



RBC Global Corporate Bond Fund

Fund Category
High Yield Fixed Income

Morningstar Rating™
★★★★

Investment Objective

To provide a high level of interest income with the potential for modest capital growth by investing primarily in global corporate bonds.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF580
Adv	Deferred Sales	CAD	RBF853
Adv	Front End	CAD	RBF753
Adv	Low Load	CAD	RBF118
F	No Load	CAD	RBF638

Inception Date	August 2004
Total Assets \$Mil	702.2
Series A NAV \$	9.25
Series A MER %	1.65
Benchmark	40% Barclay US Agg* 20% Barclay PanEuro Agg* 15% DEX Corp Bond 10% JP Emerging Mkt* 10% Barclay US Corp HY* 5% Barclay AP Agg*

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

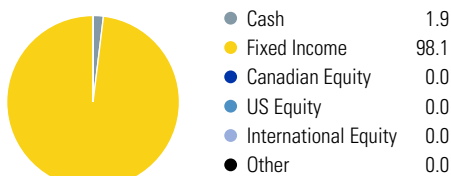
Management Company	RBC Asset Management Inc.
Web Site	www.rbcam.com

Notes

* Hedged into Canadian dollars

Portfolio Analysis as of July 31, 2010

Asset Mix



Fixed Income Breakdown

Fixed Income Category	% Fixed Income
Government Bonds	9.4
Corporate Bonds	86.6
Other Bonds	2.1
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	1.9
Asset Backed Securities	0.0

Bond Rating	%	Term to Maturity	%
AAA	7.7	1 - 5 Yrs	38.6
AA	20.9	5 - 10 Yrs	43.9
A	28.1	Over 10 Yrs	17.5
BBB	28.7		
BB	10.7	Avg. Term to maturity (Yrs)	8.1
B	5.1	Duration (Yrs)	5.4
Below B	0.5	Yield to Maturity	4.4
NR/NA	-1.7		

Top Geographic Allocations

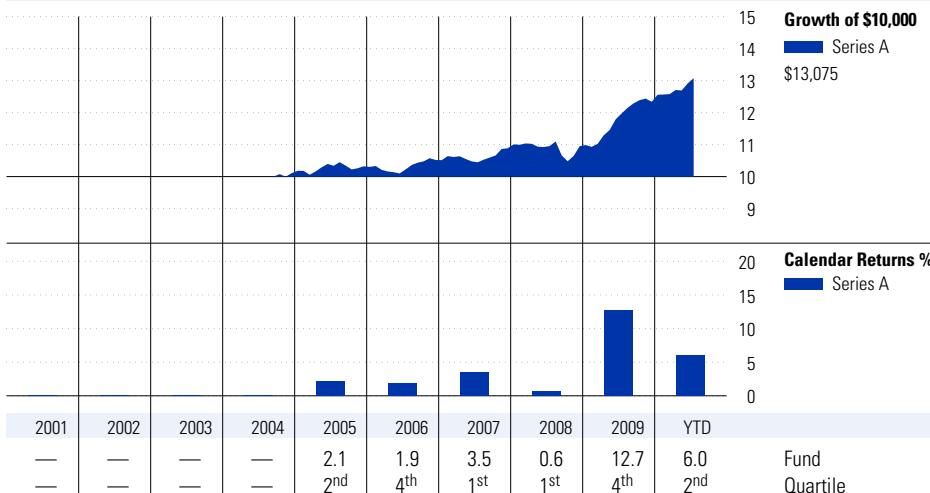
Geographic Region	% Assets
United States	48.5
Canada	21.1
Netherlands	5.5
United Kingdom	3.7
Germany	2.2

Top Ten Holdings

Top Ten Holdings	% Assets
United States 10-Year Note Future	-6.8
United States 20-Year Note Future 21-09-2010	4.1
Germany(Fed Rep) 4% 04-01-2018	1.1
Russian Federation 7.5% 31-03-2030	1.0
CDP Finl Inc 3% 25-11-2014	0.9
Hsbc Hldgs 4.5% 30-04-2014	0.9
General Elec Cap Corp 5.625% 01-05-2018	0.8
Jpmorgan Chase 5.125% 15-09-2014	0.8
Toronto-Dominion Bank 4.875% 23-01-2013	0.8
Goldman Sachs Grp 5.25% 15-10-2013	0.8
Total % of Top 10 Holdings	4.4
Total Number of Stock Holdings	0
Total Number of Bond Holdings	504
Total Number of Other Holdings	14

Total Number of Holdings 518

Performance Analysis as of July 31, 2010



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
1.3	2.9	4.1	9.2	7.8	4.8	—	4.6	Fund Quartile
3 rd	1 st	3 rd	4 th	1 st	2 nd	—	—	Quartile

RBC Global Corporate Bond Fund

Management Overview

Manager Bios

Frank Gambino

RBC Asset Management Inc.

Frank Gambino is Vice President and Senior Portfolio Manager, Global Fixed Income and Currencies. He has been in the Investment Industry since 1990.

Marty Balch

RBC Asset Management Inc.

Marty Balch is Senior Portfolio Manager, Global Fixed Income and Currencies. He has been in the Investment Industry since 1991.

Soo Boo Cheah

RBC Asset Management UK Limited

Soo Boo Cheah is Portfolio Manager, Global Fixed Income and Currencies

Performance Analysis Cont'd as of July 31, 2010

Distributions (\$)/Unit	YTD*	2009	2008	2007	2006	2005	2004	2003	2002	2001
Total Distributions	0.17	0.31	0.48	1.14	0.36	0.59	0.11	—	—	—
Interest	0.17	0.31	0.48	0.32	0.36	0.32	0.05	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	0.82	—	0.26	0.06	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1Yr	Ended	3Yr	Ended	5Yr	Ended	10Yr
Best	10-2009	18.2	7-2010	7.8	7-2010	4.8	—	—
Worst	6-2006	-2.8	10-2008	0.8	8-2009	4.0	—	—
Average		4.5		3.7		4.3		—
No. of Periods		60		36		12		—
Pct. Positive		83.3		100.0		100.0		—

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

Quarterly Commentary as at June 30, 2010

The RBC Global Corporate Bond Fund (Series A) gained 2.6% in the second quarter, compared to 3.0% for its benchmark.

European sovereign default risk, concerns about European banks and the knock on negative effects to the global economy weighed on investor sentiment in the quarter. Rising risk aversion and volatility caused credit spreads to trade to their widest levels of the year in early June, before recovering into quarter's end. Credit asset returns were therefore more modest in the quarter. Higher-quality securities within the Fund, such as U.S. investment grade corporate bonds, benefitted from lower government yields as investors' demand for these "safe haven" treasury bonds increased. Bonds with the longest maturities benefitted the most as they are the most sensitive to declining yields.

The Fund's high-yield bond holdings hurt results as rising risk aversion led investors to sell down this asset class. Also hurting Fund performance were

holdings of Financials sector bonds and European corporate bonds, both of which are at the heart of the concerns weighing on investor sentiment.

Despite the positive backdrop of supportive company fundamentals and generally positive market conditions, risk aversion has increased due to concerns regarding a slow down in global growth. Sovereign risk and concerns surrounding banks have also contributed to rising risk premiums.

Our bias will be towards taking advantage of the recent sell-off in credit assets. The Fund will opportunistically increase investments in Financials, especially U.S. and European and in high-yield bonds, as these sectors offer value. We will also continue to sell down government bonds and redeploy the proceeds into corporate bonds offering value, such as U.S. and European investment grade corporate bonds and high yield and cross over securities to gain a yield advantage.



RBC Global Corporate Bond 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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