



RBC North American Value Fund

Fund Category

Canadian Focused Equity

Morningstar Rating™

★★★★★

Investment Objective

To provide long-term capital growth by investing primarily in equity securities of Canadian and/or U.S. companies priced below their true value and offering long-term opportunities for growth.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF554
Adv	Deferred Sales	CAD	RBF857
Adv	Front End	CAD	RBF766
Adv	Low Load	CAD	RBF130
F	No Load	CAD	RBF608

Inception Date	April 1998
Total Assets \$Mil	424.4
Series A NAV \$	15.45
Series A MER %	2.09
Benchmark	50% S&P 500 (\$C) 50% S&P/TSX Composite

Income Distribution	Annually
Capital Gains Distribution	Annually

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

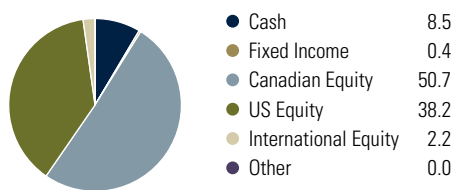
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

Notes

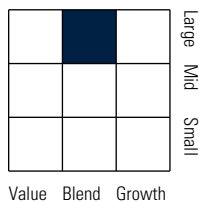
Fund's investment objective and name changed July 4, 2006.

Portfolio Analysis as of December 31, 2011

Asset Mix



Equity Style



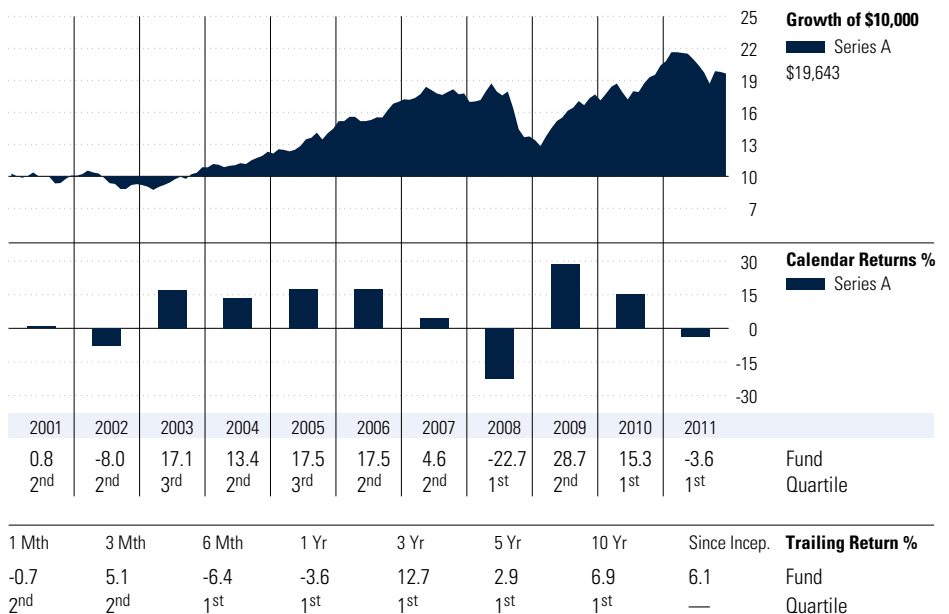
Global Equity Sectors

Sector	% Equity
Financials	33.6
Energy	16.4
Consumer Discretionary	10.1
Materials	10.0
Information Technology	8.6
Consumer Staples	7.2
Health Care	6.6
Industrials	4.9
Utilities	1.4
Unclassified	1.3
Telecommunication Services	0.0

Top 25 Holdings

Company	% Assets
Toronto-Dominion Bank	3.8
Royal Bank of Canada	3.3
Canadian Natural Resources Ltd	2.9
Barrick Gold Corporation	2.8
Cenovus Energy, Inc.	2.3
Bank of Nova Scotia	2.2
Brookfield Asset Management Inc Class A	2.0
Potash Corporation of Saskatchewan, Inc.	2.0
Imperial Oil Ltd	1.7
Power Corporation Of Canada	1.6
Manulife Financial Corporation	1.6
Berkshire Hathaway Inc B	1.5
Microsoft Corporation	1.5
Husky Energy, Inc.	1.5
Wells Fargo & Co	1.3
Cisco Systems Inc	1.3
ShawCor, Ltd. Class A	1.2
Genel Energy PLC	1.2
Google, Inc.	1.1
CIBC	1.0
BHP Billiton PLC ADR	1.0
TransCanada Corp	1.0
Onex Corp	1.0
JPMorgan Chase & Co	1.0
Atco Ltd.	1.0
Total % of Top 25 Holdings	43.1
Total Number of Stock Holdings	111
Total Number of Bond Holdings	1
Total Number of Other Holdings	1
Total Number of Holdings	113

Performance Analysis as of December 31, 2011





RBC North American Value Fund

Management Overview

Manager Bios

Stuart Kedwell

RBC Global Asset Management Inc.

Stuart Kedwell is Senior Vice President and Co-Head, Canadian Equity Committee. He has been in the investment industry since 1997.

Doug Raymond

RBC Global Asset Management Inc.

Doug Raymond is Senior Vice President and Co-Head, Canadian Equity Committee. He has been in the investment industry since 1985.

Performance Analysis Cont'd as of December 31, 2011

Distributions (\$)/Unit	2011*	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Total Distributions	0.21	1.26	0.58	—	1.80	1.70	0.65	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	0.21	1.26	0.58	—	1.80	1.70	0.65	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1Yr	Ended	3Yr	Ended	5Yr	Ended	10Yr
Best	2-2010	38.2	3-2006	21.3	10-2007	15.6	8-2008	10.3
Worst	2-2009	-24.6	2-2009	-5.4	4-2003	0.6	8-2010	5.7
Average		8.8		7.7		8.2		7.2
No. of Periods		153		129		105		45
Pct. Positive		72.5		87.6		100.0		100.0

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

Quarterly Commentary as at December 31, 2011

In the 4th quarter, the RBC North American Value Fund (Series A) gained 5.1%, versus 6.2% for its benchmark.

The S&P 500 Index had a stronger year-end finish with a total return of 8.7%, compared to that of the S&P/TSX Composite Index of just 3.6%. The Fund has been increasing its level of exposure to U.S. equities in recent months; it remains more heavily skewed to Canadian markets. This decision was negative for the Fund's performance this quarter.

Sector performance this quarter remained varied. On both sides of the border, Energy and Industrials were outperformers. Energy was buoyed by ongoing tensions in the Middle East, while the highly cyclical Industrials rebounded on improved sentiment. A below benchmark exposure to Energy proved to be negative towards the Fund's relative performance, and the performance of Industrials also lagged the benchmark.

Materials rose sharply in the U.S., but fell in Canada where the sector provides relatively more gold and precious metal exposure. The combination of an underweight position in this sector, a below-benchmark exposure to the gold producers, and favourable security selection proved positive for the Fund's performance.

Major indices have been range bound as investors wrestle with an unusually wide range of economic outcomes. We expect that the continuation of modest growth in corporate earnings, supported by improved consumer confidence and spending, will allow for a reasonably valued stock market to move higher. On the other hand, stresses within the Eurozone and a weakening Chinese economy could impact investor confidence and potentially tip the global economy towards recession. We remain constructive, but continue to monitor the macro environment closely.



RBC North American Value 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.

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