	**0.92**	**–**	**–**	**–**	**–**	**–**	**11.09**
Dec. 31, 2013[4]	10.00†	–	(0.14)	(0.04)	0.30	0.12	–	–	–	–	–	10.12
Series D												
June 30, 2014	**10.17**	**0.24**	**(0.08)**	**0.05**	**0.76**	**0.97**	**–**	**–**	**–**	**–**	**–**	**11.18**
Dec. 31, 2013[4]	10.00†	–	(0.09)	(0.04)	0.30	0.17	–	–	–	–	–	10.15
Series F												
June 30, 2014	**10.19**	**0.24**	**(0.07)**	**0.05**	**0.77**	**0.99**	**–**	**–**	**–**	**–**	**–**	**11.21**
Dec. 31, 2013[4]	10.00†	–	(0.07)	(0.04)	0.29	0.18	–	–	–	–	–	10.17
Series O												
June 30, 2014	**10.24**	**0.23**	**(0.01)**	**0.05**	**0.75**	**1.02**	**–**	**–**	**–**	**–**	**–**	**11.32**
Dec. 31, 2013[3]	10.00†	–	(0.02)	(0.04)	0.32	0.26	–	–	–	–	–	10.21

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From June 10, 2013.

[4] From August 12, 2013.

† Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**11.09**	**747**	**67**	**2.41**	**2.41**	**46.68**	**0.53**
Dec. 31, 2013[5]	10.14	492	48	2.41	2.41	22.87	0.29
Advisor Series							
June 30, 2014	**11.09**	**448**	**40**	**2.49**	**2.49**	**46.68**	**0.53**
Dec. 31, 2013[5]	10.14	230	23	2.48	2.48	22.87	0.29
Series D							
June 30, 2014	**11.18**	**517**	**46**	**1.59**	**1.59**	**46.68**	**0.53**
Dec. 31, 2013[5]	10.17	242	24	1.58	1.58	22.87	0.29
Series F							
June 30, 2014	**11.21**	**59**	**5**	**1.26**	**1.26**	**46.68**	**0.53**
Dec. 31, 2013[5]	10.19	26	3	1.26	1.26	22.87	0.29
Series O							
June 30, 2014	**11.32**	**130 957**	**11 570**	**0.28**	**0.28**	**46.68**	**0.53**
Dec. 31, 2013[4]	10.24	62 320	6 088	0.28	0.28	22.87	0.29

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From June 10, 2013.

[5] From August 12, 2013.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series D	1.10%	23%	77%
Series F	0.85%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

1 Inception date August 12, 2013.
2 Inception date June 10, 2013.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
India	14.0
Taiwan	13.2
Other Countries	11.2
Thailand	8.9
South Korea	7.8
Hong Kong	7.2
China	6.6
South Africa	6.2
Brazil	5.1
Indonesia	4.7
Malaysia	4.0
Chile	3.9
Mexico	3.6
Cash/Other	3.6

Top 25 Holdings

	% of Net Asset Value
Delta Electronics Thailand PCL	3.3
Cash & Cash Equivalents	3.0
Security Bank Corp.	2.9
PT Ace Hardware Indonesia Tbk	2.7
Aeon Thana Sinsap Thailand PCL, Subscription Receipts	2.5
Chroma ATE Inc.	2.5
Marico Ltd.	2.4
Sino Biopharmaceutical Ltd.	2.3
Standard Foods Corp.	2.3
Samsonite International S.A.	2.3
DGB Financial Group Inc.	2.2
WuXi PharmaTech Cayman Inc. ADR	2.2
Hikma Pharmaceuticals Plc.	2.2
Cummins India Ltd.	2.2
Airtac International Group	2.2
Godrej Industries Ltd.	2.1
Tube Investments of India Ltd.	1.9
Amorepacific Corp. Preference	1.9
Hollysys Automation Technologies Ltd.	1.9
Ipca Laboratories Ltd.	1.8
Howden Africa Holdings Ltd.	1.7
Pacific Hospital Supply Co. Ltd.	1.7
Giant Manufacturing Co. Ltd.	1.6
Clicks Group Ltd.	1.6
Asia Satellite Telecommunications Holdings Ltd.	1.6
Top 25 Holdings	55.0

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

GLOBAL EQUITY FUND

RBC GLOBAL DIVIDEND GROWTH FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks long-term capital growth by investing in equity securities of a diversified mix of companies operating in various countries around the world across a range of sectors.

The Fund invests in stocks that have undergone a selection process emphasizing companies with a leading market position or lucrative niche, consistent and predictable profit growth and strong management teams.

Results of Operations

The Fund's net asset value was $1.1 billion as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 6.2%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Developed markets made solid progress in the first half of 2014, with returns for U.S. markets in line with the global average. The top-performing market sectors were Utilities, Energy, Health Care and Information Technology, while Consumer Discretionary was the weakest. Strength in the Utilities sector reflected the low-interest-rate environment, and performance in the Energy sector was driven by robust prices and investor confidence in the largest oil companies, which displayed greater discipline in capital spending. Strong performance in Health Care was driven, in part, by merger-and-acquisition activity, highlighting the attractiveness of European-based companies in lower-taxed jurisdictions to U.S.-based companies.

The Fund increased its exposure to U.S. equities during the period, driven by additions in the Energy, Materials, Industrials and Information Technology sectors. The Fund's holdings in U.S. equities performed especially well, driven by long-term holdings such as Williams Cos., the large natural-gas pipeline company, as well as newer additions such as Avago, a wireless-communications chipmaker whose stock benefited from a recent acquisition. The Fund also re-established positions in Starbucks, taking advantage of a period of relative share-price weakness to gain exposure to the coffee chain's potential for long-term growth, as well as Legal & General, a U.K.-based life insurer and asset manager that has a dominant position in providing solutions to corporations seeking to immunize themselves from risks in their defined-benefit pension plans, a growing trend.

The Fund's relative success in U.S. equities was partially offset by a relative lack of exposure to Europe's weaker economies, whose markets performed well as concerns regarding financial stability abated in the short term. In terms of sector performance, the Fund's holdings outperformed in Energy, driven by Williams and Total; in Materials, led by Lyondell and BASF; and in Information Technology, led by Avago and Apple Inc. The Fund's holdings in Health Care underperformed due to a lack of exposure to European-based companies who shares benefited from merger-and-acquisition activity.

Portfolio turnover is relatively high for the Fund, as the portfolio manager attempts to generate better returns through active fund management.

Recent Developments

The global economy continues to expand at a modest rate, aided by clearly accommodative and coordinated monetary policy in most jurisdictions. Markets continue to reflect the willingness of investors to hold stocks and other higher-risk investments, which is reflected in a greater focus by companies on large-scale mergers and acquisitions. While the direction of corporate profits and free cash flows remains positive, the continued availability of bank and debt-market financing is becoming a greater driver of growth in corporate earnings and equity values, and this trend will bear watching in the months ahead. Through this period, the Fund remains positioned to benefit from companies with strong business and financial positions providing the ability to deliver sustainable dividend growth.

Effective June 27, 2014, the RBC Private Global Dividend Growth Pool merged into the Fund, and unitholders of the RBC Private Global Dividend Growth Pool received units of the Fund on a dollar-for-dollar, tax-deferred basis.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Series T5, Series T8 and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $39,000 (2013 – $9,000) or 3% (2013 – or 1%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**11.94**	**0.28**	**(0.14)**	**2.01**	**(1.42)**	**0.73**	**–**	**(0.13)**	**–**	**–**	**(0.13)**	**12.56**
Dec. 31, 2013	8.80	0.25	(0.23)	1.60	1.56	3.18	–	(0.03)	–	–	(0.03)	11.94
Dec. 31, 2012	7.91	0.24	(0.19)	0.32	0.55	0.92	–	(0.05)	–	–	(0.05)	8.80
Dec. 31, 2011	8.43	0.26	(0.18)	(0.03)	(0.49)	(0.44)	–	(0.07)	–	–	(0.07)	7.91
Dec. 31, 2010	8.27	0.17	(0.17)	(0.10)	0.24	0.14	–	–	–	–	–	8.43
Dec. 31, 2009	7.47	0.22	(0.16)	(1.30)	2.17	0.93	–	(0.07)	–	–	(0.07)	8.27
Advisor Series												
June 30, 2014	**12.06**	**0.29**	**(0.14)**	**2.05**	**(1.45)**	**0.75**	**–**	**(0.11)**	**–**	**–**	**(0.11)**	**12.70**
Dec. 31, 2013	8.88	0.26	(0.23)	1.62	1.57	3.22	–	(0.03)	–	–	(0.03)	12.06
Dec. 31, 2012	7.98	0.24	(0.19)	0.32	0.55	0.92	–	(0.05)	–	–	(0.05)	8.88
Dec. 31, 2011	8.49	0.26	(0.17)	(0.03)	(0.50)	(0.44)	–	(0.07)	–	–	(0.07)	7.98
Dec. 31, 2010	8.32	0.17	(0.17)	(0.10)	0.24	0.14	–	–	–	–	–	8.49
Dec. 31, 2009	7.53	0.22	(0.16)	(1.32)	2.19	0.93	–	(0.08)	–	–	(0.08)	8.32
Series T5												
June 30, 2014	**11.39**	**0.27**	**(0.13)**	**1.92**	**(1.36)**	**0.70**	**–**	**(0.29)**	**–**	**–**	**(0.29)**	**11.81**
Dec. 31, 2013	8.74	0.24	(0.24)	1.54	1.49	3.03	–	(0.03)	–	(0.41)	(0.44)	11.39
Dec. 31, 2012[3]	8.61[†]	0.06	(0.05)	0.09	0.14	0.24	–	(0.01)	–	(0.10)	(0.11)	8.74
Series T8												
June 30, 2014	**8.85**	**0.21**	**(0.10)**	**1.49**	**(1.05)**	**0.55**	**–**	**(0.35)**	**–**	**–**	**(0.35)**	**9.05**
Dec. 31, 2013	6.98	0.19	(0.18)	1.23	1.19	2.43	–	(0.02)	–	(0.54)	(0.56)	8.85
Dec. 31, 2012	6.75	0.20	(0.15)	0.26	0.45	0.76	–	(0.04)	–	(0.50)	(0.54)	6.98
Dec. 31, 2011	7.75	0.23	(0.16)	(0.03)	(0.44)	(0.40)	–	(0.06)	–	(0.56)	(0.62)	6.75
Dec. 31, 2010	8.30	0.17	(0.16)	(0.09)	0.23	0.15	–	–	–	(0.66)	(0.66)	7.75
Dec. 31, 2009	8.09	0.23	(0.16)	(1.36)	2.27	0.98	–	(0.08)	–	(0.58)	(0.66)	8.30
Series D												
June 30, 2014	**12.10**	**0.29**	**(0.08)**	**2.05**	**(1.45)**	**0.81**	**–**	**(0.18)**	**–**	**–**	**(0.18)**	**12.74**
Dec. 31, 2013	8.88	0.26	(0.13)	1.62	1.58	3.33	–	(0.10)	–	–	(0.10)	12.10
Dec. 31, 2012	7.97	0.25	(0.11)	0.33	0.55	1.02	–	(0.13)	–	–	(0.13)	8.88
Dec. 31, 2011	8.49	0.26	(0.10)	(0.03)	(0.50)	(0.37)	–	(0.14)	–	–	(0.14)	7.97
Dec. 31, 2010	8.32	0.18	(0.10)	(0.10)	0.24	0.22	–	(0.08)	–	–	(0.08)	8.49
Dec. 31, 2009	7.49	0.22	(0.09)	(1.31)	2.18	1.00	–	(0.12)	–	–	(0.12)	8.32

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**12.89**	**0.31**	**(0.07)**	**2.22**	**(1.57)**	**0.89**	**–**	**(0.18)**	**–**	**–**	**(0.18)**	**13.60**
Dec. 31, 2013	9.45	0.27	(0.11)	1.73	1.68	3.57	–	(0.14)	–	–	(0.14)	12.88
Dec. 31, 2012	8.49	0.26	(0.09)	0.35	0.59	1.11	–	(0.17)	–	–	(0.17)	9.45
Dec. 31, 2011	9.05	0.28	(0.08)	(0.04)	(0.53)	(0.37)	–	(0.19)	–	–	(0.19)	8.49
Dec. 31, 2010	8.89	0.19	(0.08)	(0.11)	0.26	0.26	–	(0.12)	–	–	(0.12)	9.05
Dec. 31, 2009	8.04	0.24	(0.08)	(1.41)	2.35	1.10	–	(0.19)	–	–	(0.19)	8.89
Series I												
June 30, 2014	**12.35**	**0.29**	**(0.04)**	**2.05**	**(1.45)**	**0.85**	**–**	**(0.24)**	**–**	**–**	**(0.24)**	**12.98**
Dec. 31, 2013	8.94	0.26	(0.08)	1.63	1.59	3.40	–	(0.01)	–	–	(0.01)	12.35
Dec. 31, 2012	8.03	0.25	(0.06)	0.33	0.56	1.08	–	(0.19)	–	–	(0.19)	8.94
Dec. 31, 2011	8.55	0.27	(0.05)	(0.04)	(0.51)	(0.33)	–	(0.20)	–	–	(0.20)	8.03
Dec. 31, 2010	8.25	0.17	(0.04)	(0.10)	0.24	0.27	–	–	–	–	–	8.55
Dec. 31, 2009	7.45	0.22	(0.04)	(1.31)	2.18	1.05	–	(0.19)	–	–	(0.19)	8.25
Series O												
June 30, 2014	**12.24**	**0.28**	**–**	**1.96**	**(1.38)**	**0.86**	**–**	**(0.45)**	**–**	**–**	**(0.45)**	**12.70**
Dec. 31, 2013	9.00	0.26	–	1.66	1.61	3.53	–	(0.27)	–	–	(0.27)	12.24
Dec. 31, 2012	8.09	0.25	–	0.33	0.56	1.14	–	(0.25)	–	–	(0.25)	9.00
Dec. 31, 2011	8.64	0.27	–	(0.04)	(0.51)	(0.28)	–	(0.28)	–	–	(0.28)	8.09
Dec. 31, 2010	8.49	0.18	–	(0.10)	0.24	0.32	–	(0.20)	–	–	(0.20)	8.64
Dec. 31, 2009	7.64	0.23	–	(1.34)	2.24	1.13	–	(0.23)	–	–	(0.23)	8.49

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From September 24, 2012.

† Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**12.56**	**235 545**	**18 754**	**2.25**	**2.25**	**169.52**	**0.37**
Dec. 31, 2013	11.94	207 142	17 348	2.26	2.26	143.17	0.36
Dec. 31, 2012	8.81	148 837	16 900	2.24	2.24	139.72	0.28
Dec. 31, 2011	7.91	147 634	18 655	2.25	2.25	136.55	0.43
Dec. 31, 2010	8.43	177 089	21 010	2.20	2.20	117.58	0.30
Dec. 31, 2009	8.27	192 308	23 255	2.16	2.16	129.20	0.33
Advisor Series							
June 30, 2014	**12.70**	**22 029**	**1 735**	**2.23**	**2.23**	**169.52**	**0.37**
Dec. 31, 2013	12.06	14 769	1 225	2.24	2.24	143.17	0.36
Dec. 31, 2012	8.89	6 430	723	2.18	2.18	139.72	0.28
Dec. 31, 2011	7.98	2 949	370	2.19	2.19	136.55	0.43
Dec. 31, 2010	8.49	3 041	358	2.14	2.14	117.58	0.30
Dec. 31, 2009	8.32	3 564	428	2.10	2.10	129.20	0.33

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series T5							
June 30, 2014	**11.81**	**1 037**	**88**	**2.18**	**2.18**	**169.52**	**0.37**
Dec. 31, 2013	11.39	691	61	2.27	2.27	143.17	0.36
Dec. 31, 2012[4]	8.75	2	–	2.26	2.26	139.72	0.28
Series T8							
June 30, 2014	**9.05**	**1 574**	**174**	**2.21**	**2.21**	**169.52**	**0.37**
Dec. 31, 2013	8.85	1 027	116	2.24	2.24	143.17	0.36
Dec. 31, 2012	6.99	396	57	2.19	2.19	139.72	0.28
Dec. 31, 2011	6.75	303	45	2.21	2.21	136.55	0.43
Dec. 31, 2010	7.75	587	76	2.14	2.14	117.58	0.30
Dec. 31, 2009	8.30	903	109	2.10	2.10	129.20	0.33
Series D							
June 30, 2014	**12.74**	**9 239**	**725**	**1.26**	**1.26**	**169.52**	**0.37**
Dec. 31, 2013	12.10	6 521	539	1.27	1.27	143.17	0.36
Dec. 31, 2012	8.89	2 434	274	1.26	1.26	139.72	0.28
Dec. 31, 2011	7.97	1 892	237	1.26	1.26	136.55	0.43
Dec. 31, 2010	8.49	1 939	229	1.24	1.24	117.58	0.30
Dec. 31, 2009	8.32	1 625	195	1.21	1.21	129.20	0.33
Series F							
June 30, 2014	**13.60**	**3 637**	**267**	**1.00**	**1.00**	**169.52**	**0.37**
Dec. 31, 2013	12.89	2 273	176	0.99	0.99	143.17	0.36
Dec. 31, 2012	9.46	897	95	0.99	0.99	139.72	0.28
Dec. 31, 2011	8.49	856	101	0.99	0.99	136.55	0.43
Dec. 31, 2010	9.05	1 025	113	0.97	0.97	117.58	0.30
Dec. 31, 2009	8.89	1 064	120	0.95	0.95	129.20	0.33
Series I							
June 30, 2014	**12.98**	**2 527**	**195**	**0.65**	**0.65**	**169.52**	**0.37**
Dec. 31, 2013	12.35	247	20	0.65	0.65	143.17	0.36
Dec. 31, 2012	8.95	1	–	0.65	0.65	139.72	0.28
Dec. 31, 2011	8.04	1	–	0.65	0.65	136.55	0.43
Dec. 31, 2010	8.55	1	–	0.65	0.65	117.58	0.30
Dec. 31, 2009	8.25	1	–	0.51	0.51	129.20	0.33
Series O							
June 30, 2014	**12.70**	**835 542**	**65 805**	**0.02**	**0.02**	**169.52**	**0.37**
Dec. 31, 2013	12.24	632 520	51 672	0.02	0.02	143.17	0.36
Dec. 31, 2012	9.01	448 601	49 789	0.02	0.02	139.72	0.28
Dec. 31, 2011	8.09	351 421	43 453	0.02	0.02	136.55	0.43
Dec. 31, 2010	8.64	387 394	44 818	0.02	0.02	117.58	0.30
Dec. 31, 2009	8.49	390 406	45 990	0.02	0.02	129.20	0.33

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From September 24, 2012.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	62%	38%
Advisor Series	1.85%	62%	38%
Series T5	1.85%	62%	38%
Series T8	1.85%	62%	38%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

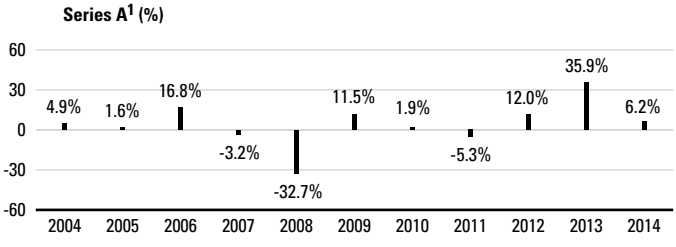
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

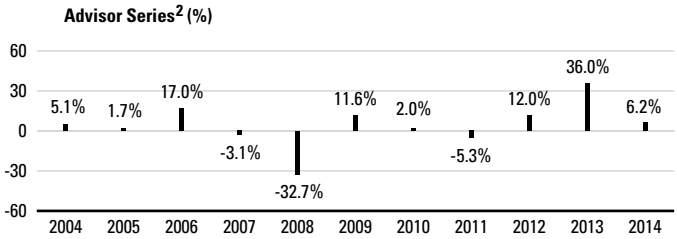
PAST PERFORMANCE

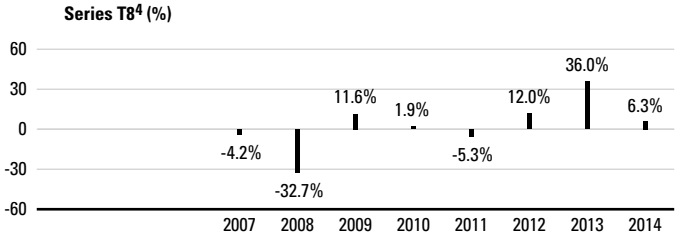
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

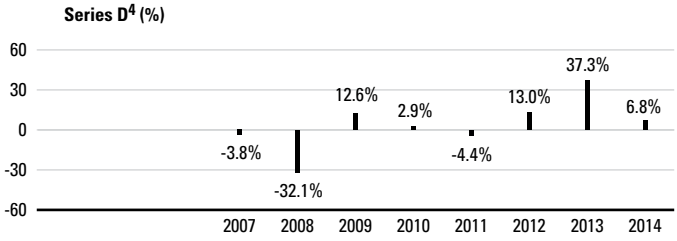
Year-by-Year Returns (%)

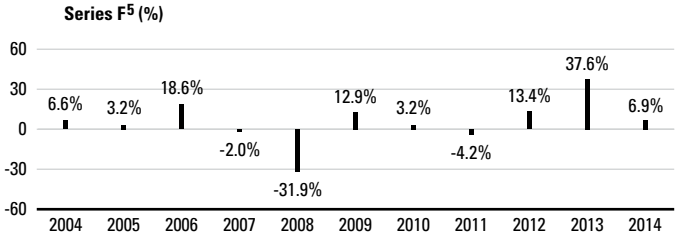
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

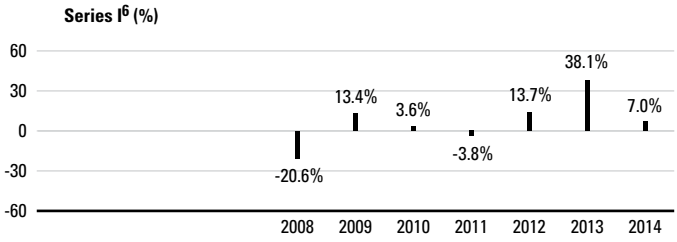




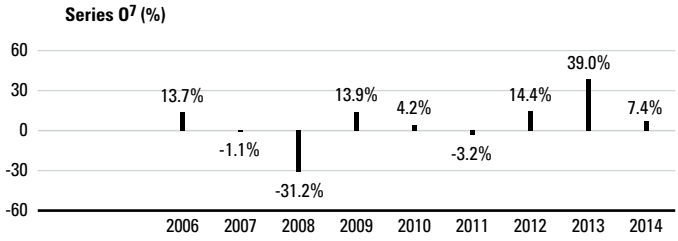








PAST PERFORMANCE (cont.)



[1] Inception date December 29, 2000.
[2] Inception date August 6, 2003.
[3] Inception date September 24, 2012.
[4] Inception date July 3, 2007.
[5] Inception date August 13, 2001.
[6] Inception date January 21, 2008.
[7] Inception date September 5, 2006.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United States	49.2
Other Countries	12.3
United Kingdom	11.0
Germany	6.3
Japan	5.4
France	5.3
Belgium	4.9
Switzerland	3.4
Cash/Other	2.2

Top 25 Holdings

	% of Net Asset Value
AbbVie Inc.	3.3
Seagate Technology	3.2
Rio Tinto Plc.	3.0
UnitedHealth Group Incorporated	3.0
Williams Companies Inc.	3.0
Apple Inc.	3.0
Union Pacific Corp.	3.0
Verizon Communications Inc.	2.9
Legal & General Group Plc.	2.9
Wells Fargo & Company	2.9
InBev N.V.	2.9
CVS Corp.	2.7
Airbus Group N.V.	2.6
Total S.A.	2.5
Roche Holdings AG Genusscheine	2.4
LyondellBasell Industries N.V.	2.4
Sampo OYJ	2.4
Prudential Corporation Plc.	2.4
Harman International Industries Inc.	2.3
Cash & Cash Equivalents	2.3
Sands China Ltd.	2.1
KBC Groep N.V.	2.1
BASF AG	2.0
Honeywell International Inc.	1.9
Lockheed Martin Corporation	1.9
Top 25 Holdings	65.1

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

GLOBAL EQUITY FUND

RBC GLOBAL EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of a diversified mix of companies operating around the world and across a range of sectors.

To achieve the Fund's objectives, the portfolio manager uses primarily fundamental research to assess the economic outlook for regions around the world, including expected growth, market valuations and economic trends. The Fund may invest in American Depositary Receipts and may invest as much as 10% of its assets in units of other mutual funds managed by RBC GAM or an affiliate.

Results of Operations

The Fund was launched on March 10, 2014, and its net asset value was $259 million as of June 30, 2014. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

The strong market rebound in recent years has given investors substantial gains and led to a debate about whether markets still represent good value. While it is clear that the gains seen are unlikely to be repeated, the sub-advisor continues to believe that the future remains bright for long-term investors. Corporate cash generation appears strong and balance sheets are generally robust. Indeed, a deluge of acquisitions suggests that companies are looking to the future with confidence. A number of risks do persist, in particular regarding how any rise in interest rates would affect the economy. The sub-advisor's focus remains finding companies with strong competitive advantages and prospects that are under-appreciated by the market.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $17,000 or 5% of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014[3]	**10.00†**	**0.17**	**(0.07)**	**(0.01)**	**(0.33)**	**(0.24)**	**–**	**–**	**–**	**–**	**–**	**9.76**
Advisor Series												
June 30, 2014[3]	**10.00†**	**0.17**	**(0.07)**	**(0.01)**	**(0.32)**	**(0.23)**	**–**	**–**	**–**	**–**	**–**	**9.76**
Series H												
June 30, 2014[3]	**10.00†**	**0.18**	**(0.06)**	**(0.01)**	**(0.33)**	**(0.22)**	**–**	**–**	**–**	**–**	**–**	**9.77**
Series D												
June 30, 2014[3]	**10.00†**	**0.17**	**(0.04)**	**(0.01)**	**(0.33)**	**(0.21)**	**–**	**–**	**–**	**–**	**–**	**9.78**
Series F												
June 30, 2014[3]	**10.00†**	**0.18**	**(0.03)**	**(0.01)**	**(0.33)**	**(0.19)**	**–**	**–**	**–**	**–**	**–**	**9.79**
Series I												
June 30, 2014[3]	**10.00†**	**0.18**	**(0.02)**	**(0.01)**	**(0.33)**	**(0.18)**	**–**	**–**	**–**	**–**	**–**	**9.80**
Series O												
June 30, 2014[3]	**10.00†**	**0.18**	**–**	**(0.01)**	**(0.33)**	**(0.16)**	**–**	**–**	**–**	**–**	**–**	**9.83**

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From March 10, 2014.

† Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014[4]	**9.76**	**1 289**	**132**	**2.26**	**2.26**	**18.03**	**0.28**
Advisor Series							
June 30, 2014[4]	**9.76**	**40**	**4**	**2.26**	**2.26**	**18.03**	**0.28**
Series H							
June 30, 2014[4]	**9.77**	**1**	**–**	**2.09**	**2.09**	**18.03**	**0.28**
Series D							
June 30, 2014[4]	**9.78**	**143**	**15**	**1.43**	**1.43**	**18.03**	**0.28**
Series F							
June 30, 2014[4]	**9.79**	**276**	**28**	**1.13**	**1.13**	**18.03**	**0.28**
Series I							
June 30, 2014[4]	**9.80**	**1**	**–**	**0.96**	**0.96**	**18.03**	**0.28**
Series O							
June 30, 2014[4]	**9.83**	**256 889**	**26 146**	**0.02**	**0.02**	**18.03**	**0.28**

1 The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

2 The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

3 The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

4 From March 10, 2014.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series H	1.70%	59%	41%
Series D	1.10%	23%	77%
Series F	0.85%	–	100%
Series I	0.70%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

Investment performance in respect of a fund that has been available for less than one year is not provided. Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O units of this Fund were launched on March 10, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United States	58.0
Other Countries	12.5
Switzerland	7.4
United Kingdom	5.2
Japan	4.5
France	4.2
Germany	3.4
Belgium	3.0
Cash/Other	1.8

Top 25 Holdings

	% of Net Asset Value
Roche Holdings AG Genusscheine	3.2
InBev N.V.	3.0
Danaher Corp.	2.8
Blackstone Group LP	2.7
EOG Resources Inc.	2.6
Occidental Petroleum Corp.	2.6
Toyota Motor Corp.	2.5
Accenture Plc., Class A	2.5
Google Inc., Class A	2.4
Amgen Inc.	2.3
Deutsche Post AG	2.3
BNP Paribas S.A.	2.3
Enbridge Inc.	2.2
ITC Holdings Corp.	2.2
TD Ameritrade Holding Corp.	2.2
Kansas City Southern Industries Inc.	2.2
Anadarko Petroleum Corp.	2.1
Aryzta AG	2.1
TJX Companies Inc.	2.1
Invesco Ltd.	2.1
LyondellBasell Industries N.V.	2.0
Naspers Ltd.	2.0
Safran S.A.	2.0
Estée Lauder Companies Inc., Class A	2.0
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	1.9
Top 25 Holdings	58.3

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

GLOBAL EQUITY FUND

RBC GLOBAL EQUITY FOCUS FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of a diversified mix of companies operating around the world and across a range of sectors. The Fund generally invests in fewer companies and has a more concentrated portfolio than other global equity funds.

To achieve the Fund's objectives, the portfolio manager uses primarily fundamental research to assess the economic outlook for regions around the world, including expected growth, market valuations and economic trends. The Fund may invest in American Depositary Receipts and may invest as much as 10% of its assets in units of other mutual funds managed by RBC GAM or an affiliate.

Results of Operations

Series A, Advisor Series, Series H, Series D, Series F, Series I and Series O units of the Fund were launched on April 28, 2013, and its net asset value was $372 million as of June 30, 2014. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

The strong market rebound in recent years has given investors substantial gains and led to a debate about whether markets still represent good value. While it is clear that the gains seen are unlikely to be repeated, the sub-advisor continues to believe that the future remains bright for long-term investors. Corporate cash generation appears strong and balance sheets are generally robust. Indeed, a deluge of acquisitions suggests that companies are looking to the future with confidence. A number of risks do persist, in particular regarding how any rise in interest rates would affect the economy. The sub-advisor's focus remains finding companies with strong competitive advantages and prospects that are under-appreciated by the market.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Global Asset Management (UK) Limited is the sub-advisor and provides investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $17,000 or 4% of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014[3]	**10.00†**	**0.02**	**(0.04)**	**0.01**	**0.02**	**0.01**	**–**	**–**	**–**	**–**	**–**	**10.09**
Advisor Series												
June 30, 2014[3]	**10.00†**	**0.02**	**(0.04)**	**0.01**	**0.02**	**0.01**	**–**	**–**	**–**	**–**	**–**	**10.10**
Series H												
June 30, 2014[3]	**10.00†**	**0.02**	**(0.02)**	**0.01**	**0.02**	**0.03**	**–**	**–**	**–**	**–**	**–**	**10.10**
Series D												
June 30, 2014[3]	**10.00†**	**0.02**	**(0.02)**	**0.01**	**0.02**	**0.03**	**–**	**–**	**–**	**–**	**–**	**10.11**
Series F												
June 30, 2014[3]	**10.00†**	**0.02**	**(0.02)**	**0.01**	**0.02**	**0.03**	**–**	**–**	**–**	**–**	**–**	**10.12**
Series I												
June 30, 2014[3]	**10.00†**	**0.02**	**(0.01)**	**0.01**	**0.02**	**0.04**	**–**	**–**	**–**	**–**	**–**	**10.12**
Series O												
June 30, 2014[4]	**10.00†**	**0.12**	**–**	**0.08**	**0.18**	**0.38**	**–**	**–**	**–**	**–**	**–**	**10.23**

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From April 28, 2014.

[4] From December 30, 2013. Although Series O units of the Fund were created in December 2013, units were not offered for sale under a simplified prospectus until April 28, 2014.

† Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014[4]	**10.09**	**243**	**24**	**2.26**	**2.26**	**24.96**	**0.61**
Advisor Series							
June 30, 2014[4]	**10.10**	**57**	**6**	**2.26**	**2.26**	**24.96**	**0.61**
Series H							
June 30, 2014[4]	**10.10**	**1**	**–**	**1.41**	**1.41**	**24.96**	**0.61**
Series D							
June 30, 2014[4]	**10.11**	**110**	**11**	**1.41**	**1.41**	**24.96**	**0.61**
Series F							
June 30, 2014[4]	**10.12**	**1**	**–**	**1.13**	**1.13**	**24.96**	**0.61**
Series I							
June 30, 2014[4]	**10.12**	**1**	**–**	**0.96**	**0.96**	**24.96**	**0.61**
Series O							
June 30, 2014[5]	**10.23**	**371 143**	**36 287**	**0.02**	**0.02**	**n/a**	**0.61**

1 The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

2 The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

3 The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

4 From April 28, 2014.

5 From December 30, 2013. Although Series O units of the Fund were created in December 2013, units were not offered for sale under a simplified prospectus until April 28, 2014.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series H	1.70%	59%	41%
Series D	1.10%	23%	77%
Series F	0.85%	–	100%
Series I	0.70%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

Investment performance in respect of a fund that has been available for less than one year is not provided. Although Series O units of the Fund were created in December 2013, units were not offered for sale under a simplified prospectus until April 28, 2014. Series A, Advisor Series, Series D and Series F units of the Fund were also launched on April 28, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United States	61.5
Other Countries	11.9
Switzerland	7.3
France	5.0
Japan	3.5
Belgium	3.4
Germany	2.9
United Kingdom	2.8
Cash/Other	1.7

Top 25 Holdings

	% of Net Asset Value
Roche Holdings AG Genusscheine	3.6
Toyota Motor Corp.	3.5
InBev N.V.	3.4
Blackstone Group LP	3.2
Amgen Inc.	3.0
Google Inc., Class A	3.0
Deutsche Post AG	2.9
Occidental Petroleum Corp.	2.9
Accenture Plc., Class A	2.9
Danaher Corp.	2.9
EOG Resources Inc.	2.8
Citigroup Inc.	2.6
Praxair Inc.	2.6
UnitedHealth Group Incorporated	2.6
BNP Paribas S.A.	2.6
Baxter International Inc.	2.5
ITC Holdings Corp.	2.5
TJX Companies Inc.	2.5
Kansas City Southern Industries Inc.	2.5
Grainger (W.W.) Inc.	2.4
TD Ameritrade Holding Corp.	2.4
LyondellBasell Industries N.V.	2.4
Safran S.A.	2.4
Invesco Ltd.	2.4
Estée Lauder Companies Inc., Class A	2.3
Top 25 Holdings	68.8

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

GLOBAL EQUITY FUND

RBC QUBE GLOBAL EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of companies throughout the world using a quantitative investment approach.

The Fund is managed using a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors. The portfolio manager will diversify across industries within the global market.

Results of Operations

The Fund's net asset value was $281 million as of June 30, 2014.

Over the past six months, the Fund's units gained 8.3%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund's gains were due to good stock selection in the Information Technology, Energy and Industrials sectors. In the Industrials sector, airlines and shippers aided returns. Stock selection in the Financials and Utilities sectors had a negative impact on the Fund's relative performance. In Financials, the Fund was hurt by exposure to banks and consumer-finance stocks.

The Fund has generally high turnover given the portfolio manager's investment model.

Recent Developments

Stock markets, having continued to perform well even after the significant gains of 2013, appear to be approaching fair value. However, valuations remain reasonable and history indicates that markets frequently continue to rise long after they have reached equilibrium. At current market valuations the portfolio manager expects total returns to investors to be lower in 2014, although still positive. Volatility has remained low in 2014.

The portfolio manager expects any further gains to come from earnings growth rather than a rise in overall market valuations. As long as the economic recovery gains traction, the portfolio manager expects higher economic growth to translate into expanding sales and profits.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**11.68**	**0.29**	**–**	**0.37**	**0.27**	**0.93**	**–**	**–**	**–**	**–**	**–**	**12.65**
Dec. 31, 2013[3]	10.00[†]	0.10	–	0.21	1.99	2.30	–	(0.05)	(0.12)	–	(0.17)	11.68

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From June 28, 2013.

[†] Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series O							
June 30, 2014	**12.65**	**280 939**	**22 207**	**0.02**	**0.02**	**106.38**	**0.13**
Dec. 31, 2013[4]	11.68	236 478	20 247	0.02	0.02	37.64	0.23

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From June 28, 2013.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore, is not charged to the Fund.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

[1] Inception date June 28, 2013.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United States	56.6
Other Countries	15.3
United Kingdom	9.6
Japan	9.4
France	8.9
Cash/Other	0.2

Top 25 Holdings

	% of Net Asset Value
ConocoPhillips	3.5
Apple Inc.	3.2
Lockheed Martin Corporation	2.6
Roche Holdings AG Genusscheine	2.5
Caterpillar Inc.	2.4
Total S.A.	2.3
LyondellBasell Industries N.V.	2.3
Archer Daniels Midland Co.	2.3
The Kroger Co.	2.0
Nippon Telegraph & Telephone Corp.	1.8
WellPoint Inc.	1.8
Computer Sciences Corp.	1.7
AbbVie Inc.	1.5
GDF Suez	1.5
Bank of America Corp.	1.4
Microsoft Corp.	1.3
Credit Agricole S.A.	1.3
A P Moller - Maersk A/S	1.3
American Capital Agency Corp. Real Estate Investment Trust	1.3
Lloyds TSB Group Plc.	1.2
Electricite de France S.A.	1.2
Société Générale	1.2
Elsevier N.V.	1.1
BT Group Plc.	1.1
Pfizer Inc.	1.1
Top 25 Holdings	44.9

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

GLOBAL EQUITY FUND

RBC QUBE LOW VOLATILITY GLOBAL EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of global companies using a quantitative approach. The Fund seeks to achieve a reduced level of volatility of returns compared with the broader global equity market.

The Fund is managed using a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors. The portfolio manager will diversify across industries within the global market.

Results of Operations

The Fund's net asset value was $105 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 6.6%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund tends to invest in more defensive sectors such as Health Care and Utilities. During the past six months, these sectors contributed significantly to the performance of the Fund. Within the Utilities sector, electricity producers and companies that produce more than one type of fuel had the most significant positive impact on returns.

Individual stocks that contributed most to performance were Johnson & Johnson, Teva Pharmaceuticals and Novartis in the Health Care sector. In the Utilities sector, Southern Co. and Wisconsin Energy were major contributors.

Recent Developments

Stock markets, having continued to perform well even after the significant gains of 2013, appear to be approaching fair value. However, valuations remain reasonable and history indicates that markets frequently continue to rise long after they have reached equilibrium. At current market valuations the portfolio manager expects total returns to investors to be lower in 2014, although still positive. Volatility has remained low in 2014.

The portfolio manager expects any further gains to come from earnings growth rather than a rise in overall market valuations. As long as the economic recovery gains traction, the portfolio manager expects higher economic growth to translate into expanding sales and profits.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Series H and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**12.32**	**0.17**	**(0.14)**	**0.56**	**0.21**	**0.80**	**–**	**–**	**–**	**–**	**–**	**13.13**
Dec. 31, 2013	9.99	0.20	(0.25)	0.07	1.32	1.34	–	(0.01)	(0.08)	–	(0.09)	12.32
Dec. 31, 2012[3]	10.00†	0.02	(0.01)	0.01	0.01	0.03	(0.03)	–	–	–	(0.03)	9.99
Advisor Series												
June 30, 2014	**12.32**	**0.17**	**(0.14)**	**0.56**	**0.21**	**0.80**	**–**	**–**	**–**	**–**	**–**	**13.13**
Dec. 31, 2013	9.99	0.20	(0.25)	0.07	1.31	1.33	–	(0.01)	(0.08)	–	(0.09)	12.31
Dec. 31, 2012[3]	10.00†	0.02	(0.01)	0.01	0.01	0.03	(0.03)	–	–	–	(0.03)	9.99
Series H												
June 30, 2014	**12.32**	**0.17**	**(0.12)**	**0.53**	**0.20**	**0.78**	**–**	**–**	**–**	**–**	**–**	**13.15**
Dec. 31, 2013[4]	11.62†	0.07	(0.09)	0.03	0.46	0.47	–	(0.02)	(0.08)	–	(0.10)	12.31
Series D												
June 30, 2014	**12.38**	**0.17**	**(0.09)**	**0.56**	**0.22**	**0.86**	**–**	**–**	**–**	**–**	**–**	**13.26**
Dec. 31, 2013	9.99	0.21	(0.16)	0.08	1.41	1.54	–	(0.05)	(0.08)	–	(0.13)	12.38
Dec. 31, 2012[3]	10.00†	0.02	–	0.01	0.01	0.04	(0.03)	–	–	–	(0.03)	9.99
Series F												
June 30, 2014	**12.42**	**0.18**	**(0.07)**	**0.57**	**0.22**	**0.90**	**–**	**–**	**–**	**–**	**–**	**13.31**
Dec. 31, 2013	10.00	0.19	(0.13)	0.07	1.25	1.38	–	(0.04)	(0.08)	–	(0.12)	12.42
Dec. 31, 2012[3]	10.00†	0.02	–	0.01	0.01	0.04	(0.03)	–	–	–	(0.03)	10.00
Series I												
June 30, 2014	**12.40**	**0.18**	**(0.05)**	**0.57**	**0.22**	**0.92**	**–**	**–**	**–**	**–**	**–**	**13.32**
Dec. 31, 2013[4]	11.70†	0.07	(0.04)	0.03	0.47	0.53	–	(0.07)	(0.08)	–	(0.15)	12.40
Series O												
June 30, 2014	**12.42**	**0.18**	**–**	**0.56**	**0.22**	**0.96**	**–**	**–**	**–**	**–**	**–**	**13.38**
Dec. 31, 2013	10.00	0.30	–	0.11	2.02	2.43	–	(0.16)	(0.08)	–	(0.24)	12.42
Dec. 31, 2012[3]	10.00†	0.02	–	0.01	0.01	0.04	(0.04)	–	–	–	(0.04)	10.00

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From December 17, 2012.

[4] From August 12, 2013.

† Initial offering net asset value per unit.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**13.13**	**15 119**	**1 151**	**2.20**	**2.20**	**62.35**	**0.09**
Dec. 31, 2013	12.32	6 632	538	2.13	2.13	22.39	0.14
Dec. 31, 2012[4]	9.99	1	–	2.10	2.10	–	0.06
Advisor Series							
June 30, 2014	**13.13**	**2 521**	**192**	**2.19**	**2.19**	**62.35**	**0.09**
Dec. 31, 2013	12.32	1 908	155	2.13	2.13	22.39	0.14
Dec. 31, 2012[4]	9.99	1	–	2.10	2.10	–	0.06
Series H							
June 30, 2014	**13.15**	**14**	**1**	**1.94**	**1.94**	**62.35**	**0.09**
Dec. 31, 2013[5]	12.32	1	–	2.10	2.10	22.39	0.14
Series D							
June 30, 2014	**13.26**	**6 452**	**487**	**1.34**	**1.34**	**62.35**	**0.09**
Dec. 31, 2013	12.38	3 798	307	1.33	1.33	22.39	0.14
Dec. 31, 2012[4]	9.99	1	–	1.31	1.31	–	0.06
Series F							
June 30, 2014	**13.31**	**3 053**	**229**	**1.11**	**1.11**	**62.35**	**0.09**
Dec. 31, 2013	12.42	3 028	244	1.07	1.07	22.39	0.14
Dec. 31, 2012[4]	10.00	1	–	1.05	1.05	–	0.06
Series I							
June 30, 2014	**13.32**	**1**	**–**	**0.89**	**0.89**	**62.35**	**0.09**
Dec. 31, 2013[5]	12.40	1	–	0.97	0.97	22.39	0.14
Series O							
June 30, 2014	**13.38**	**77 367**	**5 781**	**0.02**	**0.02**	**62.35**	**0.09**
Dec. 31, 2013	12.42	64 089	5 160	0.03	0.03	22.39	0.14
Dec. 31, 2012[4]	10.00	3 005	301	0.01	0.01	–	0.06

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From December 17, 2012.

[5] From August 12, 2013.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series H	1.70%	59%	41%
Series D	1.10%	23%	77%
Series F	0.85%	–	100%
Series I	0.70%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

PAST PERFORMANCE (cont.)

1 Inception date April 8, 2013.
2 Inception date August 12, 2013.
3 Inception date January 18, 2013.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United States	59.4
Other Countries	16.8
Japan	9.9
Hong Kong	5.3
Switzerland	4.3
Canada	3.9
Germany	0.4

Top 25 Holdings

	% of Net Asset Value
Southern Co.	3.0
Johnson & Johnson	3.0
NTT DoCoMo Inc.	2.9
Wal-Mart Stores, Inc.	2.7
CLP Holdings Ltd.	2.7
Wisconsin Energy Corp.	2.4
PepsiCo Inc.	2.4
Toronto-Dominion Bank	2.3
Henry Schein Inc.	2.2
Torchmark Corp.	2.2
Becton Dickinson & Co.	2.1
Telstra Corp. Ltd.	2.0
3M Co.	1.9
Sigma-Aldrich Corp.	1.8
Cheung Kong Infrastructure Holdings Ltd.	1.7
Chevron Corp.	1.7
Cintas Corp.	1.7
McDonald's Holdings Co Japan Ltd.	1.7
Berkshire Hathaway Inc., Class B	1.6
Swisscom AG	1.5
Sempra Energy	1.5
L-3 Communications Holdings Inc.	1.4
Pfizer Inc.	1.4
Groupe Bruxelles Lambert S.A.	1.3
The Hershey Co.	1.3
Top 25 Holdings	50.4

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

GLOBAL EQUITY FUND

RBC JANTZI GLOBAL EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England
(for the European equity portion of the Fund)

Sub-Advisor: RBC Investment Management (Asia) Limited, Hong Kong, China
(for the Asian equity portion of the Fund)

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund provides the potential for long-term capital growth to investors seeking exposure to "socially responsible investing." Investments that qualify for inclusion in the portfolio must possess strong environmental, social and governance practices relative to industry peers, as defined by Sustainalytics Best-of-Sector™ methodology.

The Fund invests primarily in equity securities of companies throughout the world and may use derivatives for hedging purposes.

Results of Operations

The Fund's net asset value was $21 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 2.6%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Global equity markets continued their advance in the first six months of 2014, with U.S. stocks reaching all-time highs after accelerating in May and June. Merger and acquisition activity picked up in 2014, with the value of U.S. transactions rising to levels comparable with those before the 2008 financial crisis. The acquisitions occurred thanks in part to foreign acquirers targeting U.S. companies. One negative for U.S. indexes was that most of the increase was due to gains in a relatively small number of large stocks, creating a more difficult environment for stock pickers.

In Europe, signs emerged that earnings momentum might return after three years of continuous declines. In June, the European Central Bank (the "ECB") took further steps to ease monetary policy. Asian markets generally underperformed during the period, held back by Japan, which appeared to be entering a phase of slower growth following April's hike in the consumption tax and while markets await the third round of economic reforms known as "Abenomics."

The Fund benefited from stock selection in the Industrials sector, which was offset by share performance in the Information Technology and Financials sectors.

The Fund benefited from strong gains in NiSource, a U.S. utility operator; semiconductor company ASM Pacific Technology; Seagate Technology, a disk-drive maker; pharmaceutical company Novo-Nordisk; and Delta Air Lines. Stocks that had a negative relative impact on the Fund's performance during the period were Sumitomo Mitsui Financial, General Motors, Cigna and Priceline.com.

Sustainalytics completed a semi-annual review of the holdings in the Fund. Stock eligibility for the RBC Jantzi Funds was determined in relation to the environmental, social and governance ("ESG") criteria developed by Sustainalytics for the Jantzi Social Index. In the opinion of Sustainalytics, all holdings in the Fund were eligible based on the above criteria as of June 30, 2014. However, during the first half of 2014, three companies were removed from the Fund as they no longer met certain ESG criteria.

Portfolio turnover is normally high for the Fund, as the portfolio manager attempts to generate better returns through active sector and stock selection.

Recent Developments

The portfolio manager expects global growth to improve in 2014, and be slightly stronger again in 2015. Developed markets will likely outperform emerging markets for the rest of 2014. Gains in recent years mean that stock valuations are no longer extraordinarily low. However, the portfolio manager believes that equity-market valuations remain attractive because corporations remain disciplined and earnings continue to grow at moderate pace.

The portfolio manager expects any additional easing by the ECB to push down the euro, whose strength in the past year has held back the earnings of European companies.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisors

RBC Global Asset Management (UK) Limited and RBC Investment Management (Asia) Limited are the sub-advisors and provide investment advice for the Fund.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

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Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $2,000 (2013 – $0) or 6% (2013 – 0%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**10.67**	**0.12**	**(0.12)**	**1.16**	**(0.89)**	**0.27**	**–**	**–**	**–**	**–**	**–**	**10.95**
Dec. 31, 2013	7.87	0.21	(0.21)	0.90	1.91	2.81	–	(0.01)	–	–	(0.01)	10.67
Dec. 31, 2012	7.08	0.17	(0.17)	0.31	0.47	0.78	–	–	–	–	–	7.87
Dec. 31, 2011	7.48	0.16	(0.16)	0.05	(0.45)	(0.40)	–	–	–	–	–	7.08
Dec. 31, 2010	7.04	0.13	(0.15)	0.26	0.20	0.44	–	–	–	–	–	7.48
Dec. 31, 2009	6.66	0.14	(0.15)	(0.54)	1.00	0.45	–	–	–	–	–	7.04
Advisor Series												
June 30, 2014	**10.70**	**0.12**	**(0.12)**	**1.16**	**(0.89)**	**0.27**	**–**	**–**	**–**	**–**	**–**	**10.97**
Dec. 31, 2013	7.89	0.21	(0.21)	0.90	1.90	2.80	–	(0.01)	–	–	(0.01)	10.70
Dec. 31, 2012	7.10	0.17	(0.17)	0.31	0.47	0.78	–	–	–	–	–	7.89
Dec. 31, 2011	7.49	0.16	(0.16)	0.05	(0.45)	(0.40)	–	–	–	–	–	7.10
Dec. 31, 2010	7.04	0.13	(0.15)	0.26	0.20	0.44	–	–	–	–	–	7.49
Dec. 31, 2009	6.66	0.14	(0.14)	(0.54)	1.00	0.46	–	–	–	–	–	7.04
Series D												
June 30, 2014	**11.11**	**0.12**	**(0.07)**	**1.21**	**(0.92)**	**0.34**	**–**	**–**	**–**	**–**	**–**	**11.45**
Dec. 31, 2013	8.16	0.21	(0.13)	0.92	1.95	2.95	–	(0.07)	–	–	(0.07)	11.11
Dec. 31, 2012	7.28	0.18	(0.10)	0.32	0.49	0.89	–	–	–	–	–	8.16
Dec. 31, 2011	7.61	0.16	(0.09)	0.06	(0.46)	(0.33)	–	–	–	–	–	7.28
Dec. 31, 2010	7.09	0.13	(0.09)	0.27	0.21	0.52	–	–	–	–	–	7.61
Dec. 31, 2009	6.65	0.14	(0.08)	(0.54)	1.00	0.52	–	–	–	–	–	7.09
Series F												
June 30, 2014	**11.36**	**0.12**	**(0.06)**	**1.23**	**(0.94)**	**0.35**	**–**	**–**	**–**	**–**	**–**	**11.72**
Dec. 31, 2013	8.34	0.22	(0.10)	0.96	2.04	3.12	–	(0.10)	–	–	(0.10)	11.36
Dec. 31, 2012	7.42	0.18	(0.08)	0.32	0.50	0.92	–	–	–	–	–	8.34
Dec. 31, 2011	7.74	0.17	(0.08)	0.06	(0.46)	(0.31)	–	–	–	–	–	7.42
Dec. 31, 2010	7.19	0.13	(0.07)	0.27	0.21	0.54	–	–	–	–	–	7.74
Dec. 31, 2009	6.73	0.14	(0.06)	(0.55)	1.02	0.55	–	–	–	–	–	7.19
Series I												
June 30, 2014	**11.39**	**0.12**	**(0.04)**	**1.24**	**(0.95)**	**0.37**	**–**	**–**	**–**	**–**	**–**	**11.78**
Dec. 31, 2013	8.37	0.22	(0.07)	0.96	2.03	3.14	–	(0.14)	–	–	(0.14)	11.39
Dec. 31, 2012	7.41	0.18	(0.05)	0.33	0.50	0.96	–	–	–	–	–	8.37
Dec. 31, 2011	7.70	0.17	(0.05)	0.06	(0.46)	(0.28)	–	–	–	–	–	7.41
Dec. 31, 2010	7.13	0.13	(0.04)	0.27	0.21	0.57	–	–	–	–	–	7.70
Dec. 31, 2009	6.64	0.14	(0.03)	(0.55)	1.01	0.57	–	–	–	–	–	7.13

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**10.95**	**15 240**	**1 392**	**2.23**	**2.24**	**224.39**	**0.30**
Dec. 31, 2013	10.67	13 797	1 293	2.26	2.26	119.88	0.14
Dec. 31, 2012	7.87	9 058	1 151	2.28	2.28	135.99	0.21
Dec. 31, 2011	7.08	8 407	1 187	2.30	2.30	161.92	0.32
Dec. 31, 2010	7.48	8 973	1 200	2.25	2.25	165.48	0.30
Dec. 31, 2009	7.04	8 418	1 195	2.22	2.22	192.84	0.40
Advisor Series							
June 30, 2014	**10.97**	**2 769**	**252**	**2.25**	**2.26**	**224.39**	**0.30**
Dec. 31, 2013	10.70	2 496	233	2.27	2.27	119.88	0.14
Dec. 31, 2012	7.89	896	114	2.26	2.26	135.99	0.21
Dec. 31, 2011	7.10	776	109	2.29	2.29	161.92	0.32
Dec. 31, 2010	7.49	607	81	2.21	2.21	165.48	0.30
Dec. 31, 2009	7.04	528	75	2.17	2.17	192.84	0.40
Series D							
June 30, 2014	**11.45**	**2 260**	**197**	**1.28**	**1.29**	**224.39**	**0.30**
Dec. 31, 2013	11.11	2 587	233	1.31	1.31	119.88	0.14
Dec. 31, 2012	8.17	441	54	1.32	1.32	135.99	0.21
Dec. 31, 2011	7.28	269	37	1.33	1.33	161.92	0.32
Dec. 31, 2010	7.61	195	26	1.28	1.28	165.48	0.30
Dec. 31, 2009	7.10	145	20	1.28	1.28	192.84	0.40
Series F							
June 30, 2014	**11.72**	**943**	**80**	**1.00**	**1.01**	**224.39**	**0.30**
Dec. 31, 2013	11.36	395	35	0.99	0.99	119.88	0.14
Dec. 31, 2012	8.34	220	26	1.04	1.04	135.99	0.21
Dec. 31, 2011	7.42	268	36	1.07	1.07	161.92	0.32
Dec. 31, 2010	7.74	492	64	1.02	1.02	165.48	0.30
Dec. 31, 2009	7.19	501	70	1.02	1.02	192.84	0.40
Series I							
June 30, 2014	**11.78**	**15**	**1**	**0.65**	**0.66**	**224.39**	**0.30**
Dec. 31, 2013	11.39	17	2	0.67	0.67	119.88	0.14
Dec. 31, 2012	8.37	8	1	0.65	0.65	135.99	0.21
Dec. 31, 2011	7.41	1	–	0.65	0.65	161.92	0.32
Dec. 31, 2010	7.70	1	–	0.65	0.65	165.48	0.30
Dec. 31, 2009	7.13	1	–	0.59	0.59	192.84	0.40

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	62%	38%
Advisor Series	1.85%	62%	38%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

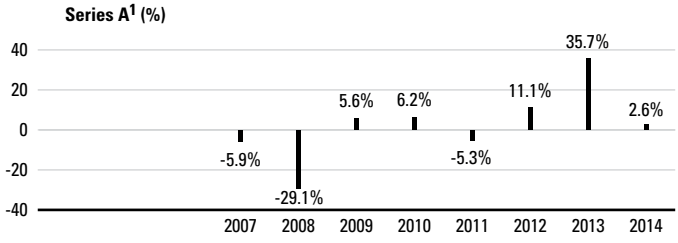
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

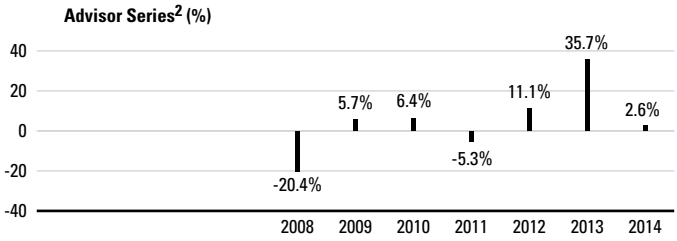
PAST PERFORMANCE

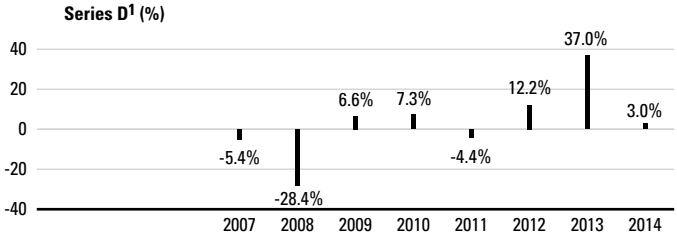
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

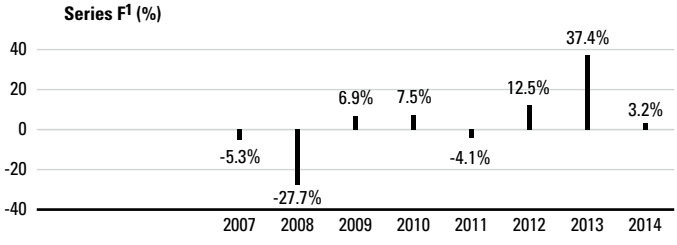
Year-by-Year Returns (%)

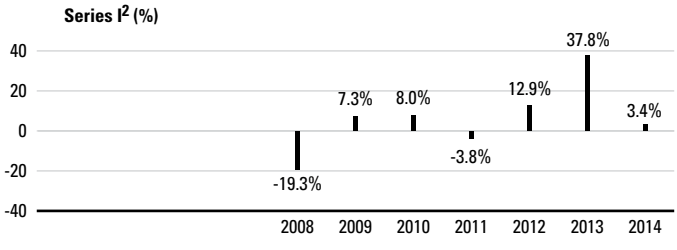
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











1 Inception date July 3, 2007.
2 Inception date January 21, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United States	52.2
Other Countries	15.3
United Kingdom	9.4
Japan	7.5
Germany	5.3
Netherlands	4.2
Australia	3.2
Cash/Other	2.9

Top 25 Holdings

	% of Net Asset Value
Apple Inc.	3.0
Cash & Cash Equivalents	2.6
Roche Holdings AG Genusscheine	1.6
Wells Fargo & Company	1.6
Shire Plc.	1.5
Microsoft Corp.	1.5
Novo Nordisk A/S	1.5
InBev N.V.	1.3
ING Groep N.V.	1.3
Oracle Corporation	1.3
Daily Mail & General Trust Plc.	1.3
Henkel KGaA, Preferred Non-Voting	1.2
Koninklijke KPN N.V.	1.2
SAP AG	1.2
BT Group Plc.	1.1
CVS Corp.	1.1
NiSource Inc.	1.1
Sempra Energy	1.1
Hewlett-Packard Co.	1.1
ACS Actividades Construccion y Servicios S.A.	1.0
Capital One Financial Corp.	1.0
Intel Corp.	1.0
ASM Pacific Technology Limited	1.0
Rio Tinto Plc.	1.0
Christian Hansen Holding A/S	1.0
Top 25 Holdings	33.6

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

GLOBAL EQUITY FUND

RBC O'SHAUGHNESSY GLOBAL EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: O'Shaughnessy Asset Management, L.L.C., Stamford, Connecticut

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term total returns composed of capital growth and current income from investments throughout the world. Stock selection is based on Strategy Indexing®, an investment portfolio management model developed in 1995 by Jim O'Shaughnessy.

To achieve its objective, the Fund selects securities with the most attractive valuations based on a variety of measures, including a company's market capitalization ratios and financial statement metrics. The Fund also selects securities with the most attractive momentum based on a number of measures, including six-month total return and nine-month total return. The Fund does not hedge currency exposure back to Canadian dollars.

Results of Operations

The Fund's net asset value was $109 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 6.2%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Global equity-market gains slowed during the first half of 2014 following a huge year in 2013. Many major stock indexes remained at or near all-time highs as the period ended, and large-cap stocks held up quite well. Earnings continued to climb, but stocks are more expensive than they have been in recent years. Investors continued to focus on actions by central banks, pausing to observe the effects of steps by the U.S. Federal Reserve to unwind bond purchases aimed at stimulating the economy.

Companies with high price momentum, which are emphasized in security selection, underperformed during the period. In the momentum area, the sub-advisor favoured stocks with lower price volatility. These stocks outperformed during the period. Exposure to companies with attractive valuations contributed to returns. Exposure to companies with high earnings quality contributed positively, while companies with high financial strength detracted from returns.

Allocation among countries and security selection generally contributed to overall returns during the period. An overweight position and security selection in Norway aided performance. An overweight allocation to Thailand also had a positive effect, while an underweight allocation and security selection in the U.S. detracted from returns. Security selection in Canada also had a negative effect. Overweight allocations to the Consumer Discretionary and Industrials sectors held back performance, but this was more than offset by positive security selection in these areas. In the Consumer Discretionary sector, OPAP, a Greek betting company, and Plastic Omnium of France were among the top contributors. Security selection in the Energy sector, as well as an underweight allocation and security selection in Information Technology, detracted from the Fund's performance. HollyFrontier and Marathon Petroleum, both of the U.S., were among Energy sector companies that hurt performance.

Recent Developments

To identify the most attractive investments, the sub-advisor uses historically proven, objectively measured characteristics like low valuations, strong balance sheet and earnings quality, and strong but stable momentum. The sub-advisor believes that stock selection becomes more important when the overall market is more expensive, and that portfolios which are very different from the market offer the best chance to outperform.

Due to the Fund's investment process and market conditions over the past six months, the Fund has decreased allocations to the Consumer Discretionary sector, and increased allocations to Energy.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
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The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

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Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

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(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**7.77**	**0.14**	**(0.09)**	**0.81**	**(0.38)**	**0.48**	**–**	**–**	**–**	**–**	**–**	**8.25**
Dec. 31, 2013	5.58	0.20	(0.15)	1.09	1.11	2.25	–	(0.05)	–	–	(0.05)	7.77
Dec. 31, 2012	4.99	0.20	(0.12)	(0.21)	0.83	0.70	–	(0.16)	–	–	(0.16)	5.58
Dec. 31, 2011	5.85	0.27	(0.12)	0.31	(1.13)	(0.67)	–	(0.15)	–	–	(0.15)	4.99
Dec. 31, 2010	5.27	0.15	(0.11)	0.23	0.30	0.57	–	(0.04)	–	–	(0.04)	5.85
Dec. 31, 2009	5.12	0.18	(0.10)	(0.06)	0.18	0.20	–	(0.07)	–	–	(0.07)	5.27
Advisor Series												
June 30, 2014	**7.77**	**0.14**	**(0.09)**	**0.81**	**(0.38)**	**0.48**	**–**	**–**	**–**	**–**	**–**	**8.26**
Dec. 31, 2013	5.58	0.20	(0.15)	1.09	1.11	2.25	–	(0.05)	–	–	(0.05)	7.77
Dec. 31, 2012	4.98	0.20	(0.12)	(0.21)	0.83	0.70	–	(0.16)	–	–	(0.16)	5.58
Dec. 31, 2011	5.87	0.27	(0.12)	0.31	(1.12)	(0.66)	–	(0.17)	–	–	(0.17)	4.98
Dec. 31, 2010	5.29	0.15	(0.11)	0.23	0.30	0.57	–	(0.05)	–	–	(0.05)	5.87
Dec. 31, 2009	5.14	0.18	(0.10)	(0.06)	0.18	0.20	–	(0.07)	–	–	(0.07)	5.29
Series D												
June 30, 2014	**7.82**	**0.14**	**(0.06)**	**0.81**	**(0.38)**	**0.51**	**–**	**–**	**–**	**–**	**–**	**8.34**
Dec. 31, 2013	5.58	0.20	(0.09)	1.09	1.11	2.31	–	(0.07)	–	–	(0.07)	7.82
Dec. 31, 2012	4.98	0.20	(0.07)	(0.21)	0.84	0.76	–	(0.20)	–	–	(0.20)	5.58
Dec. 31, 2011	5.85	0.27	(0.08)	0.31	(1.13)	(0.63)	–	(0.20)	–	–	(0.20)	4.98
Dec. 31, 2010	5.27	0.16	(0.07)	0.23	0.30	0.62	–	(0.09)	–	–	(0.09)	5.85
Dec. 31, 2009	5.11	0.18	(0.06)	(0.06)	0.18	0.24	–	(0.10)	–	–	(0.10)	5.27
Series F												
June 30, 2014	**7.84**	**0.14**	**(0.05)**	**0.82**	**(0.38)**	**0.53**	**–**	**–**	**–**	**–**	**–**	**8.38**
Dec. 31, 2013	5.62	0.20	(0.07)	1.10	1.12	2.35	–	(0.12)	–	–	(0.12)	7.84
Dec. 31, 2012	5.05	0.20	(0.06)	(0.21)	0.84	0.77	–	(0.26)	–	–	(0.26)	5.62
Dec. 31, 2011	5.97	0.27	(0.06)	0.31	(1.15)	(0.63)	–	(0.25)	–	–	(0.25)	5.05
Dec. 31, 2010	5.38	0.16	(0.06)	0.24	0.30	0.64	–	(0.12)	–	–	(0.12)	5.97
Dec. 31, 2009	5.25	0.18	(0.05)	(0.06)	0.19	0.26	–	(0.15)	–	–	(0.15)	5.38
Series O												
June 30, 2014	**8.78**	**0.16**	**–**	**0.92**	**(0.43)**	**0.65**	**–**	**–**	**–**	**–**	**–**	**9.43**
Dec. 31, 2013	6.29	0.22	–	1.24	1.26	2.72	–	(0.22)	–	–	(0.22)	8.78
Dec. 31, 2012	5.57	0.21	–	(0.23)	0.90	0.88	–	(0.30)	–	–	(0.30)	6.29
Dec. 31, 2011	6.53	0.30	–	0.34	(1.27)	(0.63)	–	(0.29)	–	–	(0.29)	5.57
Dec. 31, 2010	5.87	0.17	–	0.26	0.33	0.76	–	(0.18)	–	–	(0.18)	6.53
Dec. 31, 2009	5.65	0.20	–	(0.07)	0.21	0.34	–	(0.15)	–	–	(0.15)	5.87

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**8.25**	**84 826**	**10 277**	**2.25**	**2.25**	**83.71**	**0.14**
Dec. 31, 2013	7.77	77 644	9 992	2.26	2.26	82.15	0.13
Dec. 31, 2012	5.58	55 985	10 032	2.26	2.26	83.07	0.17
Dec. 31, 2011	4.99	58 004	11 624	2.26	2.26	94.51	0.19
Dec. 31, 2010	5.85	78 772	13 455	2.21	2.21	114.31	0.24
Dec. 31, 2009	5.27	85 380	16 201	2.16	2.16	147.48	0.32
Advisor Series							
June 30, 2014	**8.26**	**6 753**	**818**	**2.19**	**2.19**	**83.71**	**0.14**
Dec. 31, 2013	7.77	6 355	818	2.20	2.20	82.15	0.13
Dec. 31, 2012	5.58	5 390	966	2.21	2.21	83.07	0.17
Dec. 31, 2011	4.99	6 514	1 307	2.22	2.22	94.51	0.19
Dec. 31, 2010	5.87	11 297	1 924	2.15	2.15	114.31	0.24
Dec. 31, 2009	5.29	15 735	2 975	2.11	2.11	147.48	0.32
Series D							
June 30, 2014	**8.34**	**10 111**	**1 212**	**1.37**	**1.37**	**83.71**	**0.14**
Dec. 31, 2013	7.82	8 571	1 096	1.37	1.37	82.15	0.13
Dec. 31, 2012	5.58	2 713	486	1.38	1.38	83.07	0.17
Dec. 31, 2011	4.98	2 355	473	1.39	1.39	94.51	0.19
Dec. 31, 2010	5.85	3 024	517	1.35	1.35	114.31	0.24
Dec. 31, 2009	5.27	3 008	571	1.32	1.32	147.48	0.32
Series F							
June 30, 2014	**8.38**	**7 622**	**910**	**1.11**	**1.11**	**83.71**	**0.14**
Dec. 31, 2013	7.84	7 381	941	1.10	1.10	82.15	0.13
Dec. 31, 2012	5.62	4 603	819	1.11	1.11	83.07	0.17
Dec. 31, 2011	5.05	5 635	1 115	1.11	1.11	94.51	0.19
Dec. 31, 2010	5.97	8 193	1 373	1.08	1.08	114.31	0.24
Dec. 31, 2009	5.38	10 820	2 010	1.06	1.06	147.48	0.32
Series O							
June 30, 2014	**9.43**	**1**	**–**	**0.02**	**0.02**	**83.71**	**0.14**
Dec. 31, 2013	8.78	1	–	0.02	0.02	82.15	0.13
Dec. 31, 2012	6.29	1	–	0.03	0.03	83.07	0.17
Dec. 31, 2011	5.58	17 623	3 161	0.03	0.03	94.51	0.19
Dec. 31, 2010	6.53	19 821	3 034	0.02	0.02	114.31	0.24
Dec. 31, 2009	5.87	19 223	3 275	0.03	0.03	147.48	0.32

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	54%	46%
Advisor Series	1.85%	54%	46%
Series D	1.10%	23%	77%
Series F	0.85%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

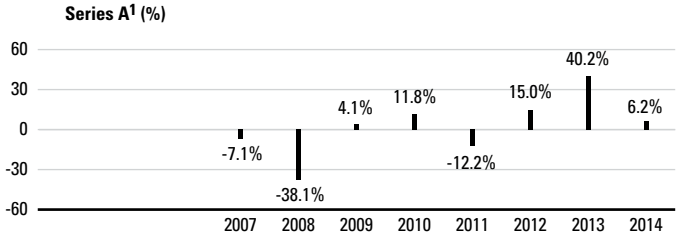
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

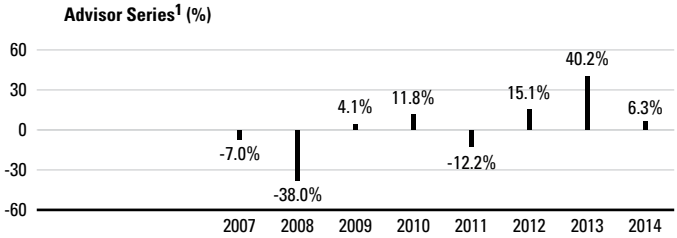
PAST PERFORMANCE

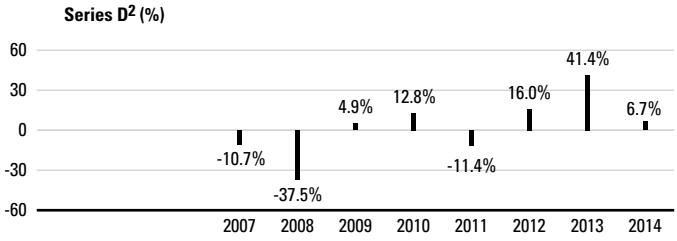
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

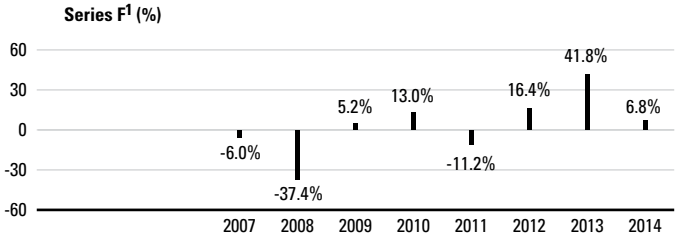
Year-by-Year Returns (%)

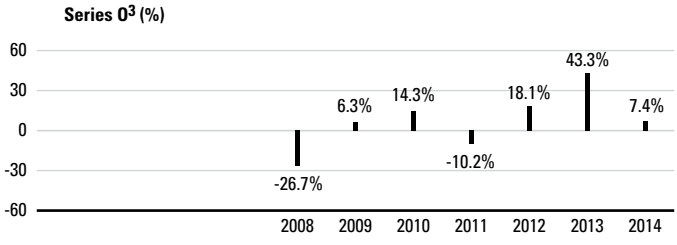
The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.











1 Inception date January 22, 2007.
2 Inception date July 3, 2007.
3 Inception date July 18, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United States	31.2
Other Countries	19.0
Japan	9.1
France	8.7
United Kingdom	6.6
Germany	6.5
Canada	5.1
Italy	4.8
Norway	4.6
South Korea	3.2
Cash/Other	1.2

Top 25 Holdings

	% of Net Asset Value
StatoilHydro ASA	2.2
Total S.A.	1.9
BP Plc.	1.8
E.ON SE	1.7
KGHM Polska Miedz S.A.	1.7
Northrop Grumman Corp.	1.5
RWE AG	1.5
OMV AG	1.4
Cash & Cash Equivalents	1.3
Xerox Corp.	1.3
Valero Energy Corp.	1.3
Nippon Telegraph & Telephone Corp.	1.3
Magna International Inc., Class A	1.1
WellPoint Inc.	1.1
PGE S.A.	1.1
Deutsche Telekom AG	1.1
Southwest Airlines	1.1
Lear Corp.	1.1
Greek Organization of Football Prognostics S.A.	1.0
Assurant Inc.	1.0
Marathon Petroleum Corp.	1.0
PTT PCL	1.0
Fukuda Denshi Co. Ltd.	1.0
Norbert Dentressangle S.A.	1.0
Yara International ASA	1.0
Top 25 Holdings	32.5

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

GLOBAL EQUITY FUND

RBC QUBE ALL COUNTRY WORLD EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of companies around the world, including companies located or active in emerging markets, using a quantitative investment approach.

To achieve the Fund's objective, the portfolio manager uses a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors.

Results of Operations

The Fund's Series O units were launched on January 22, 2014, and the Fund's net asset value was $84 million as of June 30, 2014. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

Stock markets, having continued to perform well even after the significant gains of 2013, appear to be approaching fair value. However, valuations remain reasonable and history indicates that markets frequently continue to rise long after they have reached equilibrium. At current market valuations the portfolio manager expects total returns to investors to be lower in 2014, although still positive. Volatility has remained low in 2014.

The portfolio manager expects any further gains to come from earnings growth rather than a rise in overall market valuations. As long as the economic recovery gains traction, the portfolio manager expects higher economic growth to translate into expanding sales and profits.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014[3]	**10.00†**	**0.09**	**–**	**0.01**	**0.07**	**0.17**	**–**	**–**	**–**	**–**	**–**	**10.10**

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From January 22, 2014.

† Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series O							
June 30, 2014[4]	**10.10**	**84 220**	**8 341**	**0.02**	**0.03**	**18.83**	**0.34**

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From January 22, 2014.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore, is not charged to the Fund.

PAST PERFORMANCE

Investment performance in respect of a fund that has been available for less than one year is not provided. Series O units of this Fund were launched on January 22, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United States	52.5
Other Countries	14.9
Japan	12.0
France	7.3
Switzerland	5.4
China	4.1
Germany	3.3
Cash/Other	0.5

Top 25 Holdings

	% of Net Asset Value
Roche Holdings AG Genusscheine	3.2
Everest Re Group Ltd.	3.0
China Construction Bank Corp.	2.9
Archer Daniels Midland Co.	2.8
Lockheed Martin Corporation	2.7
EOG Resources Inc.	2.7
LyondellBasell Industries N.V.	2.7
Sasol Ltd.	2.7
GDF Suez	2.6
Caterpillar Inc.	2.5
Dow Chemical Company	2.5
Mizuho Financial Group Inc.	2.4
Computer Sciences Corp.	2.4
ConocoPhillips	2.4
Mitsui & Co.	2.3
Citigroup Inc.	2.3
WellPoint Inc.	2.2
QUALCOMM Inc.	2.1
Intuit Inc.	2.1
UBS AG	2.1
American Capital Agency Corp. Real Estate Investment Trust	2.1
Morgan Stanley	1.9
Tenaga Nasional Berhad	1.9
Apple Inc.	1.7
ProSiebenSat.1 Media AG	1.6
Top 25 Holdings	59.8

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

GLOBAL EQUITY FUND

RBC QUBE LOW VOLATILITY ALL COUNTRY WORLD EQUITY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of companies around the world, including companies located or active in emerging markets, using a quantitative investment approach. The Fund seeks to achieve a reduced level of volatility of returns compared to the broader global equity market.

To achieve the Fund's objective, the portfolio manager uses a quantitative investment model designed to select individual stocks while controlling portfolio-level risk. This involves building a portfolio that maximizes exposure to factors associated with outperformance, while controlling for exposure to risk factors.

Results of Operations

The Fund's Series O units were launched on April 24, 2014, and the Fund's net asset value was $29 million as of June 30, 2014. Investment performance is not provided for a fund that has been available for less than one year.

Recent Developments

Stock markets, having continued to perform well even after the significant gains of 2013, appear to be approaching fair value. However, valuations remain reasonable and history indicates that markets frequently continue to rise long after they have reached equilibrium. At current market valuations the portfolio manager expects total returns to investors to be lower in 2014, although still positive. Volatility has remained low in 2014.

The portfolio manager expects any further gains to come from earnings growth rather than a rise in overall market valuations. As long as the economic recovery gains traction, the portfolio manager expects higher economic growth to translate into expanding sales and profits.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014[3]	**10.00†**	**0.06**	**–**	**–**	**(0.07)**	**(0.01)**	**–**	**–**	**–**	**–**	**–**	**10.02**

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
[2] Distributions are reinvested in additional units of the Fund or paid in cash.
[3] From January 22, 2014.
† Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series O							
June 30, 2014[4]	**10.02**	**28 969**	**2 890**	**0.02**	**0.03**	**4.99**	**0.13**

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.
[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.
[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.
[4] From January 22, 2014.

FINANCIAL HIGHLIGHTS (cont.)

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect to Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore, is not charged to the Fund.

PAST PERFORMANCE

Investment performance in respect of a fund that has been available for less than one year is not provided. Series O units of this Fund were launched on January 22, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United States	53.0
Other Countries	14.6
Japan	9.7
Hong Kong	5.4
Switzerland	4.4
Canada	3.9
Malaysia	3.0
United Kingdom	2.8
Taiwan	2.8
Cash/Other	0.4

Top 25 Holdings

	% of Net Asset Value
Southern Co.	2.9
NTT DoCoMo Inc.	2.8
Wal-Mart Stores, Inc.	2.6
Toronto-Dominion Bank	2.3
Terna Rete Elettrica Nazionale S.p.A.	2.3
China Mobile (Hong Kong) Ltd.	2.2
CLP Holdings Ltd.	2.2
Becton Dickinson & Co.	2.1
3M Co.	2.1
PepsiCo Inc.	2.0
McDonald's Corp.	2.0
Hang Seng Bank Ltd.	1.9
Groupe Bruxelles Lambert S.A.	1.8
Axiata Group Bhd	1.8
Procter & Gamble Co.	1.7
Wisconsin Energy Corp.	1.7
Swisscom AG	1.7
Torchmark Corp.	1.7
Singapore Press Holdings Ltd.	1.7
Chunghwa Telecom Co. Ltd. ADR	1.6
Telstra Corp. Ltd.	1.6
Johnson & Johnson	1.6
The Coca-Cola Co.	1.5
The Hershey Co.	1.5
Tanabe Seiyaku Co. Ltd.	1.4
Top 25 Holdings	48.7

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

GLOBAL EQUITY FUND

RBC GLOBAL ENERGY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund pursues long-term capital growth by investing in equity securities of companies throughout the world that are involved directly or indirectly in the exploration, development, production or distribution of energy and energy-related products, or activities in the Energy sector.

To achieve its goal, the Fund invests in oil and gas companies with proven management, low-cost operations, strong balance sheets, high-quality reserves and consistent growth in the production of crude oil and natural gas. The Fund diversifies holdings among large, mid-size and small oil and gas producers and providers. The Fund may also invest in income trusts.

Results of Operations

The Fund's net asset value was $402 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 21.8%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Rising prices for crude oil and natural gas supported stocks in the Energy sector during the first half of 2014. Crude oil's global benchmark price, the London-traded Brent, climbed to US$113 per barrel, as rising demand was met with geopolitical upheaval in energy-producing nations such as Iraq, leading to increased supply concerns. North America's oil benchmark price, West Texas Intermediate, rose to US$106. Natural-gas prices were boosted by North America's severely cold winter, which increased demand for heating and reduced inventories.

The Fund benefited from an overweight position in small- and mid-cap companies whose profits are particularly sensitive to price fluctuations in oil and natural gas. Positions in gas producers Paramount Resources and Crew Energy contributed to performance. Exposure to small oil-focused producers Raging River, RMP Energy and Spartan Energy had a significantly positive effect on returns. Large global oil companies performed less well, as their exposure to many areas limited growth. Strong Energy-sector momentum and improved access to capital also benefited previously out-of-favour international exploration companies. Overweight positions in Parex, Bankers Petroleum and Caracal Energy, which was recently taken over, had a positive impact on returns.

The Fund's overweight position in companies providing services to petroleum companies focused on unconventional production in North America contributed to performance. Overweight positions in Halliburton and Helmerich & Payne offset underweight positions in strong performers Schlumberger and Baker Hughes.

Better drilling technology and recovery techniques in hard-to-access oil formations like the Bakken, Eagle Ford and Permian have unlocked more productive capacity and resources than previously expected. The Fund's performance benefited from large overweight positions in unconventional oil-growth companies including EOG Resources and Continental Resources.

Portfolio turnover is normally high for the Fund given the sector's volatility. As a result, the portfolio manager actively manages the portfolio to capture profits and/or minimize losses.

Recent Developments

Crude-oil prices currently reflect heightened risks linked to the conflict in Iraq, which accounts for about 4% of the world's daily oil production. Growing output in North America is not enough to offset the impact of Iraq and constraints on other large oil producers. Meanwhile, demand for crude has been robust, driven by economic growth in emerging markets and improving economic stability in developed nations.

With the elevated commodity prices, exploration and production activity increases, as does the potential for services companies to charge higher prices. While this could initially boost service providers' returns, the portfolio manager believes that this could be offset by lower profits and profit margins for producers.

The below-average inventory levels of natural gas in North America are expected to continue to support prices above the US$4-per-million-cubic-foot level. The ability of producers to increase production will be key, as they deal with constraints that may limit their ability to ramp up supply meaningfully for the rest of this year.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $11,000 (2013 – $24,000) or 2% (2013 – 4%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**46.34**	**0.29**	**(0.54)**	**6.18**	**4.15**	**10.08**	**–**	**–**	**–**	**–**	**–**	**56.43**
Dec. 31, 2013	38.50	0.52	(0.89)	3.89	4.23	7.75	–	–	–	–	–	46.32
Dec. 31, 2012	44.43	0.53	(0.85)	(3.12)	(2.66)	(6.10)	–	–	–	–	–	38.50
Dec. 31, 2011	52.50	0.26	(1.09)	6.84	(8.75)	(2.74)	–	–	(5.30)	–	(5.30)	44.43
Dec. 31, 2010	47.69	0.58	(0.98)	10.85	(1.61)	8.84	–	–	(4.45)	–	(4.45)	52.50
Dec. 31, 2009	33.82	0.56	(0.80)	0.20	14.07	14.03	–	–	–	–	–	47.69
Advisor Series												
June 30, 2014	**46.55**	**0.30**	**(0.54)**	**6.21**	**4.17**	**10.14**	**–**	**–**	**–**	**–**	**–**	**56.69**
Dec. 31, 2013	38.65	0.52	(0.87)	3.90	4.25	7.80	–	–	–	–	–	46.53
Dec. 31, 2012	44.59	0.53	(0.84)	(3.13)	(2.67)	(6.11)	–	–	–	–	–	38.65
Dec. 31, 2011	52.66	0.26	(1.06)	6.86	(8.79)	(2.73)	–	–	(5.30)	–	(5.30)	44.59
Dec. 31, 2010	47.77	0.58	(0.96)	10.88	(1.61)	8.89	–	–	(4.43)	–	(4.43)	52.66
Dec. 31, 2009	33.85	0.56	(0.80)	0.20	14.03	13.99	–	–	–	–	–	47.77
Series D												
June 30, 2014	**49.00**	**0.31**	**(0.34)**	**6.55**	**4.39**	**10.91**	**–**	**–**	**–**	**–**	**–**	**59.93**
Dec. 31, 2013	40.36	0.55	(0.55)	4.09	4.45	8.54	–	–	–	–	–	48.98
Dec. 31, 2012	46.17	0.55	(0.52)	(3.25)	(2.78)	(6.00)	–	–	–	–	–	40.36
Dec. 31, 2011	54.08	0.27	(0.66)	7.07	(9.05)	(2.37)	–	–	(5.50)	–	(5.50)	46.17
Dec. 31, 2010	48.71	0.59	(0.59)	11.13	(1.65)	9.48	–	–	(4.58)	–	(4.58)	54.08
Dec. 31, 2009	34.26	0.57	(0.48)	0.20	14.31	14.60	–	–	–	–	–	48.71
Series F												
June 30, 2014	**52.75**	**0.34**	**(0.29)**	**7.06**	**4.73**	**11.84**	**–**	**–**	**–**	**–**	**–**	**64.61**
Dec. 31, 2013	43.33	0.59	(0.47)	4.40	4.79	9.31	–	–	–	–	–	52.73
Dec. 31, 2012	49.43	0.59	(0.44)	(3.49)	(2.98)	(6.32)	–	–	–	–	–	43.33
Dec. 31, 2011	58.08	0.29	(0.56)	7.60	(9.73)	(2.40)	–	–	(6.20)	–	(6.20)	49.43
Dec. 31, 2010	52.18	0.64	(0.50)	11.94	(1.77)	10.31	–	–	(4.94)	–	(4.94)	58.08
Dec. 31, 2009	36.60	0.61	(0.40)	0.22	15.32	15.75	–	–	–	–	–	52.18

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**56.43**	**347 491**	**6 158**	**2.14**	**2.14**	**120.25**	**0.25**
Dec. 31, 2013	46.34	305 095	6 584	2.14	2.14	152.77	0.34
Dec. 31, 2012	38.59	294 761	7 639	2.14	2.14	114.77	0.36
Dec. 31, 2011	44.56	372 881	8 367	2.13	2.13	268.07	0.76
Dec. 31, 2010	52.60	414 185	7 874	2.09	2.09	168.65	0.52
Dec. 31, 2009	47.77	365 326	7 647	2.05	2.05	69.98	0.19
Advisor Series							
June 30, 2014	**56.69**	**3 142**	**55**	**2.09**	**2.09**	**120.25**	**0.25**
Dec. 31, 2013	46.55	2 516	54	2.08	2.08	152.77	0.34
Dec. 31, 2012	38.74	2 356	61	2.09	2.09	114.77	0.36
Dec. 31, 2011	44.72	3 203	72	2.09	2.09	268.07	0.76
Dec. 31, 2010	52.76	2 504	47	2.05	2.05	168.65	0.52
Dec. 31, 2009	47.86	2 139	45	2.00	2.00	69.98	0.19
Series D							
June 30, 2014	**59.93**	**47 310**	**789**	**1.25**	**1.25**	**120.25**	**0.25**
Dec. 31, 2013	49.00	36 816	751	1.26	1.26	152.77	0.34
Dec. 31, 2012	40.45	35 678	882	1.26	1.26	114.77	0.36
Dec. 31, 2011	46.32	43 107	931	1.25	1.25	268.07	0.76
Dec. 31, 2010	54.19	45 476	839	1.24	1.24	168.65	0.52
Dec. 31, 2009	48.80	36 545	749	1.21	1.21	69.98	0.19
Series F							
June 30, 2014	**64.61**	**3 889**	**60**	**0.99**	**0.99**	**120.25**	**0.25**
Dec. 31, 2013	52.75	2 992	57	0.99	0.99	152.77	0.34
Dec. 31, 2012	43.43	2 476	57	0.99	0.99	114.77	0.36
Dec. 31, 2011	49.59	2 970	60	0.98	0.98	268.07	0.76
Dec. 31, 2010	58.19	3 139	54	0.97	0.97	168.65	0.52
Dec. 31, 2009	52.27	2 654	51	0.95	0.95	69.98	0.19

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.75%	66%	34%
Advisor Series	1.75%	66%	34%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%

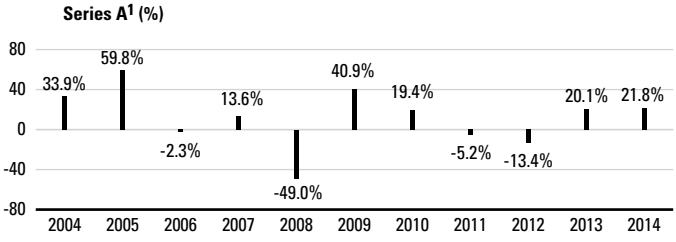
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

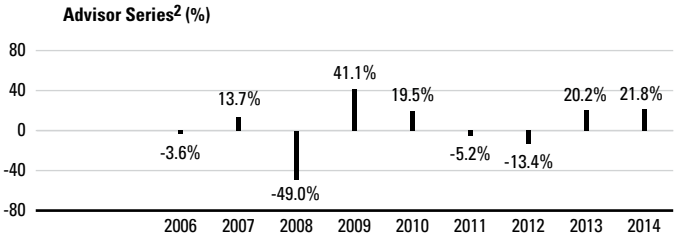
PAST PERFORMANCE

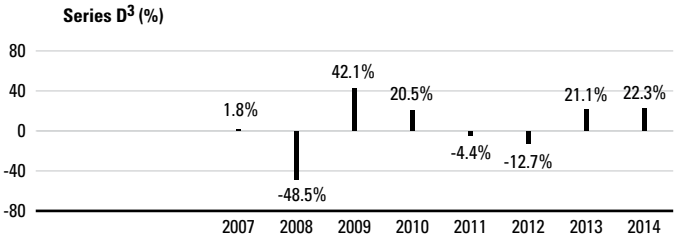
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

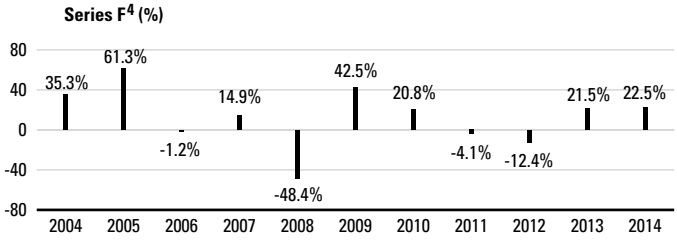
Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.









1 Inception date November 30, 1980.
2 Inception date August 28, 2006.
3 Inception date July 3, 2007.
4 Inception date August 13, 2001.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix – Sectors

	% of Net Asset Value
Oil, Gas and Consumable Fuels	78.8
Energy Equipment and Services	14.9
Other Sectors	1.4
Cash/Other	4.9

Investment Mix – Countries/Regions

	% of Net Asset Value
United States	55.4
Canada	37.0
Other Countries	2.7
Cash/Other	4.9

Top 25 Holdings

	% of Net Asset Value
Suncor Energy Inc.	6.3
Exxon Mobil Corp.	5.6
Halliburton Co.	5.3
Anadarko Petroleum Corp.	5.1
Cash & Cash Equivalents	4.9
Canadian Natural Resources Ltd.	4.6
EOG Resources Inc.	4.0
Williams Companies Inc.	3.0
Continental Resources Inc.	2.8
BG Group Plc.	2.6
Chevron Corp.	2.4
Paramount Resources Ltd., Class A	2.4
EQT Corp.	2.3
Veresen Inc.	2.3
Range Resources Corp.	2.2
Cenovus Energy Inc.	2.1
Concho Resources Inc.	2.0
Spectra Energy Corp.	2.0
Cabot Oil & Gas Corp.	1.7
Keyera Corp.	1.6
Noble Energy Inc.	1.5
Pioneer Natural Resources Co.	1.4
Phillips 66 Company	1.4
Schlumberger Ltd.	1.3
Cimarex Energy Co.	1.1
Top 25 Holdings	71.9

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

GLOBAL EQUITY FUND

RBC GLOBAL PRECIOUS METALS FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of companies throughout the world involved directly or indirectly in the exploration, mining and production of precious metals including gold, silver and platinum. The Fund may also invest in bullion, coins, receipts and certificates.

The Fund selects companies with experienced management, strong balance sheets, proven ore bodies or excellent geological potential. The Fund may invest up to 20% of its assets in silver and platinum. The Fund diversifies by investing in senior and junior producers, as well as in pure exploration companies.

Results of Operations

The Fund's net asset value was $599 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 30.8%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Prices for gold and silver rose 10% and 8%, respectively, during the first half of 2014, recovering somewhat from declines in 2013, amid geopolitical conflict and signs of faster inflation. Russia's seizure of the Crimea region from Ukraine in March initially buoyed gold, driving the price to almost US$1,400 an ounce from under US$1,200 in a few weeks. As tensions eased and the U.S. economy continued to improve, gold prices retreated. Gold and silver prices rebounded in June, supported by a rise in oil after an Al Qaeda offshoot occupied a significant portion of Iraq, a major oil producer. Gold prices have historically risen during periods of conflict, and the metal is viewed as a store of value and hedge against inflation.

Platinum and palladium prices also increased during the period, rising 8% and 18% respectively, because of production lost to work stoppages. A five-month strike by the union that represents workers at South Africa's largest platinum producers resulted in the suspension of nearly 40% of the world's output of platinum and palladium. Dwindling above-ground stockpiles, coupled with the prospect of permanently lower South African supply, contributed to the price advance.

Gold and precious-metals equities rebounded during the six-month period, rising more than the price of precious metals. The Fund performed well due to its overweight exposure to small- and mid-cap companies. Large overweight positions in Primero Mining, Osisko Mining, Sulliden Exploration, and B2Gold, and underweight positions in Barrick Gold, Newmont Mining and Kinross Gold, helped to boost relative returns. Underweight positions in the large South African producers including AngloGold Ashanti and Sibanye Gold had a negative impact on relative returns.

Recent Developments

Merger and acquisition activity accelerated in the first half of 2014. A three-way bidding war for Osisko Mining ended in the company's acquisition by a partnership of Agnico Eagle and Yamana, which beat out Goldcorp. That fact that companies with relatively healthy balance sheets are looking to acquire undervalued companies trading at a discount may be viewed as a positive harbinger for precious metals.

The portfolio manager believes that the U.S. Federal Reserve's "easy-money" monetary policies will eventually lead to higher prices for gold and other precious metals over the longer term.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $92,000 (2013 – $93,000) or 7% (2013 – 10%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**22.30**	**0.09**	**(0.28)**	**(2.51)**	**9.52**	**6.82**	**–**	**–**	**–**	**–**	**–**	**29.17**
Dec. 31, 2013	39.41	0.27	(0.60)	(6.97)	(10.44)	(17.74)	–	–	–	–	–	22.14
Dec. 31, 2012	45.04	0.22	(0.91)	(2.28)	(2.79)	(5.76)	–	–	–	–	–	39.41
Dec. 31, 2011	76.31	0.71	(1.38)	9.72	(30.65)	(21.60)	–	–	(9.70)	–	(9.70)	45.04
Dec. 31, 2010	49.43	0.14	(1.21)	17.54	20.13	36.60	–	–	(9.58)	–	(9.58)	76.31
Dec. 31, 2009	30.84	0.26	(0.80)	7.26	13.79	20.51	–	–	(2.00)	–	(2.00)	49.43
Advisor Series												
June 30, 2014	**22.41**	**0.09**	**(0.28)**	**(2.52)**	**9.57**	**6.86**	**–**	**–**	**–**	**–**	**–**	**29.31**
Dec. 31, 2013	39.58	0.28	(0.59)	(7.00)	(10.48)	(17.79)	–	–	–	–	–	22.24
Dec. 31, 2012	45.23	0.22	(0.88)	(2.29)	(2.80)	(5.75)	–	–	–	–	–	39.58
Dec. 31, 2011	76.52	0.72	(1.35)	9.75	(30.74)	(21.62)	–	–	(9.70)	–	(9.70)	45.23
Dec. 31, 2010	49.54	0.14	(1.21)	17.56	20.16	36.65	–	–	(9.58)	–	(9.58)	76.52
Dec. 31, 2009	30.87	0.26	(0.79)	7.28	13.82	20.57	–	–	(2.00)	–	(2.00)	49.54
Series D												
June 30, 2014	**23.60**	**0.09**	**(0.17)**	**(2.66)**	**10.09**	**7.35**	**–**	**–**	**–**	**–**	**–**	**31.00**
Dec. 31, 2013	41.34	0.29	(0.37)	(7.35)	(11.00)	(18.43)	–	–	–	–	–	23.43
Dec. 31, 2012	46.84	0.23	(0.56)	(2.38)	(2.91)	(5.62)	–	–	–	–	–	41.34
Dec. 31, 2011	78.55	0.74	(0.84)	10.05	(31.67)	(21.72)	–	–	(10.00)	–	(10.00)	46.84
Dec. 31, 2010	50.46	0.14	(0.74)	17.96	20.62	37.98	–	–	(9.85)	–	(9.85)	78.55
Dec. 31, 2009	31.23	0.26	(0.48)	7.38	14.01	21.17	–	–	(2.05)	–	(2.05)	50.46
Series F												
June 30, 2014	**25.20**	**0.10**	**(0.15)**	**(2.84)**	**10.78**	**7.89**	**–**	**–**	**–**	**–**	**–**	**33.14**
Dec. 31, 2013	44.02	0.31	(0.32)	(7.78)	(11.65)	(19.44)	–	–	–	–	–	25.02
Dec. 31, 2012	49.74	0.25	(0.47)	(2.52)	(3.09)	(5.83)	–	–	–	–	–	44.02
Dec. 31, 2011	84.43	0.79	(0.71)	10.82	(34.10)	(23.20)	–	–	(11.43)	–	(11.43)	49.74
Dec. 31, 2010	54.09	0.16	(0.63)	19.27	22.12	40.92	–	–	(10.59)	–	(10.59)	84.43
Dec. 31, 2009	33.40	0.28	(0.40)	7.90	15.01	22.79	–	–	(2.20)	–	(2.20)	54.09
Series I												
June 30, 2014	**25.31**	**0.10**	**(0.11)**	**(2.85)**	**10.83**	**7.97**	**–**	**–**	**–**	**–**	**–**	**33.33**
Dec. 31, 2013	44.08	0.31	(0.23)	(7.83)	(11.72)	(19.47)	–	–	–	–	–	25.12
Dec. 31, 2012[3]	42.01[†]	0.12	(0.15)	(1.23)	(1.51)	(2.77)	–	–	–	–	–	44.08

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**23.53**	**0.09**	**–**	**(2.66)**	**10.09**	**7.52**	**–**	**–**	**–**	**–**	**–**	**31.10**
Dec. 31, 2013	40.70	0.29	(0.01)	(7.43)	(11.13)	(18.28)	–	–	–	–	–	23.36
Dec. 31, 2012	45.54	0.23	(0.01)	(2.36)	(2.88)	(5.02)	–	–	–	–	–	40.70
Dec. 31, 2011[4]	68.82[†]	0.30	–	4.06	(12.81)	(8.45)	–	–	(9.70)	–	(9.70)	45.54

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
[2] Distributions are reinvested in additional units of the Fund or paid in cash.
[3] From July 9, 2012.
[4] From August 2, 2011.
[†] Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**29.17**	**441 205**	**15 127**	**2.13**	**2.13**	**82.10**	**0.46**
Dec. 31, 2013	22.30	349 251	15 660	2.13	2.13	56.37	0.29
Dec. 31, 2012	39.83	701 246	17 608	2.13	2.13	76.03	0.32
Dec. 31, 2011	45.49	846 116	18 601	2.13	2.13	71.96	0.29
Dec. 31, 2010	76.61	1 234 650	16 117	2.09	2.09	104.00	0.33
Dec. 31, 2009	49.43	713 363	14 431	2.04	2.04	129.53	0.42
Advisor Series							
June 30, 2014	**29.31**	**32 286**	**1 101**	**2.09**	**2.09**	**82.10**	**0.46**
Dec. 31, 2013	22.41	25 817	1 152	2.10	2.10	56.37	0.29
Dec. 31, 2012	40.00	50 250	1 256	2.07	2.07	76.03	0.32
Dec. 31, 2011	45.68	52 950	1 160	2.07	2.07	71.96	0.29
Dec. 31, 2010	76.82	61 597	802	2.04	2.04	104.00	0.33
Dec. 31, 2009	49.54	25 482	515	2.00	2.00	129.53	0.42
Series D							
June 30, 2014	**31.00**	**102 072**	**3 292**	**1.26**	**1.26**	**82.10**	**0.46**
Dec. 31, 2013	23.60	75 419	3 195	1.26	1.26	56.37	0.29
Dec. 31, 2012	41.78	139 255	3 333	1.27	1.27	76.03	0.32
Dec. 31, 2011	47.31	159 089	3 363	1.27	1.27	71.96	0.29
Dec. 31, 2010	78.85	227 116	2 880	1.24	1.24	104.00	0.33
Dec. 31, 2009	50.46	117 770	2 334	1.21	1.21	129.53	0.42
Series F							
June 30, 2014	**33.14**	**20 260**	**611**	**0.99**	**0.99**	**82.10**	**0.46**
Dec. 31, 2013	25.20	15 791	627	0.99	0.99	56.37	0.29
Dec. 31, 2012	44.48	48 578	1 092	0.99	0.99	76.03	0.32
Dec. 31, 2011	50.24	73 860	1 470	0.99	0.99	71.96	0.29
Dec. 31, 2010	84.76	100 488	1 186	0.98	0.98	104.00	0.33
Dec. 31, 2009	54.09	40 103	741	0.95	0.95	129.53	0.42

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series I							
June 30, 2014	**33.33**	**2 153**	**65**	**0.71**	**0.71**	**82.10**	**0.46**
Dec. 31, 2013	25.31	1 925	76	0.71	0.71	56.37	0.29
Dec. 31, 2012[4]	44.54	5 055	113	0.71	0.71	76.03	0.32
Series O							
June 30, 2014	**31.10**	**593**	**19**	**0.02**	**0.02**	**82.10**	**0.46**
Dec. 31, 2013	23.53	343	15	0.02	0.02	56.37	0.29
Dec. 31, 2012	41.13	137	3	0.02	0.02	76.03	0.32
Dec. 31, 2011[5]	46.00	–	–	0.02	0.02	71.96	0.29

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From July 9, 2012.

[5] From August 2, 2011.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.75%	66%	34%
Advisor Series	1.75%	66%	34%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

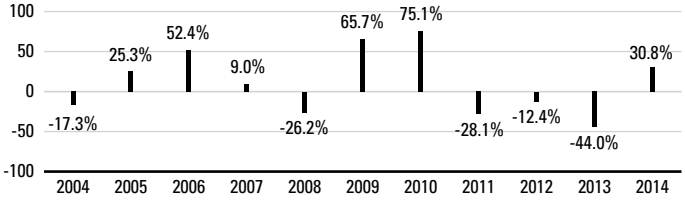
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

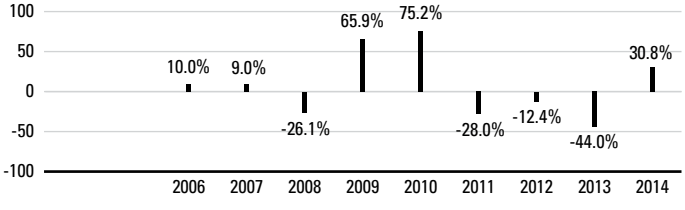
Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

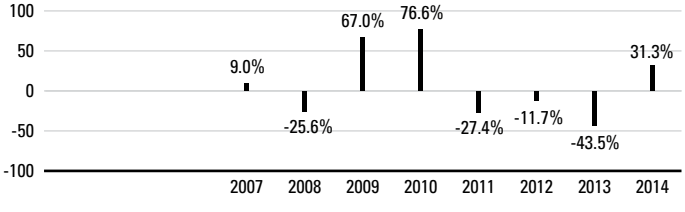
Series A[1] (%)



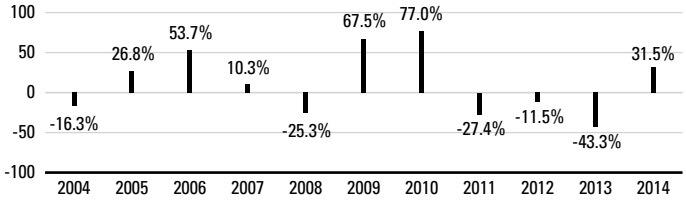
Advisor Series[2] (%)



Series D[3] (%)



Series F[4] (%)



Series I[5] (%)

Series O[6] (%)

1 Inception date November 30, 1988.
2 Inception date August 28, 2006.
3 Inception date July 3, 2007.
4 Inception date August 13, 2001.
5 Inception date July 9, 2012.
6 Inception date August 2, 2011.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix – Sectors

	% of Net Asset Value
Gold	72.4
Precious Metals and Minerals	10.0
Silver	9.5
Diversified Metals and Mining	6.3
Cash/Other	1.8

Investment Mix – Countries/Regions

	% of Net Asset Value
Canada	92.1
United Kingdom	5.9
Other Countries	0.2
Cash/Other	1.8

Top 25 Holdings

	% of Net Asset Value
Agnico Eagle Mines Ltd.	7.5
Franco-Nevada Corp.	7.4
Goldcorp Inc.	6.5
Silver Wheaton Corp.	6.5
Primero Mining Corp.	5.6
Eldorado Gold Corp.	5.3
Randgold Resources Ltd. ADR	5.0
B2Gold Corp.	4.3
Detour Gold Corp.	3.6
Osisko Gold Royalties Ltd.	3.0
New Gold Inc.	2.2
Sulliden Exploration Inc.	2.2
Fortuna Silver Mines Inc.	2.1
Tahoe Resources Inc.	2.1
Mountain Province Diamonds Inc.	2.1
Yamana Gold Inc.	2.0
Cash & Cash Equivalents	2.0
OceanaGold Corp.	1.9
Torex Gold Resources Inc.	1.7
Timmins Gold Corp.	1.6
Silvercrest Mines Inc.	1.5
Semafo Inc.	1.5
Stillwater Mining Company	1.3
Aureus Mining Inc.	1.3
Continental Gold Ltd.	1.2
Top 25 Holdings	81.4

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

GLOBAL EQUITY FUND

RBC GLOBAL RESOURCES FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing in stocks of companies around the world that are directly or indirectly involved in exploring for, developing, producing or distributing natural and other resources.

The Fund pursues global companies with a leading market position, high and sustainable profitability, sound finances and attractive valuations relative to peers and the market. The Fund will focus on mid- to large-cap stocks, but will also invest in smaller companies.

Results of Operations

The Fund's net asset value was $249 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 14.7%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund performed well in the first six months of 2014, largely because of security selection in the Energy and Materials sectors. Geopolitical conflict in the Middle East contributed to rising prices for crude oil, while exceptionally cold winter weather in much of North America pushed up natural-gas prices. The Fund's positions in oil and gas producers EOG Resources, Continental Resources and Anadarko contributed significantly to performance. A large overweight position in energy-services companies such as Halliburton and Patterson-UTI Energy also provided solid returns.

The price of gold rebounded to almost US$1,400 from about US$1,200 amid geopolitical tensions, rising Chinese demand and the possibility that interest rates would stay lower for longer because of weaker-than-expected U.S. economic growth. The recovery in gold aided returns, as did a new round of mergers and acquisitions, which boosted Fund results when portfolio holding Osisko Mining agreed to be taken over. Another holding, B2Gold, also performed well.

Overweight positions in chemicals producers Celanese and LyondellBasell were positives, as was an investment in fertilizer producer CF Industries. A total lack of exposure to Syngenta was a positive when the stock dropped on a disappointing profit forecast. Copper stocks started to perform better on evidence that supplies were tighter than thought. The portfolio's holding in EMED Mining benefited from this situation. Also, the portfolio manager's decision not to own any Freeport-McMoRan shares was good for relative performance, as the Indonesian government took steps to ban exports of unprocessed ore. The ban also led to higher prices for nickel and aluminum during the period.

Iron-ore prices also weakened, as China stepped up its fight on pollution in what will be the first year in many that China has not increased its steel capacity. Copper prices recovered into the second quarter of 2014 on expectations that new supplies will come on line later than expected and that countries trying to keep more revenue from metals sales would support prices.

Recent Developments

North American shale production has undergone a revolution in recent years, and in 2014 the emphasis on resource discovery should shift to a focus on production. Companies will have to deliver on their production plans, creating the potential for disappointment as timelines are pushed back and costs come in higher than expected. In this environment, companies that service the petroleum industry should come out ahead, as demand for their services leads to higher profit margins.

The portfolio manager expects natural-gas prices to be somewhat flat in 2014 as supply increases. Until ports are reconfigured to handle exports later this decade, the North American chemicals industry and Industrials sector will benefit from low feedstock costs. Low prices for raw materials should help to fuel the industrial renaissance occurring in the southwestern U.S., and the portfolio manager expects that a number of companies in the Fund should benefit from this trend.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $10,000 (2013 – $25,000) or 3% (2013 – 6%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**32.20**	**0.25**	**(0.39)**	**1.58**	**3.30**	**4.74**	**–**	**–**	**–**	**–**	**–**	**36.94**
Dec. 31, 2013	29.77	0.35	(0.69)	(0.55)	3.19	2.30	–	–	–	–	–	32.18
Dec. 31, 2012	33.30	0.23	(0.70)	(2.69)	(0.44)	(3.60)	–	–	–	–	–	29.77
Dec. 31, 2011	40.22	0.10	(0.82)	5.02	(11.56)	(7.26)	–	–	–	–	–	33.30
Dec. 31, 2010	27.32	0.37	(0.64)	3.81	8.93	12.47	–	–	–	–	–	40.22
Dec. 31, 2009	18.26	0.24	(0.47)	0.99	8.35	9.11	–	–	–	–	–	27.32
Advisor Series												
June 30, 2014	**32.29**	**0.25**	**(0.38)**	**1.58**	**3.31**	**4.76**	**–**	**–**	**–**	**–**	**–**	**37.05**
Dec. 31, 2013	29.85	0.35	(0.67)	(0.55)	3.19	2.32	–	–	–	–	–	32.28
Dec. 31, 2012	33.36	0.23	(0.69)	(2.70)	(0.44)	(3.60)	–	–	–	–	–	29.85
Dec. 31, 2011	40.26	0.10	(0.80)	5.03	(11.58)	(7.25)	–	–	–	–	–	33.36
Dec. 31, 2010	27.34	0.37	(0.63)	3.81	8.94	12.49	–	–	–	–	–	40.26
Dec. 31, 2009	18.26	0.24	(0.46)	0.99	8.36	9.13	–	–	–	–	–	27.34
Series D												
June 30, 2014	**34.30**	**0.27**	**(0.23)**	**1.69**	**3.53**	**5.26**	**–**	**–**	**–**	**–**	**–**	**39.54**
Dec. 31, 2013	31.40	0.38	(0.41)	(0.58)	3.38	2.77	–	–	–	–	–	34.28
Dec. 31, 2012	34.78	0.24	(0.41)	(2.83)	(0.46)	(3.46)	–	–	–	–	–	31.40
Dec. 31, 2011	41.58	0.10	(0.48)	5.21	(12.01)	(7.18)	–	–	–	–	–	34.78
Dec. 31, 2010	27.98	0.38	(0.37)	3.92	9.19	13.12	–	–	–	–	–	41.58
Dec. 31, 2009	18.53	0.25	(0.27)	1.01	8.51	9.50	–	–	–	–	–	27.98
Series F												
June 30, 2014	**37.10**	**0.29**	**(0.20)**	**1.82**	**3.82**	**5.73**	**–**	**–**	**–**	**–**	**–**	**42.83**
Dec. 31, 2013	33.88	0.41	(0.35)	(0.63)	3.65	3.08	–	–	–	–	–	37.09
Dec. 31, 2012	37.43	0.26	(0.35)	(3.04)	(0.49)	(3.62)	–	–	–	–	–	33.88
Dec. 31, 2011	44.62	0.11	(0.40)	5.60	(12.90)	(7.59)	–	–	–	–	–	37.43
Dec. 31, 2010	29.94	0.41	(0.31)	4.20	9.85	14.15	–	–	–	–	–	44.62
Dec. 31, 2009	19.77	0.26	(0.23)	1.08	9.08	10.19	–	–	–	–	–	29.94
Series I												
June 30, 2014	**37.27**	**0.29**	**(0.16)**	**1.83**	**3.83**	**5.79**	**–**	**–**	**–**	**–**	**–**	**43.06**
Dec. 31, 2013	33.93	0.41	(0.24)	(0.63)	3.67	3.21	–	–	–	–	–	37.25
Dec. 31, 2012[3]	31.92[†]	0.13	(0.11)	(1.50)	(0.24)	(1.72)	–	–	–	–	–	33.93

FINANCIAL HIGHLIGHTS (cont.)

Change in Net Assets Per Unit ($) (cont.)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**34.03**	**0.27**	**–**	**1.68**	**3.51**	**5.46**	**–**	**–**	**–**	**–**	**–**	**39.47**
Dec. 31, 2013	30.77	0.37	(0.01)	(0.58)	3.36	3.14	–	–	–	–	–	34.01
Dec. 31, 2012	33.67	0.24	(0.01)	(2.79)	(0.45)	(3.01)	–	–	–	–	–	30.77
Dec. 31, 2011[4]	38.76[†]	0.05	–	2.43	(5.60)	(3.12)	–	–	–	–	–	33.67

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
[2] Distributions are reinvested in additional units of the Fund or paid in cash.
[3] From July 9, 2012.
[4] From July 11, 2011.
[†] Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**36.94**	**202 637**	**5 487**	**2.26**	**2.26**	**87.67**	**0.27**
Dec. 31, 2013	32.20	195 590	6 075	2.27	2.27	127.17	0.30
Dec. 31, 2012	29.89	219 608	7 347	2.26	2.26	103.36	0.32
Dec. 31, 2011	33.45	270 634	8 091	2.26	2.26	128.39	0.50
Dec. 31, 2010	40.39	318 965	7 898	2.21	2.21	145.87	0.55
Dec. 31, 2009	27.36	209 886	7 671	2.16	2.16	215.25	0.68
Advisor Series							
June 30, 2014	**37.05**	**11 069**	**299**	**2.20**	**2.20**	**87.67**	**0.27**
Dec. 31, 2013	32.29	10 143	314	2.21	2.21	127.17	0.30
Dec. 31, 2012	29.97	12 145	405	2.21	2.21	103.36	0.32
Dec. 31, 2011	33.51	16 701	498	2.21	2.21	128.39	0.50
Dec. 31, 2010	40.43	18 532	458	2.16	2.16	145.87	0.55
Dec. 31, 2009	27.38	13 576	496	2.11	2.11	215.25	0.68
Series D							
June 30, 2014	**39.54**	**29 394**	**744**	**1.26**	**1.26**	**87.67**	**0.27**
Dec. 31, 2013	34.30	25 739	750	1.27	1.27	127.17	0.30
Dec. 31, 2012	31.53	27 338	867	1.27	1.27	103.36	0.32
Dec. 31, 2011	34.93	35 682	1 022	1.27	1.27	128.39	0.50
Dec. 31, 2010	41.76	41 160	986	1.24	1.24	145.87	0.55
Dec. 31, 2009	28.02	24 733	883	1.21	1.21	215.25	0.68
Series F							
June 30, 2014	**42.83**	**4 211**	**98**	**1.00**	**1.00**	**87.67**	**0.27**
Dec. 31, 2013	37.10	3 865	104	1.00	1.00	127.17	0.30
Dec. 31, 2012	34.02	4 118	121	1.00	1.00	103.36	0.32
Dec. 31, 2011	37.59	6 587	175	1.00	1.00	128.39	0.50
Dec. 31, 2010	44.80	6 071	136	0.98	0.98	145.87	0.55
Dec. 31, 2009	29.99	4 653	155	0.95	0.95	215.25	0.68

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data (cont.)

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series I							
June 30, 2014	**43.06**	**1**	**–**	**0.78**	**0.78**	**87.67**	**0.27**
Dec. 31, 2013	37.27	1	–	0.79	0.79	127.17	0.30
Dec. 31, 2012[4]	34.06	1	–	0.85	0.85	103.36	0.32
Series O							
June 30, 2014	**39.47**	**1 633**	**41**	**0.02**	**0.02**	**87.67**	**0.27**
Dec. 31, 2013	34.03	1 264	37	0.02	0.02	127.17	0.30
Dec. 31, 2012	30.90	802	26	0.02	0.02	103.36	0.32
Dec. 31, 2011[5]	33.82	–	–	0.02	0.02	128.39	0.50

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From July 9, 2012.

[5] From July 11, 2011.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	62%	38%
Advisor Series	1.85%	62%	38%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%
Series I	0.60%	–	100%

Series O – no management fees are paid by the Fund in respect of Series O units. Series O unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

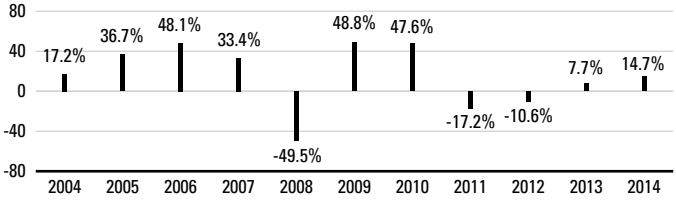
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

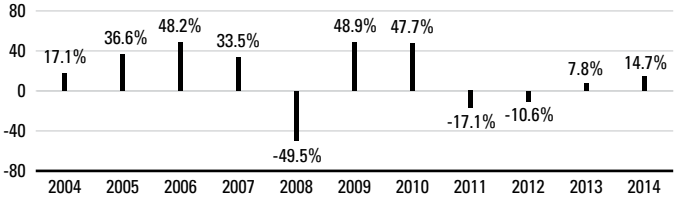
Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.

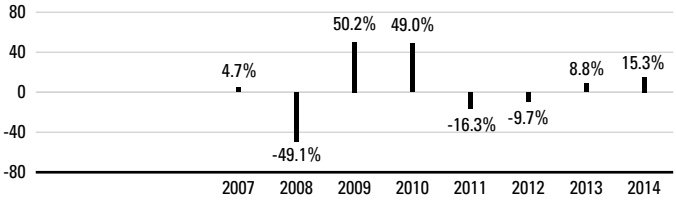
Series A[1] (%)



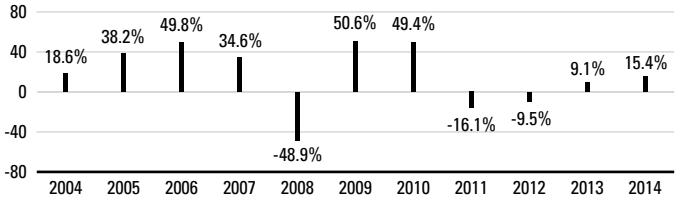
Advisor Series[2] (%)



Series D[3] (%)



Series F[4] (%)



Series I[5] (%)

Series O[6] (%)

[1] Inception date December 29, 2000.
[2] Inception date August 6, 2003.
[3] Inception date July 3, 2007.
[4] Inception date August 13, 2001.
[5] Inception date July 9, 2012.
[6] Inception date July 11, 2011.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix – Sectors

	% of Net Asset Value
Oil, Gas and Consumable Fuels	47.4
Chemicals	18.2
Metals and Mining	16.5
Energy Equipment and Services	9.2
Other Sectors	4.2
Cash/Other	4.5

Investment Mix – Countries/Regions

	% of Net Asset Value
United States	58.9
Canada	25.9
Other Countries	10.7
Cash/Other	4.5

Top 25 Holdings

	% of Net Asset Value
Suncor Energy Inc.	5.4
Halliburton Co.	5.4
Cash & Cash Equivalents	4.1
EOG Resources Inc.	4.0
Anadarko Petroleum Corp.	3.7
Exxon Mobil Corp.	3.3
Continental Resources Inc.	2.8
Chevron Corp.	2.8
BHP Billiton Plc.	2.6
EQT Corp.	2.5
Cemex S.A. de CV ADR	2.4
LyondellBasell Industries N.V.	2.3
Range Resources Corp.	2.3
Praxair Inc.	2.0
Concho Resources Inc.	2.0
Monsanto Co.	2.0
Paramount Resources Ltd., Class A	1.6
Sherwin-Williams Co.	1.6
Ecolab Inc.	1.5
Cabot Oil & Gas Corp.	1.5
Pioneer Natural Resources Co.	1.4
Lundin Mining Corp.	1.3
Nucor Corp.	1.3
FMC Corp.	1.3
Weatherford International Plc.	1.2
Top 25 Holdings	62.3

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

GLOBAL EQUITY FUND

RBC GLOBAL TECHNOLOGY FUND

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling 1-800-463-FUND (3863), by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting our website at www.rbcgam.com/funds or SEDAR at www.sedar.com. Security holders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of companies operating in various countries around the world that develop or market technology and telecommunications products and services.

The Fund invests in global companies with a leading market position, high and sustainable profitability, sound finances and attractive valuations relative to peers and the market. The Fund will focus on mid- to large-cap stocks, but will also invest in smaller companies.

Results of Operations

The Fund's net asset value was $30 million as of June 30, 2014.

Over the past six months, the Fund's Series A units gained 7.8%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund's performance during the first half of 2014 was helped mainly by a decision to focus on stocks in the semiconductor industry, which benefited from increased demand at a time when inventories were tight. Another positive for the Fund was shifting exposure to more reasonably priced areas from areas that had appreciated significantly. The gains came as U.S. equity markets rose to new highs, registering year-to-date gains in the mid-single digits. The solid performance was fuelled by factors including a commitment from new U.S. Federal Reserve Chair Janet Yellen to keep short-term interest rates low; a declining unemployment rate; and an improving outlook for U.S. manufacturing.

Stocks in the Information Technology sector fell early in 2014 after a strong finish to 2013, and then reversed course in February for a rally that lasted until the end of March. At this point, a plunge in Internet companies such as Facebook pushed down the NASDAQ index, which is disproportionately exposed to technology companies. The NASDAQ underperformed the S&P 500 during the period.

Stocks that aided the Fund's performance included Micron Technology, Sandisk, Skyworks Solutions and, more recently, GoPro. QUALCOMM, EMC and Oracle were among stocks that had a negative impact on portfolio performance.

Portfolio turnover is normally high for the Fund given the sector's volatility. As a result, the portfolio manager actively manages the portfolio to capture profits and/or minimize losses.

Recent Developments

The portfolio manager believes that stocks in the Information Technology sector can continue to perform well in the second half of 2014, as the recovery in North America's economy and apparent stabilization in Europe and Asia boost demand for consumer electronics. For the first time in several years, replacement demand for personal computers is ticking up, and as corporate confidence rises, the portfolio manager foresees companies accelerating spending in "cloud"-related areas where data is stored in remote servers. Finally, momentum is building for the "Internet of Things," whereby devices are controlled from computers elsewhere.

Generally speaking, the portfolio manager remains optimistic about prospects for U.S. equities. However, a near-term decline is possible, given that the market's advance over the past year has resulted in stocks being more fairly valued.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and Phillips, Hager & North Investment Funds Ltd. are principal distributors of, or distribute certain series of the units of, the Fund. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series and Series D units.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

Royal Bank, RBC IS and RBC GAM are the registrars of the Fund and keep records of who owns the units of the Fund.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $2,000 (2013 – $1,000) or 4% (2013 – 3%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series A												
June 30, 2014	**2.71**	**0.02**	**(0.03)**	**0.31**	**(0.10)**	**0.20**	**–**	**–**	**–**	**–**	**–**	**2.92**
Dec. 31, 2013	1.93	0.02	(0.05)	0.57	0.23	0.77	–	–	–	–	–	2.71
Dec. 31, 2012	1.83	0.02	(0.04)	0.08	0.04	0.10	–	–	–	–	–	1.93
Dec. 31, 2011	1.99	0.01	(0.04)	(0.08)	(0.15)	(0.26)	–	–	–	–	–	1.83
Dec. 31, 2010	1.69	0.01	(0.04)	0.28	0.06	0.31	–	–	–	–	–	1.99
Dec. 31, 2009	1.23	0.01	(0.03)	0.10	0.38	0.46	–	–	–	–	–	1.69
Advisor Series												
June 30, 2014	**2.76**	**0.02**	**(0.03)**	**0.32**	**(0.10)**	**0.21**	**–**	**–**	**–**	**–**	**–**	**2.98**
Dec. 31, 2013	1.97	0.02	(0.05)	0.58	0.24	0.79	–	–	–	–	–	2.76
Dec. 31, 2012	1.87	0.02	(0.04)	0.08	0.04	0.10	–	–	–	–	–	1.97
Dec. 31, 2011	2.04	0.01	(0.04)	(0.08)	(0.15)	(0.26)	–	–	–	–	–	1.87
Dec. 31, 2010	1.72	0.01	(0.04)	0.29	0.06	0.32	–	–	–	–	–	2.04
Dec. 31, 2009	1.25	0.01	(0.03)	0.10	0.39	0.47	–	–	–	–	–	1.72
Series D												
June 30, 2014	**2.88**	**0.02**	**(0.02)**	**0.33**	**(0.10)**	**0.23**	**–**	**–**	**–**	**–**	**–**	**3.12**
Dec. 31, 2013	2.03	0.02	(0.03)	0.60	0.25	0.84	–	–	–	–	–	2.88
Dec. 31, 2012	1.91	0.02	(0.03)	0.08	0.04	0.11	–	–	–	–	–	2.03
Dec. 31, 2011	2.06	0.01	(0.03)	(0.08)	(0.15)	(0.25)	–	–	–	–	–	1.91
Dec. 31, 2010	1.73	0.01	(0.02)	0.29	0.06	0.34	–	–	–	–	–	2.06
Dec. 31, 2009	1.25	0.01	(0.02)	0.10	0.39	0.48	–	–	–	–	–	1.73
Series F												
June 30, 2014	**3.19**	**0.02**	**(0.02)**	**0.37**	**(0.12)**	**0.25**	**–**	**–**	**–**	**–**	**–**	**3.46**
Dec. 31, 2013	2.24	0.02	(0.03)	0.67	0.27	0.93	–	–	–	–	–	3.19
Dec. 31, 2012	2.10	0.02	(0.02)	0.09	0.05	0.14	–	–	–	–	–	2.24
Dec. 31, 2011	2.26	0.01	(0.02)	(0.08)	(0.15)	(0.24)	–	–	–	–	–	2.10
Dec. 31, 2010	1.89	0.01	(0.02)	0.32	0.06	0.37	–	–	–	–	–	2.26
Dec. 31, 2009	1.36	0.01	(0.01)	0.11	0.42	0.53	–	–	–	–	–	1.89

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series A							
June 30, 2014	**2.92**	**21 939**	**7 521**	**2.26**	**2.27**	**416.18**	**0.36**
Dec. 31, 2013	2.71	20 088	7 422	2.28	2.28	325.83	0.32
Dec. 31, 2012	1.93	15 973	8 272	2.27	2.27	271.49	0.18
Dec. 31, 2011	1.83	16 461	8 976	2.28	2.28	297.92	0.27
Dec. 31, 2010	2.00	15 251	7 639	2.23	2.23	239.96	0.29
Dec. 31, 2009	1.69	12 593	7 451	2.21	2.21	186.04	0.20
Advisor Series							
June 30, 2014	**2.98**	**1 365**	**458**	**2.25**	**2.26**	**416.18**	**0.36**
Dec. 31, 2013	2.76	1 392	504	2.29	2.29	325.83	0.32
Dec. 31, 2012	1.97	1 072	544	2.21	2.21	271.49	0.18
Dec. 31, 2011	1.87	914	488	2.24	2.24	297.92	0.27
Dec. 31, 2010	2.04	169	83	2.19	2.19	239.96	0.29
Dec. 31, 2009	1.72	96	56	2.15	2.15	186.04	0.20
Series D							
June 30, 2014	**3.12**	**6 742**	**2 159**	**1.25**	**1.26**	**416.18**	**0.36**
Dec. 31, 2013	2.88	4 418	1 532	1.27	1.27	325.83	0.32
Dec. 31, 2012	2.04	2 986	1 466	1.28	1.28	271.49	0.18
Dec. 31, 2011	1.92	3 163	1 651	1.28	1.28	297.92	0.27
Dec. 31, 2010	2.06	2 524	1 223	1.26	1.26	239.96	0.29
Dec. 31, 2009	1.73	1 411	815	1.26	1.26	186.04	0.20
Series F							
June 30, 2014	**3.46**	**436**	**126**	**0.98**	**0.99**	**416.18**	**0.36**
Dec. 31, 2013	3.19	479	150	1.02	1.02	325.83	0.32
Dec. 31, 2012	2.24	487	217	0.99	0.99	271.49	0.18
Dec. 31, 2011	2.10	545	259	1.03	1.03	297.92	0.27
Dec. 31, 2010	2.26	98	43	1.01	1.01	239.96	0.29
Dec. 31, 2009	1.89	7	4	1.00	1.00	186.04	0.20

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate is not applicable to money market funds.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

		Breakdown of Services	
	Management Fees	Distribution	Other*
Series A	1.85%	62%	38%
Advisor Series	1.85%	62%	38%
Series D	1.00%	25%	75%
Series F	0.75%	–	100%

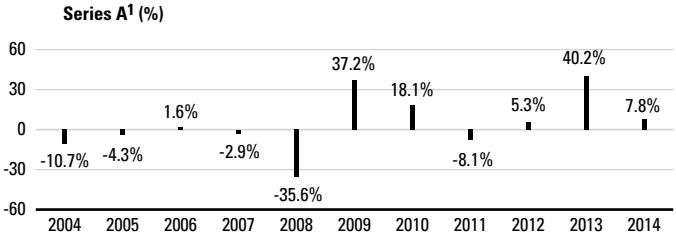
* Includes all costs related to management, trustee, investment advisory services, general administration and profit.

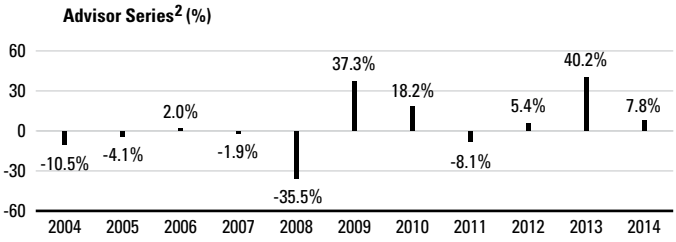
PAST PERFORMANCE

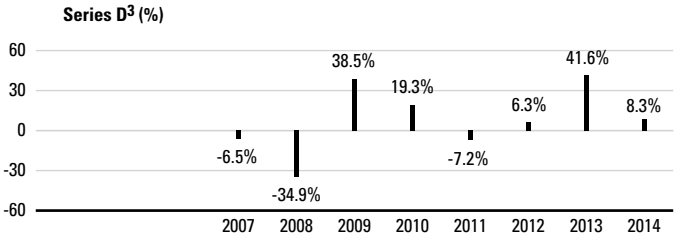
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, optional charges or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future. A fund with more than 10 years of performance history is only permitted to disclose the past 10 years.

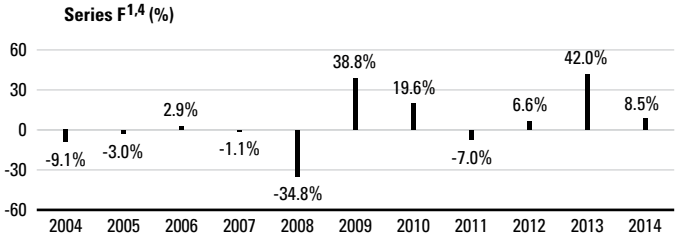
Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.









1 The Fund changed its investment objectives and merged with the former Royal Global Technology Sector Fund on June 28, 2002. Since this was a significant change, the Fund in its current form started at that time and no prior performance data can be published. Since inception performance is from June 28, 2002 only.
2 Inception date August 6, 2003.
3 Inception date July 3, 2007.
4 Inception date August 13, 2001.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix – Sectors

	% of Net Asset Value
Semiconductors and Semiconductor Equipment	34.0
Software	18.4
Computers and Peripherals	15.0
Internet Software and Services	10.7
Other Sectors	7.4
Communications Equipment	5.9
Internet and Catalogue Retail	4.5
IT Services	4.0
Cash/Other	0.1

Investment Mix – Countries/Regions

	% of Net Asset Value
United States	87.2
Other Countries	12.7
Cash/Other	0.1

Top 25 Holdings

	% of Net Asset Value
Apple Inc.	8.1
Microsoft Corp.	3.5
Intel Corp.	2.7
Hewlett-Packard Co.	2.6
Facebook Inc., Class A	2.5
Micron Technology Inc.	2.5
Google Inc., Class A	2.0
Infineon Technologies AG	2.0
Cisco Systems Inc.	2.0
Garmin Ltd.	1.8
Oracle Corporation	1.7
NXP Semiconductor N.V.	1.6
Palo Alto Networks Inc.	1.5
Monolithic Power Systems Inc.	1.5
Autodesk Inc.	1.5
Salesforce.com Inc.	1.5
Science Applications International Corp.	1.5
SunEdison Inc.	1.5
Twitter Inc.	1.5
CDW Corp.	1.5
Corning Inc.	1.4
NetFlix Inc.	1.4
Fair Isaac & Co. Inc.	1.4
Applied Materials Inc.	1.4
Lam Research Corp.	1.3
Top 25 Holdings	51.9

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at www.rbcgam.com/funds.

FIXED INCOME

RBC PRIVATE SHORT-TERM INCOME POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling us at 1-800-662-0652, by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting SEDAR at www.sedar.com. Security holders may also contact us to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide a competitive level of monthly income by investing primarily in short-term, high-quality fixed-income securities issued or guaranteed by Canadian federal, provincial or municipal governments or corporations, asset-backed securities and corporate bonds.

The Fund's assets have an average maturity of two to five years. The Fund invests no more than 40% of its assets in high-quality first mortgages on Canadian residential property insured by the Canada Mortgage and Housing Corporation. Corporate bonds have a minimum rating of BBB as rated by the Dominion Bond Rating Service or its equivalent.

Results of Operations

The Fund's net asset value was $985 million as of June 30, 2014.

Over the past six months, the Fund's Series O units gained 1.9% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Fixed-income yields fell during the first half of 2014, sending bond prices higher. Geopolitical events in Ukraine and the Middle East and efforts by the European Central Bank (the "ECB") to bolster the economy outweighed signs that economic recoveries had taken hold in most major industrialized countries. Many investors had anticipated that interest rates would rise slowly as central banks retreated from aggressive monetary easing. The ECB measures, aimed at encouraging banks to lend, and signals from the central bank that it might initiate bond purchases supported the broad fixed-income rally and also helped hold down yields in North America. The U.S. Federal Reserve (the "Fed") continued cutting back on bond-buying amid accelerating economic growth, and was on track to complete the program by the end of the year.

The portfolio manager kept the Fund's exposure to corporate debt unchanged during the period, as corporate earnings and balance sheets were healthy. The portfolio manager cut back the Fund's cash position to a minimum while seeking opportunities in provincial bonds and making few bets on the direction of interest rates. This strategy was successful in generating as much income as possible in the persistent low-yield environment.

Recent Developments

Monetary policy in most industrialized nations continues to support economic growth while stemming the threat of deflation. Projections of global economic growth have stabilized at a lacklustre pace. The portfolio manager believes that short-term interest rates set by the Bank of Canada will not rise appreciably in 2014, and given the likelihood of open-ended monetary policies by the Fed and the ECB, that Canadian bond yields will remain in a range. Accordingly, the portfolio manager will continue to focus on higher-yielding corporate debt, and this positioning should help enhance returns over the short term.

The administration fee for Series A units of the Fund was reduced from 0.10% to 0.05%, effective January 1, 2014.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributor

RBC GAM is the principal distributor of the Fund. Royal Mutual Funds Inc. and RBC Dominion Securities Inc. also distribute units of the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrar

RBC IS is the registrar of the Fund and keeps records of who owns the units of the Fund. The registrar also processes orders and issues account statements.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**103.54**	**1.49**	**(0.22)**	**(0.12)**	**0.62**	**1.77**	**(1.37)**	**–**	**–**	**–**	**(1.37)**	**103.99**
Dec. 31, 2013	104.31	3.18	(0.47)	(0.33)	(0.57)	1.81	(2.75)	–	–	–	(2.75)	103.44
Dec. 31, 2012	105.45	3.72	(0.45)	(0.14)	(0.79)	2.34	(3.31)	–	–	–	(3.31)	104.31
Dec. 31, 2011	104.37	4.00	(0.43)	0.44	0.70	4.71	(3.55)	–	–	–	(3.55)	105.45
Dec. 31, 2010	104.81	4.20	(0.44)	0.60	(1.11)	3.25	(3.80)	–	–	–	(3.80)	104.37
Dec. 31, 2009	104.78	4.46	(0.44)	0.48	(0.54)	3.96	(3.93)	–	–	–	(3.93)	104.81
Series O												
June 30, 2014	**103.74**	**1.49**	**(0.03)**	**(0.12)**	**0.62**	**1.96**	**(1.56)**	**–**	**–**	**–**	**(1.56)**	**104.19**
Dec. 31, 2013	104.55	3.21	(0.06)	(0.34)	(0.58)	2.23	(3.18)	–	–	–	(3.18)	103.64
Dec. 31, 2012	105.58	3.69	(0.06)	(0.14)	(0.79)	2.70	(3.63)	–	–	–	(3.63)	104.55
Dec. 31, 2011	104.40	3.93	(0.05)	0.43	0.69	5.00	(3.84)	–	–	–	(3.84)	105.58
Dec. 31, 2010	104.75	4.18	(0.06)	0.60	(1.11)	3.61	(4.09)	–	–	–	(4.09)	104.40
Dec. 31, 2009	104.70	4.42	(0.05)	0.48	(0.53)	4.32	(4.36)	–	–	–	(4.36)	104.75

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series F							
June 30, 2014	**103.99**	**13 174**	**127**	**0.43**	**0.43**	**31.78**	**–**
Dec. 31, 2013	103.54	12 619	122	0.45	0.45	40.99	–
Dec. 31, 2012	104.54	7 599	73	0.43	0.43	28.40	–
Dec. 31, 2011	105.56	14 201	135	0.42	0.42	60.00	–
Dec. 31, 2010	104.48	20 368	195	0.42	0.42	53.99	–
Dec. 31, 2009	104.94	26 699	254	0.42	0.46	45.79	–
Series O							
June 30, 2014	**104.19**	**972 183**	**9 331**	**0.06**	**0.06**	**31.78**	**–**
Dec. 31, 2013	103.74	824 738	7 950	0.06	0.06	40.99	–
Dec. 31, 2012	104.76	765 050	7 303	0.06	0.06	28.40	–
Dec. 31, 2011	105.70	660 718	6 251	0.05	0.05	60.00	–
Dec. 31, 2010	104.51	482 291	4 615	0.05	0.05	53.99	–
Dec. 31, 2009	104.88	386 854	3 688	0.05	0.05	45.79	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series F units is payable by the Fund on a monthly basis and calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is 100% for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

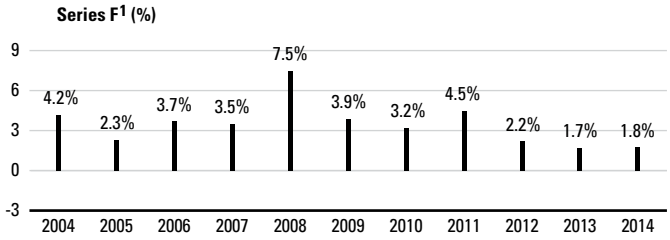
The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

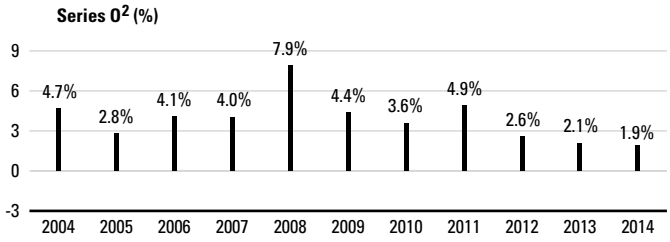
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





1 Inception date November 1, 2003.
2 Inception date August 21, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Corporate Bonds	57.3
Provincial Bonds	22.2
Federal Bonds	17.3
Mortgage-Backed Securities	0.3
Cash/Other	2.9

Top 25 Holdings

	% of Net Asset Value
Canada Housing Trust No. 1 2.050% Jun 15 17	3.3
Canada Housing Trust No. 1 2.450% Dec 15 15	3.0
Province of Ontario 2.100% Sep 8 19	2.8
Province of Ontario 1.900% Sep 8 17	2.7
Canada Housing Trust No. 1 1.700% Dec 15 17	2.3
Cash & Cash Equivalents	2.3
Canada Housing Trust No. 1 2.750% Dec 15 15	2.1
Province of Alberta 1.600% Jun 15 18	1.9
Financement-Québec 4.250% Dec 1 15	1.8
Bank of Montreal 3.210% Sep 13 18	1.7
Bank of Montreal 2.430% Mar 4 19	1.7
Toronto-Dominion Bank 2.447% Apr 2 19	1.7
Province of Quebec 4.500% Dec 1 17	1.6
Government of Canada 1.250% Sep 1 18	1.6
Province of Ontario 3.150% Sep 8 15	1.6
Canadian Imperial Bank of Commerce 2.650% Nov 8 16	1.6
Province of Ontario 4.300% Mar 8 17	1.6
Province of Ontario 2.100% Sep 8 18	1.4
Bank of Montreal 2.240% Dec 11 17	1.3
Province of Manitoba 4.300% Mar 1 16	1.3
Bank of Nova Scotia 2.242% Mar 22 18	1.2
Bank of Nova Scotia 2.750% Aug 13 18	1.2
Bank of Nova Scotia 2.462% Mar 14 19	1.1
Province of Ontario Coupon Strip 0.000% Jun 2 16	1.1
Canada Housing Trust No. 1 3.350% Dec 15 20	1.1
Top 25 Holdings	45.0

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

FIXED INCOME

RBC PRIVATE CANADIAN BOND POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term total returns consisting primarily of interest income and moderate capital growth. The Fund invests primarily in high-quality fixed-income securities issued by Canadian governments and corporations and may invest up to 20% of the portfolio in foreign securities.

The Fund uses a disciplined approach to assess opportunities based on the overall direction of interest rates, expected changes in interest rate spreads, changes in individual credit ratings or quality perceptions and foreign currency risk. No more than 20% of the Fund's assets may be invested in securities rated below BBB by Standard & Poor's or its equivalent. The Fund may invest its assets in other mutual funds managed by RBC GAM or an affiliate.

Results of Operations

The Fund's net asset value was $1.3 billion as of June 30, 2014.

Over the past six months, the Fund's Series O units gained 5.0% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Bond yields started 2014 near their highest levels in almost three years after signs the U.S. Federal Reserve (the "Fed") would begin scaling back measures aimed at helping the economy recover from the financial crisis. However, yields fell for much of the period after a harsh winter dampened economic growth in much of North America. Also holding down yields were demand for fixed income from pension funds, bank demand for government bonds fulfilling new regulatory changes, geopolitical conflict and expectations of further monetary easing by the European Central Bank (the "ECB.") As the first half of 2014 came to a close, the major central banks were moving in opposite directions, with the Fed rolling back economic stimulus just as the ECB began unveiling a multi-pronged plan to bolster growth. The Bank of Canada continued to emphasize that it has no plans to change benchmark interest rates before 2015.

Longer-term bonds, which offer much more attractive yields than short-term securities, significantly outperformed. Provincial and corporate bonds, which offered higher yields for what the portfolio manager believes is relatively low risk, fared better than federal bonds, with income-seeking international investors spurring much of the demand. The Fund's performance benefited from significant exposure to provincial and corporate fixed-income securities.

Recent Developments

The portfolio manager expects bond yields to gradually rise as the economy improves and the Fed ends its asset-purchase program. In Canada, short-term yields should stay low as long as relatively weak economic growth keeps the Bank of Canada from raising its benchmark rate. However, the portfolio manager expects a steady rise in Canadian yields over 2014 consistent with a steadily improving economic backdrop. Assuming that this moderate expansion continues, corporate bonds would likely outperform government bonds, as default prospects remain low and earnings are likely to benefit from an improving economy. Investor demand for income makes corporate and provincial bonds even more attractive, and their additional yield would help offset capital losses as yields start to rise. The Fund plans to maintain overweight positions in both areas.

Government of Ontario bonds remain a large holding in the Fund. The portfolio manager believes that the province's deteriorating fiscal position is largely reflected in the relatively high yields demanded by investors for owning the bonds, and that the bonds remain attractive.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

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RBC IS is the registrar of the Fund and keeps records of who owns the units of the Fund. The registrar also processes orders and issues account statements.

Other Related-Party Transactions

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Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**118.14**	**2.22**	**(0.29)**	**0.12**	**3.44**	**5.49**	**(2.03)**	**–**	**–**	**–**	**(2.03)**	**121.69**
Dec. 31, 2013	123.55	4.29	(0.59)	–	(5.50)	(1.80)	(3.72)	–	–	–	(3.72)	118.06
Dec. 31, 2012	123.49	4.48	(0.60)	0.77	(0.52)	4.13	(3.88)	–	–	–	(3.88)	123.55
Dec. 31, 2011	116.90	4.65	(0.56)	1.99	4.58	10.66	(4.10)	–	–	–	(4.10)	123.49
Dec. 31, 2010	114.81	5.00	(0.55)	1.43	1.43	7.31	(4.52)	–	(0.69)	–	(5.21)	116.90
Dec. 31, 2009	114.02	5.27	(0.54)	0.81	(0.05)	5.49	(4.77)	–	–	–	(4.77)	114.81
Series O												
June 30, 2014	**118.35**	**2.22**	**(0.02)**	**0.12**	**3.44**	**5.76**	**(2.29)**	**–**	**–**	**–**	**(2.29)**	**121.91**
Dec. 31, 2013	123.73	4.28	(0.04)	–	(5.49)	(1.25)	(4.25)	–	–	–	(4.25)	118.27
Dec. 31, 2012	123.68	4.49	(0.04)	0.78	(0.52)	4.71	(4.45)	–	–	–	(4.45)	123.73
Dec. 31, 2011	117.09	4.66	(0.03)	1.99	4.59	11.21	(4.67)	–	–	–	(4.67)	123.68
Dec. 31, 2010	114.95	5.01	(0.04)	1.43	1.43	7.83	(5.00)	–	(0.69)	–	(5.69)	117.09
Dec. 31, 2009	114.15	5.27	(0.04)	0.81	(0.05)	5.99	(5.30)	–	–	–	(5.30)	114.95

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series F							
June 30, 2014	**121.69**	**48 554**	**399**	**0.49**	**0.49**	**19.21**	**–**
Dec. 31, 2013	118.14	48 769	413	0.50	0.50	30.08	–
Dec. 31, 2012	123.79	52 421	423	0.49	0.49	26.93	–
Dec. 31, 2011	123.58	53 648	434	0.49	0.49	50.42	–
Dec. 31, 2010	116.98	65 908	563	0.48	0.48	35.62	–
Dec. 31, 2009	114.89	68 690	598	0.47	0.51	18.06	–
Series O							
June 30, 2014	**121.91**	**1 250 811**	**10 260**	**0.04**	**0.04**	**19.21**	**–**
Dec. 31, 2013	118.35	1 042 290	8 807	0.04	0.04	30.08	–
Dec. 31, 2012	123.97	874 144	7 051	0.04	0.04	26.93	–
Dec. 31, 2011	123.76	831 017	6 715	0.04	0.04	50.42	–
Dec. 31, 2010	117.17	829 630	7 081	0.03	0.03	35.62	–
Dec. 31, 2009	115.03	706 242	6 140	0.03	0.03	18.06	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series F units is payable by the Fund on a monthly basis and calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is 100% for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

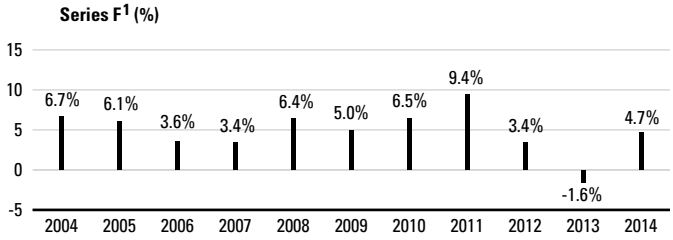
The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

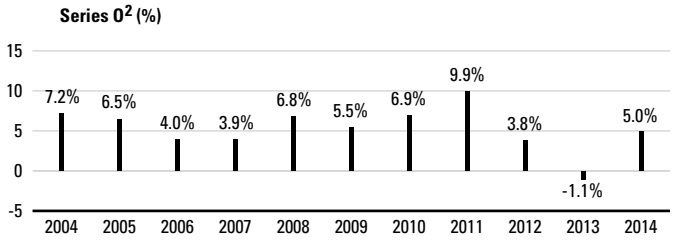
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





1 Inception date November 1, 2003.
2 Inception date August 21, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Provincial/Municipal	39.0
Corporate	36.5
Federal	22.8
Supranational	0.1
Cash/Other	1.6

Top 25 Holdings

	% of Net Asset Value
RBC Private Corporate Bond Pool	20.2
Province of Ontario 3.500% Jun 2 24	4.1
Canada Housing Trust No. 1 3.350% Dec 15 20	2.7
Province of Ontario 3.150% Jun 2 22	2.4
Province of Ontario 3.450% Jun 2 45	2.2
Province of Ontario 2.850% Jun 2 23	2.1
Government of Canada 2.500% Jun 1 24	2.1
Province of Ontario 4.650% Jun 2 41	1.9
Province of Quebec 4.500% Dec 1 17	1.9
Government of Canada 1.750% Sep 1 19	1.9
Government of Canada 3.500% Jun 1 20	1.9
Government of Canada 1.750% Mar 1 19	1.9
Government of Canada 1.500% Sep 1 17	1.8
Province of Ontario 4.300% Mar 8 17	1.7
Canada Housing Trust No. 1 1.850% Dec 15 16	1.6
Province of Ontario 4.600% Jun 2 39	1.6
Province of Ontario 8.000% Dec 2 26	1.5
Government of Canada 3.500% Dec 1 45	1.5
Province of Ontario 2.100% Sep 8 18	1.4
Province of Ontario 4.000% Jun 2 21	1.4
Government of Canada 1.250% Sep 1 18	1.3
Cash & Cash Equivalents	1.2
Province of Quebec 4.500% Dec 1 19	1.2
Province of Ontario 6.500% Mar 8 29	1.1
Province of Quebec 5.000% Dec 1 41	1.1
Top 25 Holdings	63.7

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

The simplified prospectus and other information about the RBC Private Canadian Corporate Bond Pool are available on SEDAR website at www.sedar.com.

FIXED INCOME

RBC PRIVATE CANADIAN CORPORATE BOND POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling us at 1-800-662-0652, by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting SEDAR at www.sedar.com. Security holders may also contact us to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term returns consisting primarily of interest income and moderate capital growth. The Fund invests in investment-grade fixed-income securities issued by Canadian corporations and may hold similar securities of U.S. corporations.

The Fund uses a disciplined approach to assess opportunities based on the overall direction of interest rates, expected changes in interest rate spreads, changes in individual credit ratings or quality perceptions, foreign currency risk and corporate bond risk premium and rate change. The Fund may invest up to 30% of its assets in foreign securities and no more than 20% may be invested in securities rated below BBB by Dominion Bond Rating Service or its equivalent.

Results of Operations

The Fund's net asset value was $1.7 billion as of June 30, 2014.

Over the past six months, the Fund's series O units gained 4.9% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Returns from bonds issued by Canadian corporations exceeded those on Government of Canada bonds during the first half of 2014, as investors sought the excess income offered by non-government bonds in a low-yield environment. Prices for corporate bonds peaked in June, with economic growth continuing to moderate, inflation falling below 2% and central banks pursuing monetary policies aimed at stimulating economic growth.

The Fund's performance in the first half of 2014 was helped by holdings of corporate bonds in the Industrials sector and an overweight position in the consumer sectors. The Fund's exposure to high-yield debt also contributed to performance on a relative basis. In general, longer-maturity bonds outperformed shorter-maturity securities in the first six months of 2014.

The Fund's allocation to non-Canadian bonds decreased in the first half of 2014, largely because holdings of U.S. high-yield bonds were swapped for investment-grade Canadian issues.

Recent Developments

Major central banks remain dedicated in their attempts to stimulate economic growth. The result of an indefinite commitment to low short-term interest rates is that investors feel comfortable moving into riskier assets in order to achieve higher returns. This has created strong demand for corporate bonds. At the same time, corporations have improved their balance sheets, and profit margins are high.

This combination of factors will likely lead to the continued outperformance of corporate bonds versus government bonds. If economic growth continues at a moderate pace, the portfolio manager expects that the general level of interest rates will rise, lowering overall returns on fixed income. Market expectations are for an initial central-bank rate hike in the second half of 2015. As this scenario approaches, the portfolio manager will shift the Fund's allocation to hold more shorter-maturity bonds at the expense of longer-term maturities, serving to lower the sensitivity of the Fund to changes in interest rates.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributor

RBC GAM is the principal distributor of the Fund. Royal Mutual Funds Inc. and RBC Dominion Securities Inc. also distribute units of the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrar

RBC IS is the registrar of the Fund and keeps records of who owns the units of the Fund. The registrar also processes orders and issues account statements.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**10.93**	**0.23**	**(0.03)**	**0.03**	**0.26**	**0.49**	**(0.21)**	**–**	**–**	**–**	**(0.21)**	**11.21**
Dec. 31, 2013	11.23	0.47	(0.07)	0.05	(0.38)	0.07	(0.40)	–	–	–	(0.40)	10.91
Dec. 31, 2012	11.00	0.49	(0.07)	0.11	0.12	0.65	(0.43)	–	–	–	(0.43)	11.23
Dec. 31, 2011	10.65	0.53	(0.06)	0.06	0.29	0.82	(0.47)	–	–	–	(0.47)	11.00
Dec. 31, 2010	10.36	0.54	(0.06)	0.13	0.16	0.77	(0.48)	–	–	–	(0.48)	10.65
Dec. 31, 2009	9.33	0.55	(0.06)	0.01	1.00	1.50	(0.49)	–	–	–	(0.49)	10.36
Series O												
June 30, 2014	**10.89**	**0.23**	**–**	**0.03**	**0.26**	**0.52**	**(0.25)**	**–**	**–**	**–**	**(0.25)**	**11.17**
Dec. 31, 2013	11.19	0.47	–	0.05	(0.38)	0.14	(0.47)	–	–	–	(0.47)	10.87
Dec. 31, 2012	10.96	0.49	–	0.11	0.12	0.72	(0.49)	–	–	–	(0.49)	11.19
Dec. 31, 2011	10.61	0.53	–	0.06	0.29	0.88	(0.53)	–	–	–	(0.53)	10.96
Dec. 31, 2010	10.32	0.54	–	0.13	0.16	0.83	(0.54)	–	–	–	(0.54)	10.61
Dec. 31, 2009	9.28	0.54	–	0.01	0.99	1.54	(0.54)	–	–	–	(0.54)	10.32

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series F							
June 30, 2014	**11.21**	**38 917**	**3 471**	**0.60**	**0.60**	**27.54**	**–**
Dec. 31, 2013	10.93	36 346	3 325	0.62	0.62	22.85	–
Dec. 31, 2012	11.26	35 527	3 156	0.60	0.60	31.88	–
Dec. 31, 2011	11.03	37 461	3 397	0.60	0.60	49.36	–
Dec. 31, 2010	10.68	31 747	2 973	0.59	0.59	52.69	–
Dec. 31, 2009	10.39	32 047	3 084	0.58	0.70	55.41	–
Series O							
June 30, 2014	**11.17**	**1 621 286**	**145 117**	**0.03**	**0.03**	**27.54**	**–**
Dec. 31, 2013	10.89	1 412 211	129 647	0.03	0.03	22.85	–
Dec. 31, 2012	11.22	1 273 136	113 503	0.03	0.03	31.88	–
Dec. 31, 2011	10.99	1 171 429	106 632	0.03	0.03	49.36	–
Dec. 31, 2010	10.64	1 120 064	105 257	0.03	0.03	52.69	–
Dec. 31, 2009	10.35	965 552	93 289	0.03	0.03	55.41	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series F units is payable by the Fund on a monthly basis and calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is 100% for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

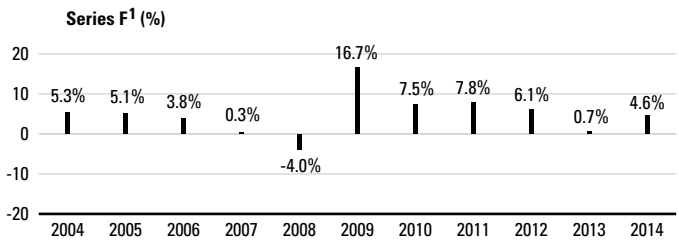
The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

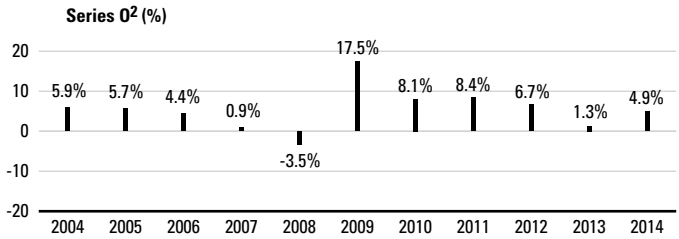
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





[1] Inception date November 1, 2003.
[2] Inception date August 21, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Canadian Bonds	94.4
Foreign Bonds	4.0
Cash/Other	1.6

Top 25 Holdings

	% of Net Asset Value
Toronto-Dominion Bank 4.779% Dec 14 16	2.1
Hydro One Inc. 5.360% May 20 36	1.9
Canadian Imperial Bank of Commerce 2.350% Oct 18 17	1.5
Bank of Montreal 3.210% Sep 13 18	1.4
Bell Canada 6.100% Mar 16 35	1.3
Loblaw Companies Ltd. 5.900% Jan 18 36	1.2
Greater Toronto Airports Authority 6.470% Feb 2 34	1.2
Bank of Montreal 6.020% May 2 18	1.2
Royal Bank of Canada 2.820% Jul 12 18	1.2
Greater Toronto Airports Authority 7.100% Jun 4 31	1.1
Bell Canada 4.400% Mar 16 18	1.1
GE Capital Canada Funding Co. 5.680% Sep 10 19	1.0
Royal Bank of Canada 2.364% Sep 21 17	1.0
Canadian Western Bank 3.077% Jan 14 19	1.0
Bank of Nova Scotia 2.598% Feb 27 17	1.0
Wells Fargo Canada Corp. 2.944% Jul 25 19	1.0
TransCanada PipeLines Ltd. 5.650% Jun 20 29	1.0
Aéroports de Montréal 5.670% Oct 16 37	1.0
Bank of Montreal 2.240% Dec 11 17	0.9
National Bank of Canada 2.019% Apr 13 17	0.9
Terasen Gas Inc. 5.900% Feb 26 35	0.9
Rogers Communications Inc. 5.380% Nov 4 19	0.9
Bank of Nova Scotia 2.462% Mar 14 19	0.9
HSBC Bank Canada 2.491% May 13 19	0.8
Loblaw Companies Ltd. 6.050% Jun 9 34	0.8
Top 25 Holdings	28.3

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

BALANCED

RBC PRIVATE INCOME POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

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The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide a competitive monthly income stream through relatively tax-efficient distributions of dividend income, interest income and capital gains, and to provide the potential for modest capital growth.

The Fund invests primarily in higher-yielding Canadian fixed-income securities such as corporate bonds, debentures, notes and preferred shares, and higher-yielding Canadian common shares, real estate investment trusts, income trusts and other similar securities. Corporate bonds in the portfolio must have a minimum rating of BBB from Dominion Bond Rating Service or its equivalent. The Fund may also invest in comparable foreign securities.

The Fund's target weightings for each asset class are 50% for fixed income and 50% for equities. The target weightings for each asset class may be adjusted based on changes in the market outlook for each asset class.

Results of Operations

The Fund's net asset value was $237 million as of June 30, 2014.

Over the past six months, the Fund's series O units gained 9.1% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The Fund made monthly distributions of 49 cents per Series O unit in the first half of 2014.

Canada's equity benchmark, the S&P/TSX Composite Index, outpaced most other developed-market economies during the first half of 2014. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged the overall market in recent years. Canadian stock markets were boosted by economic recoveries in the U.S. and Europe. Russia's seizure of the Crimean region from Ukraine and conflict in Iraq also aided Canada's Energy sector on worries that developments in those regions would jeopardize energy supplies. Emerging markets recovered somewhat in the latter stages of the period, also adding to the allure of Canadian stocks.

Returns from bonds issued by Canadian corporations exceeded those on Government of Canada bonds during the first half of 2014, as investors sought the excess income offered by non-government bonds in a low-yield environment. Prices for corporate bonds peaked in June, with economic growth continuing to moderate, inflation falling below 2% and central banks pursuing monetary policies aimed at stimulating economic growth.

In the equity portion of the Fund, positive relative performance in the Energy, Consumer Discretionary and Industrials sectors was partially offset by weaker performance in the Materials sectors.

In the Energy sector, the Fund benefited from an overweight position in Encana as the shares advanced with the success of the company's PrairieSky IPO, and investor optimism that a narrower investment focus and cost reductions would likely boost profitability. In the Consumer Discretionary sector, an underweight position in Thomson Reuters proved beneficial as the company continued to face challenges in its business that sells financial information and analytics. In the Industrials sector, a lack of exposure to Bombardier had a positive impact on performance. The aerospace company's shares tumbled in mid-May after Air Canada announced that it would not place an order for the new CSeries airplane.

Holdings in the Materials sector had a negative impact on the Fund's performance, including an overweight position in Teck Resources. Lower coal and copper prices hurt the company's financial results prompted speculation that the dividend could be cut if commodity prices declined further.

In the fixed-income portion, performance was helped by holdings of corporate bonds in the Industrials sector and an overweight position in the consumer sectors. The Fund's exposure to high-yield debt also contributed to performance on a relative basis. In general, longer-maturity bonds outperformed shorter-maturity securities in the first six months of 2014. The Fund's allocation to non-Canadian bonds decreased in the first half of 2014, largely because holdings of U.S. high-yield bonds were swapped for investment-grade Canadian issues.

Recent Developments

In the view of the portfolio manager, strong Canadian equity-market returns during the first half of the year should be met with some caution, as relatively slow labour-market growth and ever-rising housing prices are causes for concern. However, prospects for exports should improve as the U.S. economy strengthens. In this mixed environment, the Bank of Canada appears unlikely to raise its benchmark interest rate in the coming year.

Major central banks remain dedicated in their attempts to stimulate economic growth. The result of an indefinite commitment to low short-term interest rates is that investors feel comfortable moving into riskier assets in order to achieve higher returns. This has created strong demand for corporate bonds. At the same time, corporations have improved their balance sheets, and profit margins are high.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributor

RBC GAM is the principal distributor of the Fund. Royal Mutual Funds Inc. and RBC Dominion Securities Inc. also distribute units of the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrar

RBC IS is the registrar of the Fund and keeps records of who owns the units of the Fund. The registrar also processes orders and issues account statements.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $3,000 (2013 – $4,000) or 8% (2013 – 19%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series T												
June 30, 2014	**170.36**	**3.25**	**(0.04)**	**6.13**	**6.05**	**15.39**	**(3.66)**	**–**	**–**	**–**	**(3.66)**	**182.12**
Dec. 31, 2013	161.99	6.16	(0.07)	2.29	6.07	14.45	(3.13)	(3.06)	–	(0.41)	(6.60)	170.16
Dec. 31, 2012	154.45	5.98	(0.07)	2.86	5.08	13.85	(3.00)	(2.72)	–	(0.88)	(6.60)	161.99
Dec. 31, 2011	159.30	5.82	(0.07)	3.50	(6.90)	2.35	(3.80)	–	(2.47)	(1.38)	(7.65)	154.45
Dec. 31, 2010	147.97	6.28	(0.07)	5.47	6.54	18.22	(3.83)	(2.16)	–	(1.66)	(7.65)	159.30
Dec. 31, 2009	126.00	6.67	(0.05)	(5.36)	28.79	30.05	(5.52)	(2.59)	–	–	(8.11)	147.97
Series F												
June 30, 2014	**179.30**	**3.41**	**(0.55)**	**6.44**	**6.36**	**15.66**	**(2.58)**	**–**	**–**	**–**	**(2.58)**	**192.47**
Dec. 31, 2013	170.21	6.50	(1.04)	2.41	6.40	14.27	(2.91)	(2.83)	–	–	(5.74)	179.09
Dec. 31, 2012	161.54	6.27	(1.00)	3.00	5.32	13.59	(2.75)	(2.50)	–	–	(5.25)	170.21
Dec. 31, 2011	164.96	5.93	(0.95)	3.57	(7.02)	1.53	(3.26)	(2.14)	–	–	(5.40)	161.54
Dec. 31, 2010	151.80	6.46	(0.91)	5.62	6.72	17.89	(3.82)	(1.76)	–	–	(5.58)	164.96
Dec. 31, 2009	127.80	6.79	(0.80)	(5.46)	29.34	29.87	(3.92)	(1.84)	–	–	(5.76)	151.80
Series O												
June 30, 2014	**178.97**	**3.38**	**(0.05)**	**6.37**	**6.29**	**15.99**	**(2.94)**	**–**	**–**	**–**	**(2.94)**	**192.25**
Dec. 31, 2013	169.74	6.49	(0.10)	2.40	6.39	15.18	(3.29)	(3.21)	–	–	(6.50)	178.76
Dec. 31, 2012	161.09	6.26	(0.09)	2.99	5.31	14.47	(3.23)	(2.92)	–	–	(6.15)	169.74
Dec. 31, 2011	164.96	6.10	(0.09)	3.67	(7.22)	2.46	(4.06)	(2.67)	–	–	(6.73)	161.09
Dec. 31, 2010	151.68	6.45	(0.08)	5.61	6.71	18.69	(4.30)	(1.99)	–	–	(6.29)	164.96
Dec. 31, 2009	127.46	6.78	(0.07)	(5.46)	29.30	30.55	(4.38)	(2.05)	–	–	(6.43)	151.68

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series T							
June 30, 2014	**182.12**	**87 927**	**483**	**0.05**	**0.05**	**15.31**	**0.03**
Dec. 31, 2013	170.36	82 036	482	0.05	0.05	17.28	0.01
Dec. 31, 2012	162.31	82 755	510	0.05	0.05	23.95	0.02
Dec. 31, 2011	154.77	64 107	414	0.05	0.05	41.32	0.05
Dec. 31, 2010	159.61	48 238	302	0.04	0.04	44.12	0.07
Dec. 31, 2009	148.31	29 473	199	0.04	0.04	54.82	0.12
Series F							
June 30, 2014	**192.47**	**42 469**	**221**	**0.60**	**0.60**	**15.31**	**0.03**
Dec. 31, 2013	179.30	44 772	250	0.60	0.60	17.28	0.01
Dec. 31, 2012	170.54	51 029	299	0.60	0.60	23.95	0.02
Dec. 31, 2011	161.87	55 129	341	0.60	0.60	41.32	0.05
Dec. 31, 2010	165.28	24 778	150	0.59	0.59	44.12	0.07
Dec. 31, 2009	152.14	25 150	165	0.58	0.74	54.82	0.12
Series O							
June 30, 2014	**192.25**	**107 007**	**557**	**0.06**	**0.06**	**15.31**	**0.03**
Dec. 31, 2013	178.97	160 056	894	0.06	0.06	17.28	0.01
Dec. 31, 2012	170.07	157 668	927	0.06	0.06	23.95	0.02
Dec. 31, 2011	161.42	164 733	1 021	0.06	0.06	41.32	0.05
Dec. 31, 2010	165.28	174 589	1 056	0.06	0.06	44.12	0.07
Dec. 31, 2009	152.03	187 680	1 235	0.05	0.05	54.82	0.12

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series F units is payable by the Fund on a monthly basis and calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is 100% for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

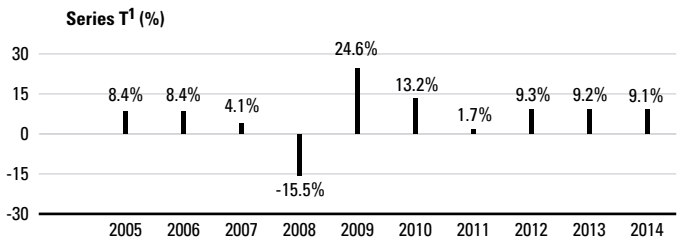
The management fee in respect of Series O or Series T units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

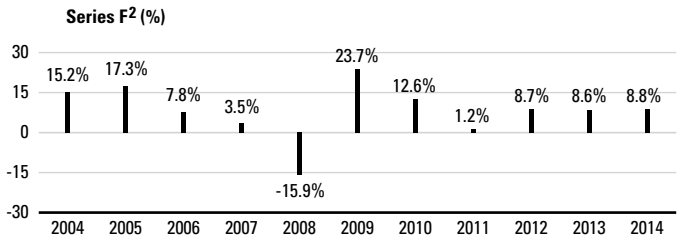
PAST PERFORMANCE

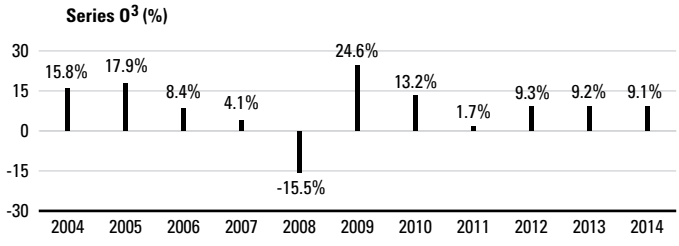
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.







1 Inception date November 1, 2005.
2 Inception date November 1, 2003.
3 Inception date August 21, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Bonds	43.0
Financials	21.6
Energy	16.6
Other Equities	8.1
Materials	4.0
Industrials	3.6
Cash/Other	3.1

Top 25 Holdings

	% of Net Asset Value
Bank of Nova Scotia	3.9
Toronto-Dominion Bank	3.6
Canadian Imperial Bank of Commerce	3.3
Cash & Cash Equivalents	2.5
Bank of Montreal	2.5
Suncor Energy Inc.	2.2
TransCanada Corp.	2.0
Enbridge Inc.	2.0
Canadian Natural Resources Ltd.	1.8
Royal Bank of Canada 2.820% Jul 12 18	1.7
Cenovus Energy Inc.	1.6
Manulife Financial Corporation	1.5
Rogers Communications Inc. 6.110% Aug 25 40	1.5
Bank of Nova Scotia 2.462% Mar 14 19	1.5
Sun Life Financial Inc.	1.5
Sun Life Financial Inc. 5.700% Jul 2 19	1.5
Magna International Inc., Class A	1.4
Brookfield Asset Management Inc., Class A	1.3
NBC Capital Trust 5.329% Jun 30 56	1.3
Bell Aliant Regional Communications LP 3.540% Jun 12 20	1.3
Canadian Imperial Bank of Commerce 2.350% Oct 18 17	1.3
Loblaw Companies Ltd. 6.450% Feb 9 28	1.2
Brookfield Property Partners LP	1.2
Canadian National Railway Co.	1.2
Union Gas Ltd. 6.050% Sep 2 38	1.1
Top 25 Holdings	45.9

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

CANADIAN EQUITY

RBC PRIVATE CANADIAN DIVIDEND POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling us at 1-800-662-0652, by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting SEDAR at www.sedar.com. Security holders may also contact us to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to achieve long-term returns consisting of regular dividend income, which benefits from the preferential tax treatment given to dividends from Canadian companies, and modest long-term capital growth.

The Fund invests primarily in common shares with above-average dividend yields and also invests in preferred shares of major Canadian companies. The Fund selects companies with long-term prospects of growing their dividends and tends to focus on interest-sensitive securities to achieve dividend income, primarily investing in the Financial Services, Telecommunications and Utilities sectors.

Results of Operations

The Fund's net asset value was $1.4 billion as of June 30, 2014.

Over the past six months, the Fund's series O units gained 11.2% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Canada's equity benchmark, the S&P/TSX Composite Index, outpaced those of most other developed-market economies during the first half of 2014. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged the overall market in recent years. Canadian stock markets were boosted by economic recoveries in the U.S. and Europe. Russia's seizure of the Crimean region from Ukraine and conflict in Iraq also aided Canada's Energy sector on worries that developments in those regions would jeopardize energy supplies. Emerging markets recovered somewhat in the latter stages of the period, also adding to the allure of Canadian stocks.

Strong performance in the Industrials, Financials, and Consumer Discretionary sectors was offset by weaker performance in the Materials and Energy sectors.

In the Industrials sector, the Fund benefited from a lack of exposure to Bombardier, which fell in mid-May after Air Canada announced that it would not place an order for the new CSeries airplane. Later in the month, the CSeries test program stalled after an engine incident further pressured the shares.

In the Financials sector, a complete lack of exposure to IGM Financial and Power Financial, as well as an underweight position in Great-West Lifeco, helped drive performance. However, this contribution was partially offset by an overweight position in Power Corp., which underperformed.

In the Consumer Discretionary sector, the absence of Dollarama and Canadian Tire contributed to performance. A harsh winter hurt Dollarama's sales.

Performance was held back by a relative lack of exposure to the Materials sector, and to specific stocks including Goldcorp, Agnico Eagle Mines and Franco-Nevada. Gold producers generally performed well during the period.

The benefit of overweight exposure in the Energy sector was more than offset by security selection in the sector. Higher oil prices proved beneficial for overweight positions in Canadian Natural Resources, Imperial Oil, Suncor Energy. This benefit was offset by a lack of exposure to Precision Drilling and Canadian Oil Sands.

Recent Developments

In the portfolio manager's view, strong Canadian equity-market returns during the first half of the year should be met with some caution, as relatively slow labour-market growth and ever-rising house prices are causes for concern. However, prospects for exports should improve as the U.S. economy strengthens. In this mixed environment, the Bank of Canada appears unlikely to raise its benchmark interest rate in the coming year.

Recent U.S. economic data has been generally better than expected, indicating that weakness early in the year may have been temporary. U.S. growth should support the U.S. Federal Reserve's continued reduction of extraordinary monetary policy. In Europe, expectations for comprehensive stimulative action were surpassed in June, when the European Central Bank cut its benchmark interest rate and began charging banks for deposits held at the central bank to encourage lending. China continues to adjust to a lower-than-historical growth rate, with the economy looking less sure-footed than in the past, and geopolitical concerns continuing to mount.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

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RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

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Registrars

RBC IS and RBC GAM are registrars of the Fund and keep records of who owns the units of the Fund. The registrars also process orders and issue account statements.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $33,000 (2013 – $19,000) or 28% (2013 – 12%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**36.62**	**0.59**	**(0.13)**	**0.26**	**3.26**	**3.98**	**–**	**(0.49)**	**–**	**–**	**(0.49)**	**40.07**
Dec. 31, 2013	32.14	1.07	(0.24)	0.55	4.02	5.40	(0.02)	(0.81)	–	–	(0.83)	36.61
Dec. 31, 2012	29.76	1.00	(0.22)	0.62	1.86	3.26	(0.03)	(0.73)	–	–	(0.76)	32.14
Dec. 31, 2011	30.77	0.93	(0.21)	0.54	(1.52)	(0.26)	(0.43)	(0.28)	(0.05)	–	(0.76)	29.76
Dec. 31, 2010	27.85	0.92	(0.20)	0.69	2.09	3.50	(0.09)	(0.62)	–	–	(0.71)	30.77
Dec. 31, 2009	22.10	0.91	(0.17)	0.12	5.92	6.78	(0.06)	(0.62)	–	–	(0.68)	27.85
Series O												
June 30, 2014	**37.05**	**0.60**	**(0.01)**	**0.26**	**3.29**	**4.14**	**–**	**(0.61)**	**–**	**–**	**(0.61)**	**40.56**
Dec. 31, 2013	32.52	1.08	(0.02)	0.56	4.07	5.69	(0.03)	(1.03)	–	–	(1.06)	37.04
Dec. 31, 2012	30.09	1.01	(0.02)	0.63	1.87	3.49	(0.02)	(0.92)	–	–	(0.94)	32.52
Dec. 31, 2011	31.08	0.94	(0.02)	0.55	(1.53)	(0.06)	(0.54)	(0.35)	(0.05)	–	(0.94)	30.09
Dec. 31, 2010	28.12	0.93	(0.02)	0.70	2.11	3.72	(0.11)	(0.78)	–	–	(0.89)	31.08
Dec. 31, 2009	22.28	0.91	(0.02)	0.12	5.91	6.92	(0.08)	(0.74)	–	–	(0.82)	28.12

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series F							
June 30, 2014	**40.07**	**39 606**	**989**	**0.71**	**0.71**	**9.47**	**0.02**
Dec. 31, 2013	36.62	40 430	1 104	0.72	0.72	13.49	0.03
Dec. 31, 2012	32.18	34 813	1 082	0.71	0.71	25.75	0.05
Dec. 31, 2011	29.80	35 715	1 198	0.70	0.70	27.22	0.05
Dec. 31, 2010	30.82	44 609	1 447	0.70	0.70	27.62	0.06
Dec. 31, 2009	27.90	35 600	1 276	0.68	0.76	54.41	0.14
Series O							
June 30, 2014	**40.56**	**1 345 023**	**33 163**	**0.07**	**0.07**	**9.47**	**0.02**
Dec. 31, 2013	37.05	1 115 421	30 105	0.07	0.07	13.49	0.03
Dec. 31, 2012	32.56	908 489	27 898	0.07	0.07	25.75	0.05
Dec. 31, 2011	30.14	757 066	25 123	0.05	0.05	27.22	0.05
Dec. 31, 2010	31.13	700 612	22 507	0.07	0.07	27.62	0.06
Dec. 31, 2009	28.18	562 618	19 968	0.06	0.06	54.41	0.14

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series F units is payable by the Fund on a monthly basis and calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is 100% for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

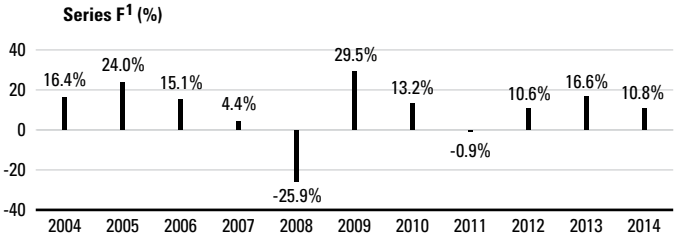
The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

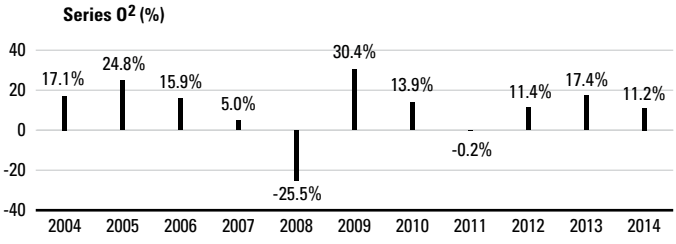
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





1 Inception date November 1, 2003.
2 Inception date August 21, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Financials	42.7
Energy	22.2
Other Sectors	7.7
Industrials	5.8
Consumer Discretionary	4.9
Materials	4.5
Utilities	3.7
Cash/Other	8.5

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	8.1
Bank of Nova Scotia	6.5
Royal Bank of Canada	6.5
Toronto-Dominion Bank	6.5
Suncor Energy Inc.	3.5
Canadian National Railway Co.	3.5
Enbridge Inc.	3.2
Canadian Imperial Bank of Commerce	3.2
Bank of Montreal	3.1
Canadian Natural Resources Ltd.	3.0
Brookfield Asset Management Inc., Class A	2.8
TransCanada Corp.	2.4
Manulife Financial Corporation	2.3
Imperial Oil Ltd.	2.1
Husky Energy Inc.	1.9
Cenovus Energy Inc.	1.8
Magna International Inc., Class A	1.8
CI Financial Corp.	1.6
Power Corporation of Canada	1.5
Canadian Pacific Railway Ltd.	1.5
TELUS Corp.	1.5
Loblaw Companies Ltd.	1.5
Shaw Communications Inc., Class B	1.3
Sun Life Financial Inc.	1.3
Potash Corporation of Saskatchewan Inc.	1.3
Top 25 Holdings	73.7

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

CANADIAN EQUITY

RBC PRIVATE CANADIAN GROWTH AND INCOME EQUITY POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: Greystone Managed Investments Inc., Regina, Saskatchewan

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling us at 1-800-662-0652, by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting SEDAR at www.sedar.com. Security holders may also contact us to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide a competitive current income stream relative to that generally available in the broad Canadian equity market, and the potential for long-term capital growth through capital appreciation.

The Fund invests in dividend-paying Canadian companies with above-average financial strength and predictable and growing levels of profitability. The Fund will have representation in at least five of the 10 S&P/TSX industry sectors.

Results of Operations

The Fund's net asset value was $258 million as of June 30, 2014.

Over the past six months, the Fund's Series O units gained 8.6% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Equity markets continued to advance in the first half of 2014, following their strong performance in 2013. However, the period was more volatile compared with last year. The rollback of extraordinarily loose U.S. monetary policies, extreme cold weather in eastern North America and geopolitical tension were issues on the minds of investors in the first half of 2014.

The S&P/TSX Composite Index was one of the stronger international-equity markets after underperforming last year. While the S&P 500 Index surpassed its pre-financial crisis high in 2013, the S&P/TSX did not do so until June of this year. During the first half of 2014, the Energy sector and gold stocks performed best in Canada. However, all sectors posted gains during the period. Higher-yield areas such as Telecommunication Services, pipelines, Utilities and real estate investment trusts performed in line with the market. Many investors had believed these four areas would underperform on the expectation that bond yields would move higher, but yields actually dropped during the period.

From a sector standpoint, the Fund's underperformance came from the Energy, Materials and Financials sectors. From a stock-selection perspective, AltaGas, Vermilion Energy and Crescent Point Energy were some of the top contributors to results on a relative basis. Industrial Alliance, Great-West Life and Norbord were among stocks that had the biggest negative effect on relative returns. Insurance companies underperformed during the first half of the year as bond yields moved lower, which increased the value of their liabilities. However, the sub-advisor expects bond yields to gradually rise in the second half of the year, and an overall rise in yields should benefit insurance companies.

Recent Developments

U.S. economic growth in the first quarter of 2014 fell almost 3%, but investors are focusing on the more positive economic indicators such as strong auto sales and robust manufacturing data. The sub-advisor expects U.S. economic growth in the second half of 2014 to exceed 3%.

In the view of the sub-advisor, Canadian stocks are attractive based on earnings and other fundamental measures. Dividend yields remain attractive compared to bond yields, and earnings expectations are improving. The sub-advisor continues to believe that owning dividend-paying stocks of companies that can increase earnings will provide a cushion when bond yields eventually start to rise.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributor

RBC GAM is the principal distributor of the Fund, and RBC Dominion Securities Inc. also distributes units of the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrar

RBC IS is the registrar of the Fund and keeps records of who owns the units of the Fund. The registrar also processes orders and issues account statements.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $0 (2013 – $10,000) or 0% (2013 – 9%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**20.76**	**0.43**	**(0.10)**	**0.42**	**0.94**	**1.69**	**–**	**(0.37)**	**–**	**–**	**(0.37)**	**22.09**
Dec. 31, 2013	18.62	0.72	(0.17)	0.38	1.71	2.64	(0.02)	(0.50)	–	–	(0.52)	20.76
Dec. 31, 2012	17.92	0.80	(0.17)	(0.44)	0.99	1.18	(0.02)	(0.47)	–	–	(0.49)	18.62
Dec. 31, 2011	18.51	0.73	(0.17)	1.25	(1.81)	–	–	(0.58)	–	–	(0.58)	17.92
Dec. 31, 2010	15.79	0.68	(0.15)	0.77	1.76	3.06	(0.11)	(0.41)	–	–	(0.52)	18.51
Dec. 31, 2009	13.00	0.69	(0.12)	(2.99)	5.64	3.22	(0.17)	(0.40)	–	–	(0.57)	15.79
Series O												
June 30, 2014	**20.75**	**0.43**	**(0.01)**	**0.42**	**0.94**	**1.78**	**–**	**(0.45)**	**–**	**–**	**(0.45)**	**22.09**
Dec. 31, 2013	18.60	0.72	(0.02)	0.38	1.71	2.79	(0.03)	(0.64)	–	–	(0.67)	20.75
Dec. 31, 2012	17.77	0.80	(0.02)	(0.44)	0.99	1.33	(0.02)	(0.48)	–	–	(0.50)	18.60
Dec. 31, 2011	18.35	0.73	(0.02)	1.24	(1.80)	0.15	(0.01)	(0.71)	–	–	(0.72)	17.77
Dec. 31, 2010	15.65	0.67	(0.02)	0.76	1.75	3.16	(0.14)	(0.51)	–	–	(0.65)	18.35
Dec. 31, 2009	12.89	0.68	(0.01)	(2.96)	5.60	3.31	(0.20)	(0.48)	–	–	(0.68)	15.65

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series F							
June 30, 2014	**22.09**	**6 144**	**278**	**0.91**	**0.91**	**42.95**	**0.05**
Dec. 31, 2013	20.76	6 454	311	0.91	0.91	50.27	0.10
Dec. 31, 2012	18.65	8 069	433	0.91	0.91	31.49	0.12
Dec. 31, 2011	17.94	9 137	509	0.92	0.92	26.18	0.06
Dec. 31, 2010	18.54	11 550	623	0.91	0.91	38.11	0.07
Dec. 31, 2009	15.82	11 320	715	0.89	1.13	52.65	0.13
Series O							
June 30, 2014	**22.09**	**251 586**	**11 391**	**0.10**	**0.10**	**42.95**	**0.05**
Dec. 31, 2013	20.75	228 185	10 994	0.10	0.10	50.27	0.10
Dec. 31, 2012	18.64	210 386	11 289	0.10	0.10	31.49	0.12
Dec. 31, 2011	17.80	43 799	2 461	0.11	0.11	26.18	0.06
Dec. 31, 2010	18.38	51 433	2 799	0.10	0.10	38.11	0.07
Dec. 31, 2009	15.68	49 675	3 168	0.09	0.14	52.65	0.13

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series F units is payable by the Fund on a monthly basis and calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is 100% for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

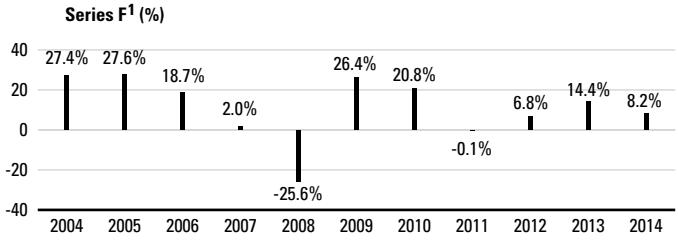
The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

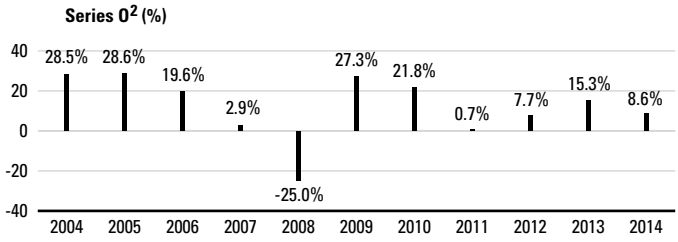
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





[1] Inception date November 1, 2003.
[2] Inception date August 21, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Financials	35.8
Energy	30.0
Consumer Discretionary	7.8
Telecommunication Services	7.6
Utilities	6.1
Information Technology	3.9
Materials	3.8
Industrials	3.8
Cash/Other	1.2

Top 25 Holdings

	% of Net Asset Value
Crescent Point Energy Corp.	4.3
Manulife Financial Corporation	4.1
ARC Resources Ltd.	4.1
Great-West Lifeco Inc.	4.1
Canadian Utilities Ltd., Class A	4.0
Bank of Montreal	4.0
Shaw Communications Inc., Class B	4.0
Vermilion Energy Inc.	4.0
Bank of Nova Scotia	4.0
Royal Bank of Canada	4.0
Toronto-Dominion Bank	4.0
Canadian Imperial Bank of Commerce	4.0
AltaGas Ltd.	3.9
Enbridge Inc.	3.9
National Bank of Canada	3.9
BCE Inc.	3.9
TransCanada Corp.	3.9
Magna International Inc., Class A	3.8
Husky Energy Inc.	3.7
TELUS Corp.	3.7
Whitecap Resources Inc.	2.2
Chemtrade Logistics Income Fund	2.0
Emera Inc.	2.0
Constellation Software Inc.	2.0
Russel Metals Inc.	2.0
Top 25 Holdings	89.5

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

CANADIAN EQUITY

RBC PRIVATE CANADIAN EQUITY POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks long-term total returns primarily consisting of capital appreciation by investing in equity securities of major Canadian companies.

The Fund invests primarily in large-cap Canadian companies and may take advantage of opportunities in mid-cap companies. The Fund diversifies across S&P/TSX industry sectors, within minimum and maximum exposures. The Fund may use derivatives for hedging purposes and as a substitute for direct investment.

Results of Operations

The Fund's net asset value was $586 million as of June 30, 2014.

Over the past six months, the Fund's series O units gained 12.9% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Canada's equity benchmark, the S&P/TSX Composite Index, outpaced most other developed-market economies during the first half of 2014. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged the overall market in recent years. Canadian stock markets were boosted by economic recoveries in the U.S. and Europe, generating demand for Canada's resources. Russia's seizure of the Crimean region from Ukraine and conflict in Iraq also aided Canada's Energy sector on worries that developments in those regions would jeopardize energy supplies. Emerging markets recovered somewhat in the latter stages of the period, also adding to the allure of Canadian stocks.

Positive relative performance in the Financials, Consumer Discretionary and Health Care sectors was partially offset by weaker performance in the Materials and Industrials sectors.

In Financials, an overweight allocation to Canaccord Genuity contributed to performance as the company benefited from a rise in merger-and-acquisition activity, particularly in the U.K. A lack of exposure to Great-West Lifeco also had a positive impact on performance. In the Consumer Discretionary sector, an underweight position in Thomson Reuters proved beneficial as the company continued to face challenges in its business that sells financial information and analytics. In Health Care, an underweight position in Valeant Pharmaceuticals proved beneficial for portfolio performance after investors expressed concern about the company's bid for Allergan, a U.S. health-care company.

The Materials sector performed well during the period as gold prices rose, and so a relative lack of exposure to producers such as Agnico Eagle Mines and Franco-Nevada held back returns. Agnico Eagle shares were boosted by the company's acquisition of Osisko Mining as part of a joint venture that added low-cost, low-risk reserves. In the Industrials sector, an overweight position in Bombardier had a negative impact on performance. Shares of Bombardier tumbled in mid-May after Air Canada announced that it would not place an order for the new CSeries airplane. Later in the month, an engine failure during a CSeries test flight further pressured shares. An overweight position in WestJet Airlines also hindered performance.

Small- and mid-cap resources companies held in the Fund contributed to performance, as rising prices for crude oil and natural gas supported stocks in the Energy sector. Positions in gas producers Paramount Resources and Crew Energy contributed to performance. Exposure to small oil-focused producers Raging River, RMP Energy and Spartan Energy also had a positive effect on returns. The Materials sector contributed to performance as metals prices rallied due to supply constraints. An overweight position in Thompson Creek Metals had a positive impact on performance.

Recent Developments

In the view of the portfolio manager, strong Canadian equity-market returns during the first half of the year should be met with some caution, as relatively slow labour-market growth and ever-rising housing prices are causes for concern. However, prospects for exports should improve as the U.S. economy strengthens. In this mixed environment, the Bank of Canada appears unlikely to raise its benchmark interest rate in the coming year.

Recent U.S. economic data has been generally better than expected, indicating that weakness early in the year may have been temporary. U.S. growth should support the U.S. Federal Reserve's continued reduction of extraordinary monetary policy. In Europe, expectations for comprehensive stimulative action were surpassed in June, when the European Central Bank cut its benchmark interest rate and began charging banks for deposits held at the central bank to encourage lending. China continues to adjust to a lower-than-historical growth rate, with the economy looking less sure-footed than in the past and geopolitical concerns continuing to mount.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributor

RBC GAM is the principal distributor of the Fund. Royal Mutual Funds Inc. and RBC Dominion Securities Inc. also distribute units of the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

RBC IS and RBC GAM are registrars of the Fund and keep records of who owns the units of the Fund. The registrars also process orders and issue account statements.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $32,000 (2013 – $20,000) or 7% (2013 – 12%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**21.69**	**0.33**	**(0.08)**	**0.66**	**1.99**	**2.90**	**–**	**(0.23)**	**–**	**–**	**(0.23)**	**24.18**
Dec. 31, 2013	19.48	0.59	(0.15)	1.07	1.50	3.01	–	(0.45)	(0.32)	–	(0.77)	21.68
Dec. 31, 2012	18.20	0.52	(0.13)	0.76	0.61	1.76	–	(0.38)	–	–	(0.38)	19.48
Dec. 31, 2011	20.43	0.37	(0.13)	0.30	(2.44)	(1.90)	–	(0.31)	–	–	(0.31)	18.20
Dec. 31, 2010	18.02	0.56	(0.13)	1.13	1.04	2.60	(0.06)	(0.31)	–	–	(0.37)	20.43
Dec. 31, 2009	14.43	0.45	(0.11)	(0.81)	4.62	4.15	(0.02)	(0.30)	–	–	(0.32)	18.02
Series O												
June 30, 2014	**21.71**	**0.32**	**(0.01)**	**0.64**	**1.93**	**2.88**	**–**	**(0.28)**	**–**	**–**	**(0.28)**	**24.23**
Dec. 31, 2013	19.49	0.59	(0.01)	1.07	1.51	3.16	–	(0.58)	(0.32)	–	(0.90)	21.70
Dec. 31, 2012	18.22	0.52	(0.01)	0.76	0.61	1.88	–	(0.51)	–	–	(0.51)	19.49
Dec. 31, 2011	20.45	0.37	(0.01)	0.30	(2.44)	(1.78)	–	(0.44)	–	–	(0.44)	18.22
Dec. 31, 2010	18.03	0.56	(0.01)	1.14	1.04	2.73	(0.07)	(0.40)	–	–	(0.47)	20.45
Dec. 31, 2009	14.42	0.45	(0.01)	(0.81)	4.61	4.24	(0.03)	(0.38)	–	–	(0.41)	18.03

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series F							
June 30, 2014	**24.18**	**16 838**	**696**	**0.71**	**0.71**	**50.02**	**0.22**
Dec. 31, 2013	21.69	16 297	751	0.72	0.72	54.79	0.11
Dec. 31, 2012	19.51	16 320	836	0.71	0.71	39.45	0.12
Dec. 31, 2011	18.23	17 718	972	0.71	0.71	42.30	0.12
Dec. 31, 2010	20.46	22 069	1 079	0.70	0.70	56.14	0.16
Dec. 31, 2009	18.06	26 410	1 463	0.68	0.74	36.40	0.10
Series O							
June 30, 2014	**24.23**	**569 236**	**23 494**	**0.07**	**0.07**	**50.02**	**0.22**
Dec. 31, 2013	21.71	302 819	13 950	0.07	0.07	54.79	0.11
Dec. 31, 2012	19.53	272 232	13 940	0.07	0.07	39.45	0.12
Dec. 31, 2011	18.25	305 681	16 746	0.06	0.06	42.30	0.12
Dec. 31, 2010	20.49	378 316	18 463	0.07	0.07	56.14	0.16
Dec. 31, 2009	18.07	350 741	19 411	0.06	0.06	36.40	0.10

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series F units is payable by the Fund on a monthly basis and calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is 100% for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

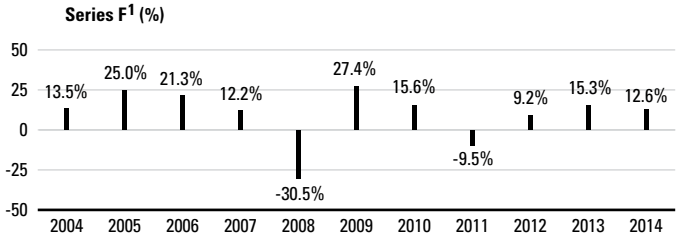
The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

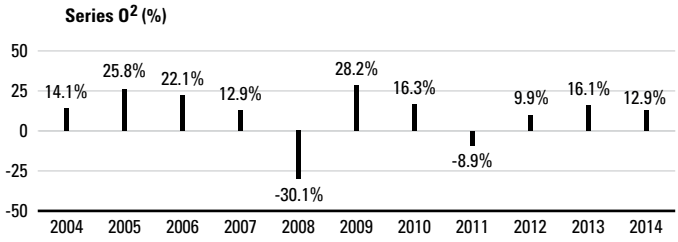
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





1 Inception date November 1, 2003.
2 Inception date August 21, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Financials	34.2
Energy	20.1
Materials	9.6
Industrials	9.4
Other Sectors	6.9
Consumer Discretionary	5.4
Consumer Staples	4.6
Cash/Other	9.8

Top 25 Holdings

	% of Net Asset Value
RBC Canadian Small & Mid-Cap Resources Fund	6.5
Royal Bank of Canada	6.1
Bank of Nova Scotia	5.4
Toronto-Dominion Bank	4.9
Suncor Energy Inc.	3.7
Cash & Cash Equivalents	3.1
Manulife Financial Corporation	3.0
Enbridge Inc.	2.9
Bank of Montreal	2.8
TransCanada Corp.	2.2
Canadian National Railway Co.	2.2
Canadian Imperial Bank of Commerce	2.0
Cenovus Energy Inc.	2.0
Loblaw Companies Ltd.	1.9
Sun Life Financial Inc.	1.9
Canadian Natural Resources Ltd.	1.8
Potash Corporation of Saskatchewan Inc.	1.8
Teck Resources Ltd., Class B	1.8
Agrium Inc.	1.7
WestJet Airlines Ltd.	1.6
ARC Resources Ltd.	1.5
Alimentation Couche-Tard Inc.	1.4
Power Corporation of Canada	1.4
Magna International Inc., Class A	1.4
TELUS Corp.	1.3
Top 25 Holdings	66.3

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

CANADIAN EQUITY

RBC PRIVATE CANADIAN GROWTH EQUITY POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: Guardian Capital LP, Toronto, Ontario

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling us at 1-800-662-0652, by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting SEDAR at www.sedar.com. Security holders may also contact us to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term growth primarily through capital appreciation by investing in common stock and equivalent securities of Canadian corporations.

To achieve its objective, the Fund uses a quantitative approach to invest in larger capitalization, well-recognized and soundly managed Canadian companies. It invests in companies that have attractive earnings growth, value, quality and risk characteristics. The Fund diversifies its assets across the S&P/TSX industry sectors, with minimum and maximum exposures.

Results of Operations

The Fund's net asset value was $222 million as of June 30, 2014.

Over the past six months, the Fund's Series O units gained 12.8% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Strong performers came largely from the Energy and Materials sector, including Paramount Resources, Canadian Energy Services, Canadian Natural Resources, Silver Wheaton, Goldcorp, MEG Energy, Tourmaline and New Gold. Other stocks that had a positive effect on returns were Magna International and AutoCanada. The portfolio's worst-performing stocks over the period were Bombardier, Bombardier Recreational Products, Catamaran and Cameco.

During the first half of 2014, the Fund added four stocks and sold four. Additions to the portfolio included AutoCanada, West Fraser, CI Financial and Bombardier Recreational Products. Deletions from the portfolio included Cameco, Bombardier, Quebecor and Methanex.

During the period, the sub-advisor raised the Fund's exposure to the Financials sector by adding CI Financial and slightly increasing the allocation to Element Financial. The Fund has remained underweight in the Energy sector. It's worth noting that the Fund had, and continues to have, a preference for exploration and production companies, but was underweight pipeline companies.

Recent Developments

The U.S. Federal Reserve has been paring its monthly bond purchases by US$10 billion at each meeting since December 2013, and is expected to wind down the program before year-end. A continuously improving economy should eventually result in higher benchmark interest rates. The sub-advisor expects any tightening to proceed slowly and that the environment for stocks will remain favourable.

More recently, crude-oil prices have been rising with the growing tensions in Iraq. Although the conflict has been restricted to the northern part of the country – whereas the primary oil fields and facilities are in the south – there is nevertheless the possibility of a worsening situation that would pose disruptions to production and shipments.

The sub-advisor continues to have a favourable view of companies that produce heavy oil, as the sub-advisor believes that new pipeline construction will enable them to command a higher price for a product that is relatively expensive to refine. The sub-advisor remains confident that gas prices can stay in the range of $3.50-$4.50 per million cubic feet. The Fund remains close to a neutral weighting in the Materials sector and continues to have a slightly underweight exposure to gold companies in this sector.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributor

RBC GAM is the principal distributor of the Fund, and RBC Dominion Securities Inc. also distributes units of the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

RBC IS and RBC GAM are registrars of the Fund and keep records of who owns the units of the Fund. The registrars also process orders and issue account statements.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $9,000 (2013 – $76,000) or 12% (2013– 28%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**197.77**	**1.95**	**(0.96)**	**5.85**	**17.53**	**24.37**	**–**	**(0.98)**	**–**	**–**	**(0.98)**	**221.12**
Dec. 31, 2013	167.55	3.30	(1.70)	14.87	15.59	32.06	–	(1.79)	–	–	(1.79)	197.69
Dec. 31, 2012	161.47	3.93	(1.53)	5.71	0.68	8.79	–	(2.44)	–	–	(2.44)	167.55
Dec. 31, 2011	182.46	3.49	(1.57)	6.30	(26.65)	(18.43)	–	(2.44)	–	–	(2.44)	161.47
Dec. 31, 2010	163.99	3.88	(1.49)	6.09	10.32	18.80	–	(2.36)	–	–	(2.36)	182.46
Dec. 31, 2009	128.28	3.97	(1.29)	(6.01)	42.63	39.30	–	(2.53)	–	–	(2.53)	163.99
Series O												
June 30, 2014	**199.48**	**1.96**	**(0.06)**	**5.90**	**17.68**	**25.48**	**–**	**(1.93)**	**–**	**–**	**(1.93)**	**223.03**
Dec. 31, 2013	168.99	3.34	(0.10)	15.02	15.75	34.01	–	(3.40)	–	–	(3.40)	199.40
Dec. 31, 2012	162.86	3.98	(0.10)	5.78	0.69	10.35	–	(3.90)	–	–	(3.90)	168.99
Dec. 31, 2011	183.88	3.57	(0.10)	6.45	(27.29)	(17.37)	–	(3.77)	–	–	(3.77)	162.86
Dec. 31, 2010	165.24	3.92	(0.09)	6.15	10.42	20.40	–	(3.79)	–	–	(3.79)	183.88
Dec. 31, 2009	129.02	4.00	(0.08)	(6.06)	42.96	40.82	–	(3.71)	–	–	(3.71)	165.24

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series F							
June 30, 2014	**221.12**	**7 676**	**35**	**0.93**	**0.93**	**26.34**	**0.07**
Dec. 31, 2013	197.77	7 536	38	0.94	0.94	84.54	0.22
Dec. 31, 2012	167.79	5 681	34	0.93	0.93	40.28	0.11
Dec. 31, 2011	161.72	8 051	50	0.92	0.92	54.64	0.15
Dec. 31, 2010	182.75	19 312	106	0.90	0.90	79.77	0.18
Dec. 31, 2009	164.31	22 642	138	0.89	1.01	60.46	0.14
Series O							
June 30, 2014	**223.03**	**213 831**	**959**	**0.06**	**0.06**	**26.34**	**0.07**
Dec. 31, 2013	199.48	180 460	905	0.06	0.06	84.54	0.22
Dec. 31, 2012	169.23	145 057	857	0.06	0.06	40.28	0.11
Dec. 31, 2011	163.11	182 694	1 120	0.06	0.06	54.64	0.15
Dec. 31, 2010	184.18	268 803	1 459	0.06	0.06	79.77	0.18
Dec. 31, 2009	165.57	251 714	1 520	0.05	0.05	60.46	0.14

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series F units is payable by the Fund on a monthly basis and calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is 100% for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

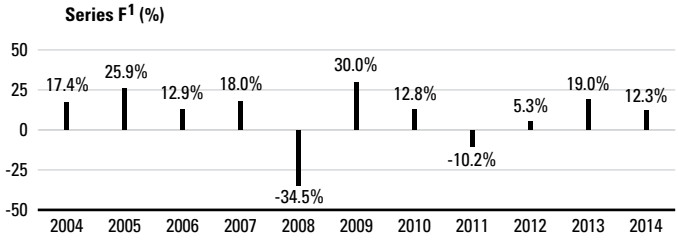
The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

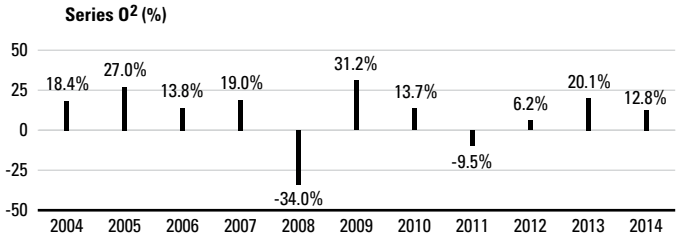
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





1 Inception date November 1, 2003.
2 Inception date August 21, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Financials	29.1
Energy	23.9
Consumer Discretionary	13.1
Materials	12.0
Other Sectors	7.9
Consumer Staples	6.7
Information Technology	5.7
Cash/Other	1.6

Top 25 Holdings

	% of Net Asset Value
Royal Bank of Canada	6.1
Bank of Nova Scotia	6.0
Toronto-Dominion Bank	5.9
Canadian Natural Resources Ltd.	4.1
MEG Energy Corp.	3.9
Gildan Activewear Inc., Class A	3.7
Paramount Resources Ltd., Class A	3.4
Canadian National Railway Co.	3.2
Manulife Financial Corporation	3.0
First Quantum Minerals Ltd.	2.9
Catamaran Corp.	2.8
Enbridge Inc.	2.6
Intact Financial Corp.	2.5
IGM Financial Inc.	2.5
Tourmaline Oil Corp.	2.4
Alimentation Couche-Tard Inc.	2.4
Magna International Inc., Class A	2.3
Open Text Corp.	2.3
Loblaw Companies Ltd.	2.3
Cenovus Energy Inc.	2.2
Constellation Software Inc.	2.1
Imax Corp.	2.1
Canadian Energy Services & Technology Corp.	2.1
Goldcorp Inc.	2.1
Dollarama Inc.	2.0
Top 25 Holdings	76.9

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

CANADIAN EQUITY

RBC PRIVATE CANADIAN MID-CAP EQUITY POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling us at 1-800-662-0652, by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting SEDAR at www.sedar.com. Security holders may also contact us to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund pursues long-term total returns consisting primarily of capital appreciation by focusing on equity securities of mid-sized Canadian companies that offer above-average prospects for growth. The Fund may also invest in smaller capitalization companies that have adequate liquidity.

The Fund focuses on companies with a history of high growth in sales and earnings, and with above-average prospects for continued growth. The Fund selects companies with strong management, focused business models and a competitive advantage. The Fund typically invests across major industry sectors within minimum and maximum exposures for each sector.

Results of Operations

The Fund's net asset value was $285 million as of June 30, 2014.

Over the past six months, the Fund's Series O units gained 17.6%. The Fund's return is after the deduction of fees and expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Canada's equity benchmark, the S&P/TSX Composite Index, outpaced those of most other developed-market economies during the first half of 2014. The Energy sector was the driving force behind the strong Canadian performance, as rising prices for oil and natural gas boosted profits in a sector that had lagged the overall market in recent years. Canadian stock markets were boosted by economic recoveries in the U.S. and Europe. Russia's seizure of the Crimean region from Ukraine and conflict in Iraq also aided Canada's Energy sector on worries that developments in those regions would jeopardize energy supplies. Emerging markets recovered somewhat in the latter stages of the period, also adding to the allure of Canadian stocks.

Canadian mid-cap stocks outperformed their larger-cap peers during period. Within the Fund, strong performance in the Energy, Materials, Industrials and Consumer Discretionary sectors was offset by weakness in the Information Technology and Utilities sectors.

Rising prices for crude oil and natural gas supported stocks in the Energy sector. Security selection was the primary contributor to relative performance. The Fund benefited from exposure to Raging River, an oil and gas exploration company focused on the extraction of light crude oil in western Saskatchewan. Also contributing to performance were Paramount Resources and Crew Energy.

Security selection in the Materials sector proved beneficial to the Fund's performance, led by overweight positions in Eldorado Gold and B2Gold. In the Industrials sector, a lack of exposure to TransForce, Toromont and MacDonald Dettwiler helped performance, as these stocks underperformed.

In the Consumer Discretionary sector, an overweight position in Linamar proved beneficial as the company reported record earnings and an improved profit-margin outlook. A lack of exposure to Corus Entertainment and Hudson's Bay also aided returns.

In the Information Technology sector, a position in Redknee Solutions hampered performance. The company's shares fell on investor skepticism surrounding its acquisition of Nokia Siemens's billing assets.

In the Utilities sector, a lack of exposure to Capital Power and Northland Power had a negative impact on performance.

Recent Developments

In the portfolio manager's view, strong Canadian equity-market returns during the first half of the year should be met with some caution, as relatively slow labour-market growth and ever-rising house prices are causes for concern. However, prospects for exports should improve as the U.S. economy strengthens. In this mixed environment, the Bank of Canada appears unlikely to raise its benchmark interest rate in the coming year.

Recent U.S. economic data has been generally better than expected, indicating that weakness early in the year may have been temporary. U.S. growth should support the U.S. Federal Reserve's continued reduction of extraordinary monetary policy. In Europe, expectations for comprehensive stimulative action were surpassed in June, when the European Central Bank cut its benchmark interest rate and began charging banks for deposits held at the central bank to encourage lending. China continues to adjust to a lower-than-historical growth rate, with the economy looking less sure-footed than in the past, and geopolitical concerns continuing to mount.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributor

RBC GAM is the principal distributor of the Fund. Royal Mutual Funds Inc. and RBC Dominion Securities Inc. also distribute units of the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

RBC IS and RBC GAM are registrars of the Fund and keep records of who owns the units of the Fund. The registrars also process orders and issue account statements.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $11,000 (2013 – $24,000) or 4% (2013 – 11%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**22.50**	**0.27**	**(0.09)**	**1.43**	**2.24**	**3.85**	**–**	**(0.21)**	**–**	**–**	**(0.21)**	**26.16**
Dec. 31, 2013	20.39	0.51	(0.15)	0.82	1.51	2.69	(0.02)	(0.33)	(0.22)	–	(0.57)	22.48
Dec. 31, 2012	19.63	0.41	(0.14)	(0.15)	0.77	0.89	(0.02)	(0.22)	–	–	(0.24)	20.39
Dec. 31, 2011	22.83	0.27	(0.15)	1.62	(3.02)	(1.28)	(0.02)	(0.26)	(1.86)	–	(2.14)	19.63
Dec. 31, 2010	17.85	0.59	(0.13)	3.70	1.25	5.41	(0.09)	(0.13)	(0.31)	–	(0.53)	22.83
Dec. 31, 2009	11.31	0.34	(0.10)	(0.18)	6.81	6.87	(0.11)	(0.13)	–	–	(0.24)	17.85
Series O												
June 30, 2014	**22.70**	**0.27**	**(0.01)**	**1.44**	**2.26**	**3.96**	**–**	**(0.28)**	**–**	**–**	**(0.28)**	**26.40**
Dec. 31, 2013	20.57	0.52	(0.02)	0.83	1.52	2.85	(0.03)	(0.46)	(0.22)	–	(0.71)	22.69
Dec. 31, 2012	19.80	0.42	(0.02)	(0.15)	0.78	1.03	(0.03)	(0.33)	–	–	(0.36)	20.57
Dec. 31, 2011	23.05	0.27	(0.02)	1.63	(3.04)	(1.16)	(0.02)	(0.40)	(1.88)	–	(2.30)	19.80
Dec. 31, 2010	18.02	0.60	(0.02)	3.73	1.26	5.57	(0.14)	(0.20)	(0.31)	–	(0.65)	23.05
Dec. 31, 2009	11.41	0.35	(0.01)	(0.19)	6.88	7.03	(0.15)	(0.17)	–	–	(0.32)	18.02

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series F							
June 30, 2014	**26.16**	**6 609**	**253**	**0.71**	**0.71**	**78.98**	**0.23**
Dec. 31, 2013	22.50	6 592	293	0.72	0.72	83.93	0.23
Dec. 31, 2012	20.45	5 603	274	0.73	0.73	85.19	0.26
Dec. 31, 2011	19.70	5 253	267	0.72	0.72	109.08	0.33
Dec. 31, 2010	22.89	6 256	273	0.71	0.71	109.50	0.38
Dec. 31, 2009	17.91	4 863	272	0.68	1.05	131.82	0.49
Series O							
June 30, 2014	**26.40**	**278 047**	**10 533**	**0.11**	**0.11**	**78.98**	**0.23**
Dec. 31, 2013	22.70	215 454	9 490	0.11	0.11	83.93	0.23
Dec. 31, 2012	20.63	180 135	8 732	0.11	0.11	85.19	0.26
Dec. 31, 2011	19.87	161 640	8 133	0.11	0.11	109.08	0.33
Dec. 31, 2010	23.10	161 272	6 981	0.11	0.11	109.50	0.38
Dec. 31, 2009	18.08	128 391	7 103	0.10	0.10	131.82	0.49

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series F units is payable by the Fund on a monthly basis and calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is 100% for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

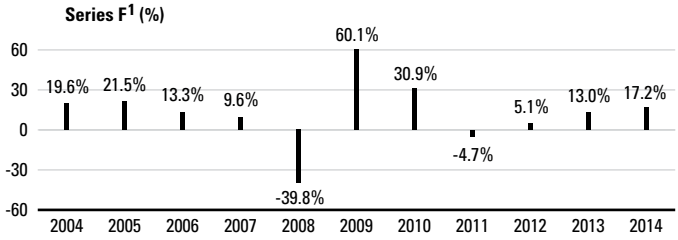
The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

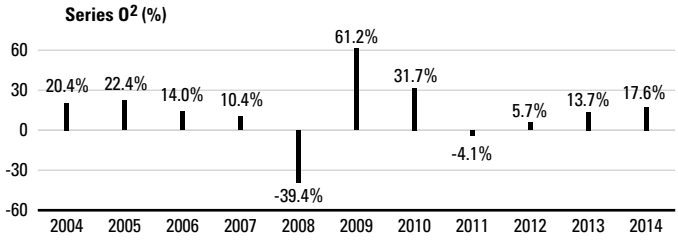
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





[1] Inception date November 1, 2003
[2] Inception date August 21, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Energy	29.8
Financials	18.9
Materials	13.8
Industrials	10.6
Consumer Discretionary	7.8
Information Technology	6.1
Utilities	5.7
Consumer Staples	4.2
Other Sectors	1.0
Cash/Other	2.1

Top 25 Holdings

	% of Net Asset Value
Canadian Utilities Ltd., Class A	3.1
Eldorado Gold Corp.	2.9
Veresen Inc.	2.4
Gildan Activewear Inc., Class A	2.3
West Fraser Timber Co. Ltd.	2.2
Canadian Real Estate Investment Trust	2.2
Open Text Corp.	2.1
Cash & Cash Equivalents	2.0
H&R Real Estate Investment Trust	1.9
Paramount Resources Ltd., Class A	1.9
Onex Corporation	1.9
Precision Drilling Corp.	1.8
Brookfield Property Partners LP	1.8
Enerplus Corp.	1.8
Keyera Corp.	1.8
Lundin Mining Corp.	1.7
Methanex Corp.	1.7
Peyto Exploration & Development Corp.	1.7
Industrial Alliance Insurance & Financial Services Inc.	1.6
Metro Inc., Class A	1.6
Finning International Inc.	1.6
Bombardier Inc., Class B	1.5
Emera Inc.	1.5
Dollarama Inc.	1.5
Loblaw Companies Ltd.	1.5
Top 25 Holdings	48.0

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

U.S. EQUITY

RBC PRIVATE U.S. EQUITY POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term total returns consisting primarily of capital appreciation by investing mainly in equity securities of major U.S. companies.

The Fund generally invests in stocks that belong to the Standard & Poor's 500 Index. The Fund selects companies with strong management, focused business models and the potential for future growth in earnings and cash flow. The Fund is diversified across industries with minimum and maximum exposures for each sector.

Results of Operations

The Fund's net asset value was $620 million as of June 30, 2014.

Over the past six months, the Fund's Series O units gained 5.4% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

U.S. equity markets rose to new highs in the first half of 2014, with markets registering year-to-date gains in the mid-single digits. The solid performance was fuelled by factors including a commitment from new U.S. Federal Reserve (the "Fed") Chair Janet Yellen to keep short-term interest rates low; a declining unemployment rate; and an improving outlook for U.S. manufacturing.

Inflation remained low and interest rates at levels conducive to home purchases and investment. Investors largely ignored first-quarter disruptions related to a colder-than-normal winter in parts of the U.S. In March, investors shifted out of growth-oriented sectors such as Consumer Discretionary, Health Care and Information Technology to Energy and Materials as commodity prices firmed, as well as to more conservative, income-oriented sectors such as Utilities and Telecommunication Services.

The Fund's relatively weak performance was due to stock selection in the Consumer Discretionary, Health Care and Financials sectors, along with underweight exposure to the Information Technology sector. A lack of relative exposure to the Health Care sector held back returns amid merger-and-acquisition activity linked to efforts to relocate to countries offering lower corporate tax rates.

On the positive side, the Fund benefited from strong stock selection in the Energy and Materials sectors. Companies involved in exploring and producing in rapidly developing U.S. oil and gas shale basins performed strongly. Energy-services stocks also performed well, with an increasing number of rigs at work in the U.S., as well as a more positive outlook for oil and natural gas prices. The Fund benefited from an underweight position in the Telecommunication Services sector, where competition has been heating up.

United Rentals, LyondellBasell, Hess and Halliburton were among stocks that aided fund performance, while Morgan Stanley, EMC and Cigna were stocks that detracted from performance.

Portfolio turnover is normally high for this Fund, as the portfolio manager attempts to generate better returns through active sector and stock selection.

Recent Developments

The portfolio manager expects moderate returns for the balance of 2014, but believes that a near-term pullback is possible given the market's strong advance has resulted in a market that is more fairly valued. The U.S. housing recovery, while positive, has been uneven, with pending home sales down on a year-over-year basis while prices continue to rise.

The portfolio manager continues to believe that the Fed will have to strike a delicate balance between providing access to funds sufficient to keep the market's momentum in place, while at the same time remaining mindful that the U.S. economy will eventually have to expand with less help from monetary policy.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributor

RBC GAM is the principal distributor of the Fund. Royal Mutual Funds Inc. and RBC Dominion Securities Inc. also distribute units of the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

RBC IS and RBC GAM are registrars of the Fund and keep records of who owns the units of the Fund. The registrars also process orders and issue account statements.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $68,000 (2013 – $70,000) or 7% (2013 – 10%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**10.79**	**0.09**	**(0.04)**	**1.04**	**(0.53)**	**0.56**	**–**	**(0.06)**	**–**	**–**	**(0.06)**	**11.28**
Dec. 31, 2013	7.93	0.16	(0.07)	2.14	0.78	3.01	–	(0.09)	–	–	(0.09)	10.78
Dec. 31, 2012	7.31	0.17	(0.06)	0.82	(0.19)	0.74	–	(0.11)	–	–	(0.11)	7.93
Dec. 31, 2011	7.51	0.11	(0.05)	(0.05)	(0.16)	(0.15)	–	(0.05)	–	–	(0.05)	7.31
Dec. 31, 2010	7.17	0.10	(0.05)	0.11	0.25	0.41	–	(0.05)	–	–	(0.05)	7.51
Dec. 31, 2009	6.77	0.09	(0.05)	(0.35)	0.75	0.44	–	(0.05)	–	–	(0.05)	7.17
Series O												
June 30, 2014	**10.86**	**0.09**	**–**	**1.04**	**(0.53)**	**0.60**	**–**	**(0.10)**	**–**	**–**	**(0.10)**	**11.36**
Dec. 31, 2013	7.98	0.16	(0.01)	2.15	0.79	3.09	–	(0.16)	–	–	(0.16)	10.86
Dec. 31, 2012	7.36	0.17	–	0.83	(0.19)	0.81	–	(0.17)	–	–	(0.17)	7.98
Dec. 31, 2011	7.57	0.11	–	(0.05)	(0.16)	(0.10)	–	(0.11)	–	–	(0.11)	7.36
Dec. 31, 2010	7.22	0.10	–	0.11	0.25	0.46	–	(0.09)	–	–	(0.09)	7.57
Dec. 31, 2009	6.81	0.09	–	(0.35)	0.76	0.50	–	(0.09)	–	–	(0.09)	7.22

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series F							
June 30, 2014	**11.28**	**12 370**	**1 097**	**0.77**	**0.77**	**305.93**	**0.32**
Dec. 31, 2013	10.79	13 264	1 230	0.78	0.78	266.07	0.33
Dec. 31, 2012	7.93	9 864	1 244	0.75	0.75	253.63	0.33
Dec. 31, 2011	7.32	9 300	1 271	0.73	0.73	284.92	0.48
Dec. 31, 2010	7.51	9 698	1 291	0.74	0.74	250.90	0.47
Dec. 31, 2009	7.18	9 481	1 321	0.74	0.98	184.06	0.40
Series O							
June 30, 2014	**11.36**	**607 578**	**53 504**	**0.06**	**0.06**	**305.93**	**0.32**
Dec. 31, 2013	10.86	519 089	47 801	0.06	0.06	266.07	0.33
Dec. 31, 2012	7.98	434 120	54 398	0.06	0.06	253.63	0.33
Dec. 31, 2011	7.36	433 554	58 874	0.03	0.03	284.92	0.48
Dec. 31, 2010	7.57	492 004	65 023	0.05	0.05	250.90	0.47
Dec. 31, 2009	7.22	472 994	65 488	0.05	0.05	184.06	0.40

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series F units is payable by the Fund on a monthly basis and calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is 100% for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

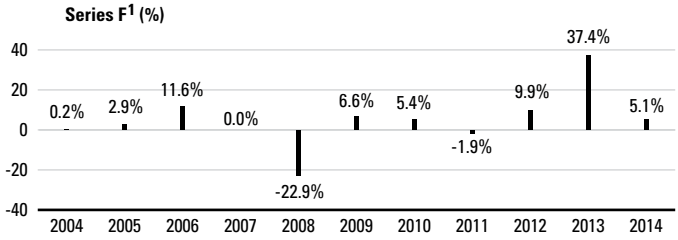
The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

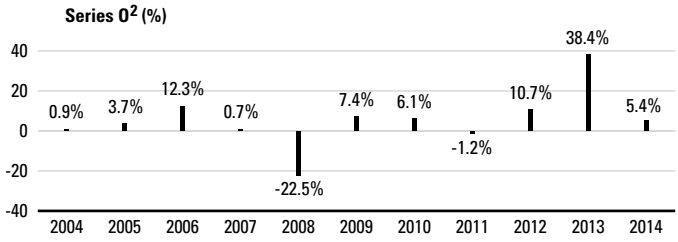
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





1 Inception date November 1, 2003.
2 Inception date August 21, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Information Technology	21.7
Financials	14.2
Health Care	12.0
Consumer Discretionary	11.2
Energy	10.9
Industrials	10.6
Consumer Staples	9.7
Other Sectors	7.3
Cash/Other	2.4

Top 25 Holdings

	% of Net Asset Value
Apple Inc.	4.4
Wells Fargo & Company	2.8
Johnson & Johnson	2.3
Microsoft Corp.	2.1
Cash & Cash Equivalents	2.0
Baker Hughes Inc.	1.8
Merck & Co. Inc.	1.7
Intel Corp.	1.6
Tyco International Ltd.	1.6
Google Inc., Class A	1.6
ConocoPhillips	1.6
The Walt Disney Company	1.6
Halliburton Co.	1.6
PepsiCo Inc.	1.5
Morgan Stanley	1.5
Hewlett-Packard Co.	1.5
Union Pacific Corp.	1.5
Walgreen Co.	1.5
NiSource Inc.	1.4
Cummins Engine Inc.	1.4
Cimarex Energy Co.	1.4
The Kroger Co.	1.4
Western Digital Corp.	1.4
Colgate-Palmolive Company	1.4
Hess Corp.	1.4
Top 25 Holdings	44.0

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

U.S. EQUITY

RBC PRIVATE U.S. LARGE-CAP VALUE EQUITY POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: Westwood Management Corp., Dallas, Texas

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling us at 1-800-662-0652, by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting SEDAR at www.sedar.com. Security holders may also contact us to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term total returns primarily through capital appreciation by investing in common stocks and equivalent securities of U.S. corporations trading below their intrinsic value.

The Fund typically invests in U.S. and non-U.S. companies that are constituents of the Russell 1000 or S&P 500 indices. The Fund is diversified across major industry sectors, within minimum and maximum exposures.

Results of Operations

The Fund's net asset value was $314 million as of June 30, 2014.

Over the past six months, the Fund's Series O units gained 7.1% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

U.S. stocks rose during the first half of 2014, albeit at a slower pace than they have in recent periods. Expectations for higher earnings and a significant improvement in economic growth in the second quarter bolstered stocks. Concern about slowing growth in emerging economies and geopolitical turmoil tempered investor enthusiasm somewhat.

Relative performance during the period was aided by security selection in the Consumer Discretionary, Information Technology and Industrials sectors. Within the portfolio, Garmin rose after the company reported better-than-expected earnings growth and demonstrated share gains in the aerospace-navigation market. Another holding, retailer Advance Auto Parts, benefited from auto repairs caused by a cold winter and from a recent acquisition. Amdocs rose after the company disclosed earnings growth that included better-than-expected results in Latin America, while General Dynamics weathered concerns about cuts in defence spending as business jets helped it post strong quarterly results. EOG Resources, which produces oil and natural gas, rallied after raising earnings guidance for the year.

Relative performance was hindered by security selection in the Financials and Materials sectors. In addition, a lack of exposure to real estate investment trusts had a negative impact as they rallied when bond yields fell during the early part of the year. CIT Group fell as it disclosed weaker net margins than expected and management disappointed investors with its plans to return capital. Shares of JPMorgan and Bank of America were hurt by a drop in long-term interest rates, which would likely reduce profitability. In addition, Bank of America disclosed an error in the method used to calculate its capital for the government-imposed stress test. Rock-Tenn stock declined after the company lowered guidance in the face of weakening pricing power.

Recent Developments

With the U.S. Federal Reserve (the "Fed") reducing monetary stimulus, investors are focusing more on earnings potential and other company fundamentals, and this is favourable for the sub-advisor's investment process. Investors are seeking out companies with predictable earnings growth, and this approach is in line with the sub-advisor's way of thinking about stocks. Thus far in 2014, earnings have had a larger influence on stock-market gains than rising valuations, while value stocks and large-cap companies have performed better than the broad market. This shift is consistent with environments in which the Fed is reducing stimulus and has historically been positive for the Fund's relative performance.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributor

RBC GAM is the principal distributor of the Fund, and RBC Dominion Securities Inc. also distributes units of the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

RBC IS and RBC GAM are registrars of the Fund and keep records of who owns the units of the Fund. The registrars also process orders and issue account statements.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $2,000 (2013 – $1,000) or 3% (2013 – 1%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**172.64**	**1.66**	**(1.07)**	**9.30**	**1.25**	**11.14**	**–**	**(0.43)**	**–**	**–**	**(0.43)**	**183.43**
Dec. 31, 2013	126.49	2.69	(1.80)	18.59	27.31	46.79	–	(0.91)	–	–	(0.91)	172.63
Dec. 31, 2012	113.19	2.40	(1.44)	1.15	11.71	13.82	–	(0.86)	–	–	(0.86)	126.49
Dec. 31, 2011	116.37	5.39	(1.35)	(1.63)	(1.80)	0.61	–	(4.21)	–	–	(4.21)	113.19
Dec. 31, 2010	110.85	1.89	(1.28)	0.01	7.43	8.05	–	(0.56)	–	–	(0.56)	116.37
Dec. 31, 2009	107.11	2.12	(1.17)	(83.14)	85.13	2.94	–	(1.25)	–	–	(1.25)	110.85
Series O												
June 30, 2014	**174.78**	**1.68**	**(0.09)**	**9.42**	**1.27**	**12.28**	**–**	**(1.47)**	**–**	**–**	**(1.47)**	**185.66**
Dec. 31, 2013	128.06	2.72	(0.15)	18.80	27.62	48.99	–	(2.53)	–	–	(2.53)	174.77
Dec. 31, 2012	114.50	2.42	(0.12)	1.16	11.77	15.23	–	(2.13)	–	–	(2.13)	128.06
Dec. 31, 2011	116.79	5.34	(0.12)	(1.61)	(1.78)	1.83	–	(4.57)	–	–	(4.57)	114.50
Dec. 31, 2010	111.10	1.84	(0.11)	0.01	7.25	8.99	–	(1.60)	–	–	(1.60)	116.79
Dec. 31, 2009	107.38	2.13	(0.09)	(83.48)	85.49	4.05	–	(2.36)	–	–	(2.36)	111.10

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series F							
June 30, 2014	**183.43**	**1 250**	**7**	**1.19**	**1.19**	**45.27**	**0.05**
Dec. 31, 2013	172.64	1 500	9	1.19	1.19	64.41	0.06
Dec. 31, 2012	126.51	1 168	9	1.19	1.19	28.53	0.06
Dec. 31, 2011	113.20	1 126	10	1.20	1.20	51.81	0.07
Dec. 31, 2010	116.38	1 352	12	1.18	1.18	41.58	0.09
Dec. 31, 2009	110.91	1 391	13	1.16	2.16	154.97	0.19
Series O							
June 30, 2014	**185.66**	**312 767**	**1 685**	**0.10**	**0.10**	**45.27**	**0.05**
Dec. 31, 2013	174.78	288 136	1 649	0.10	0.10	64.41	0.06
Dec. 31, 2012	128.08	187 576	1 465	0.10	0.10	28.53	0.06
Dec. 31, 2011	114.51	127 646	1 115	0.10	0.10	51.81	0.07
Dec. 31, 2010	116.80	81 729	700	0.10	0.10	41.58	0.09
Dec. 31, 2009	111.15	46 071	414	0.09	0.21	154.97	0.19

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series F units is payable by the Fund on a monthly basis and calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is 100% for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

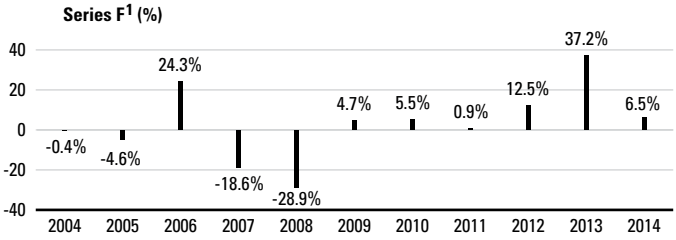
The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

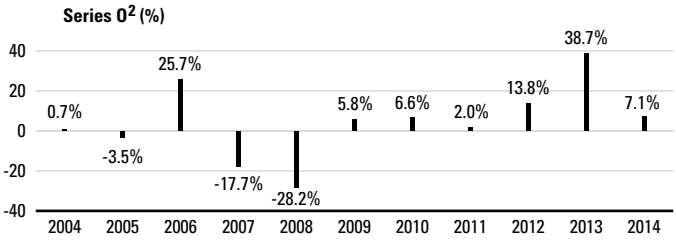
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





[1] Inception date November 1, 2003.
[2] Inception date August 21, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Financials	20.4
Consumer Discretionary	16.3
Industrials	16.3
Information Technology	12.1
Health Care	10.0
Energy	9.2
Consumer Staples	7.9
Telecommunication Services	4.0
Utilities	2.0
Cash/Other	1.8

Top 25 Holdings

	% of Net Asset Value
Wells Fargo & Company	3.2
Time Warner Inc.	3.1
JPMorgan Chase & Co.	3.0
Johnson & Johnson	3.0
Target Corporation	3.0
Bank of America Corp.	3.0
Honeywell International Inc.	2.9
United Technologies Corp.	2.9
Amdocs Ltd.	2.9
Apple Inc.	2.3
Advance Auto Parts Inc.	2.2
EOG Resources Inc.	2.2
Union Pacific Corp.	2.1
Comcast Corp., Class A	2.1
Capital One Financial Corp.	2.1
QUALCOMM Inc.	2.1
American International Group Inc.	2.1
PepsiCo Inc.	2.0
CIT Group Inc.	2.0
NextEra Energy Inc.	2.0
Chevron Corp.	2.0
AT&T Inc.	2.0
Invesco Ltd.	2.0
MSC Industrial Direct Co.	2.0
Abbott Laboratories	2.0
Top 25 Holdings	60.2

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

U.S. EQUITY

RBC PRIVATE U.S. LARGE-CAP VALUE EQUITY CURRENCY NEUTRAL POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor *(for the underlying fund)*: Westwood Management Corp., Dallas, Texas

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling us at 1-800-662-0652, by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting SEDAR at www.sedar.com. Security holders may also contact us to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term total returns primarily through capital appreciation by investing primarily in one or more mutual funds managed by RBC GAM or an affiliate. The assets are invested in common stocks and equivalent securities of U.S. corporations trading below their potential intrinsic value. The Fund also seeks to minimize exposure to currency fluctuations between the U.S. and Canadian dollars.

To achieve its investment objective, the Fund invests most of its assets in the RBC Private U.S. Large-Cap Value Equity Pool (the "underlying fund"), and uses currency hedges to minimize currency exposure. The underlying fund typically invests in U.S. and non-U.S. companies that are constituents of the Russell 1000 or S&P 500 indices. The underlying fund is diversified across major industry sectors, within minimum and maximum exposures.

Results of Operations

The Fund's net asset value was $18 million as of June 30, 2014.

Over the past six months, the Fund's units gained 6.3% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

U.S. stocks rose during the first half of 2014, albeit at a slower pace than they have in recent periods. Expectations for higher earnings and a significant improvement in economic growth in the second quarter bolstered stocks. Concern about slowing growth in emerging economies and geopolitical turmoil tempered investor enthusiasm somewhat.

Relative performance during the period was aided by security selection in the Consumer Discretionary, Information Technology and Industrials sectors. Within the portfolio, Garmin rose after the company reported better-than-expected earnings growth and demonstrated share gains in the aerospace-navigation market. Another holding, retailer Advance Auto Parts, benefited from auto repairs caused by a cold winter and from a recent acquisition. Amdocs rose after the company disclosed earnings growth that included better-than-expected results in Latin America, while General Dynamics weathered concerns about cuts in defence spending as business jets helped it post strong quarterly results. EOG Resources, which produces oil and natural gas, rallied after raising earnings guidance for the year.

Relative performance was hindered by security selection in the Financials and Materials sectors. In addition, a lack of exposure to real estate investment trusts had a negative impact as they rallied when bond yields fell during the early part of the year. CIT Group fell as it disclosed weaker net margins than expected and management disappointed investors with its plans to return capital. Shares of JPMorgan and Bank of America were hurt by a drop in long-term interest rates, which would likely reduce profitability. In addition, Bank of America disclosed an error in the method used to calculate its capital for the government-imposed stress test. Rock-Tenn stock declined after the company lowered guidance in the face of weakening pricing power.

The Fund's currency-hedging mandate did not have a significant effect on performance during the first half of 2014.

Recent Developments

With the U.S. Federal Reserve (the "Fed") reducing monetary stimulus, investors are focusing more on earnings potential and other company fundamentals, and this is favourable for the sub-advisor's investment process. Investors are seeking out companies with predictable earnings growth, and this approach is in line with the sub-advisor's way of thinking about stocks. Thus far in 2014, earnings have had a larger influence on stock-market gains than rising valuations, while value stocks and large-cap companies have performed better than the broad market. This shift is consistent with environments in which the Fed is reducing stimulus and has historically been positive for the Fund's relative performance.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributor

RBC GAM is the principal distributor of the Fund, and RBC Dominion Securities Inc. also distributes units of the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrar

RBC IS is the registrar of the Fund and keeps records of who owns the units of the Fund. The registrar also processes orders and issues account statements.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**14.51**	**0.11**	**–**	**2.68**	**(1.99)**	**0.80**	**–**	**(0.10)**	**–**	**–**	**(0.10)**	**15.32**
Dec. 31, 2013	11.30	0.21	(0.01)	0.05	3.17	3.42	–	(0.21)	–	–	(0.21)	14.51
Dec. 31, 2012	9.88	0.19	(0.01)	0.60	0.79	1.57	–	(0.18)	(0.06)	–	(0.24)	11.30
Dec. 31, 2011	10.40	0.54	(0.01)	(0.63)	(0.30)	(0.40)	–	(0.37)	–	–	(0.37)	9.88
Dec. 31, 2010[3]	10.00[†]	0.17	(0.01)	1.12	1.50	2.78	–	(0.13)	(0.48)	–	(0.61)	10.40

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

[3] From January 11, 2010.

[†] Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series O							
June 30, 2014	**15.32**	**17 875**	**1 167**	**0.16**	**0.17**	**8.03**	**0.05**
Dec. 31, 2013	14.51	28 693	1 977	0.16	0.16	13.25	0.06
Dec. 31, 2012	11.30	25 865	2 290	0.17	0.17	29.61	0.06
Dec. 31, 2011	9.88	17 632	1 784	0.21	0.21	53.51	0.07
Dec. 31, 2010[4]	10.40	5 306	510	0.21	0.21	n/a	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

[4] From January 11, 2010.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

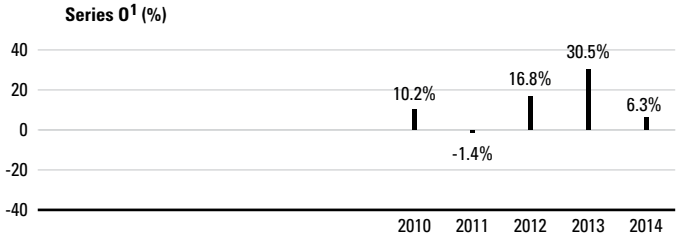
RBC PRIVATE U.S. LARGE-CAP VALUE EQUITY CURRENCY NEUTRAL POOL

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.



[1] Inception date January 11, 2010.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Financials	20.4
Consumer Discretionary	16.3
Industrials	16.3
Information Technology	12.1
Health Care	10.0
Energy	9.2
Consumer Staples	7.9
Telecommunication Services	4.0
Utilities	2.0
Cash/Other	1.8

Top 25 Holdings*

	% of Net Asset Value
Wells Fargo & Company	3.2
Time Warner Inc.	3.1
JPMorgan Chase & Co.	3.0
Johnson & Johnson	3.0
Target Corporation	3.0
Bank of America Corp.	3.0
Honeywell International Inc.	2.9
United Technologies Corp.	2.9
Amdocs Ltd.	2.9
Apple Inc.	2.3
Advance Auto Parts Inc.	2.2
EOG Resources Inc.	2.2
Union Pacific Corp.	2.1
Comcast Corp., Class A	2.1
Capital One Financial Corp.	2.1
QUALCOMM Inc.	2.1
American International Group Inc.	2.1
PepsiCo Inc.	2.0
CIT Group Inc.	2.0
NextEra Energy Inc.	2.0
Chevron Corp.	2.0
AT&T Inc.	2.0
Invesco Ltd.	2.0
MSC Industrial Direct Co.	2.0
Abbott Laboratories	2.0
Top 25 Holdings	60.2

* The Fund invests substantially all of its assets directly in the RBC Private U.S. Large-Cap Value Equity Pool. The above are the Top 25 holdings of the RBC Private U.S. Large-Cap Value Equity Pool.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

The simplified prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.

U.S. EQUITY

RBC PRIVATE U.S. GROWTH EQUITY POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: Brown Advisory, LLC, Baltimore, Maryland

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

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This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling us at 1-800-662-0652, by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting SEDAR at www.sedar.com. Security holders may also contact us to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks long-term growth primarily through capital appreciation by investing in common stocks and equivalent securities of U.S. corporations that offer above-average prospects for growth.

The Fund identifies opportunities using detailed, bottom-up fundamental research performed through the analysis of a company's financial statements, long-term business model and industry attractiveness. The Fund diversifies across major industry sectors. The Fund invests in companies with an attractive combination of large and sustainable market opportunities, experienced and credible management, proprietary products or services, healthy financial position and attractive valuations relative to their long-term growth opportunity.

Results of Operations

The Fund's net asset value was $325 million as of June 30, 2014.

Over the past six months, the Fund's Series O units gained 2.4% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The U.S. stock market got off to a slow start in 2014, declining broadly in January after a strong run in 2013. Stocks recovered in February and generally moved higher for the rest of the period, reaching new highs. The general trend was for investors to shift holdings away from growth-oriented stocks into companies that traded at more attractive valuations.

Two stocks had a particularly negative impact on the Fund's relative performance. One was the grocer Whole Foods and the other was energy-services company Core Laboratories. Shares of both fell significantly after the companies reported disappointing earnings. Core Laboratories lowered revenue expectations for the year, primarily because some projects were pushed back. Whole Foods reported lower-than-expected sales growth. The sub-advisor continued to add shares of the companies to the portfolio because it believes that the outlook for both remains positive.

Recent Developments

The Fund's performance has lagged recently. However, the sub-advisor remains confident about its investment process, which seeks growth companies that trade at attractive valuations.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributor

RBC GAM is the principal distributor of the Fund, and RBC Dominion Securities Inc. also distributes units of the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

RBC IS and RBC GAM are registrars of the Fund and keep records of who owns the units of the Fund. The registrars also process orders and issue account statements.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**110.30**	**0.38**	**(0.67)**	**3.67**	**(1.38)**	**2.00**	**–**	**–**	**–**	**–**	**–**	**112.33**
Dec. 31, 2013	80.26	0.60	(1.18)	2.96	27.47	29.85	–	–	–	–	–	110.28
Dec. 31, 2012	77.76	1.27	(0.94)	(0.22)	3.15	3.26	–	(0.42)	–	–	(0.42)	80.26
Dec. 31, 2011	81.41	0.80	(0.90)	4.53	(8.71)	(4.28)	–	–	–	–	–	77.76
Dec. 31, 2010	74.33	1.52	(0.87)	(4.31)	11.03	7.37	(0.03)	(0.61)	–	–	(0.64)	81.41
Dec. 31, 2009	68.97	0.99	(0.81)	(11.91)	17.56	5.83	(0.01)	(0.24)	–	–	(0.25)	74.33
Series O												
June 30, 2014	**111.37**	**0.38**	**(0.04)**	**3.71**	**(1.40)**	**2.65**	**–**	**(0.34)**	**–**	**–**	**(0.34)**	**113.70**
Dec. 31, 2013	80.78	0.61	(0.07)	2.98	27.68	31.20	–	(0.65)	–	–	(0.65)	111.35
Dec. 31, 2012	78.06	1.26	(0.06)	(0.22)	3.15	4.13	–	(1.09)	–	–	(1.09)	80.78
Dec. 31, 2011	81.63	0.80	(0.03)	4.54	(8.72)	(3.41)	–	(0.76)	–	–	(0.76)	78.06
Dec. 31, 2010	74.53	1.53	(0.06)	(4.32)	11.07	8.22	(0.07)	(1.39)	–	–	(1.46)	81.63
Dec. 31, 2009	69.12	1.00	(0.05)	(11.94)	17.60	6.61	(0.04)	(0.94)	–	–	(0.98)	74.53

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series F							
June 30, 2014	**112.33**	**574**	**5**	**1.19**	**1.19**	**24.46**	**0.02**
Dec. 31, 2013	110.30	703	6	1.24	1.24	23.38	0.02
Dec. 31, 2012	80.28	575	7	1.16	1.16	139.09	0.24
Dec. 31, 2011	77.83	4 839	62	1.12	1.12	66.24	0.15
Dec. 31, 2010	81.45	6 114	75	1.16	1.16	60.20	0.15
Dec. 31, 2009	74.39	6 619	89	1.15	1.37	78.56	0.21
Series O							
June 30, 2014	**113.70**	**324 803**	**2 857**	**0.08**	**0.08**	**24.46**	**0.02**
Dec. 31, 2013	111.37	322 841	2 899	0.08	0.08	23.38	0.02
Dec. 31, 2012	80.80	216 630	2 681	0.08	0.08	139.09	0.24
Dec. 31, 2011	78.13	207 078	2 650	0.04	0.04	66.24	0.15
Dec. 31, 2010	81.67	188 774	2 312	0.08	0.08	60.20	0.15
Dec. 31, 2009	74.58	181 306	2 431	0.07	0.07	78.56	0.21

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series F units is payable by the Fund on a monthly basis and calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is 100% for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

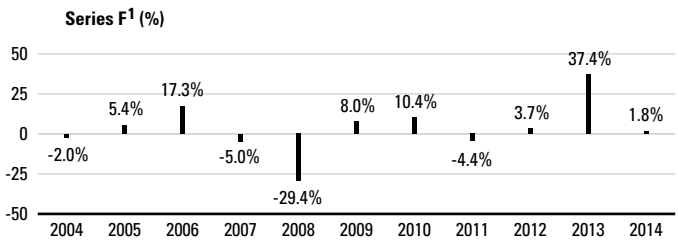
The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

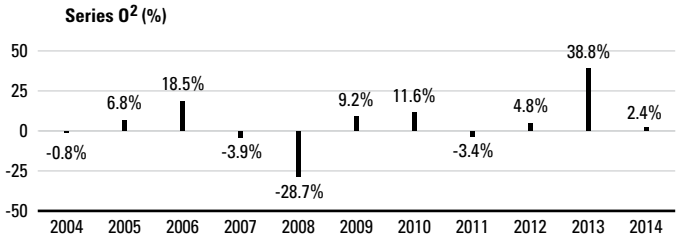
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





[1] Inception date November 1, 2003.
[2] Inception date August 21, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Information Technology	31.8
Health Care	16.2
Consumer Staples	12.1
Industrials	11.4
Energy	11.4
Other Sectors	7.6
Consumer Discretionary	7.5
Cash/Other	2.0

Top 25 Holdings

	% of Net Asset Value
Schlumberger Ltd.	4.5
The Charles Schwab Corporation	4.3
QUALCOMM Inc.	4.2
Express Scripts Holding Co.	4.1
Visa Inc., Class A	3.8
Mead Johnson Nutrition Co., Class A	3.7
Starbucks Corp.	3.7
Apple Inc.	3.6
Gilead Sciences Inc.	3.6
FMC Technologies Inc.	3.6
Danaher Corp.	3.5
Ecolab Inc.	3.3
Intuitive Surgical Inc.	3.3
Estée Lauder Companies Inc., Class A	3.3
Core Laboratories N.V.	3.2
Amphenol Corp., Class A	3.2
Whole Foods Market Inc.	3.0
DaVita HealthCare Partners Inc.	3.0
Salesforce.com Inc.	2.9
Stericycle Inc.	2.9
Fluor Corp.	2.8
Accenture Plc., Class A	2.4
Google Inc., Class A	2.2
Google Inc., Class C	2.2
Covance Inc.	2.2
Top 25 Holdings	82.5

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

U.S. EQUITY

RBC PRIVATE O'SHAUGHNESSY U.S. GROWTH EQUITY POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: O'Shaughnessy Asset Management, L.L.C., Stamford, Connecticut

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling us at 1-800-662-0652, by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting SEDAR at www.sedar.com. Security holders may also contact us to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term capital growth by investing primarily in equity securities of U.S. companies based on Strategy Indexing®, an investment portfolio management model developed in 1995 by Jim O'Shaughnessy.

To achieve its objective, the Fund selects stocks with the most attractive momentum based on a variety of measures, including six-month total return and nine-month total return. The stocks must also meet certain market capitalization and liquidity thresholds. The Fund uses currency hedges to minimize the impact of fluctuations in the U.S. dollar versus the Canadian dollar.

Results of Operations

The Fund's net asset value was $74 million as of June 30, 2014.

Over the past six months, the Fund's units gained 1.5% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

During the first half of 2014, global equity markets have quieted down following a huge year in 2013. Still, many major stock indexes are at or near all-time highs as large-cap stocks have held up quite well in 2014. Earnings continue to grow, but stocks are more expensive than they have been in recent years. The market has continued to focus on actions by central banks around the world, pausing to observe the effects of tapering by the U.S. Federal Reserve. The sub-advisor believes that stock selection becomes more important when the overall market is more expensive, and that portfolios which are very different from the market offer the best chance to outperform.

Companies whose stocks exhibited strong price momentum, like those invested in by the sub-advisor, generally underperformed. Within momentum, the sub-advisor favoured stocks with lower price volatility. These stocks finished the period with a negative effect on returns. Exposure to companies with attractive valuations, which are targeted as a component of the stock-selection process, had a slightly positive effect on returns. Additionally, exposure to stocks with high earnings quality, financial strength and earnings growth held back performance.

From a sector perspective, allocation among sectors and security selection both had a negative effect. An overweight allocation to Consumer Discretionary detracted from returns, but this was more than offset by security selection in the sector. Security selection within Materials also contributed positively. Within the sector, American Pacific Corp. and Packaging Corporation of America were among the top performers. Security selection in Health Care detracted from Fund performance. Additionally, security selection in Industrials held back returns. Within the sector, Barrett Business Services and Aceto were among the top detractors.

It is the policy of the Fund to maintain currency hedges at all times in order to neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar. This policy had a negative effect on returns during the period.

Portfolio turnover for the Fund is typically high. Inherent in the investment process for O'Shaughnessy Funds is the periodic rebalancing of segments of the portfolio as the sub-advisor attempts to generate better returns through stock selection.

Recent Developments

To identify the most attractive investments, the sub-advisor uses historically proven, objectively measured characteristics like low valuations, strong balance sheet and earnings quality, and strong but stable momentum.

Due to the Fund's investment process and market conditions over the past six months, the Fund has decreased allocations to the Industrials sector, and increased allocations to Energy.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

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Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributor

RBC GAM is the principal distributor of the Fund. Royal Mutual Funds Inc. and RBC Dominion Securities Inc. also distribute units of the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrar

RBC IS is the registrar of the Fund and keeps records of who owns the units of the Fund. The registrar also processes orders and issues account statements.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $0 (2013 – $1,000) or 0% (2013 – 3%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**7.45**	**0.04**	**–**	**0.47**	**(0.35)**	**0.16**	**–**	**–**	**–**	**–**	**–**	**7.56**
Dec. 31, 2013	5.22	0.08	(0.01)	1.37	0.90	2.34	–	(0.10)	–	–	(0.10)	7.45
Dec. 31, 2012	4.41	0.08	(0.01)	0.67	0.23	0.97	–	(0.08)	–	–	(0.08)	5.22
Dec. 31, 2011	5.16	0.05	(0.01)	0.01	(0.79)	(0.74)	–	(0.04)	–	–	(0.04)	4.41
Dec. 31, 2010	4.11	0.03	–	0.58	0.46	1.07	–	(0.02)	–	–	(0.02)	5.16
Dec. 31, 2009	3.77	0.02	–	(0.31)	0.83	0.54	–	(0.01)	–	–	(0.01)	4.11

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series O							
June 30, 2014	**7.56**	**74 063**	**9 794**	**0.11**	**0.11**	**97.39**	**0.11**
Dec. 31, 2013	7.45	61 508	8 255	0.12	0.12	94.27	0.11
Dec. 31, 2012	5.24	52 863	10 091	0.11	0.11	91.10	0.15
Dec. 31, 2011	4.43	78 881	17 821	0.12	0.12	127.07	0.21
Dec. 31, 2010	5.16	82 042	15 885	0.11	0.11	138.17	0.32
Dec. 31, 2009	4.12	76 391	18 552	0.10	0.14	216.60	0.44

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

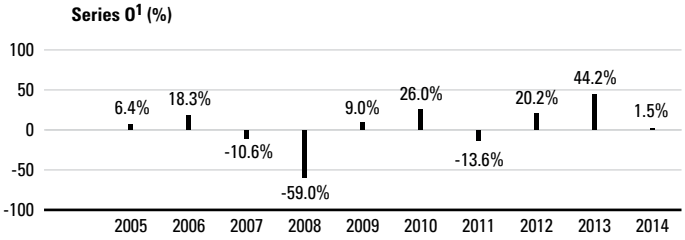
RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.



[1] Inception date October 17, 2005.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Industrials	25.7
Information Technology	20.4
Consumer Discretionary	19.5
Health Care	10.7
Energy	7.8
Materials	4.1
Consumer Staples	3.5
Other Sectors	3.3
Cash/Other	5.0

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	2.4
Manhattan Associates Inc.	1.9
Skyworks Solutions Inc.	1.7
Corvel Corp.	1.7
Hanesbrands Inc.	1.7
Packaging Corp. of America	1.6
Huntington Ingalls Industries Inc.	1.4
Trinity Industries	1.4
US Ecology Inc.	1.4
AAON Inc.	1.3
Targa Resources Corp.	1.3
Sonic Corp.	1.2
Jazz Pharmaceuticals Plc.	1.2
Graham Holdings Co.	1.2
Electronics for Imaging Inc.	1.1
Euronet Worldwide Inc.	1.1
NN Inc.	1.1
Acuity Brands Inc.	1.1
Avis Budget Group Inc.	1.1
Jack in the Box Inc.	1.0
Huron Consulting Group Inc.	1.0
Matrix Service Co.	1.0
The Greenbrier Co. Inc.	1.0
WuXi PharmaTech Cayman Inc. ADR	1.0
Smith (A.O.) Corp.	1.0
Top 25 Holdings	32.9

The Summary of Investment Portfolio may change due to ongoing portfolio transactions. The Fund is re-balanced around the end of the period. The Top 25 Holdings may not reflect current positions. A quarterly update is available by calling us at 1-800-662-0652.

U.S. EQUITY

RBC PRIVATE U.S. LARGE-CAP CORE EQUITY POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (U.S.) Inc, Minneapolis, Minnesota

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term total returns consisting primarily of capital appreciation by investing in common stocks of U.S. corporations.

The Fund typically invests in large-cap companies that belong to the Standard & Poor's 500 Index. The Fund will be diversified across industries and, in aggregate, normally will have lower price-to-earnings, price-to-book, and price-to-cash-flow ratios than the Standard & Poor's 500 Index. Equities are also selected based on expectations of improved fundamentals that could result from restructurings, management changes and new-product cycles.

Results of Operations

The Fund's net asset value was $561 million as of June 30, 2014.

Over the past six months, the Fund's Series O units gained 9.0% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

U.S. equity markets rose during the first half of 2014, extending the returns from an exceptionally strong 2013. Economic growth accelerated during the latter stages of the period after a historically cold winter held back employment and housing, and resulting in some market weakness. The spring thaw brought renewed enthusiasm among consumers and investors, with economic data indicating modestly accelerating growth and supporting further equity-market advances.

All of the economic sectors in the S&P 500 posted gains in the first half of the year. The best-performing sectors were Utilities, Energy, Health Care, Information Technology and Materials. Stock selection contributed significantly to performance during the period.

Favourable stock selection in the Information Technology, Consumer Discretionary and Energy sectors contributed to the Fund's relative returns. In the Information Technology sector, chipmakers Skyworks Solutions and NXP Semiconductor were strong performers, while auto-parts maker Borg-Warner was a solid contributor in the Consumer Discretionary sector. In the Energy sector, oil-and-gas services company Halliburton contributed to the Fund's performance, and iPad maker Apple Inc. had a significantly positive impact on returns.

Recent Developments

The sub-advisor remains somewhat optimistic about the equity-market outlook for the remainder of 2014. Janet Yellen, the new chair of the U.S. Federal Reserve, appears to be sticking with policies aimed at fostering economic growth. The political dysfunction in Congress that plagued markets in the recent past is, in the opinion of the sub-advisor, largely behind us after lawmakers earlier this year passed a bill that suspended the debt ceiling until March 2015.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Global Asset Management (U.S.) Inc. is the sub-advisor and provides investment advice for the Fund.

Distributor

RBC GAM is the principal distributor of the Fund. Royal Mutual Funds Inc. and RBC Dominion Securities Inc. also distribute units of the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

RBC IS and RBC GAM are registrars of the Fund and keep records of who owns the units of the Fund. The registrars also process orders and issue account statements.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**16.31**	**0.15**	**(0.08)**	**1.27**	**0.05**	**1.39**	**–**	**(0.06)**	**–**	**–**	**(0.06)**	**17.66**
Dec. 31, 2013	12.59	0.31	(0.15)	1.42	2.70	4.28	–	(0.14)	(0.90)	–	(1.04)	16.31
Dec. 31, 2012	11.38	0.22	(0.11)	0.41	0.83	1.35	–	(0.10)	(0.20)	–	(0.30)	12.59
Dec. 31, 2011	11.35	0.17	(0.10)	0.06	0.06	0.19	–	(0.07)	–	–	(0.07)	11.38
Dec. 31, 2010	10.76	0.18	(0.10)	0.25	0.40	0.73	–	(0.07)	(0.04)	–	(0.11)	11.35
Dec. 31, 2009	10.49	0.16	(0.10)	(0.06)	0.66	0.66	–	(0.08)	–	–	(0.08)	10.76
Series O												
June 30, 2014	**16.48**	**0.15**	**(0.01)**	**1.29**	**0.05**	**1.48**	**–**	**(0.13)**	**–**	**–**	**(0.13)**	**17.83**
Dec. 31, 2013	12.75	0.34	(0.02)	1.56	2.97	4.85	–	(0.31)	(0.91)	–	(1.22)	16.48
Dec. 31, 2012	11.50	0.24	(0.01)	0.45	0.90	1.58	–	(0.19)	(0.20)	–	(0.39)	12.75
Dec. 31, 2011	11.48	0.18	(0.01)	0.06	0.06	0.29	–	(0.18)	–	–	(0.18)	11.50
Dec. 31, 2010	10.88	0.18	(0.01)	0.25	0.39	0.81	–	(0.15)	(0.04)	–	(0.19)	11.48
Dec. 31, 2009	10.50	0.18	(0.01)	(0.07)	0.75	0.85	–	(0.16)	–	–	(0.16)	10.88

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series F							
June 30, 2014	**17.66**	**10 545**	**597**	**0.90**	**0.90**	**86.53**	**0.11**
Dec. 31, 2013	16.31	8 199	503	0.98	0.98	84.71	0.16
Dec. 31, 2012	12.59	545	43	0.92	0.92	76.59	0.20
Dec. 31, 2011	11.38	179	16	0.90	0.90	136.94	0.30
Dec. 31, 2010	11.35	32	3	0.89	0.89	125.90	0.36
Dec. 31, 2009	10.76	60	6	0.89	5.10	125.75	0.46
Series O							
June 30, 2014	**17.83**	**550 876**	**30 894**	**0.11**	**0.11**	**86.53**	**0.11**
Dec. 31, 2013	16.48	488 166	29 625	0.11	0.11	84.71	0.16
Dec. 31, 2012	12.75	224 364	17 599	0.11	0.11	76.59	0.20
Dec. 31, 2011	11.50	135 201	11 760	0.11	0.11	136.94	0.30
Dec. 31, 2010	11.48	114 520	9 976	0.11	0.11	125.90	0.36
Dec. 31, 2009	10.88	95 055	8 733	0.11	0.15	125.75	0.46

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series F units is payable by the Fund on a monthly basis and calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is 100% for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

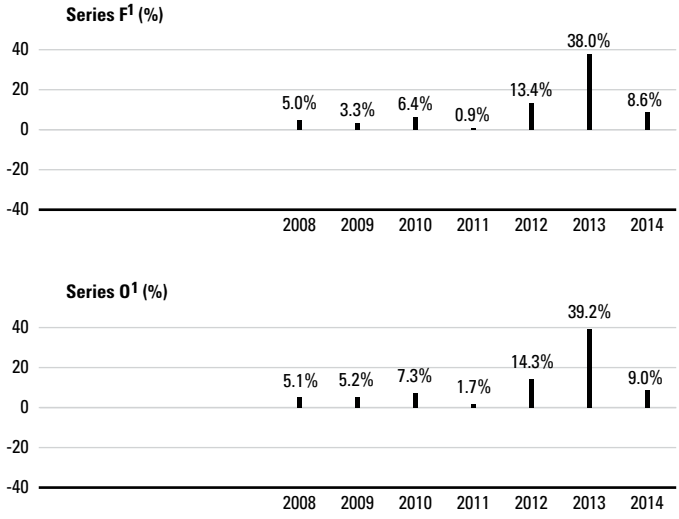
The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.



[1] Inception date October 20, 2008.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Information Technology	20.2
Financials	15.6
Health Care	12.7
Consumer Discretionary	11.7
Energy	11.3
Industrials	10.7
Other Sectors	8.7
Consumer Staples	7.6
Cash/Other	1.5

Top 25 Holdings

	% of Net Asset Value
Apple Inc.	4.1
Johnson & Johnson	3.2
Pfizer Inc.	2.6
ConocoPhillips	2.6
Google Inc., Class C	2.5
Microsoft Corp.	2.4
Halliburton Co.	2.3
Wells Fargo & Company	2.3
CVS Corp.	2.2
JPMorgan Chase & Co.	2.0
Honeywell International Inc.	2.0
Celgene Corp.	2.0
Medtronic Inc.	1.9
Lorillard Inc.	1.8
Pioneer Natural Resources Co.	1.8
Cigna Corp.	1.8
Visa Inc., Class A	1.8
The Walt Disney Company	1.7
Marathon Oil Corp.	1.6
The Coca-Cola Co.	1.6
Union Pacific Corp.	1.5
Cash & Cash Equivalents	1.5
Anadarko Petroleum Corp.	1.4
Kraft Foods Group Inc.	1.4
Comcast Corp., Class A	1.4
Top 25 Holdings	51.4

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

U.S. EQUITY

RBC PRIVATE U.S. LARGE-CAP CORE EQUITY CURRENCY NEUTRAL POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor *(for the underlying fund)*: RBC Global Asset Management (U.S.) Inc, Minneapolis, Minnesota

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling us at 1-800-662-0652, by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting SEDAR at www.sedar.com. Security holders may also contact us to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term total returns consisting primarily of capital appreciation by investing primarily in one or more mutual funds managed by RBC GAM or an affiliate. The assets are invested in common stocks of U.S. corporations. The Fund also seeks to minimize the exposure of currency fluctuations between the U.S. and Canadian dollars.

To achieve its objective, the Fund invests most of its assets in the RBC Private U.S. Large-Cap Core Equity Pool (the "underlying fund"), and uses currency hedges to minimize currency exposure. The underlying fund typically invests in large-cap companies that belong to the Standard & Poor's 500 Index. The underlying fund will be diversified across industries and, in aggregate, normally will have lower price-to-earnings, price-to-book, and price-to-cash-flow ratios than the Standard & Poor's 500 Index. Equities are also selected based on expectations of improved fundamentals that could result from restructurings, management changes and new-product cycles.

Results of Operations

The Fund's net asset value was $9 million as of June 30, 2014.

Over the past six months, the Fund's units gained 8.8% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

U.S. equity markets rose during the first half of 2014, extending the returns from an exceptionally strong 2013. Economic growth accelerated during the latter stages of the period after a historically cold winter held back employment and housing, and resulting in some market weakness. The spring thaw brought renewed enthusiasm among consumers and investors, with economic data indicating modestly accelerating growth and supporting further equity-market advances.

All of the economic sectors in the S&P 500 posted gains returns in the first half of the year, the only exception being the Consumer Discretionary sector. The best-performing sectors were Utilities, Energy, Health Care, Information Technology and Materials. Stock selection contributed significantly to performance during the period.

Favourable stock selection in the Information Technology, Consumer Discretionary and Energy sectors contributed to the Fund's relative returns. In the Information Technology sector, chipmakers Skyworks Solutions and NXP Semiconductor were strong performers, while auto-parts maker Borg-Warner was a solid contributor in the Consumer Discretionary sector. In the Energy sector, oil-and-gas services company Halliburton contributed to the Fund's performance, and iPad maker Apple Inc. had a significantly positive impact on returns.

The Fund's currency-hedging mandate did not have a significant effect on performance during the first half of 2014.

Recent Developments

The sub-advisor remains somewhat optimistic about the equity-market outlook for the remainder of 2014. Janet Yellen, the new chair of the U.S. Federal Reserve, appears to be sticking with policies aimed at fostering economic growth. The political dysfunction in Congress that plagued markets in the recent past is, in the opinion of the sub-advisor, largely behind us after lawmakers earlier this year passed a bill that suspended the debt ceiling until March 2015.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisor

RBC Global Asset Management (U.S.) Inc. is the sub-advisor and provides investment advice for the Fund.

Distributor

RBC GAM is the principal distributor of the Fund. Royal Mutual Funds Inc. and RBC Dominion Securities Inc. also distribute units of the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrar

RBC IS is the registrar of the Fund and keeps records of who owns the units of the Fund. The registrar also processes orders and issues account statements.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series O												
June 30, 2014	**12.96**	**0.10**	**(0.01)**	**0.24**	**0.78**	**1.11**	**–**	**(0.09)**	**–**	**–**	**(0.09)**	**14.01**
Dec. 31, 2013	10.59	0.25	(0.01)	0.69	2.31	3.24	–	(0.24)	(0.69)	–	(0.93)	12.96
Dec. 31, 2012	10.08	0.18	(0.01)	1.07	0.30	1.54	–	(0.16)	(1.04)	–	(1.20)	10.59
Dec. 31, 2011	10.37	0.17	(0.05)	0.06	(0.24)	(0.06)	–	(0.12)	(0.01)	–	(0.13)	10.08
Dec. 31, 2010[3]	10.00[†]	0.16	(0.03)	0.44	1.63	2.20	–	(0.13)	(0.19)	–	(0.32)	10.37

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
[2] Distributions are reinvested in additional units of the Fund or paid in cash.
[3] From January 11, 2010.
[†] Initial offering net asset value per unit.

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series O							
June 30. 2014	**14.01**	**8 886**	**634**	**0.16**	**0.19**	**28.48**	**0.11**
Dec. 31, 2013	12.96	8 581	662	0.20	0.20	43.10	0.16
Dec. 31, 2012	10.59	6 137	579	0.22	0.22	78.00	0.20
Dec. 31, 2011	10.08	2 229	221	0.57	0.57	91.36	0.30
Dec. 31, 2010[4]	10.37	1 599	154	0.36	0.36	n/a	–

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.
[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.
[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.
[4] From January 11, 2010.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

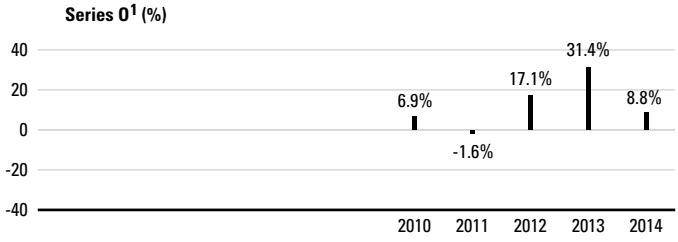
RBC PRIVATE U.S. LARGE-CAP CORE EQUITY CURRENCY NEUTRAL POOL

PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.



[1] Inception date January 11, 2010.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Information Technology	20.2
Financials	15.6
Health Care	12.7
Consumer Discretionary	11.7
Energy	11.3
Industrials	10.7
Other Sectors	8.7
Consumer Staples	7.6
Cash/Other	1.5

Top 25 Holdings*

	% of Net Asset Value
Apple Inc.	4.1
Johnson & Johnson	3.2
Pfizer Inc.	2.6
ConocoPhillips	2.6
Google Inc., Class C	2.5
Microsoft Corp.	2.4
Halliburton Co.	2.3
Wells Fargo & Company	2.3
CVS Corp.	2.2
JPMorgan Chase & Co.	2.0
Honeywell International Inc.	2.0
Celgene Corp.	2.0
Medtronic Inc.	1.9
Lorillard Inc.	1.8
Pioneer Natural Resources Co.	1.8
Cigna Corp.	1.8
Visa Inc., Class A	1.8
The Walt Disney Company	1.7
Marathon Oil Corp.	1.6
The Coca-Cola Co.	1.6
Union Pacific Corp.	1.5
Cash & Cash Equivalents	1.5
Anadarko Petroleum Corp.	1.4
Kraft Foods Group Inc.	1.4
Comcast Corp., Class A	1.4
Top 25 Holdings	51.4

* The Fund invests substantially all of its assets directly in the RBC Private U.S. Large-Cap Core Equity Pool. The above are the Top 25 holdings of the RBC Private U.S. Large-Cap Core Equity Pool.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

The simplified prospectus and other information about the underlying fund are available on SEDAR website at www.sedar.com.

U.S. EQUITY

RBC PRIVATE U.S. SMALL-CAP EQUITY POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: Kennedy Capital Management, Inc., St. Louis, Missouri

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling us at 1-800-662-0652, by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting SEDAR at www.sedar.com. Security holders may also contact us to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term growth, primarily through capital appreciation, by investing in a portfolio of common stocks and equivalent securities of small- to mid-capitalization U.S. companies.

The Fund typically invests in companies that trade regularly on major U.S. stock exchanges. Investments are primarily within the Russell 2000 Index and are diversified across major industry sectors within minimum and maximum exposures. The Fund may not purchase or sell derivatives instruments, including options, futures and forwards.

Results of Operations

The Fund's net asset value was $238 million as of June 30, 2014.

Over the past six months, the Fund's Series O units gained 5.1% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

The stock market continued to be a rather speculative, trading-oriented market in the first half of 2014. In response, the sub-advisor traded more frequently than has been the norm, allowing the Fund to capture gains.

The sub-advisor benefited from companies that had been bought after being unduly punished for short-term negative news. Several of the Fund's top performers in the first half were bought in the past 18 months. These include ArthroCare, Cal-Maine Foods, Comstock Resources and Post Properties. The Fund continued to sell longer-term laggards such as Adtran, Bio Rad Labs, Masimo and Oplink Communications. All were sold because of their poor long-term performance.

The size of the Fund's allocation to health-care companies declined significantly in the first half of the year. Bio Rad Labs and Masimo were both health-care holdings as was ArthroCare, which was acquired. Another holding, Steris, did very well and was sold after reaching the sub-advisor's price target. The sub-advisor found better opportunities for the proceeds from these sales in other sectors. The Health Care sector is going through a period of change due to the new U.S. health-care law, and this makes choosing new holdings difficult.

The Fund's exposure to the Energy sector increased several percentage points in the first half of the year, mostly from stock gains in portfolio holdings rather than portfolio additions. The sub-advisor continues to be overweight the sector. Comstock Resources, an oil and gas producer, was added last year and was the Fund's best performer in the first half of 2014.

The Information Technology sector added to returns in the first half of the year, and the sub-advisor sold some long-term laggards in the sector. One newer holding, ATMI, was acquired and contributed to the Fund's performance, and OSI Systems also performed well.

Recent Developments

The sub-advisor has had success finding investments and has made several additions to the portfolio, including Cleco and Entegris, which have done well since they were acquired. Generally speaking, the Fund is generating a good number of new investment ideas. The sub-advisor continues to be relatively quick to lock in gains when a stock is at risk or when it reaches the sub-advisor's price target.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributor

RBC GAM is the principal distributor of the Fund, and RBC Dominion Securities Inc. also distributes units of the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

RBC IS and RBC GAM are registrars of the Fund and keep records of who owns the units of the Fund. The registrars also process orders and issue account statements.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**126.13**	**0.48**	**(0.97)**	**11.78**	**(5.90)**	**5.39**	**–**	**–**	**–**	**–**	**–**	**131.65**
Dec. 31, 2013	93.97	0.84	(1.75)	13.28	23.04	35.41	–	–	(3.35)	–	(3.35)	126.06
Dec. 31, 2012	86.98	0.93	(1.31)	8.13	(1.26)	6.49	–	–	–	–	–	93.97
Dec. 31, 2011	82.34	0.60	(1.22)	1.08	2.89	3.35	–	–	–	–	–	86.98
Dec. 31, 2010	67.46	0.62	(0.98)	3.99	12.41	16.04	–	(0.06)	–	–	(0.06)	82.34
Dec. 31, 2009	59.49	0.67	(0.85)	(2.18)	12.35	9.99	–	(0.03)	–	–	(0.03)	67.46
Series O												
June 30, 2014	**134.82**	**0.52**	**(0.08)**	**12.78**	**(6.40)**	**6.82**	**–**	**(0.45)**	**–**	**–**	**(0.45)**	**141.26**
Dec. 31, 2013	99.59	0.88	(0.13)	13.95	24.22	38.92	–	(0.86)	(3.35)	–	(4.21)	134.75
Dec. 31, 2012	91.55	0.95	(0.11)	8.35	(1.30)	7.89	–	(0.62)	–	–	(0.62)	99.59
Dec. 31, 2011	86.02	0.64	(0.10)	1.17	3.12	4.83	–	(0.50)	–	–	(0.50)	91.55
Dec. 31, 2010	70.08	0.63	(0.08)	4.03	12.53	17.11	–	(0.62)	–	–	(0.62)	86.02
Dec. 31, 2009	61.29	0.67	(0.07)	(2.20)	12.43	10.83	–	(0.47)	–	–	(0.47)	70.08

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series F							
June 30, 2014	**131.65**	**12**	**–**	**1.51**	**1.51**	**37.22**	**0.11**
Dec. 31, 2013	126.13	120	1	1.54	1.54	42.48	0.11
Dec. 31, 2012	94.55	51	1	1.42	1.42	21.83	0.06
Dec. 31, 2011	87.36	111	1	1.43	1.43	20.85	0.08
Dec. 31, 2010	82.45	3	–	1.41	1.41	29.92	0.07
Dec. 31, 2009	67.56	27	–	1.42	3.79	26.65	0.13
Series O							
June 30, 2014	**141.26**	**237 768**	**1 683**	**0.11**	**0.11**	**37.22**	**0.11**
Dec. 31, 2013	134.82	244 594	1 814	0.11	0.11	42.48	0.11
Dec. 31, 2012	100.21	182 734	1 824	0.11	0.11	21.83	0.06
Dec. 31, 2011	91.95	132 858	1 445	0.12	0.12	20.85	0.08
Dec. 31, 2010	86.14	86 477	1 004	0.11	0.11	29.92	0.07
Dec. 31, 2009	70.18	57 503	819	0.12	0.20	26.65	0.13

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series F units is payable by the Fund on a monthly basis and calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is 100% for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

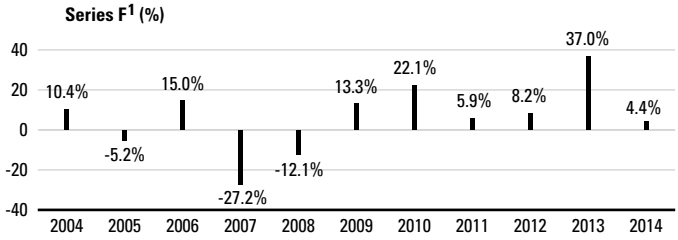
The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

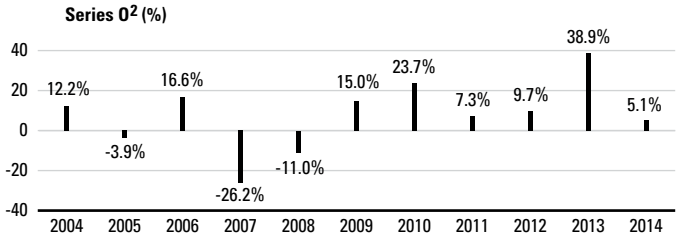
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





1 Inception date November 1, 2003.
2 Inception date August 21, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Information Technology	19.5
Financials	16.2
Industrials	15.1
Energy	11.4
Health Care	10.5
Consumer Discretionary	9.0
Materials	7.1
Utilities	3.7
Cash/Other	7.5

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	7.5
Comstock Resources Inc.	3.5
SM Energy Co.	3.3
Woodward Inc.	3.3
West Pharmaceutical Services Inc.	2.9
OSI Systems Inc.	2.8
Cloud Peak Energy Inc.	2.7
Cleco Corporation	2.5
Helen Of Troy Ltd.	2.5
The Children's Place Inc.	2.5
Analogic Corp.	2.4
Microsemi Corp.	2.4
LSB Industries Inc.	2.4
UMB Financial Corp.	2.4
Hill-Rom Holdings Inc.	2.2
Sykes Enterprises Inc.	2.1
Innophos Holdings Inc.	2.1
Northfield Bancorp Inc.	2.1
Regal-Beloit Corp.	2.1
Itron Inc.	2.0
Clarcor Inc.	2.0
Barnes Group Inc.	2.0
Harmonic Inc.	2.0
Mistras Group Inc.	2.0
Bill Barrett Corp.	1.9
Top 25 Holdings	65.6

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

INTERNATIONAL EQUITY

RBC PRIVATE INTERNATIONAL EQUITY POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: RBC Global Asset Management (UK) Limited, London, England

Sub-Advisor: RBC Investment Management (Asia) Limited, Hong Kong, China

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling us at 1-800-662-0652, by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting SEDAR at www.sedar.com. Security holders may also contact us to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund aims to provide long-term capital growth by investing in stocks of companies outside North America, providing exposure to economies that may be at different stages of the business cycle or offer growth opportunities unavailable in U.S. and Canadian markets. The Fund focuses on companies that are primarily in Europe, Australasia and the Far East.

Results of Operations

The Fund's net asset value was $161 million as of June 30, 2014.

Over the past six months, the Fund's Series O units gained 1.2% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

European stocks performed well during the first half of 2014, driven by an improving U.K. economy and early signs of an economic recovery in the Eurozone. After a strong start to the year, Eurozone equities dropped in February on concern that deflation was starting to take root, prompting the European Central Bank (the "ECB") to hint that it would take steps to bolster asset prices, and these measures were delivered in June. Russia's seizure of the Crimea from Ukraine in March also weighed on stocks. The backdrop in Asia was more challenging amid concerns about China's slowing economy and excessive debt levels in the world's second-largest economy. Japanese stocks were among the worst in developed-market equity markets as the yen strengthened and investors became less optimistic that economic reforms would be enacted.

The Fund's performance in Europe was held back by the portfolio's relative lack of exposure to large-cap companies such as Unilever and AB-InBev, whose stocks improved after a period of weakness. Instead, the Fund favoured high-quality mid-cap companies that perform best during the early stages of an economic expansion. Toward the end of the period, the sub-advisor increased exposure to the larger-cap companies on indications that economic growth may soon slow in Germany and Europe's other strong economies. Stocks that contributed strongly to performance during the period were Novo Nordisk and ACS. The biggest detractors were Rio Tinto and clothes retailer SuperGroup.

In Asia, the Fund performed somewhat poorly on a relative basis during the period, largely because of the negative effect of Japanese stock selection, while in the rest of Asia on balance the Fund had more success. The markets remained fairly volatile over the period, particularly the large North Asian markets of Japan and China, which were weak in the first quarter but bounced back in the subsequent three months.

At the company level, Jardine Matheson, the Hong Kong-based conglomerate, had a positive impact on the Fund's returns, as did allocations to companies in Thailand. Stock selection in South Korea had a negative impact on relative performance. Samsung Heavy Industries fell on declining demand for offshore-production facilities and drillships. The relatively weak environment prompted the sub-advisor to ensure that the portfolio had significant exposure to higher-quality companies with strong balance sheets and solid management.

Recent Developments

Currency movements and politics are areas to which the sub-advisor is paying close attention. In the Eurozone, ECB President Mario Draghi has embarked on a new round of ultra-loose monetary policy that appears to have weakened the euro for now. A weakening euro would be good for corporate profits in the Eurozone. In Britain, the pound has been very strong on speculation that Bank of England Governor Mark Carney might increase interest rates earlier than was previously expected. The pound's strength has hurt U.K. companies that derive a large portion of their income from abroad, and further strengthening would further reduce the profitability of these holdings.

Financial markets have largely ignored geopolitical issues involving Russia and Ukraine, and this is likely to continue unless the conflict erupts into a fully fledged war. The U.S. is showing further signs of economic recovery, and Europe's economy appears to be gaining traction with the potential for further easing by the ECB. The main issues facing Asian markets remain the impact of excessive credit and rising non-performing loans in China, and the likelihood of further policy action in Japan. Markets in other Asian countries will depend on election outcomes.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Sub-Advisors

RBC Global Asset Management (UK) Limited and RBC Investment Management (Asia) Limited are the sub-advisors and provide investment advice for the Fund.

Distributor

RBC GAM is the principal distributor of the Fund. Royal Mutual Funds Inc. and RBC Dominion Securities Inc. also distribute units of the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrar

RBC IS is the registrar of the Fund and keeps records of who owns the units of the Fund. The registrar also processes orders and issues account statements.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $25,000 (2013 – $0) or 5% (2013 – 0%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**31.44**	**0.42**	**(0.15)**	**1.73**	**(1.83)**	**0.17**	**–**	**(0.28)**	**–**	**–**	**(0.28)**	**31.40**
Dec. 31, 2013	24.33	0.72	(0.27)	1.35	6.07	7.87	–	(0.41)	–	–	(0.41)	31.44
Dec. 31, 2012	20.88	0.68	(0.22)	0.05	3.39	3.90	–	(0.45)	–	–	(0.45)	24.33
Dec. 31, 2011	23.95	0.67	(0.22)	(0.26)	(2.88)	(2.69)	–	(0.43)	–	–	(0.43)	20.88
Dec. 31, 2010	23.61	0.52	(0.21)	(0.74)	1.00	0.57	–	(0.31)	–	–	(0.31)	23.95
Dec. 31, 2009	21.86	0.69	(0.20)	(3.23)	5.16	2.42	–	(0.48)	–	–	(0.48)	23.61
Series O												
June 30, 2014	**31.56**	**0.42**	**(0.03)**	**1.73**	**(1.83)**	**0.29**	**–**	**(0.41)**	**–**	**–**	**(0.41)**	**31.52**
Dec. 31, 2013	24.41	0.71	(0.05)	1.33	6.01	8.00	–	(0.63)	–	–	(0.63)	31.56
Dec. 31, 2012	20.93	0.68	(0.04)	0.05	3.38	4.07	–	(0.61)	–	–	(0.61)	24.41
Dec. 31, 2011	24.02	0.67	(0.04)	(0.26)	(2.89)	(2.52)	–	(0.62)	–	–	(0.62)	20.93
Dec. 31, 2010	23.67	0.52	(0.04)	(0.75)	1.00	0.73	–	(0.49)	–	–	(0.49)	24.02
Dec. 31, 2009	21.90	0.69	(0.03)	(3.25)	5.19	2.60	–	(0.69)	–	–	(0.69)	23.67

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series F							
June 30, 2014	**31.40**	**10 687**	**340**	**0.97**	**0.97**	**90.04**	**0.56**
Dec. 31, 2013	31.44	10 027	319	0.98	0.98	54.80	0.38
Dec. 31, 2012	24.33	6 725	276	0.97	0.97	80.70	0.41
Dec. 31, 2011	20.88	6 918	331	0.98	0.98	118.72	0.66
Dec. 31, 2010	23.95	8 956	374	0.96	0.96	130.69	0.63
Dec. 31, 2009	23.61	11 396	483	0.95	1.37	158.44	0.76
Series O							
June 30, 2014	**31.52**	**149 939**	**4 757**	**0.17**	**0.17**	**90.04**	**0.56**
Dec. 31, 2013	31.56	128 188	4 062	0.17	0.17	54.80	0.38
Dec. 31, 2012	24.42	58 827	2 409	0.17	0.17	80.70	0.41
Dec. 31, 2011	20.93	41 824	1 999	0.18	0.18	118.72	0.66
Dec. 31, 2010	24.02	55 472	2 310	0.17	0.17	130.69	0.63
Dec. 31, 2009	23.67	62 924	2 658	0.15	0.33	158.44	0.76

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series F units is payable by the Fund on a monthly basis and calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is 100% for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

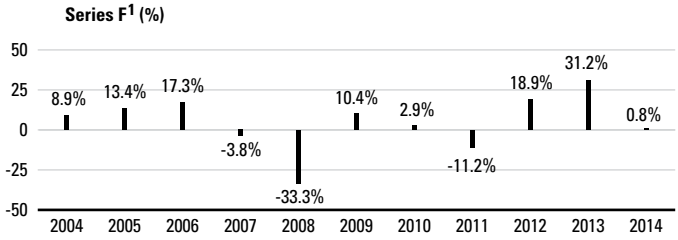
The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

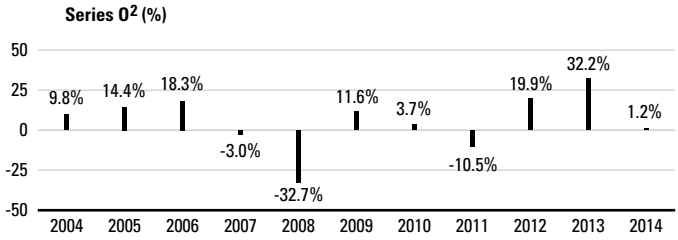
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





1 Inception date November 1, 2003.
2 Inception date August 21, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United Kingdom	26.9
Japan	19.2
Other Countries	7.5
Germany	7.4
Switzerland	6.6
Netherlands	6.0
Australia	5.2
Hong Kong	4.5
France	3.8
Belgium	3.8
Spain	3.7
Denmark	3.5
Cash/Other	1.9

Top 25 Holdings

	% of Net Asset Value
Roche Holdings AG Genusscheine	3.1
Royal Dutch Shell Plc., A Shares	3.1
InBev N.V.	2.9
Unilever Plc.	2.8
Novo Nordisk A/S	2.6
Shire Plc.	2.6
BP Plc.	2.3
Rio Tinto Plc.	2.2
Henkel KGaA, Preferred Non-Voting	2.1
Elsevier N.V.	2.0
Sampo OYJ	1.9
Bayer AG	1.8
Daily Mail & General Trust Plc.	1.8
BT Group Plc.	1.7
ACS Actividades Construccion y Servicios S.A.	1.7
Christian Dior S.A.	1.6
ING Groep N.V.	1.6
Koninklijke KPN N.V.	1.6
Tencent Holdings Ltd.	1.4
Cash & Cash Equivalents	1.4
SoftBank Corp.	1.3
Diageo Plc.	1.3
Safran S.A.	1.3
Toyota Motor Corp.	1.3
London Stock Exchange Group Plc.	1.3
Top 25 Holdings	48.7

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

INTERNATIONAL EQUITY

RBC PRIVATE EAFE EQUITY POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: EARNEST Partners, LLC, Atlanta, Georgia

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling us at 1-800-662-0652, by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting SEDAR at www.sedar.com. Security holders may also contact us to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term growth primarily through capital appreciation by investing in a portfolio of common stocks, American Depository Receipts ("ADRs") and equivalent securities of major companies domiciled in the developed countries of Europe, Australasia and the Far East ("EAFE").

The Fund selects medium- to large-capitalization companies which, in aggregate, normally exhibit lower price/earnings and price/cash flow ratios than the Morgan Stanley Capital International ("MSCI") EAFE Index. The Fund diversifies by region and sector within certain minimum and maximum exposures and may use derivatives for currency hedging purposes.

Results of Operations

The Fund's net asset value was $301 million as of June 30, 2014.

Over the past six months, the Fund's Series O units gained 3.8% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Global stock markets rose during the first half of 2014, led by developed-market equities. During the period, the European Central Bank reduced its benchmark interest rate and began charging banks on deposits held at the central bank to encourage lending. A decrease in negative sentiment and lack of macroeconomic headwinds contributed to gains in emerging markets, which had fallen in 2013. Many emerging-market central banks took action to stem currency weakness by raising interest rates. Brazil, for example, continued to raise its benchmark interest rate, which has climbed to 11% from about 8% over the past year. In China, a significant decline in lending to areas of the economy believed to have excess capacity alleviated investor concern that a "bubble" might develop.

The Fund's overweight position in emerging markets contributed to performance. Emerging-market holdings in the Financials sector rebounded during the quarter after a challenging 2013, with many emerging-market bank stocks posting double-digit returns as the U.S. dollar rally abated somewhat. Overall, the Fund's overweight position in the Health Care sector contributed to performance, while an underweight position in the Utilities sector had a negative impact on returns as falling interest rates pushed up shares of companies in the sector. The latter two sectors were the top performers during the period.

The portfolio's relative lack of exposure to France, Spain, and Australia – three of the better-performing developed markets – also hurt performance.

Recent Developments

While economies in the Eurozone have largely stabilized, economic growth remains modest at less than 1%. Europe faces a new challenge following Russia's annexation of Crimea in southern Ukraine. European governments have responded by implementing minor sanctions against Russia. Any further escalation of these sanctions would likely threaten the European economy, as Russia supplies nearly one-third of Europe's oil and gas.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund. RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributor

RBC GAM is the principal distributor of the Fund, and RBC Dominion Securities Inc. also distributes units of the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

RBC IS and RBC GAM are registrars of the Fund and keep records of who owns the units of the Fund. The registrars also process orders and issue account statements.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. These related-party commissions were $1,000 (2013 – $0) or 1% (2013 – 0%) of the total transaction costs paid for this Fund.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**10.91**	**0.16**	**(0.07)**	**0.08**	**0.17**	**0.34**	**–**	**(0.08)**	**–**	**–**	**(0.08)**	**11.18**
Dec. 31, 2013	8.87	0.20	(0.12)	0.06	2.01	2.15	–	(0.08)	–	–	(0.08)	10.91
Dec. 31, 2012	7.83	0.17	(0.10)	(0.07)	1.08	1.08	–	(0.07)	–	–	(0.07)	8.87
Dec. 31, 2011	8.51	0.38	(0.10)	(1.75)	1.09	(0.38)	–	(0.28)	–	–	(0.28)	7.83
Dec. 31, 2010	9.32	0.34	(0.10)	(0.53)	(0.39)	(0.68)	–	(0.27)	–	–	(0.27)	8.51
Dec. 31, 2009	9.27	0.37	(0.11)	(0.47)	0.79	0.58	–	(0.23)	–	–	(0.23)	9.32
Series O												
June 30, 2014	**10.95**	**0.16**	**–**	**0.08**	**0.17**	**0.41**	**–**	**(0.15)**	**–**	**–**	**(0.15)**	**11.21**
Dec. 31, 2013	8.89	0.20	(0.01)	0.06	2.00	2.25	–	(0.18)	–	–	(0.18)	10.94
Dec. 31, 2012	7.84	0.17	(0.01)	(0.07)	1.08	1.17	–	(0.17)	–	–	(0.17)	8.89
Dec. 31, 2011	8.54	0.38	(0.01)	(1.75)	1.09	(0.29)	–	(0.38)	–	–	(0.38)	7.84
Dec. 31, 2010	9.34	0.35	(0.01)	(0.53)	(0.39)	(0.58)	–	(0.37)	–	–	(0.37)	8.54
Dec. 31, 2009	9.29	0.37	(0.01)	(0.48)	0.80	0.68	–	(0.35)	–	–	(0.35)	9.34

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series F							
June 30, 2014	**11.18**	**5 957**	**533**	**1.22**	**1.22**	**8.64**	**0.04**
Dec. 31, 2013	10.91	6 773	621	1.23	1.23	11.08	0.07
Dec. 31, 2012	8.87	6 204	699	1.24	1.24	12.74	0.05
Dec. 31, 2011	7.83	4 404	562	1.25	1.25	101.19	0.17
Dec. 31, 2010	8.51	4 895	575	1.22	1.22	14.91	0.05
Dec. 31, 2009	9.32	9 025	969	1.21	1.60	15.53	0.06
Series O							
June 30, 2014	**11.21**	**294 644**	**26 290**	**0.09**	**0.09**	**8.64**	**0.04**
Dec. 31, 2013	10.95	288 265	26 338	0.09	0.09	11.08	0.07
Dec. 31, 2012	8.89	191 962	21 598	0.09	0.09	12.74	0.05
Dec. 31, 2011	7.85	156 231	19 899	0.09	0.09	101.19	0.17
Dec. 31, 2010	8.54	196 985	23 066	0.09	0.09	14.91	0.05
Dec. 31, 2009	9.34	289 277	30 970	0.08	0.09	15.53	0.06

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series F units is payable by the Fund on a monthly basis and calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is 100% for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

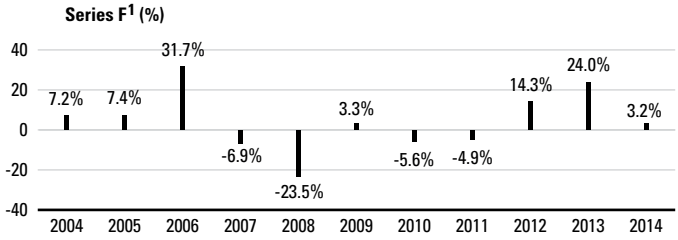
The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

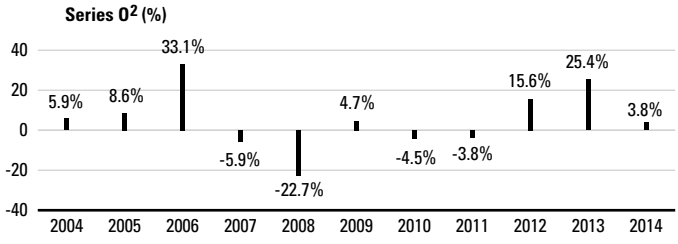
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





[1] Inception date November 1, 2003.
[2] Inception date August 21, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United Kingdom	16.9
Other Countries	10.5
Japan	10.1
Norway	7.5
Switzerland	6.2
United States	5.2
Austria	5.1
China	4.4
Sweden	4.1
Ireland	3.7
Germany	3.6
Netherlands	3.3
Australia	3.3
South Korea	3.2
Spain	2.7
Italy	2.3
Taiwan	2.3
France	2.2
Cash/Other	3.4

Top 25 Holdings

	% of Net Asset Value
Shire Plc.	5.0
ARM Holdings Plc. ADR	3.9
ICON Plc.	3.7
Core Laboratories N.V.	3.3
Cash & Cash Equivalents	3.2
Roche Holdings AG Genusscheine	2.8
DnB ASA	2.8
Amadeus IT Holding S.A.	2.7
Denso Corp.	2.7
Schoeller-Bleckmann Oilfield Equipment AG	2.6
Everest Re Group Ltd.	2.5
Diageo Plc.	2.5
BASF AG	2.4
Advanced Semiconductor Engineering Inc. ADR	2.3
Luxottica Group S.p.A. ADR	2.3
Statoil ASA ADR	2.3
Getinge AB	2.2
Secom Co. Ltd.	2.1
Novartis AG	2.1
Unilever Plc.	2.0
Telefonaktiebolaget LM Ericsson ADR	2.0
HSBC Holdings Plc. (U.K. Reg.)	2.0
BHP Billiton Ltd. ADR	1.8
Erste Bank Der Oesterreichischen Sparkassen AG	1.7
Hitachi Ltd.	1.7
Top 25 Holdings	64.6

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

INTERNATIONAL EQUITY

RBC PRIVATE OVERSEAS EQUITY POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: Edinburgh Partners Limited, Edinburgh, Scotland

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

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The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term total returns through capital appreciation by investing in equity securities of companies domiciled primarily in the developed nations of Europe, Australasia and the Far East. It may also invest in equity securities of companies domiciled in other parts of the world, excluding Canada and the U.S.

The Fund diversifies its holdings by region and sector within certain minimum and maximum exposures and may use derivatives for currency hedging purposes. It may invest no more than 20% of its assets in securities of companies domiciled in emerging markets.

Results of Operations

The Fund's net asset value was $232 million as of June 30, 2014.

Over the past six months, the Fund's Series O units gained 3.8% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

European equities continued their recovery in 2014. While progress was erratic, there was more evidence of improvement in economic conditions, especially in Spain, Ireland and other weaker economies. The introduction of a reform-minded Italian prime minister was a further welcome development. Toward the end of the period, the European Central Bank introduced measures aimed at improving credit conditions. After a strong performance in 2013, Japanese equities traded lower in 2014 due in part to the slow pace of structural reforms and the impact of an increase in the consumption tax implemented in April.

Performance was led by the Telecommunication Services sector, where Orange (formerly France Telecom) stood out. Health Care was also a strong contributor, with AstraZeneca and Novartis performing well. At the geographical level, Europe was the best-performing region, whereas Japan was the worst.

The Fund's exposures were broadly unchanged geographically over the period, but at the sector level the sub-advisor significantly increased exposure to Health Care. The addition of Novartis, Roche and Sanofi to the portfolio, along with existing holdings AstraZeneca and Fresenius Medical Care, mean that the Health Care sector now represents between 10% and 15% of the Fund's assets. This change was driven by the sub-advisor's view that prospects for drug discovery and innovation are much improved due to scientific advances. The Fund reduced holdings in cyclical stocks such as Tokyo Electron and shipper Maersk, and the portfolio is now slightly less exposed than it was to economic growth.

Recent Developments

The Fund is exposed to the Ukrainian conflict through its holding in Russian gas supplier Gazprom, whose stock declined after Russia seized the Crimea region from Ukraine. Europe relies on Russia for much of its gas supplies, and the sub-advisor believes that the mutual dependency between Europe and Russia – which needs the foreign currency generated by sales to Europe – is likely to lead to a political solution. However, the turmoil in Ukraine is a reminder of the potential for equity markets to be upset by geopolitical risks.

The sub-advisor maintains the view that Japanese corporations are committed to increasing wages and investment, that a domestic recovery of sorts has emerged and that some modest inflation is taking root. The sub-advisor therefore remains positive on the prospects for Japanese equities.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
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Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrars

RBC IS and RBC GAM are registrars of the Fund and keep records of who owns the units of the Fund. The registrars also process orders and issue account statements.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**9.42**	**0.26**	**(0.06)**	**0.50**	**(0.40)**	**0.30**	**–**	**(0.17)**	**–**	**–**	**(0.17)**	**9.55**
Dec. 31, 2013	7.18	0.20	(0.11)	0.38	1.97	2.44	–	(0.09)	–	–	(0.09)	9.42
Dec. 31, 2012	6.39	0.22	(0.09)	(0.34)	1.14	0.93	–	(0.15)	–	–	(0.15)	7.18
Dec. 31, 2011	7.46	0.24	(0.08)	(0.48)	(0.69)	(1.01)	–	(0.14)	–	–	(0.14)	6.39
Dec. 31, 2010	7.80	0.21	(0.09)	0.06	(0.30)	(0.12)	–	(0.16)	–	–	(0.16)	7.46
Dec. 31, 2009	7.10	0.21	(0.09)	0.02	0.73	0.87	–	(0.10)	–	–	(0.10)	7.80
Series O												
June 30, 2014	**9.53**	**0.26**	**(0.01)**	**0.50**	**(0.40)**	**0.35**	**–**	**(0.23)**	**–**	**–**	**(0.23)**	**9.66**
Dec. 31, 2013	7.25	0.20	(0.01)	0.38	1.97	2.54	–	(0.18)	–	–	(0.18)	9.53
Dec. 31, 2012	6.46	0.23	(0.01)	(0.35)	1.16	1.03	–	(0.22)	–	–	(0.22)	7.25
Dec. 31, 2011	7.56	0.24	(0.01)	(0.48)	(0.69)	(0.94)	–	(0.24)	–	–	(0.24)	6.46
Dec. 31, 2010	7.83	0.20	(0.01)	0.05	(0.30)	(0.06)	–	(0.18)	–	–	(0.18)	7.56
Dec. 31, 2009	7.13	0.21	(0.01)	0.02	0.74	0.96	–	(0.19)	–	–	(0.19)	7.83

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series F							
June 30, 2014	**9.55**	**333**	**35**	**1.30**	**1.30**	**35.52**	**0.16**
Dec. 31, 2013	9.42	319	34	1.30	1.30	25.06	0.14
Dec. 31, 2012	7.18	206	29	1.29	1.29	38.90	0.13
Dec. 31, 2011	6.39	194	30	1.29	1.29	37.23	0.13
Dec. 31, 2010	7.46	207	28	1.22	1.22	32.44	0.16
Dec. 31, 2009	7.80	518	66	1.22	1.51	36.49	0.19
Series O							
June 30, 2014	**9.66**	**231 788**	**23 995**	**0.16**	**0.16**	**35.52**	**0.16**
Dec. 31, 2013	9.53	193 093	20 264	0.17	0.17	25.06	0.14
Dec. 31, 2012	7.25	102 157	14 082	0.17	0.17	38.90	0.13
Dec. 31, 2011	6.46	93 036	14 395	0.16	0.16	37.23	0.13
Dec. 31, 2010	7.56	152 880	20 210	0.16	0.16	32.44	0.16
Dec. 31, 2009	7.83	131 287	16 760	0.16	0.16	36.49	0.19

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series F units is payable by the Fund on a monthly basis and calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is 100% for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

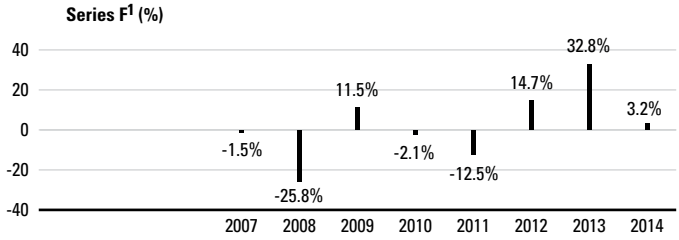
The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

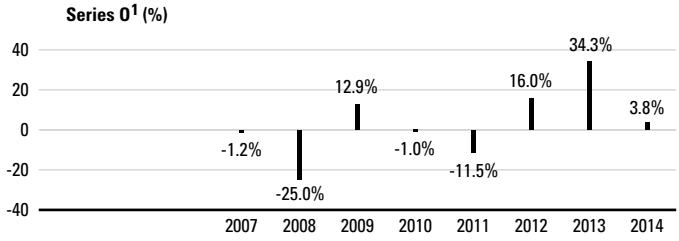
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





[1] Inception date August 29, 2007.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
Japan	33.8
United Kingdom	18.6
Germany	7.2
Switzerland	7.2
Hong Kong	5.3
Netherlands	4.9
Other Countries	4.4
Italy	4.4
Singapore	4.3
Denmark	2.8
France	2.5
Thailand	2.5
Cash/Other	2.1

Top 25 Holdings

	% of Net Asset Value
KDDI Corporation	3.2
AstraZeneca Plc.	2.8
Novartis AG	2.8
TDC A/S	2.8
Hutchison Whampoa Ltd.	2.8
East Japan Railway Company	2.7
Volkswagen AG	2.7
Japan Tobacco Inc.	2.7
Panasonic Corp.	2.7
Yamaha Motor Co. Ltd.	2.6
Toyota Motor Corp.	2.6
BG Group Plc.	2.6
Sumitomo Mitsui Financial Group Inc.	2.6
Royal Dutch Shell Plc., A Shares	2.6
Unilever N.V.	2.5
Fresenius Medical Care AG & Co. KGaA	2.5
Swire Pacific Ltd. 'A'	2.5
Sanofi	2.5
Bangkok Bank PCL	2.5
DBS Group Holdings Ltd.	2.5
ENI S.p.A.	2.5
Sumitomo Electric Industries Ltd.	2.5
Bridgestone Corp.	2.4
Heineken N.V.	2.4
Sumitomo Mitsui Trust Holdings Inc.	2.4
Top 25 Holdings	65.4

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

GLOBAL EQUITY

RBC PRIVATE WORLD EQUITY POOL

June 30, 2014

Portfolio Manager *RBC Global Asset Management Inc. ("RBC GAM")*

Sub-Advisor: Capital Guardian Trust Company, Los Angeles, California

The Board of Directors of RBC Global Asset Management Inc. approved this semi-annual management report of fund performance on August 12, 2014.

A Note on Forward-looking Statements

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

This semi-annual management report of fund performance ("MRFP") contains financial highlights but does not contain either the complete semi-annual financial statements or the complete annual financial statements of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling us at 1-800-662-0652, by writing to us at RBC Global Asset Management Inc., P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9, or by visiting SEDAR at www.sedar.com. Security holders may also contact us to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The Fund seeks to provide long-term growth primarily through capital appreciation by investing in a portfolio of common stocks, American Depository Receipts ("ADRs") and equivalent securities of companies domiciled in the U.S. and the developed countries of Europe, Australasia and the Far East ("EAFE").

The Fund invests in companies considered to have superior management, superior prospects for earnings growth or cash flow, long-term value in a competitive market position, asset value, new product potential and global market expansion. The Fund diversifies by region and sector within minimum and maximum exposures. The Fund will usually not invest more than 10% of the market value of the Fund in emerging markets, defined as those markets not in the MSCI World Equity Index.

Results of Operations

The Fund's net asset value was $221 million as of June 30, 2014.

Over the past six months, the Fund's Series O units gained 4.4% after the deduction of operating expenses. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of other series, if any, which may vary because of differences in management fees and expenses.

Global stocks posted moderate gains in the first six months of 2014 amid healthy corporate earnings and rising mergers-and-acquisitions activity in the U.S. and Europe. Signs of continued improvement in developed economies helped offset concerns about slower growth in China.

Oilfield-services companies Halliburton and Schlumberger were among the Fund's top contributors, as the development in North America of oil and gas deposits extracted from shale rock kept demand for oil and drilling equipment strong. Pharmaceuticals company Novo-Nordisk also contributed to results as it maintained its dominance in diabetes treatment.

Coach had the biggest negative impact on the Fund's returns during the six-month period. Shares of the maker of handbags and accessories declined after new designs failed to sell as well as expected. This holding was recently eliminated from the portfolio, reflecting concerns about management's ability to revive the brand.

Recent Developments

The sub-advisor believes that stocks remain relatively attractive and remains focused on companies that are positioned to benefit from long-term trends. One example of this is electronic payments. By 2015, the number of American and Chinese online shoppers is expected to triple from present levels, creating a much greater need for increased online security. During the six-month period, the sub-advisor added Gemalto, a Netherlands-based provider of digital-security services that should benefit from this trend.

The Health Care sector is one where the sub-advisor has been able to apply its research-based investing approach to identifying companies whose treatments have the potential to address unmet patient needs or improve on currently available drugs. Although many companies in the Health Care sector face patent expiries and too-high costs, the sub-advisor was focused on finding those with what it believes are the best prospects for long-term growth.

Related-Party Transactions

Manager, Trustee and Portfolio Advisor

RBC GAM is an indirect, wholly owned subsidiary of Royal Bank of Canada ("Royal Bank") and is the manager, trustee and portfolio advisor of the Fund. RBC GAM is responsible for the Fund's day-to-day operations, holds title to the Fund's property on behalf of its unitholders, provides investment advice and portfolio management services to the Fund and appoints distributors for the Fund.
RBC GAM is paid a management fee by the Fund as compensation for its services. The Fund pays a fixed administration fee to RBC GAM, which, in turn, pays certain operating expenses of the Fund.

Affiliates of RBC GAM that provide services to the Fund in the course of their normal businesses are discussed below.

Distributor

RBC GAM is the principal distributor of the Fund, and RBC Dominion Securities Inc. also distributes units of the Fund.

Custodian

RBC Investor Services Trust ("RBC IS") is the custodian and holds the assets of the Fund.

Registrar

RBC IS is the registrar of the Fund and keeps records of who owns the units of the Fund. The registrar also processes orders and issues account statements.

Brokerage

The Fund has established standard brokerage agreements at market rates with related-party dealers. There were no related-party commissions.

Other Related-Party Transactions

Pursuant to applicable securities legislation, the Fund relied on the standing instructions from the Board of Governors ("BoG") in its capacity as the Independent Review Committee with respect to one or more of the following transactions:

Related-Party Trading Activities

(a) trades in securities of Royal Bank;

(b) investments in the securities of issuers for which a related-party dealer acted as an underwriter during the distribution of such securities and the 60-day period following the conclusion of such distribution of the underwritten securities to the public;

(c) purchases of equity and debt securities from or sales of equity or debt securities to a related-party dealer, where it acted as principal; and

Inter-Fund Trading

(d) purchases or sales of securities of an issuer from or to another investment fund or managed account managed by RBC GAM.

The applicable standing instructions require that Related-Party Trading Activities and Inter-Fund Trading be conducted in accordance with RBC GAM policy and that RBC GAM advise the BoG of a material breach of any standing instruction. RBC GAM policy requires that an investment decision in respect of Related-Party Trading Activities (i) is made free from any influence of Royal Bank or its associates or affiliates and without taking into account any consideration relevant to Royal Bank or its affiliates or associates, (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Fund. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months (noted by June 30, 2014), and for the past five years or for the periods since inception. This information is derived from the Fund's unaudited semi-annual financial statements and audited annual financial statements. For financial years beginning on or after January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). For financial years prior to January 1, 2014, financial highlight information is derived from financial statements prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). "Net Assets" are calculated in accordance with GAAP, and "Net Asset Value" is derived from the valuation method disclosed in the RBC Funds Annual Information Form and is used for transactional purposes (see Ratios and Supplemental Data). All other calculations for the purposes of this MRFP are made using Net Asset Value. There is no significant difference between "Net Assets" and "Net Asset Value" under IFRS.

Change in Net Assets Per Unit ($)

		Increase (Decrease) from Operations[1]					Annual Distributions[2]					
For the Year/ Period Ended	Net Assets Beginning of Year/Period	Total Revenue (Loss)	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total	From Income (Excluding Dividends)	From Dividends	From Capital Gains	Return of Capital	Total	Net Assets End of Year/Period
Series F												
June 30, 2014	**167.71**	**1.81**	**(1.08)**	**3.39**	**2.13**	**6.25**	**–**	**(0.70)**	**–**	**–**	**(0.70)**	**173.40**
Dec. 31, 2013	126.37	2.35	(1.85)	4.91	38.42	43.83	–	(0.54)	–	–	(0.54)	167.70
Dec. 31, 2012	112.01	2.45	(1.51)	0.32	14.22	15.48	–	(0.95)	–	–	(0.95)	126.37
Dec. 31, 2011	116.86	2.06	(1.39)	(1.97)	(3.22)	(4.52)	–	(0.60)	–	–	(0.60)	112.01
Dec. 31, 2010	111.32	2.04	(1.33)	0.52	4.87	6.10	–	(0.58)	–	–	(0.58)	116.86
Dec. 31, 2009	101.59	2.22	(1.22)	(8.04)	18.23	11.19	–	(0.96)	–	–	(0.96)	111.32
Series O												
June 30, 2014	**168.09**	**1.82**	**(0.14)**	**3.39**	**2.14**	**7.21**	**–**	**(1.68)**	**–**	**–**	**(1.68)**	**173.77**
Dec. 31, 2013	126.49	2.31	(0.25)	4.83	37.79	44.68	–	(1.96)	–	–	(1.96)	168.08
Dec. 31, 2012	112.05	2.44	(0.20)	0.32	14.16	16.72	–	(2.21)	–	–	(2.21)	126.49
Dec. 31, 2011	116.86	2.06	(0.19)	(1.97)	(3.22)	(3.32)	–	(1.82)	–	–	(1.82)	112.05
Dec. 31, 2010	111.31	2.05	(0.18)	0.52	4.87	7.26	–	(1.76)	–	–	(1.76)	116.86
Dec. 31, 2009	101.40	2.22	(0.16)	(8.03)	18.21	12.24	–	(2.00)	–	–	(2.00)	111.31

[1] Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

[2] Distributions are reinvested in additional units of the Fund or paid in cash.

FINANCIAL HIGHLIGHTS (cont.)

Ratios and Supplemental Data

As at	Net Asset Value Per Unit ($)	Net Asset Value ($000s)	Number of Units Outstanding (000s)	Management Expense Ratio (%)[1]	MER Before Absorption (%)[1]	Portfolio Turnover Rate (%)[2]	Trading Expense Ratio (%)[3]
Series F							
June 30, 2014	**173.40**	**5 698**	**33**	**1.27**	**1.27**	**24.49**	**0.04**
Dec. 31, 2013	167.71	5 490	33	1.28	1.28	25.27	0.09
Dec. 31, 2012	126.39	4 562	36	1.27	1.27	21.95	0.04
Dec. 31, 2011	112.02	4 293	38	1.28	1.28	27.79	0.06
Dec. 31, 2010	116.88	4 624	40	1.25	1.25	27.34	0.05
Dec. 31, 2009	111.36	4 291	39	1.21	1.41	24.87	0.08
Series O							
June 30, 2014	**173.77**	**214 889**	**1 237**	**0.17**	**0.17**	**24.49**	**0.04**
Dec. 31, 2013	168.09	190 309	1 132	0.17	0.17	25.27	0.09
Dec. 31, 2012	126.51	93 995	743	0.17	0.17	21.95	0.04
Dec. 31, 2011	112.06	65 446	584	0.17	0.17	27.79	0.06
Dec. 31, 2010	116.88	63 238	541	0.17	0.17	27.34	0.05
Dec. 31, 2009	111.36	57 306	515	0.15	0.19	24.87	0.08

[1] The management expense ratio ("MER") is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. RBC GAM may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption by RBC GAM of certain operating expenses, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by RBC GAM.

[2] The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

[3] The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. The trading expense ratio is not applicable to fixed-income transactions.

Management Fees

RBC GAM is the manager, trustee and portfolio advisor of the Fund. The management fee in respect of Series F units is payable by the Fund on a monthly basis and calculated at the applicable annual percentages, before GST/HST, of the daily net asset value of Series F units of the Fund. The management fee in respect of Series F units is 100% for management, investment advisory services, general administration and profit. No amount is paid out of the management fee for distribution services.

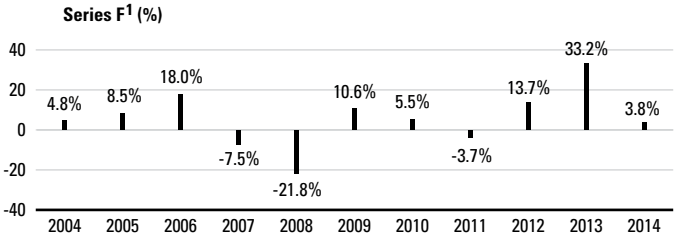
The management fee in respect of Series O units is payable directly to RBC GAM by unitholders or distributors, and therefore is not charged to the Fund.

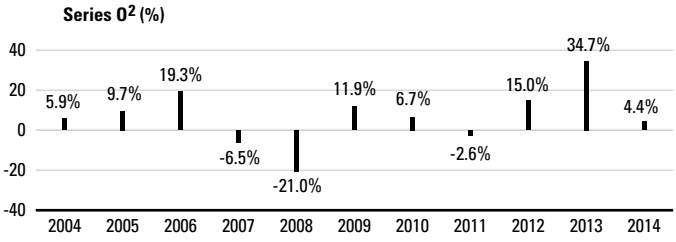
PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not take into account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. Past performance does not necessarily indicate how the Fund may perform in the future.

Year-by-Year Returns (%)

The bar chart indicates the Fund's performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the end of the financial year or interim period.





1 Inception date November 1, 2003.
2 Inception date August 21, 2003.

For the 12-month periods ended December 31 and the six-month period ended June 30, 2014.

SUMMARY OF INVESTMENT PORTFOLIO

(after consideration of derivative products, if any)
As at June 30, 2014

Investment Mix

	% of Net Asset Value
United States	46.9
Japan	10.5
United Kingdom	7.8
France	6.6
Switzerland	6.0
Other Countries	4.8
Netherlands	3.8
Germany	2.8
Denmark	2.3
Hong Kong	2.1
South Korea	1.8
Cash/Other	4.6

Top 25 Holdings

	% of Net Asset Value
Cash & Cash Equivalents	4.5
Gilead Sciences Inc.	4.5
Schlumberger Ltd.	2.8
Keyence Corp.	2.4
Novo Nordisk A/S	2.3
AIA Group Ltd.	2.1
Nestlé S.A.	1.9
Eaton Corp Plc.	1.9
Bayer AG	1.9
Unilever Plc.	1.8
Samsung Electronics Co. Ltd. GDR	1.8
The Goldman Sachs Group Inc.	1.7
Boeing Co.	1.7
Bristol-Myers Squibb Co.	1.7
Nielsen N.V.	1.7
Comcast Corp., Class A	1.7
Cie Financiere Richemont S.A.	1.6
Home Depot Inc.	1.5
Hitachi Ltd.	1.5
Assa Abloy AB	1.4
Monsanto Co.	1.4
Air Products & Chemicals Inc.	1.4
ConocoPhillips	1.4
Pernod-Ricard S.A.	1.4
Novartis AG	1.4
Top 25 Holdings	49.4

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available by calling us at 1-800-662-0652.

June 30, 2014

The advisory Board of Governors of the RBC Funds and the RBC Private Pools was established in 1994 specifically to provide advice to the fund manager regarding conflicts of interest in mutual fund management. The Board's role was extended to include the RBC Private Pools in 2005.

On December 1, 2006, the Board of Governors and RBC Global Asset Management Inc. completed the regulatory requirements necessary to allow the RBC Funds and the RBC Private Pools to be the first to take full advantage of the benefits of independent fund governance provided by National Instrument 81-107. Building on its long history of leadership in fund governance, RBC Global Asset Management Inc. established the Board of Governors as the independent review committee of the RBC Funds and the RBC Private Pools. All of the members of the Board of Governors are independent of RBC Global Asset Management Inc. and RBC Financial Group.

In its capacity as the independent review committee, the Board of Governors provides input on conflict of interest matters in respect of RBC Global Asset Management Inc., the RBC Funds and the RBC Private Pools. At least once per year, the Board of Governors reviews and assesses the adequacy and effectiveness of the fund manager's policies and procedures relating to conflict of interest matters.

The Board of Governors is responsible for reviewing and assessing the independence of its members, the compensation of its members, and the effectiveness of the Board of Governors, its subcommittees and its members. In order to effectively manage its workload, the Board of Governors has three sub-committees: the Financial Advisory Committee, the Investment Conflicts Committee and the Governance Committee.

The Board of Governors has also been asked by RBC Global Asset Management Inc. to maintain its important role of providing advice on other issues relating to the management of the RBC Funds and the RBC Private Pools. This includes the role of the Financial Advisory Committee of the Board of Governors to provide advice concerning financial reporting, the audit process and financial internal controls.

The annual report of the Board of Governors describing its activities as the independent review committee of the RBC Funds and the RBC Private Pools is available on the RBC Global Asset Management Inc. website at www.rbcgam.com/funds and on SEDAR at www.sedar.com.

If you have any questions or comments about the Board of Governors or its committees, please let us know by contacting Melanie Adams, Secretary to the Board of Governors, at the address below.

Lloyd R. McGinnis, OC, PEng
Chair of the Board of Governors

Board of Governors
Attention: Melanie Adams
RBC Global Asset Management Inc.
P.O. Box 7500, Station A
Toronto, Ontario M5W 1P9

Board of Governors

Lloyd R. McGinnis
Chair of the Board of Governors
Director
Airport Site Development
Winnipeg Airports Authority

Michael G. Thorley[1,4]
Vice Chair of the Board of Governors
Retired Lawyer
Toronto, Ontario

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Mississauga, Ontario

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Toronto, Ontario

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Linda S. Petch Governance Services
Victoria, British Columbia

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Edmonton, Alberta

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President
Atlantic Corporation
Port Hawkesbury, Nova Scotia

James W. Yuel[6]
Chair
PIC Investment Group Inc.
Saskatoon, Saskatchewan

1 Member of the Financial Advisory Committee
2 Chair of the Financial Advisory Committee
3 Member of the Investment Conflicts Committee
4 Chair of the Investment Conflicts Committee
5 Chair of the Governance Committee
6 Member of the Governance Committee

If you have questions regarding RBC Funds and/or RBC Private Pools, you can contact us using the following options:

By Phone

Investors: **1-800-463-FUND (3863)**
Dealers: **1-800-662-0652**

By Mail

Head office:

RBC Global Asset Management Inc.
155 Wellington Street West
Suite 2200
Toronto, Ontario
M5V 3K7

For general mutual fund enquiries, write to:

RBC Global Asset Management Inc.
P.O. Box 7500, Station A
Toronto, Ontario
M5W 1P9

On the Internet

RBC Funds
Visit our website at: **www.rbcgam.com/funds**
Email us at: **funds.investments@rbc.com**

RBC Private Pools
Visit the SEDAR website at: **www.SEDAR.com**
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