RBC Global Asset Management

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RBC U.S. Equity Fund

Fund Category
US Equity

Morningstar Rating™
★★★

Investment Objective

To provide long-term capital growth by investing in equity securities of U.S. companies to provide broad exposure to economic growth opportunities in the U.S. market.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF263
Adv	Deferred Sales	CAD	RBF804
Adv	Front End	CAD	RBF704
Adv	Low Load	CAD	RBF132
F	No Load	CAD	RBF615
I	No Load	CAD	RBF157

Inception Date	July 1966
Total Assets $Mil	2,727.7
Series A NAV $	19.53
Series A MER %	2.07
Benchmark	S&P 500 ($C)
Income Distribution	Annually
Capital Gains Distribution	Annually
Sales Status	Open
Min. Investment $	500
Subsequent Investment $	25
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

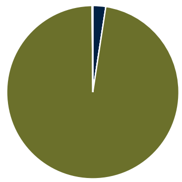
Notes

Minimum investment for Series I units of the Fund is $500,000. Minimum additional investment is $5,000.

Please note the "Since Inception" rate of return includes data from October 1972 only.

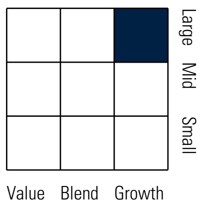
Portfolio Analysis as of December 31, 2011

Asset Mix



	% Assets
Cash	2.4
Fixed Income	0.0
Canadian Equity	0.0
US Equity	97.4
International Equity	0.2
Other	0.0

Equity Style



Equity Statistics

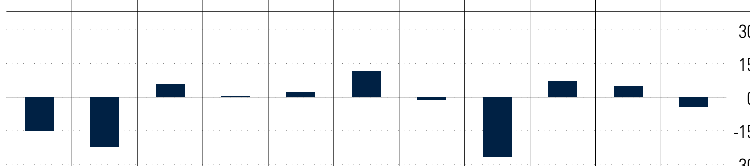
P/B Ratio	2.2
P/E Ratio	12.9
Avg Mkt Cap $Bil	49.9

Global Equity Sectors	% Equity
Information Technology	21.3
Financials	14.7
Consumer Discretionary	14.1
Energy	12.4
Health Care	10.8
Industrials	8.8
Consumer Staples	8.4
Utilities	4.0
Materials	3.9
Telecommunication Services	1.6
Unclassified	0.0

Top 25 Holdings	% Assets
Exxon Mobil Corporation	3.6
Apple, Inc.	3.5
UnitedHealth Group Inc	2.3
JPMorgan Chase & Co	2.3
Wells Fargo & Co	2.2
Chevron Corp	2.1
Citigroup Inc	1.9
International Business Machines Corp	1.8
General Electric Co	1.7
Pfizer Inc	1.6
The Procter & Gamble Co	1.5
Alexion Pharmaceuticals, Inc.	1.5
Cisco Systems Inc	1.5
Google, Inc.	1.4
Qualcomm, Inc.	1.4
The Coca-Cola Co	1.3
CVS Caremark Corp	1.3
The Walt Disney Co	1.3
Occidental Petroleum Corporation	1.3
Microsoft Corporation	1.3
Intel Corp	1.3
Capital One Financial Corp	1.2
State Street Corp	1.2
AmerisourceBergen Corp	1.2
TJX Companies	1.2
Total % of Top 25 Holdings	43.1
Total Number of Stock Holdings	111
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	**112**

Performance Analysis as of December 31, 2011

Growth of $10,000
Series A
$6,231



Calendar Returns %
Series A

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Fund	-14.9	-22.1	5.8	0.4	2.3	11.6	-1.2	-26.8	7.1	4.8	-4.4
Quartile	3rd	2nd	2nd	3rd	2nd	3rd	1st	3rd	3rd	4th	4th

Trailing Return %	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.
Fund	-0.3	5.3	-2.9	-4.4	2.4	-5.0	-3.1	6.2
Quartile	3rd	4th	3rd	4th	4th	3rd	3rd	—

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RBC U.S. Equity Fund

Management Overview

Manager Bios

RBC GAM U.S. Equity Committee

Chaired by Ray Mawhinney Senior Vice President, U.S. and Global Equities. Ray has been in the investment industry since 1984.

Performance Analysis Cont'd as of December 31, 2011

Distributions ($)/Unit	2011*	2010	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	7-1997	50.0	11-1997	25.5	3-2000	21.2	9-2000	18.1
Worst	9-2001	-30.8	3-2003	-16.9	8-2005	-8.8	8-2010	-6.4
Average		6.2		7.0		7.9		8.4
No. of Periods		289		265		241		181
Pct. Positive		69.2		69.1		60.6		74.6

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

Quarterly Commentary as at December 31, 2011

The RBC U.S. Equity Fund (Series A) returned 5.3% in the 4th quarter, compared to 8.7% for its benchmark.

U.S. equity markets climbed during the Q4 on optimism that Eurozone policymakers would have some success in alleviating the stress affecting global markets. Another factor aiding U.S. stocks was the better-than-expected economic statistics. This strengthened confidence that U.S. economic growth would counterbalance concerns about the slowing global expansion. The portfolio manager expects U.S. economic growth to remain steady as consumers pay down debt to levels that are more sustainable.

We saw moderate volatility this quarter, but we expect the equity market to continue to be variable throughout 2012. Corporate earnings continue to hold up well and balance sheets remain healthy, a trend we would expect to continue as corporate executives plan conservatively over the next year. We believe that growth will remain moderate due to the slow global growth impacted by Europe's economic conditions. Valuations remain quite attractive, particularly in relation to other long term investment alternatives. We continue to feel if one has a time horizon beyond the very near term, they will be rewarded for owning U.S. stocks.

Outperformance in Financials and Consumer Staples aided the Fund, while Information Technology, Materials, and Energy detracted from overall performance this quarter. Strong individual performance in companies like Occidental Petroleum, Union Pacific Railways, Home Depot, and Google all contributed to the performance of the Fund, while companies such as Broadcom, Oracle, Amerisourcebergen, and Costco temporarily lagged the general market.

Major Buys

Home Depot
Boeing Co.
Walt Disney
Lennar Corp.
Raytheon Co.

Major Sells

Amazon.Com
General Mills
Salesforce.com Inc.
Abercrombie & Fitch Co.
Prudential Financial

RBC U.S. Equity Fund

Disclosure

RBC Funds are offered by RBC Global Asset Management Inc. and distributed through authorized dealers.

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.

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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 full year period January 1 to December 31, 2011.

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 December 31, 2011.

Morningstar ratings are overall ratings reflecting risk adjusted performance as December 31, 2011. 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.