



RBC North American Dividend Fund

Fund Category
North American Equity

Morningstar Rating™
★★★

Investment Objective

To achieve long-term capital growth and regular dividend income by investing primarily in common and preferred shares of major Canadian and/or U.S. companies with above-average dividend yields.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF590
Adv	Deferred Sales	CAD	RBF802
Adv	Front End	CAD	RBF702
Adv	Low Load	CAD	RBF129
F	No Load	CAD	RBF902
T	No Load	CAD	RBF599

Inception Date	July 2006
Total Assets \$Mil	141.9
Series A NAV \$	13.10
Series A MER %	2.00
Benchmark	50% S&P 500 (\$C) 50% S&P/TSX Composite

Income Distribution	Quarterly
Capital Gains Distribution	Annually

Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25
RRSP Eligibility	Yes

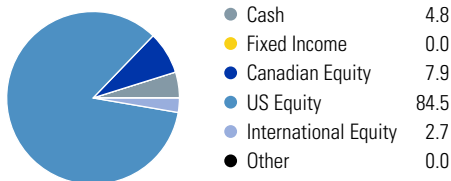
Management Company	RBC Asset Management Inc.
Web Site	www.rbcam.com

Notes

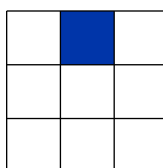
Fund's investment objective and name changed July 4, 2006.

Portfolio Analysis as of September 30, 2009

Asset Mix



Equity Style



Value Blend Growth

Equity Statistics

P/B Ratio	2.0
P/E Ratio	16.4
Avg Mkt Cap \$Bil	25.0

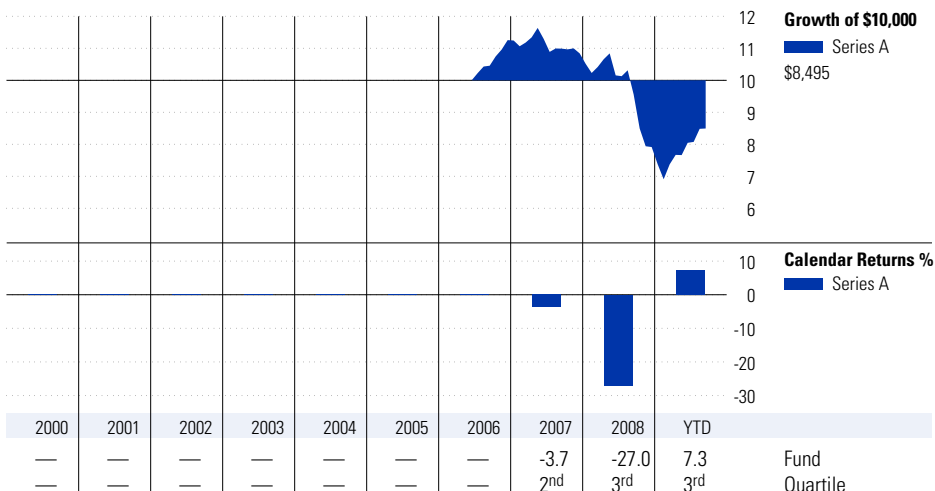
Global Equity Sectors

Sector	% Equity
Utilities	2.7
Energy	10.2
Financials	20.4
Materials	6.5
Consumer Discretionary	7.3
Consumer Staples	13.0
Telecommunication Services	4.7
Industrials	13.0
Health Care	8.8
Information Technology	13.3
Unclassified	0.0

Top 25 Holdings

Company	% Assets
Cash & Cash Equivalent	4.8
Apollo Investment Corporation	2.5
Bank of America Corporation	2.4
United Technologies	2.1
J.P. Morgan Chase & Co.	2.0
Saks, Inc.	1.9
Express Scripts	1.9
Royal Bank of Canada	1.8
Baxter International Inc.	1.7
Procter & Gamble Company	1.7
Merck & Co., Inc.	1.6
PepsiCo, Inc.	1.6
Danaher Corporation	1.6
Centurytel, Inc.	1.5
TJX Companies	1.5
Simon Property Group, Inc.	1.4
Honeywell International, Inc.	1.4
AT&T, Inc.	1.4
3M Company	1.4
United Parcel Service, Inc.	1.4
Avon Products	1.4
Sysco Corporation	1.3
Macerich Company	1.3
Union Pacific Corporation	1.3
Micron Technology, Inc.	1.3
Total % of Top 25 Holdings	44.2
Total Number of Stock Holdings	90
Total Number of Bond Holdings	0
Total Number of Other Holdings	2
Total Number of Holdings	92

Performance Analysis as of September 30, 2009



Period	Trailing Return %	Quartile
1 Mth	0.1	4 th
3 Mth	5.6	4 th
6 Mth	15.2	3 rd
1 Yr	-11.1	4 th
3 Yr	-6.7	3 rd
5 Yr	—	—
10 Yr	—	—
Since Incep.	-4.9	—



RBC North American Dividend Fund

Management Overview

Manager Bios

Brad Willock, CFA

RBC Asset Management Inc.

Brad Willock is Vice-President and Senior Portfolio Manager, U.S. Equities and a member of the U.S. Equity Committee.

Cameron Hurst

RBC Asset Management Inc.

Cameron Hurst is Associate Portfolio Manager, U.S. and Global Equities.

James Learmonth

RBC Asset Management Inc.

James Learmonth is Associate Portfolio Manager, U.S. Equities

Performance Analysis Cont'd as of September 30, 2009

Distributions (\$)/Unit	YTD	2008	2007	2006	2005	2004	2003	2002	2001	2000
Total Distributions	0.07	0.17	1.12	0.52	—	—	—	—	—	—
Interest	0.07	0.05	0.04	0.01	—	—	—	—	—	—
Dividends	—	0.12	0.12	—	—	—	—	—	—	—
Capital Gains	—	—	0.95	0.52	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	1Yr	3Yr	5Yr	10Yr
Best	7-2007 6.5	8-2009 -6.7	—	—
Worst	2-2009 -32.5	7-2009 -7.6	—	—
Average	-13.0	-7.0	—	—
No. of Periods	27	3	—	—
Pct. Positive	18.5	0.0	—	—

Quarterly Commentary as at September 30, 2009

The RBC North American Dividend Fund (Series A) posted a return of 5.6% for the quarter, versus the benchmark return of 6.4%, in Canadian dollar terms.

The worst recession in over 60 years appears to be coming to an end. Automobile manufacturing, housing construction and manufacturing may be set to improve by year-end after collapsing to rock-bottom levels in the second half of 2008. The improving trends have led global stock markets to rally more than 50% from their lows as investors begin to anticipate the likelihood of a recovery.

In the context of the economic backdrop, the recent financial performance of corporate America has been remarkable. With revenue down dramatically, managers have slashed operational and capital spending by unprecedented amounts, helping to generate average returns on equity of 15%, excluding Financials.

More noteworthy has been the response of the U.

S. government to the crisis. Typically, the government combats a recession by injecting monetary and fiscal stimulus of roughly 3% of the Gross Domestic Product (GDP). However, with this crisis, the stimulus amounts to almost 20% of GDP, much of which has yet to filter through the economy.

The avalanche of federal dollars, combined with the unprecedented retrenchment by corporate America and a robust recovery taking place outside the U.S., it seems reasonable to expect earnings to continue to surprise on the upside and for the stock market to move higher at least through year-end. Eventually, the Fed will have to raise interest rates and fiscal stimulus will wane. This will likely increase market volatility and signal a need to increase the defensive nature of the Fund. For now, we remain positioned for economic recovery and have recently increased exposure to the Information Technology, Industrials, Energy and Materials sectors, while exiting the defensive Utilities sector.

Major Buys

Saks Inc.
Hewlett-Packard Co.
Lincoln National Corp.

Major Sells

Texas Instruments
Barrick Gold Corp.



RBC North American Dividend Fund

Disclosure

RBC Funds are offered by RBC Asset Management Inc. and distributed through authorized dealers.

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 September 30, 2009.

Morningstar ratings are overall ratings reflecting risk adjusted performance as of September 30, 2009. 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.

® Registered trademark of Royal Bank of Canada. © RBC Asset Management Inc. 2009.