



RBC Canadian Money Market Fund

Fund Category
Canadian Money Market

Morningstar Rating™
★★★

Investment Objective

To provide current income and liquidity consistent with short-term money market rates and to preserve the value of your investment. The fund invests primarily in high-quality, short-term (one year or less) debt securities, including treasury bills and promissory notes issued or guaranteed by Canadian governments or their agencies, bankers acceptances, asset-backed commercial paper and commercial paper issued by Canadian chartered banks, loan companies, trust companies and corporations.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF271
Adv	Deferred Sales	CAD	RBF852
Adv	Front End	CAD	RBF752
Adv	Low Load	CAD	RBF112
F	No Load	CAD	RBF636

Inception Date	September 1986
Total Assets \$Mil	3,795.8
Series A Current Yield %	0.57
Series A MER %	0.37
Benchmark	DEX 91 Day T-Bill

Income Distribution	Monthly
Capital Gains Distribution	N/A

Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

Management Company	RBC Asset Management Inc.
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Web Site	www.rbcam.com
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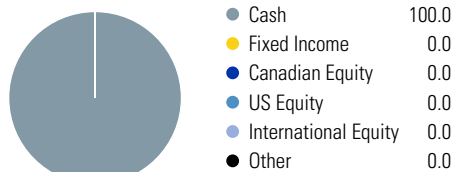
Notes

MER (%) based on actual expenses for half-year period January 1 to June 30, 2010, expressed on an annualized basis.

The current yield is an annualized yield based on the seven day period ended on September 30, 2010 and does not represent an actual one year return.

Portfolio Analysis as of September 30, 2010

Asset Mix



Term to Maturity	%
0-30 days	37
31-60 days	13
61-90 days	19
90+ days	31
Avg. Term to Maturity (days)	69

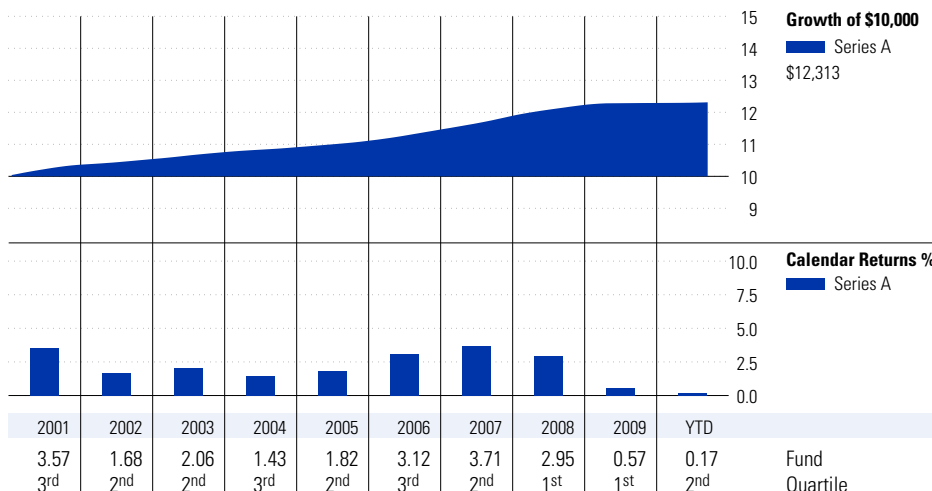
Cash Breakdown	Cash (%)
Treasury Bills	1.0
Provincial Bills	6.0
Bankers Acceptance	39.0
Commercial Paper	54.0
Bank Deposits	0.0

Credit Quality	%
R1 High	62.7
R1 Medium	32.4
R1 Low	4.9
Avg. Rating	R1 High

Top 25 Holdings

Holder	% Assets
CIBC 0.950% 04-11-2010	5.3
HSBC Bank Canada 1.120% 14-01-2011	3.3
Diversified Trust 0.980% 20-10-2010	2.8
Darwin Receivables Tr 1.178% 23-12-2010	2.4
Province Of Alberta 1.279% 08-12-2011	2.2
Zeus Receivables Trust 0.939% 10-11-2010	2.2
Bank Of Montreal 1.041% 27-10-2010	2.2
Merit Trust 0.981% 07-01-2011	2.2
Safe Trust 0.921% 20-10-2010	2.2
Prime Trust 0.902% 18-10-2010	2.1
Bank Of Montreal 1.042% 26-10-2010	2.1
National Bank Of Canada 1.16% 23-12-2010	2.1
Zeus Receivables Trust 1.160% 02-03-2011	2.1
Province Of Quebec FRN 06-10-2010	2.0
Caisse Cent Desjardins 1.320% 15-08-2011	2.0
Reliant Trust 0.900% 20-10-2010	1.8
Bank Of Nova Scotia 1.009% 22-12-2010	1.8
Bay Street Funding Trust - CI A 0.938% (ST)	1.7
HSBC Bank Canada 0.932% 12-10-2010	1.6
National Bank Of Canada 1.04% 01-10-2010	1.6
Bank Of Nova Scotia 0.937% 18-10-2010	1.6
Merit Trust 0.939% 10-11-2010	1.5
Province Of Manitoba FRN 01-11-2010	1.5
Darwin Receivables Tr 0.938% 01-10-2010	1.5
Bank Of Nova Scotia 0.800% 15-02-2011	1.5
Total % of Top 25 Holdings	53.1
Total Number of Stock Holdings	0
Total Number of Bond Holdings	0
Total Number of Other Holdings	110
Total Number of Holdings	110

Performance Analysis as of September 30, 2010



Period	Trailing Return %	Fund Quartile
1 Mth	0.04 2nd	
3 Mth	0.10 2nd	
6 Mth	0.15 2nd	
1 Yr	0.19 2nd	
3 Yr	1.58 1st	
5 Yr	2.20 2nd	
10 Yr	2.23 2nd	
Since Incep.	4.56	



RBC Canadian Money Market Fund

Management Overview

Manager Bios

Walter Posiewko

RBC Asset Management Inc.

Walter Posiewko is Vice President and Senior Portfolio Manager, Global Fixed Income and Money Markets. He has been in the Investment Industry since 1985.

Performance Analysis Cont'd as of September 30, 2010

Distributions (\$)/Unit	YTD*	2009	2008	2007	2006	2005	2004	2003	2002	2001
Total Distributions	0.02	0.06	0.29	0.36	0.31	0.18	0.14	0.20	0.17	0.35
Interest	0.02	0.06	0.29	0.36	0.31	0.18	0.14	0.20	0.17	0.35
Dividends	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1Yr	Ended	3Yr	Ended	5Yr	Ended	10Yr
Best	11-1990	12.82	7-1991	11.22	6-1992	9.84	11-1996	7.29
Worst	4-2010	0.12	9-2010	1.58	8-2006	1.97	9-2010	2.23
Average		4.65		4.72		4.52		4.26
No. of Periods		275		251		227		167
Pct. Positive		100.00		100.00		100.00		100.00

Quarterly Commentary as at September 30, 2010

The RBC Canadian Money Market Fund (Series A) returned 0.10% for the third quarter, versus 0.13% for the DEX 91-Day T-Bill Index.

Spurred on by strong domestic aggregate demand and a shrinking output gap, the Bank of Canada (BoC) hiked its targeted rate twice during the quarter to 1.00%. The uninterrupted string of three hikes is expected to temporarily end next quarter as external economic factors, chief among them being the anemic pace of recovery in the U. S., weighs on Canada's economy. Economic releases have already begun to show a cooling of Canada's performance, and with the U.S. Federal Reserve contemplating a renewed effort at quantitative easing, a pause in tightening is a high probability outcome.

Government yields increased approximately 0.25-0.55% through the quarter, repricing the

short-end of the yield curve in particular, given the BoC's tightening actions. Accordingly, the Canadian yield curve flattened through the quarter as short yields bore the brunt of the backup. Both our government and non-government mandates capitalized on this backup; the average term-to-maturity was extended as we reached for higher yields before the curve began pricing in a prolonged pause.

Administered rates in Canada are arguably still too low, given the state of demand. However, there is evidence that the economy is losing the momentum seen earlier this year, and with the U. S. economy still struggling, pushing rates further up risks fuelling Canadian dollar strength and undermining Canada's terms of trade. A time to pause and monitor the cumulative effects of three straight rate hikes is now in order.

RBC Canadian Money Market Fund

Disclosure

RBC Funds are offered by RBC Asset Management Inc. and distributed through authorized dealers. RBC Global Asset Management (RBC GAM) comprises RBC Asset Management Inc. (RBC AM), Phillips, Hager & North Investment Management Ltd. (PH&N) and RBC Global Asset Management (U.S.) Inc., which are separate legal entities owned by Royal Bank of Canada.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus of the mutual fund before investing. Except as otherwise noted, the indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual funds are not guaranteed or covered by the Canadian Deposit Insurance Corporation or by any other government deposit insurer. The value of mutual funds change frequently and past performance may not be repeated.

The Top 25 Holdings may change due to ongoing portfolio transactions within the fund. The Prospectus and other information about the underlying investment funds are available at www.sedar.com.

MER (%) based on actual expenses for half-

year period January 1 to June 30, 2010, expressed on an annualized basis.

Graphs are only used to illustrate the effects of the compound growth rate and do not reflect future values of any fund or returns on investment of any fund.

This fund profile is provided for informational purposes only. Particular investments and/or trading strategies should be evaluated relative to each individual's investment objectives. The information contained in this fund profile is not, and should not be construed as, investment or tax advice. You should not act or rely on the information contained in this fund profile without seeking the advice of an appropriate professional advisor.

For money market funds, the performance data assumes reinvestment of distributions only and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. In addition, for money market funds, there can be no assurances that the fund will be able to maintain its net asset value per unit at a constant amount or that the full amount of your investment in the fund will be returned to you.

Quartile rankings are determined by Morningstar Research Inc., an independent research firm. Quartile rankings are

comparisons of the performance of a fund to other funds in a particular category and are subject to change monthly. The quartiles divide the data into four equal segments expressed in terms of rank (1, 2, 3 or 4). This is the Morningstar quartile ranking of Series A units of the Fund as of September 30, 2010.

Morningstar ratings are overall ratings reflecting risk adjusted performance as of September 30, 2010. The ratings are subject to change every month. The ratings are calculated for funds with a minimum of 3 years of performance, calculated from the funds' 1 and 3 year average annual returns measured against a 91-day Treasury Bill return with appropriate fee adjustments. The top 10% of the funds in a category receive 5 stars (high); if the funds fall in the next 22.5%, they receive 4 stars (above average); a place in the middle 35% earns a fund 3 stars (neutral or average); those in the next 22.5% receive 2 stars (below average); and the lowest 10% get 1 star (low). Ratings are just one factor to consider when investing. For more information, please see www.morningstar.ca.

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