



RBC Global Consumer and Financials Fund

Fund Category
Global Equity

Morningstar Rating™
★★★

Investment Objective

To provide long-term capital growth by investing primarily in equity securities of companies around the world in any or all of the Financial Services, Consumer Discretionary and Consumer Staples sectors. The fund will invest in companies that provide financial services to individuals, businesses and governments or that develop, manufacture and/or distribute consumer goods and services.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF572
Adv	Deferred Sales	CAD	RBF808
Adv	Front End	CAD	RBF708
Adv	Low Load	CAD	RBF179
F	No Load	CAD	RBF630

Inception Date	December 2000
Total Assets \$Mil	6.1
Series A NAV \$	8.06
Series A MER %	2.15
Benchmark	50% MSCI Financials 25% MSCI Consumer Staples 25% MSCI Consumer Disc (measured in \$C)

Income Distribution	Annually
Capital Gains Distribution	Annually
Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

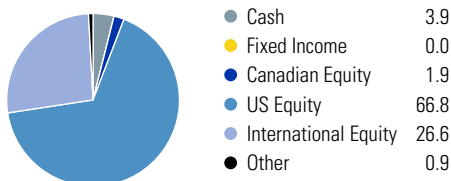
Management Company	RBC Asset Management Inc.
Web Site	www.rbcam.com

Notes

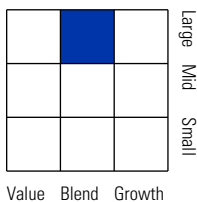
Fund's investment objective and name changed July 4, 2006.

Portfolio Analysis as of July 31, 2010

Asset Mix



Equity Style



Top 5 Sectors

Sector	% Equity
Financials	51.0
Consumer Discretionary	36.7
Consumer Staples	11.0
Industrials	1.3
Energy	0.0

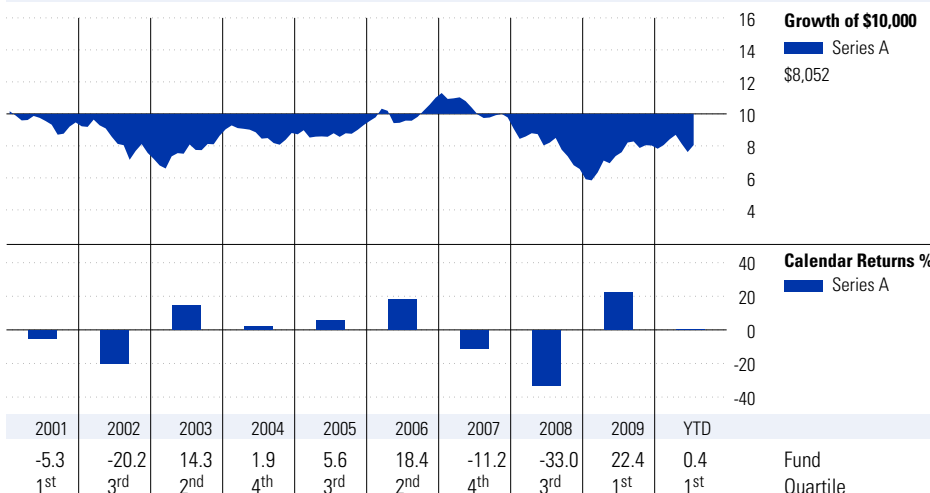
Top Geographic Allocations

Geography	% Assets
United States	66.8
United Kingdom	7.8
Canada	5.8
Germany	5.2
China	4.3

Top Ten Holdings

Company	% Assets
Citigroup, Inc.	5.0
Cash & Cash Equivalents	3.9
Morgan Stanley	3.6
ProLogis Trust	3.2
HSBC Holdings PLC	2.7
PNC Financial Services Group Inc.	2.4
Lloyds Banking Group PLC	2.4
Deutsche Bank AG	2.3
SunTrust Banks, Inc.	2.3
Prudential Financial, Inc.	2.0
Total % of Top 10 Holdings	29.9
Total Number of Stock Holdings	72
Total Number of Bond Holdings	0
Total Number of Other Holdings	3
Total Number of Holdings	75

Performance Analysis as of July 31, 2010



Period	Trailing Return %	Fund Quartile
1 Mth	5.7	1st
3 Mth	-7.3	4th
6 Mth	3.0	1st
1 Yr	5.9	2nd
3 Yr	-6.8	1st
5 Yr	-1.7	2nd
10 Yr	—	—
Since Incep.	-2.2	—

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Management Overview

Manager Bios

Ray Mawhinney

RBC Asset Management Inc.

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

Cameron Hurst

RBC Asset Management Inc.

Cameron Hurst is Portfolio Manager, U.S. and Global Equities. He has been in the investment industry since 1999.

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	38.3	3-2006	16.2	9-2007	6.5	—	—
Worst	1-2009	-34.8	2-2009	-15.8	2-2009	-8.8	—	—
Average		-0.4		-0.2		0.6		—
No. of Periods		104		80		56		—
Pct. Positive		50.0		42.5		55.4		—

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

Quarterly Commentary as at June 30, 2010

The RBC Global Consumer and Financials Fund (Series A) slipped 9.5% in the second quarter, compared to an 8.3% loss for its benchmark, in Canadian dollar terms.

Global consumer companies again outperformed the global market in the second quarter, notwithstanding nervousness about household deleveraging and a broad fear of weaker consumer spending. However, during the quarter we observed signs of a rotation in the sector as valuation, earnings estimate revisions, leading indicators and seasonality all flashed warning signs. As such, the Fund has scaled back its weight in the Consumer Discretionary space in favour of more traditional defensive Consumer Staples names, as well as global Financials where the risk/reward seems more favourable at this point.

Financials underperformed the global market this quarter. While financial markets have accounted for the worst of the credit cycle being over, recent sovereign debt issues in Europe interrupted the recovery. Markets presently await results from the European bank stress test to determine the extent of recapitalization to follow. The Fund remains cautious, but somewhat optimistic, on European and UK Financials, while avoids exposure to Greece and peripheral Europe where the risk/reward is still unfavourable.

In the quarter, the Fund increased its exposure to the Financials sector in order to capitalize on improved valuations post-European Union sell-off, largely at the expense of its exposure to the Consumer Discretionary sector. However, the Fund benefitted substantially over the last year from its overweight position in consumer cyclical investments.

Major Buys

Advanced Auto Parts
China Citic Bank
Carlsberg
Itau Unibanco Holding
BNP Paribas

Major Sells

J.Crew Group
Ctrip.com International, Ltd.(ADR)
Sears Holdings
Morgan Stanley
Visa Inc.



RBC Global Consumer and Financials 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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