



RBC Select Very Conservative Portfolio

Fund Category

Canadian Fixed Income Balanced

Morningstar Rating™

N/A

Investment Objective

To provide income and the potential for modest capital growth by investing primarily in other RBC Funds, emphasizing mutual funds that invest in Canadian fixed-income securities and have the potential to generate income. The portfolio invests in a mix of Canadian, U.S. and international funds.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF209
Adv	Deferred Sales	CAD	RBF871
Adv	Front End	CAD	RBF787
Adv	Low Load	CAD	RBF214
F	No Load	CAD	RBF664

Inception Date	March 2009
Total Assets \$Mil	643.7
Series A NAV \$	10.88
Series A MER %	1.60
Benchmark	80% DEX Universe Bond 10% S&P/TSX Composite 5% S&P 500 (\$C) 5% MSCI EAFE (\$C)

Income Distribution	Quarterly
Capital Gains Distribution	Annually

Sales Status	Open
Min. Investment \$	5,000
Subsequent Investment \$	25
RRSP Eligibility	Yes

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

Notes

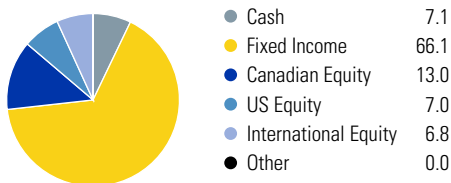
The fund was launched March 9, 2009.

Current securities regulations do not allow us to report fund performance for an investment that has been available for less than one year.

Effective February 8, 2010, the minimum initial investment required in the RBC Select Portfolios, RBC Select Choices Portfolios and RBC Managed Payout Solutions will be reduced from \$5,000 to \$500.

Portfolio Analysis as of January 31, 2010

Asset Mix



Equity Style

Equity Style	Statistics	%
Value	P/B Ratio	1.8
Blend	P/E Ratio	14.5
Growth	Avg. Mkt Cap. \$Bil	23.9

Top 5 Sectors

Sector	% Equity
Financials	29.1
Energy	16.6
Materials	10.7
Industrials	9.8
Information Technology	8.7

Fixed Income Breakdown

Fixed Income Category	% Fixed Income
Government Bonds	42.5
Corporate Bonds	45.6
Other Bonds	0.2
Mortgage Backed Securities	1.9
ST Investments (Cash & Other)	9.7
Asset Backed Securities	0.1

Top Ten Holdings

Top Ten Holdings	% Assets
PH&N Bond Fund	23.4
RBC Bond	12.2
PH&N Short Term Bond & Mortgage D	11.7
RBC Canadian Short Term Income	11.7
RBC Global Bond	11.3
RBC Canadian Dividend	8.2
RBC US Equity	6.8
RBC Canadian Equity	5.4
RBC European Equity	4.5
RBC Canadian Money Market	2.7
Total % of Top 10 Holdings	97.9
Total Number of Portfolio Holdings	11.0
Total Number of Stock Holdings	386
Total Number of Bond Holdings	800
Total Number of Other Holdings	218
Total Number of Underlying Holdings	1404

Performance Analysis as of January 31, 2010

Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	YTD	Trailing Return %
1 Mth	—	—	—	—	—	—	—	—	—	—	—
3 Mth	—	—	—	—	—	—	—	—	—	—	—
6 Mth	—	—	—	—	—	—	—	—	—	—	—
1 Yr	—	—	—	—	—	—	—	—	—	—	—
3 Yr	—	—	—	—	—	—	—	—	—	—	—
5 Yr	—	—	—	—	—	—	—	—	—	—	—
10 Yr	—	—	—	—	—	—	—	—	—	—	—
Since Incep.	—	—	—	—	—	—	—	—	—	—	—

RBC Select Very Conservative Portfolio

Management Overview

Manager Bios

Sarah Riopelle

RBC Asset Management Inc.

Sarah Riopelle has worked in the investment industry since 1996. She joined RBC Dominion Securities in 1998, where she was employed in the Quantitative Research group. From there, she became the Research Associate for Dan Chornous, Chief Investment Officer of RBC Asset Management Inc., in his former role as Chief Strategist at RBC Dominion Securities.

In 2003, Sarah moved to RBC Asset Management as a Senior Analyst before joining the Canadian equity team, where she worked with portfolio managers to select stocks for the RBC North American Growth Fund, and managed a portion of the RBC Canadian Equity Fund. In 2009, she assumed responsibility for the RBC Select Portfolios, RBC Select Choices Portfolios, RBC Target Education Funds, RBC Managed Payout Solution and RBC Managed Payout Solution – Enhanced.

Sarah graduated from the University of Ottawa in 1996 with a bachelor's of commerce degree in finance and international management. She earned the Chartered Financial Analyst designation in 2001.

Performance Analysis Cont'd as of January 31, 2010

Distributions (\$)/Unit	YTD	2009	2008	2007	2006	2005	2004	2003	2002	2001
Total Distributions	—	0.29	—	—	—	—	—	—	—	—
Interest	—	0.20	—	—	—	—	—	—	—	—
Dividends	—	0.07	—	—	—	—	—	—	—	—
Capital Gains	—	0.02	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1Yr	Ended	3Yr	Ended	5Yr	Ended	10Yr
Best	—	—	—	—	—	—	—	—
Worst	—	—	—	—	—	—	—	—
Average	—	—	—	—	—	—	—	—
No. of Periods	—	—	—	—	—	—	—	—
Pct. Positive	—	—	—	—	—	—	—	—

Quarterly Commentary as at December 31, 2009

The RBC Select Very Conservative Portfolio was launched on March 9, 2009.

Within the fixed-income component, global corporate bonds continued to outperform government securities amid optimism that a global economic recovery was at hand. The PH&N Short-Term and Mortgage Fund was the top performing fixed-income fund advancing 0.7%, followed by the RBC Bond Fund, which returned 0.3%.

Equity markets continued to advance although the pace of returns in U.S. equities has been somewhat slower recently. The RBC U.S. Equity Fund advanced 2.2%, but underperformed the S&P 500 Index total return of 4.1%.

The S&P/TSX Composite Index advanced 3.9% during the quarter, boosted by Utilities, Industrials and Consumer Staples, while Financials was held back by Insurance stocks. During the quarter, both the RBC Canadian Equity Fund and the RBC Dividend Fund underperformed the benchmark, returning 3.3% and 2.1%, respectively.

In Europe, it appears that economies are either bottoming or improving. Asian economies have also recovered significantly, boosted by strong growth in China. Within the Portfolio, both the RBC European Equity Fund and the RBC Asian Equity Fund outperformed the benchmark for the international component of the Portfolio, returning 1.8% and 2.0%, respectively.

Given the fragility of the economic recovery, central banks are widely expected to hold short-term interest rates at rock-bottom levels for at least the next six months. Monetary authorities will want to be confident that the recovery is self-sustaining before beginning the long trek back to a neutral policy setting. Equity market valuations remain unusually attractive and we increased our overweight in equities in November to reflect this view. Although the current economic environment is characterized by a higher-than-usual level of uncertainty, we are confident that markets will eventually value companies based on their earnings power through the cycle instead of during an economic trough.



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Disclosure

RBC Funds are offered by RBC Asset Management Inc. and distributed through authorized dealers. RBC Asset Management Inc. is a member company of RBC Global Asset Management.

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 January 31, 2010.

Morningstar ratings are overall ratings reflecting risk adjusted performance as of January 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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