



# RBC Managed Payout Solution - Enhanced Plus

## Fund Category

Canadian Neutral Balanced

## Morningstar Rating™

★★★

## Investment Objective

To provide as high a regular monthly distribution as possible, including dividends, realized capital gains, other income and a return of capital, without continuing significant erosion of the net asset value of the fund. To provide a potential for modest capital growth.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF578
Adv	Deferred Sales	CAD	RBF870
Adv	Front End	CAD	RBF760
Adv	Low Load	CAD	RBF108
F	No Load	CAD	RBF635

Inception Date	April 2002
Total Assets \$Mil	2,464.3
Series A NAV \$	7.44
Series A MER %	1.92
Benchmark	40% DEX Universe Bond 40% S&P/TSX Composite 15% S&P 500 (\$C) 5% 30 Day T- Bill

Income Distribution	Monthly
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

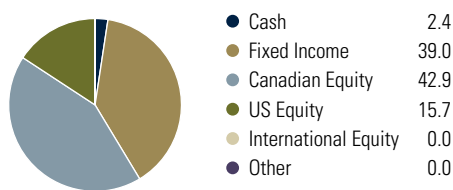
### Distribution Summary

Monthly Distribution	4.65¢/unit
Current Payout Rate*	7.50%

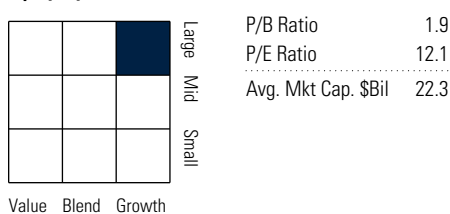
\*Assuming 12 consecutive months at the monthly distribution set out above. The estimate does not include any year-end capital gains distributions paid in addition to the regular monthly distribution nor should it be confused with performance or rates of return.

## Portfolio Analysis as of December 31, 2011

### Asset Mix



### Equity Style



### Top 5 Sectors

Sector	% Equity
Financials	24.2
Energy	24.2
Materials	16.8
Information Technology	7.6
Industrials	7.5

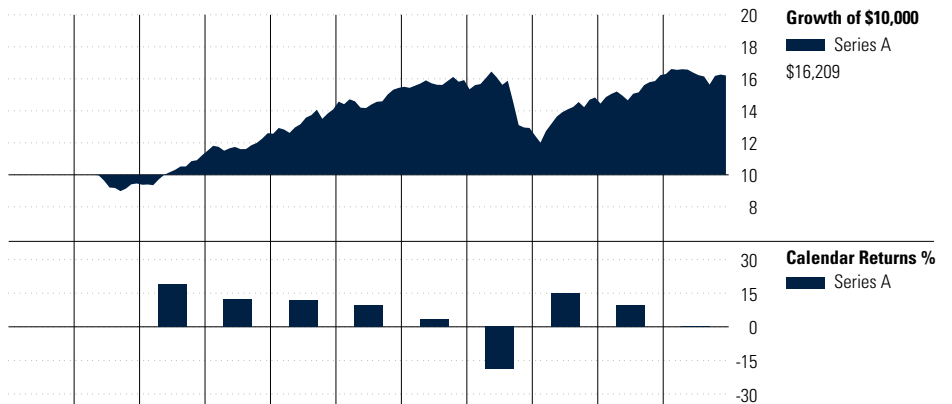
### Income-Generating Asset-Class

Asset-Class	% Assets
Common Shares	58.6
Government Bonds	25.6
Investment-Grade Corporate Bonds	13.0
Other	2.5
High Yield Bonds	0.3
Preferred Shares	0.0

### Top 25 Holdings

Holder	% Assets
Royal Bank of Canada	2.5
Toronto-Dominion Bank	2.3
Canada Hsg Tr No 1 2.75% 15-12-2014	1.9
Canada Govt 3.25% 01-06-2021	1.8
Ontario Prov Cda 4.3% 08-03-2017	1.8
Canadian Natural Resources Ltd	1.8
Bank of Nova Scotia	1.7
Canada Govt 2.5% 01-09-2013	1.7
Suncor Energy Inc	1.7
Ontario Prov Cda 4.65% 02-06-2041	1.6
Barrick Gold Corporation	1.6
Goldcorp, Inc.	1.5
Ontario Prov Cda 4.2% 02-06-2020	1.5
Potash Corporation of Saskatchewan, Inc.	1.4
Canada Govt 3% 01-06-2014	1.3
Cenovus Energy, Inc.	1.2
Canada Govt 2% 01-12-2014	1.2
Canadian National Railway Co	1.2
Teck Resources Ltd Class B	1.1
CIBC	1.1
Canada Govt 1.5% 01-11-2013	1.1
Canada Hsg Tr No 1 3.35% 15-12-2020	1.1
Canada Govt 2.25% 01-08-2014	1.0
Manulife Financial Corporation	1.0
Rogers Communications, Inc. B	0.9
<b>Total % of Top 25 Holdings</b>	<b>37.0</b>
<b>Total Number of Stock Holdings</b>	<b>133</b>
<b>Total Number of Bond Holdings</b>	<b>185</b>
<b>Total Number of Other Holdings</b>	<b>5</b>
<b>Total Number of Holdings</b>	<b>323</b>

## Performance Analysis as of December 31, 2011



2001	—	—	18.8	12.2	11.8	9.5	3.2	-18.8	14.8	9.4	-0.1	Fund
—	—	1st	1st	2nd	2nd	2nd	4th	3rd	2nd	2nd	2nd	Quartile

1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
-0.3	3.6	-1.1	-0.1	7.8	1.0	—	4.9	Fund
4th	2nd	2nd	2nd	2nd	3rd	—	—	Quartile



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## Management Overview

### Manager Bios

#### Martin Paleczny

##### RBC Global Asset Management Inc.

Martin Paleczny is Vice President and Senior Portfolio Manager, Asset Allocation and Derivatives. He has been in the Investment Industry since 1994.

#### Suzanne Gaynor

##### RBC Global Asset Management Inc.

Suzanne Gaynor is Vice President and Senior Portfolio Manager, Global Fixed Income and Currencies. She has been in the Investment Industry since 1988.

#### Ray Mawhinney

##### RBC Global Asset Management Inc.

Ray Mawhinney is Senior Vice President, U.S. and Global Equities. He 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	0.56	0.55	0.54	0.72	0.72	0.72	0.72	0.72	0.88	0.64	—
Interest	—	0.10	—	—	0.03	0.04	—	0.01	0.08	0.05	—
Dividends	0.03	0.07	—	—	0.07	0.08	0.05	0.10	0.07	0.04	—
Capital Gains	—	—	—	—	0.17	0.39	0.10	0.15	0.10	—	—
Return Of Capital	0.53	0.38	0.54	0.72	0.44	0.21	0.57	0.46	0.63	0.55	—

Best/Worst Periods %	Ended	1Yr	Ended	3Yr	Ended	5Yr	Ended	10Yr
Best	2-2004	25.7	3-2006	16.3	9-2007	12.1	—	—
Worst	2-2009	-23.1	2-2009	-5.9	2-2009	0.3	—	—
Average		7.0		5.7		5.3		—
No. of Periods		105		81		57		—
Pct. Positive		84.8		69.1		100.0		—

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

### Quarterly Commentary as at December 31, 2011

In the 4th quarter, the RBC Managed Payout Solution – Enhanced Plus (Series A) was up 3.6%, versus its benchmark return of 3.8%.

Stocks recovered this quarter, with the strength most evident in the United States. The stimulant for this advance was a decompression of the extreme pessimism witnessed from late summer into fall. The gains were fundamentally driven by prospects for the European crisis resolution, a more resilient than expected U.S. economy, and a fairly stable corporate outlook. Fund performance relative to its benchmark was hurt from the underperformance of the Fund's U.S. stocks. Also, overweight position in equities was beneficial as equities outperformed fixed income in the final quarter.

Canadian bond market, while underperforming stocks in Q3, still showed a positive return of 2.1%. Considering the rally in stocks and the huge

drop in yields for the year-to-date, the higher grade sovereign bond markets were more buoyant than expected. Inflation expectations remain low and central banks are on hold, thus we are hesitant to project anything more than a moderate global economic environment.

After factoring a global recession into last year's lows in stock prices, a more favorable backdrop has indeed materialized. Strains on the global economy are abnormally high, as much of the developed world continues to struggle with the deleveraging process. Yet, corporations still remain in relatively profitable and fairly priced which should provide underlying support. The next year should provide plenty of trading opportunities in stocks, as the markets and economies continue to transition. Fixed income markets while extended, should continue to behave with shorter-term yield anchored at extremely low levels.

#### Major Buys

TransCanada Corp (Cda)  
Yamana Gold (Cda)  
Walt Disney (U.S.)

#### Major Sells

Celtic Exploration (Cda)  
Quadra FNX (Cda)  
Goodrich Corp (U.S.)



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## 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](http://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](http://www.morningstar.ca).

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