



RBC Global High Yield Fund



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Fund Inception Date July 2003
Net Assets \$184.1MM
NAV – Series A \$9.15
2008 MER – Series A* 1.70%
Distribution Policy
 Income: Quarterly
 Capital Gains: Annually (Dec.)
Benchmark
 50% Citigroup High Yield Index (hedged back to CDN\$)
 50% Lehman Brothers Emerging Market Debt Index (hedged back to CDN\$)
 * Based on actual expenses for half-year period January 1 to June 30, 2008, expressed on an annualized basis.

Investment Objectives
To provide above-average total returns comprised of interest income and capital growth and achieve a yield advantage.

Fund Code
 Series A – RBF 579
 Advisor Series ISC – RBF 701
 Advisor Series DSC – RBF 801
 Advisor Series Low Load – RBF 119
 Series F – RBF 901

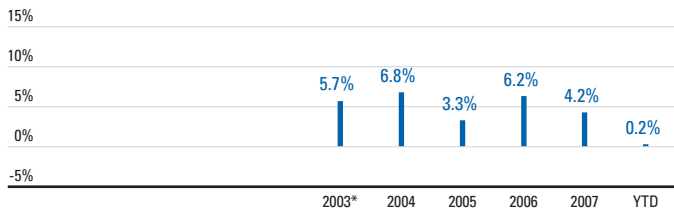
| Minimum Investment | Registered | Non-Registered |
|-----------------------|------------|----------------|
| Initial Investment | \$500 | \$500 |
| Additional Investment | \$25 | \$25 |

Trailing Performance – Series A (%)

| | 1 mo. | 3 mo. | 6 mo. | 1 yr. | 3 yr. | 5 yr. | 10 yr. | Since Inception |
|-------------------|-------|-------|-------|-------|-------|-------|--------|-----------------|
| Fund (%) | -1.2 | 0.1 | 0.2 | 3.8 | 4.0 | – | – | 5.3 |
| Quartile Ranking* | 3 | 3 | 2 | 1 | 1 | | | |

* Source : Morningstar Canada

Calendar Performance – Series A



* Return for the period July 17, 2003 to December 31, 2003.

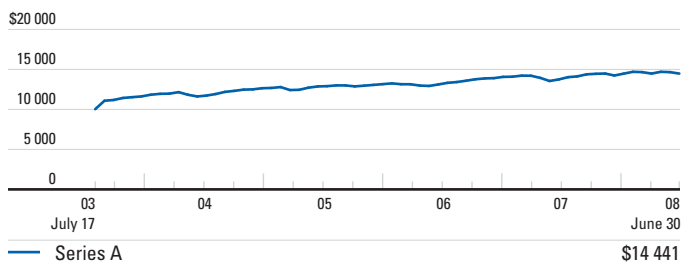
Quartile Ranking†

| Year | Ranking |
|------|---------|
| 2003 | 2 |
| 2004 | 2 |
| 2005 | 3 |
| 2006 | 1 |
| 2007 | 2 |

† Source: Morningstar Canada

Performance History

(Growth of \$10,000 over 10 years or since inception)

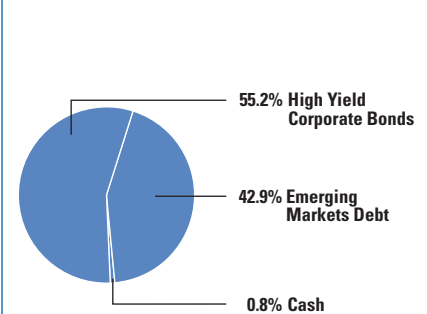


Summary of Investment Portfolio

| Top 25 Holdings | Market Value (\$000) | % of Net Assets | Top 25 Holdings | Market Value (\$000) | % of Net Assets |
|---|----------------------|-----------------|---|----------------------|-----------------|
| Republic of Venezuela USD 9.250% Sep 15 27 | 3 599 | 2.0 | Republic of Turkey USD 7.250% Mar 15 15 | 1 909 | 1.0 |
| HCA Inc. 9.125% Nov 15 14 | 3 562 | 1.9 | Gov. of Indonesia USD 6.625% Feb 17 37 | 1 834 | 1.0 |
| Republic of Brazil USD 7.125% Jan 20 37 | 3 372 | 1.8 | Republic of Brazil USD 11.000% Jan 11 12 | 1 832 | 1.0 |
| Ford Motor Credit Co. 9.750% Sep 15 10 | 3 184 | 1.7 | Pemex Project Funding Master Trust USD 6.625% Jun 15 38 | 1 725 | 0.9 |
| Russian Federation USD 5.000% Mar 31 30 | 2 945 | 1.6 | Republic of Turkey USD 7.375% Feb 05 25 | 1 715 | 0.9 |
| Russian Federation USD 11.000% Jul 24 18 | 2 852 | 1.5 | United Mexican States USD 5.625% Jan 15 17 | 1 714 | 0.9 |
| Republic of Brazil USD 11.000% Aug 17 40 | 2 708 | 1.5 | Republic of Panama USD 7.250% Mar 15 15 | 1 697 | 0.9 |
| Republic of Philippines USD 9.000% Feb 15 13 | 2 571 | 1.4 | OPTI Canada Inc. USD 8.250% Dec 15 14 | 1 693 | 0.9 |
| General Motors Acceptance Corp. 6.875% Sep 15 11 | 2 266 | 1.2 | Host Marriott LP 7.125% Nov 01 13 | 1 658 | 0.9 |
| Qwest Corp. 8.875% Mar 15 12 | 2 114 | 1.1 | Republic of Peru USD 7.350% Jul 21 25 | 1 647 | 0.9 |
| Intelsat Bermuda Ltd. USD 11.250% Jun 15 16 | 2 021 | 1.1 | Edison Mission Energy 7.000% May 15 17 | 1 629 | 0.9 |
| Petrobras International Finance Co. USD 8.375% Dec 10 18 | 1 974 | 1.1 | NRG Energy Inc. 7.375% Feb 01 16 | 1 601 | 0.9 |
| Texas Competitive Electric Holdings Co. LLC 10.250% Nov 01 15 | 1 957 | 1.1 | Total | 55 779 | 30.1 |

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the investment fund.

Portfolio Composition Asset Mix



Note These pages are not complete without the disclaimer on page 172. Fund-specific information is on page 172.



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Commentary

› June 30, 2008 Fund Commentary to follow within a few business days.



Distributions – Series A

| | YTD | 2007 | 2006 | 2005 | 2004 | 2003 [†] |
|--------------------------|----------|------|------|------|------|-------------------|
| MER (%) | 1.70* | 1.95 | 2.07 | 2.10 | 2.10 | 2.10 |
| Total Distributions (\$) | 0.3356** | 1.50 | 0.51 | 0.61 | 0.90 | 0.95 |
| Interest | – | 0.55 | 0.51 | 0.44 | 0.40 | 0.15 |
| Dividends | – | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Capital Gains | – | 0.95 | 0.00 | 0.17 | 0.50 | 0.80 |
| Return of Capital | – | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

[†] From July 17, 2003.

* Based on actual expenses for half-year period January 1 to June 30, 2008, expressed on an annualized basis.

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

Top Country Mix (%)

| | Mar. '08 | June '08 |
|---------------------------|----------|----------|
| United States | 44.7 | 49.5 |
| Emerging Market Countries | 43.6 | 42.9 |
| Canada | 11.7 | 7.3 |
| Europe | 0.0 | 0.3 |

Downside Risk

| Rolling Returns* | 1 yr. | Ended | 3 yr. | Ended | 5 yr. | Ended | 10 yr. | Ended |
|--------------------------------|--------|--------|-------|--------|-------|-------|--------|-------|
| Best | 18.90% | Jul-04 | 9.36% | Jul-06 | – | – | – | – |
| Worst | 0.46% | Jun-06 | 3.64% | Feb-08 | – | – | – | – |
| Average | 5.46% | | 5.30% | | – | – | – | |
| Total periods | 48 | | 24 | | – | – | – | |
| Percentage of positive periods | 100% | | 100% | | – | – | – | |

* Ended June 30, 2008

DISCLAIMER

Please consult your financial advisor and read the prospectus before investing. There may be commissions, trailing commissions, management fees and expenses associated with mutual fund investments. Mutual funds are not guaranteed; their values change frequently and past performance may not be repeated. Except as otherwise noted, the indicated rates of return are the historical annual compounded total returns for the period ended June 30, 2008. The rates of return for periods of less than one year are simple rates of return. All rates of return and performance data include changes in unit value and assume reinvestment of all distributions, and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholders that would have reduced returns. Mutual funds are not guaranteed or covered by the Canada Deposit Insurance Corporation or any other government deposit insurer. For money market funds, there can be no assurances that a fund will be able to maintain its net asset value per security at a constant amount or that the full amount of your investment in a fund will be returned to you. For money market funds, the current yield is an annualized historical yield based on the seven-day period ended on June 30, 2008, and does not represent an actual one year return. RBC Funds are offered by RBC Asset Management Inc. and distributed through authorized dealers. RBC Canadian Short-Term Income Fund's investment objective changed June 28, 2002.

RBC U.S. Mid-Cap Equity Fund's and RBC Global Balanced Fund's portfolio advisor and investment objectives changed June 29, 2001. RBC Balanced Growth Fund is the continuing fund resulting from a merger with RBC Global Balanced Fund on July 4, 2006. RBC Balanced Growth Fund's investment objective changed July 4, 2006.

RBC Canadian Index Fund, RBC North American Growth Fund, RBC U.S. Index Fund, RBC Asian Equity Fund and RBC Global Technology Fund are continuing funds resulting from mergers effective June 28, 2002. RBC North American Growth Fund's investment objective changed July 4, 2006. The inception date for the RBC Asian Equity Fund is August 1993. The Fund's investment objectives changed June 28, 2002. The "Since Inception" rate of return for this Fund includes data from June 28, 2002 only.

The inception date for the RBC Global Technology Fund is June 2000. The Fund's investment objective changed June 28, 2002 and July 4, 2006. The "Since Inception" rate of return for this Fund includes data from June 28, 2002 only.

The inception date for the RBC U.S. Equity Fund is July 1966; however the "Since Inception" rate of return for this Fund includes data from October 1972 only.

RBC European Equity Fund's portfolio advisor changed July 1, 2002.

RBC Jantzi Balanced Fund, RBC Jantzi Canadian Equity Fund, RBC Jantzi Global Equity Fund and RBC Target 2025 Education Fund were launched on July 3, 2007. RBC Premium \$U.S. Money Market Fund was launched November 1, 2007. RBC O'Shaughnessy U.S. Growth Fund II was launched January 14, 2008. Securities regulations do not allow us to report performance for any series of an investment that has been available for less than one year.

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 June 30, 2008.

For more information, please see www.morningstar.ca.

The information contained in the Investment Outlook, Asset Class Commentary and Fund Commentaries is compiled from sources believed to be reliable, but no representation or warranty, express or implied, is made as to its accuracy. All opinions contained in the Investment Outlook, Asset Class Commentary are current to June 30, 2008 and in the Fund Commentaries are current to June 30, 2008, and are subject to change without notice and are provided in good faith without legal responsibility.

As of December 9, 2005, units of the RBC Monthly Income Fund are no longer available for purchase in registered plans, except through a pre-authorized investment plan established prior to December 9, 2005. Purchases in non-registered plans continue unaffected.

Effective June 30, 2006, RBC O'Shaughnessy U.S. Growth Fund is closed to new purchases, except through a pre-authorized investment plan established with RBC Asset Management and through automatic reinvestment of distributions.

Effective January 19, 2007, RBC O'Shaughnessy Canadian Equity Fund is closed to new purchases, except through a pre-authorized investment plan established with RBC Asset Management and through automatic reinvestment of distributions.

RBC Target 2015 Education Fund is the continuing fund resulting from a merger with RBC Global Education Fund on July 4, 2006.

The investment objectives of the RBC North American Dividend Fund, RBC North American Value Fund, RBC Global Energy Fund, RBC Global Precious Metals Fund, RBC Global Resources Fund and the RBC Global Consumer and Financials Fund changed July 4, 2006.

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