



RBC ENHANCED CASH FLOW PORTFOLIO

QUARTERLY PORTFOLIO DISCLOSURE

Jennifer McClelland, CFA

Vice-President and
Senior Portfolio Manager,
Canadian Equities
RBC Asset Management Inc.
Industry Experience: Since 1995



Fund Inception Date August 2004

Net Assets \$880.9MM

NAV – Series A \$10.02

Fixed MER – Series A 1.75%

2007 Actual MER – Series A* 1.77%

Distribution Policy

Income: Monthly
Capital Gains: Annually (Dec.)

Benchmark

100% DEX Universe Bond Index

Investment Objectives

To provide a high regular monthly income with a modest capital appreciation by investing primarily in units of other RBC Funds, emphasizing mutual funds whose investment objective is to generate income.

RRSP Eligibility

Not available for registered plans within RBC Royal Bank

Fund Code

Series A – RBF 582
Advisor Series ISC – RBF 755
Advisor Series DSC – RBF 855
Advisor Series Low Load – RBF 122

	Registered	Non-Registered
Minimum Investment		
Initial Investment		
and Balance	n/a	\$5,000
Additional Investment	n/a	\$25
Pre-Authorized Contribution	n/a	\$25

* Effective July 1, 2007, a fixed administration fee was introduced in respect of all series of the funds.

Commentary

- Over the past three months, the RBC Enhanced Cash Flow Portfolio declined 0.9%.
- Concerns about a U.S. led economic slowdown and general tightening of the credit markets have broadened beyond expectations, as the subprime debacle continues to unfold. This development has had repercussions for the global economy and capital markets. Stocks echoed this negative sentiment during the first quarter, as equity markets around the world declined.
- Since grasping the severity of the credit crisis, the Federal Reserve has acted aggressively, pairing injections of liquidity with large interest rate cuts. Consequently, bonds rallied and fixed-income funds returned strong relative performance.
- Among the fixed-income holdings, the RBC Canadian Short-Term Income Fund was the best performer during the quarter, up 2.8%. The RBC Bond Fund advanced 2.0% and added considerable value to overall performance. The RBC Global High Yield Fund advanced 0.1%, weighed down by a dramatic upswing in credit risk premiums, a flight to quality and by fears that economic growth might slow in emerging economies.
- The RBC Tax Managed Return Fund, which accounts for close to 33.0% of assets, fell 1.5%. In the current environment of declining equity markets. The majority of the underperformance in this Fund was driven by the negative impact of asset mix given the Fund's above-benchmark exposure to equities and the severe sell-off experienced by North American equity markets.
- The months ahead are perhaps less clear than at any point since the end of the last recession, but the turmoil has created significant opportunities. Valuation in bond and stock markets now reflect a severe economic environment and a prolonged period of dislocation. That outcome is possible, but not at all certain. As the credit crisis is sorted out and monetary and fiscal relief combine to buoy economic growth through 2008, higher bond yields and a strong recovery in stocks should prevail.

Summary of Investment Portfolio

Top 25 Holdings*	Market Value (\$000)	% of Net Assets
RBC Tax Managed Return Fund	289 277	32.8
RBC Canadian Dividend Fund	191 881	21.8
RBC Bond Fund	115 727	13.1
RBC Global High Yield Fund	96 098	10.9
RBC Canadian Short-Term Income Fund	90 149	10.2
RBC Canadian Money Market Fund	56 738	6.4
RBC Global Corporate Bond Fund	35 000	4.0
Cash & Cash Equivalents	7 813	0.8
Total	882 683	100.0

* The Portfolio holds fewer than 25 holdings.

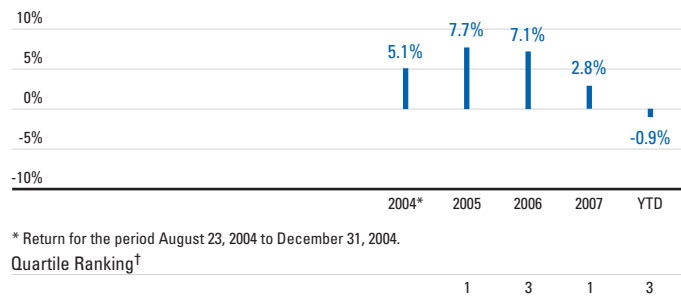
The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the investment fund.



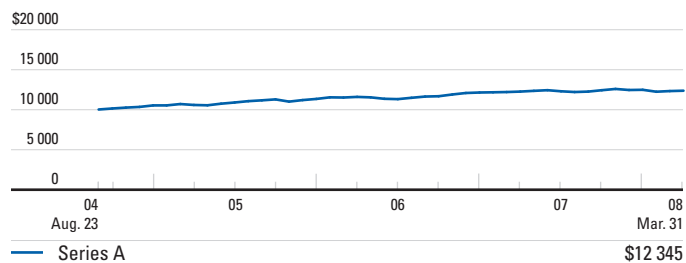
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Calendar Performance – Series A

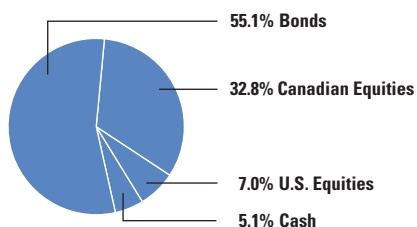


Performance History (Growth of \$10,000 over 10 years or since inception)



Portfolio Composition

Asset Mix



Trailing Performance – Series A (%)

	1 mo.	3 mo.	6 mo.	1 yr.	3 yr.	5 yr.	10 yr.	Since Inception
Fund (%)	0.4	-0.9	-0.5	0.9	5.3	–	–	6.0
Quartile Ranking*	4	3	3	1	1	–	–	

* Source: Morningstar Canada

Downside Risk

Rolling Returns*	1 yr.	Ended	3 yr.	Ended	5 yr.	Ended	10 yr.	Ended
Best	11.22%	Sep-05	7.07%	Oct-07	–	–	–	–
Worst	0.60%	Jan-08	4.82%	Feb-08	–	–	–	–
Average	6.27%		6.06%		–	–	–	
Total periods	32		8		–	–	–	
Percentage of positive periods	100%		100%		–	–	–	

* Ended March 31, 2008

Distributions – Series A

	YTD	2007	2006	2005	2004†	2003
MER (%)	–	1.77	1.83	1.84	1.86	–
Total Distributions (\$)	0.1575*	0.63	0.63	0.53	0.23	–
Interest	–	0.17	0.23	0.18	0.09	–
Dividends	–	0.04	0.04	0.03	0.03	–
Capital Gains	–	0.26	0.16	0.15	0.11	–
Return of Capital	–	0.16	0.20	0.17	0.00	–

† From August 23, 2004.

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

Note

These pages are not complete without the disclaimer on page 143.

Fund-specific information is on page 143.



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 March 31, 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 March 31, 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 July 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 July 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 March 31, 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 March 21, 2008 and in the Fund Commentaries are current to March 31, 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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