

# RBC Managed Portfolios

## Cash Flow Investment Profile

QUARTERLY PROFILE DISCLOSURE

September 30, 2008

### At a glance

Profile inception date	November 2005
Net assets	\$132.4MM
Fees	Tiered – \$1,250 (minimum)
First \$150,000	1.50%
Next \$100,000	1.25%
Over \$250,000	1.00%
Distribution policy	
Income	monthly/quarterly
Capital gains	annually (Dec)
Minimum investment	\$100,000
<b>Benchmark</b>	
SCM T-Bills 30/91	5.00%
RBC CM overall market index	60.00%
<b>Total fixed income and cash</b>	<b>65.00%</b>
S&P/TSX composite TR	30.00%
S&P 500 TR CAD*	5.00%
MSCI EAFE CAD*	0.00%
<b>Total equity</b>	<b>35.00%</b>
<b>Total</b>	<b>100.00%</b>

\* 50% hedged to CAD

### Sector mix (%)

	May 31 2008	Aug 31 2008
Financials	11.98	12.89
Energy	8.82	9.00
Materials	3.11	3.31
Consumer Discretionary	2.48	2.31
Industrials	2.11	1.50
Telecommunication Services	1.54	1.32
Utilities	1.02	1.13
Consumer Staples	0.60	0.65
Health Care	0.20	0.18
Information Technology	--	--

### Objective

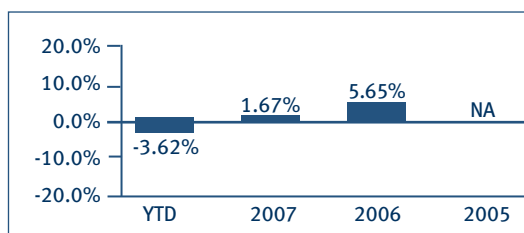
This portfolio focuses on providing regular, tax efficient monthly income with the potential for modest levels of capital appreciation.

### Commentary

The Cash Flow investment profile posted a -4.92% return over the past three months as global equity markets trended downwards.

The portfolio was rebalanced in September to bring the holdings back to target weights since the last rebalance and to redeploy the income received from the underlying holdings through the quarter. Not only did this rebalancing keep the asset mix on track, but it also allowed us to take advantage of what we feel are very attractive valuations for stocks. Overall, we maintain an overweight position in equities as valuations suggest significant upside once the credit crunch passes.

### Calendar performance



Net of fees based on a minimum investment of \$100,000.

### Performance

	1 mo	3 mo	1 yr	3 yr	5 yr	Since inception*
Profile (%)	-5.15	-4.92	-3.63	NA	NA	2.65

Net of fees based on a minimum investment of \$100,000. \*Partial year from Nov. 2005 to Dec. 2005.

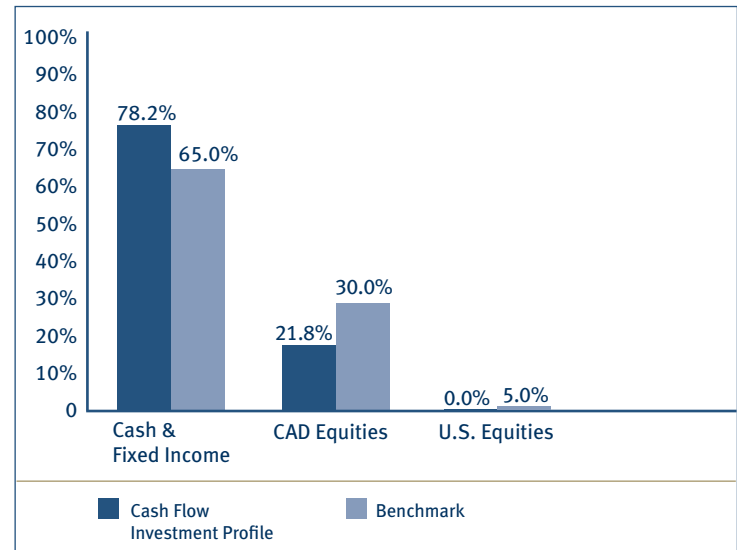
### Range of Returns

	1 yr	Ended	3 yr	Ended	5 yr	Ended
Best return	9.16%	Oct-06	NA	NA	NA	NA
Worst return	-3.63%	Sep-08	NA	NA	NA	NA
Average return	3.60%		NA	NA	NA	NA
Total periods	24		NA	NA	NA	NA
Percentage of positive periods	95.83%		NA	NA	NA	NA

### Profile holdings

	% of net assets
	Sep 30, 2008
Cash and Fixed Income	78.2
Cash	5.2
RBC Private Canadian Bond Pool	10.1
RBC Private Income Pool	24.9
RBC Private Corporate Bond Pool	28.8
RBC Private Short-Term Income Pool	4.1
RBC Private Global Bond Pool	5.1
Equities	21.8
Canadian Equities	21.8
RBC Private Canadian Dividend Pool	21.8

### Current profile asset mix



### Distributions (based on a minimum investment of \$100,000 CAD)

	YTD	2007	2006	2005
Total distributions	\$4,332	\$7,419	\$6,780	NA
Interest	—	62%	59%	NA
Dividends	—	9%	9%	NA
Capital gains	—	29%	32%	NA

\* YTD distributions are noted as income until year-end when tax allocations are determined

### Top 25 securities held within the pools in the profile — as at Aug 31, 2008

Issuer	Issue	% of assets
CASH	CASH	5.92
TORONTO DOMINION BK	COMMON	1.61
RBC PRIVATE CORP	BOND POOL SER O	1.49
MANULIFE FINCL CORP	COMMON	1.49
ENCANA CORPORATION	COMMON	1.48
BANK OF NOVA SCOTIA	COMMON	1.46
CDN OIL SANDS TRUST	TRUST UNIT	1.10
ROYAL BANK CDA	COMMON	1.10
POWER CORP OF CDA	SUB VTG	1.04
BROOKFIELD ASSET MGT	CLASS A LTD VTG	0.92
TECK COMINCO LTD	CLASS B SUB VTG	0.91
TORONTO DOMINION BK	4.970 OCT 30 15	0.88
TRANSCANADA CORP	COMMON	0.87
POTASH CORP OF SASK	COMMON	0.86

Issuer	Issue	% of assets
CDN IMP BANK COMMERC	COMMON	0.83
SUN LIFE FNCL INC	COMMON	0.81
IMPERIAL OIL LTD	COMMON	0.79
BANK OF MONTREAL BDN	SEP 22 08	0.78
ENBRIDGE INC	COMMON	0.77
BANK OF NOVA SCOTIA	5.040 APR 08 13	0.76
ROGERS COMMUNICATION	CLASS B NON VTG	0.70
BANK OF MONTREAL	5.04 SEP 4 12	0.69
HYDRO ONE INC	6.930 JUN 01 32	0.69
BANK OF MONTREAL	COMMON	0.69
THOMSON REUTERS CORP	COMMON	0.67
<b>Total</b>		<b>29.31</b>

The indicated rates of return for the RBC Managed Portfolios investment profiles are the historical annual compounded total returns for the periods after investment management fees and taxes have been charged in respect of the program. Fees are calculated based on a minimum account size of \$100,000, using the fee schedule in effect during the period. The rates of return for the periods of less than one year are simple rates of return after deduction of fees and charges in respect of the program. The return is based on the total returns of the participating RBC Private Pools including changes in unit value.

The performance of each pool is based on the change in the net asset value of Series O units of the pool during the period. The RBC Managed Portfolios program is managed by RBC Asset Management Inc. and distributed through Royal Mutual Funds Inc. Investors pay a monthly fee to Royal Mutual Funds Inc. based on the net asset value of the investor's account. A portion of the monthly fee is paid to RBC Asset Management Inc. No management fees are charged by RBC Asset Management Inc. to the RBC Private Pools in respect of the program and no sales charge or trailing commissions are payable by investors in connection with any purchases, redemptions or switches in the program. Please read the account agreement and supporting documents, and the prospectus of the participating RBC Private Pools before investing in the RBC Managed Portfolios program. RBC Managed Portfolios and RBC Private Pools are not guaranteed, their values change frequently and past performance may not be repeated. Investment and retirement planners and financial planners are employees of Royal Mutual Funds Inc. ("RMFI"). RMFI, RBC Asset Management Inc. and Royal Bank of Canada are separate corporate entities which are affiliated. RMFI is licensed as a financial services firm in the province of Quebec.