



RBC Global Precious Metals Fund

Fund Category
Precious Metals Equity

Morningstar Rating™
★★★★

Investment Objective

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 (gold, silver and platinum) and in bullion, coins, receipts and certificates.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF468
Adv	Back End	CAD	RBF865
Adv	Front End	CAD	RBF774
Adv	Low Load	CAD	RBF178
F	No Load	CAD	RBF614

Inception Date	October 1988
Total Assets \$Mil	958.3
Series A NAV \$	52.49
Series A MER %	2.04
Benchmark	S&P/TSX Global Gold Index

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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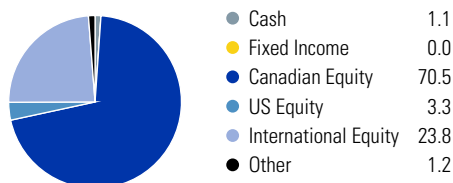
Web Site	www.rbcam.com
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Notes

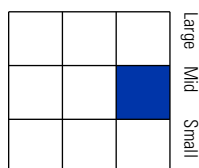
Fund's investment objective and name changed July 4, 2006.

Portfolio Analysis as of July 31, 2010

Asset Mix



Equity Style



Value Blend Growth

Equity Statistics

P/B Ratio	2.8
P/E Ratio	20.9
Avg Mkt Cap \$Bil	1.6

Top 5 Sectors

Sector	% Equity
Materials	97.8
Unclassified	2.2
Energy	0.1
Consumer Discretionary	0.0
Consumer Staples	0.0

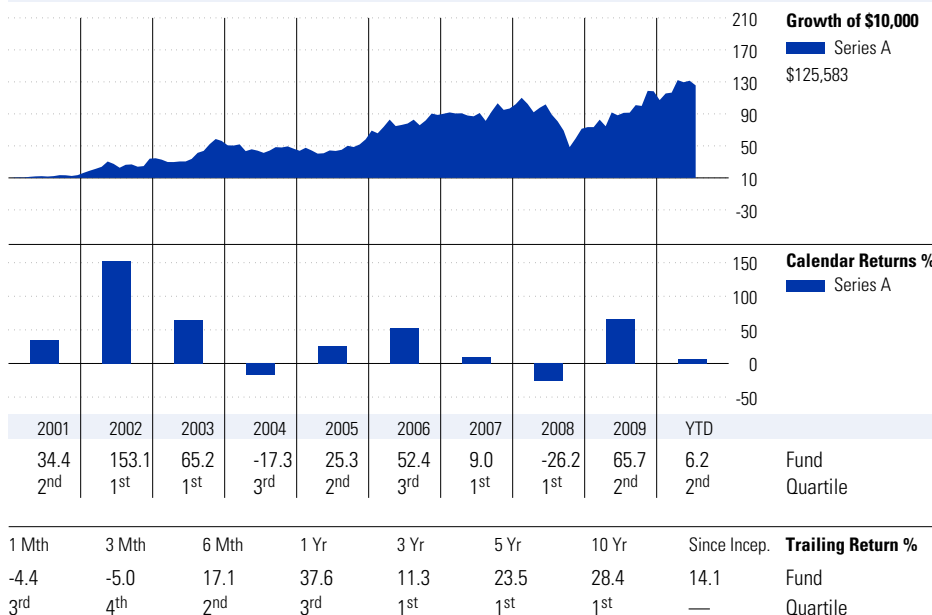
Top Geographic Allocations

Geography	% Assets
Canada	72.8
Australia	8.9
Mexico	4.3
Mali	3.8
United States	3.3

Top Ten Holdings

Company	% Assets
Goldcorp, Inc.	6.6
Barrick Gold Corporation	5.8
Red Back Mining Inc.	4.2
Osisko Mining Corporation	4.0
Andean Resources Limited	3.9
Randgold Resources, Ltd. ADR	3.8
Eldorado Gold Corp	3.7
Agnico-Eagle Mines	3.7
Silver Wheaton Corporation	3.0
B2Gold Corp	2.3
Total % of Top 10 Holdings	40.9
Total Number of Stock Holdings	120
Total Number of Bond Holdings	0
Total Number of Other Holdings	42
Total Number of Holdings	162

Performance Analysis as of July 31, 2010





RBC Global Precious Metals Fund

Management Overview

Manager Bios

Chris Beer

RBC Asset Management Inc.

Chris Beer is Vice President and Senior Portfolio Manager, Canadian and Global Equities. He has been in the investment industry since 1993.

Brahm Spilfogel

RBC Asset Management Inc.

Brahm Spilfogel is Vice President and Senior Portfolio Manager, Canadian and Global Equities. He has been in the investment industry since 1991.

Performance Analysis Cont'd as of July 31, 2010

Distributions (\$)/Unit	YTD*	2009	2008	2007	2006	2005	2004	2003	2002	2001
Total Distributions	—	2.00	—	0.75	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	2.00	—	0.75	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1Yr	Ended	3Yr	Ended	5Yr	Ended	10Yr
Best	2-1996	163.7	11-2003	83.0	4-2006	48.9	4-2010	28.7
Worst	10-2008	-53.1	5-1999	-25.9	5-2001	-15.5	1-2000	2.4
Average		20.6		20.8		20.8		15.9
No. of Periods		249		225		201		141
Pct. Positive		62.2		76.0		88.1		100.0

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

Quarterly Commentary as at June 30, 2010

The RBC Global Precious Metals Fund (Series A) gained 12.8%, underperforming the S&P/TSX Global Gold Index, which rose 21.4% in the second quarter.

Gold prices, in U.S. dollar terms, started the quarter at \$1113/oz and closed at \$1245/oz, up 12%, hitting an all-time nominal high of \$1258 in June. This 12% increase in the US\$ gold price surpassed the 6% increase in the trade weight U. S. dollar.

Investors have been frustrated as to why with a rising gold price; all gold stocks are not increasing. We have referred to this relationship as gold sector beta. Historically (1970's to present), we have observed that for a 1% increase in the gold price, we are likely to see a 3% increase in the average gold stock price or a 3X gold stock beta. In the second quarter, the average gold stock rose 16% versus 12% for gold bullion, which equates to only 1.3X beta. There are at least four possible reasons:

1. The gold price has quintupled since its \$258 low in 2001. Perhaps there is less leverage in buying as gold bullion has increased five times since the \$258 low;
2. Investors prefer bullion over gold stocks. This could also be true. The advent of low cost gold bullion ETF's has allowed institutional and retail investors alike to buy gold bullion on a near zero-cost basis and in a very investor-friendly manner. You still have to ensure how the ETF holds its gold though. Is it in physical form or derivative form; and,
3. Individual gold stocks have more stock-specific risk, such as project, finance, management and political risks, to name a few.
4. Gold companies have not enjoyed the same profit margin increase per ounce as the revenue line increase per ounce.

All four points are valid. We have a positive view on the gold price and gold companies appear to be near the inflection point of demonstrating stronger profit margins on a per ounce basis.

Major Buys

Collossus
Sabina
Semafo

Major Sells

Yamana
Kinross
International Tower Hills



RBC Global Precious Metals 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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