



RBC Asian Equity Fund

Fund Category
Asia Pacific Equity

Morningstar Rating™
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Investment Objective

To provide long-term capital growth by investing primarily in equity securities of companies located or having principal business interest in Asian markets.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF170
Adv	Deferred Sales	CAD	RBF863
Adv	Front End	CAD	RBF772
Adv	Low Load	CAD	RBF175
F	No Load	CAD	RBF625

Inception Date	July 2002
Total Assets \$Mil	691.6
Series A NAV \$	7.23
Series A MER %	2.15
Benchmark	MSCI AC Pacific Free (\$C)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

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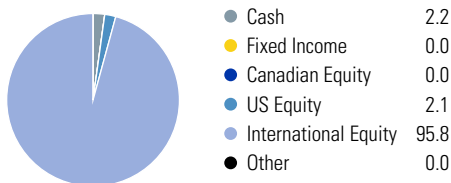
Web Site	www.rbcam.com
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Notes

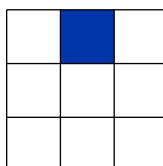
This is a continuing fund resulting from a merger effective June 28, 2002.

Portfolio Analysis as of July 31, 2010

Asset Mix



Equity Style



Value Blend Growth

Equity Statistics

P/B Ratio	1.5
P/E Ratio	13.9
Avg Mkt Cap \$Bil	15.6

Top 5 Sectors

Sector	% Equity
Financials	27.0
Information Technology	16.1
Industrials	16.0
Consumer Discretionary	14.9
Materials	11.7

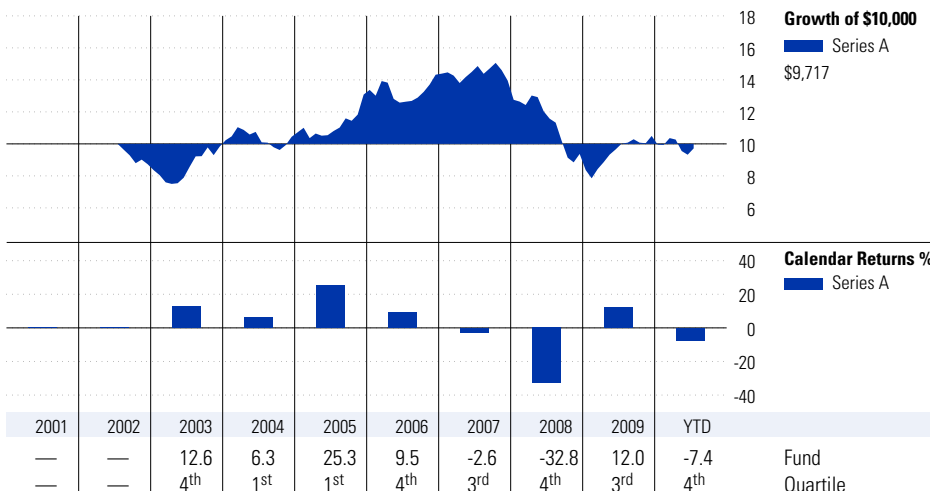
Top Geographic Allocations

Geography	% Assets
Japan	39.5
China	13.7
Australia	13.3
South Korea	11.2
Taiwan	8.2

Top Ten Holdings

Company	% Assets
Cash & Cash Equivalents	2.2
Sumitomo Mitsui Financial Group, Inc.	1.8
Mitsubishi UFJ Financial Group, Inc.	1.7
NTT DoCoMo, Inc.	1.5
Tokio Marine Holdings, Inc.	1.4
BHP Billiton Limited	1.4
JS Group Corporation	1.4
Hyundai Motor Co Ltd	1.3
Commonwealth Bank of Australia	1.3
United Overseas Bank Limited	1.3
Total % of Top 10 Holdings	15.4
Total Number of Stock Holdings	91
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	92

Performance Analysis as of July 31, 2010



Period	Trailing Return %	Fund Quartile
1 Mth	4.2	1 st
3 Mth	-5.4	4 th
6 Mth	-2.3	3 rd
1 Yr	-3.0	4 th
3 Yr	-13.2	4 th
5 Yr	-2.1	4 th
10 Yr	—	—
Since Incep.	-0.6	—

RBC Asian Equity Fund

Management Overview

Manager Bios

Yoji Takeda

RBC Investment Management(Asia) Ltd.

Yoji Takeda is Director, Asian Equities. He has been in the investment industry since 1980.

Performance Analysis Cont'd as of July 31, 2010

Distributions (\$)/Unit	YTD*	2009	2008	2007	2006	2005	2004	2003	2002	2001
Total Distributions	—	—	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1Yr	Ended	3Yr	Ended	5Yr	Ended	10Yr
Best	3-2004	45.4	4-2006	22.6	4-2008	11.7	—	—
Worst	11-2008	-39.4	2-2009	-15.5	2-2009	-5.6	—	—
Average		4.3		4.1		3.2		—
No. of Periods		85		61		37		—
Pct. Positive		62.4		62.3		56.8		—

* Distributions are characterized into income type at year-end.

Quarterly Commentary as at June 30, 2010

In the second quarter, the RBC Asian Equity Fund (Series A) declined 10.0 %, versus -5.4% for the MSCI AC Pacific Total Return Index, in Canadian dollars.

Unfavourable return largely came from a weak performance in Australian and Japanese markets, as well as a weaker Australian currency exchange rate against the Canadian dollar. This was partly offset by strong performances by Korean and Chinese markets and currency hedging against the Australian Dollar.

Defensive sectors such as Telecommunication Services, Utilities, Energy and Consumer Staples outperformed, while cyclical sectors such as Materials, Financials, Consumer Discretionary, Information Technology and Health Care underperformed.

While the markets were firm early in the quarter, we shifted the Fund toward more defensive sectors, reducing Information Technology, Materials and Consumer Discretionary and increasing Telecommunications and Consumer

Staples. We also reduced exposure for resources-oriented Australia and increased our cash position.

Among major holdings, China's Belle International and ICBC fared well, as well as South Korea's, Samsung Electronics and Hyundai Motor. Japanese stocks -Oji Paper, All Nippon Airways and Disco outperformed thanks to their strong earnings recovery. However, Japan's, Sony and Nidec underperformed due to stronger yen/dollar exchange rate and China's Dong Fong Motor and Lenovo underperformed due to wage increase problems.

We expect a gradual recovery for the global economy particularly led by China and other emerging markets. Corporate cash flow of Asian companies should remain strong and capital investment activities should gradually pick up with increasing domestic consumption in Asia. However, as the fiscal policy stimulus fades out and as extremely easy monetary policies are being gradually wound up, markets may continue to experience a high level of volatility.

Major Buys

Belle International
Computershare
News Corp
NTT Docomo
SK Energy

Major Sells

Acer Corp
Fairfax Media
Hyosung Corp
Mitsui & Co
Sony



RBC Asian Equity 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.

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 July 31, 2010.

Morningstar ratings are overall ratings reflecting risk adjusted performance as of July 31, 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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