



RBC Canadian Dividend Fund

Fund Category

Canadian Dividend & Income Equity

Morningstar Rating™

★★★★

Investment Objective

To achieve long-term total returns consisting of regular dividend income, which benefits from the preferential tax treatment given to dividend income, and modest long-term capital growth. The fund invests primarily in common and preferred shares of major Canadian companies with above average dividend yields.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF266
Adv	Front End	CAD	RBF759
Adv	Low Load	CAD	RBF107
F	No Load	CAD	RBF607
I	No Load	CAD	RBF150
T	No Load	CAD	RBF598

Inception Date	January 1993
Total Assets \$Mil	9,444.3
Series A NAV \$	42.16
Series A MER %	1.70
Benchmark	S&P/TSX Composite

Income Distribution	Quarterly
Capital Gains Distribution	Annually

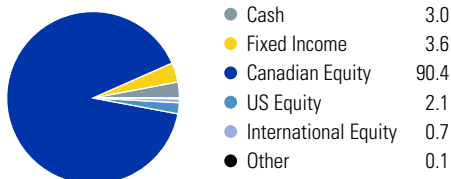
Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25
RRSP Eligibility	Yes

Management Company	RBC Asset Management Inc.
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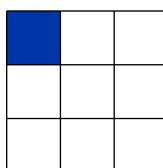
Web Site	www.rbcam.com
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Portfolio Analysis as of September 30, 2009

Asset Mix



Equity Style



Value Blend Growth

Global Equity Sectors

Sector	% Equity
Utilities	3.6
Energy	22.2
Financials	50.4
Materials	6.2
Consumer Discretionary	4.6
Consumer Staples	2.3
Telecommunication Services	6.2
Industrials	4.4
Health Care	0.2
Information Technology	0.0
Unclassified	0.0

Top 25 Holdings

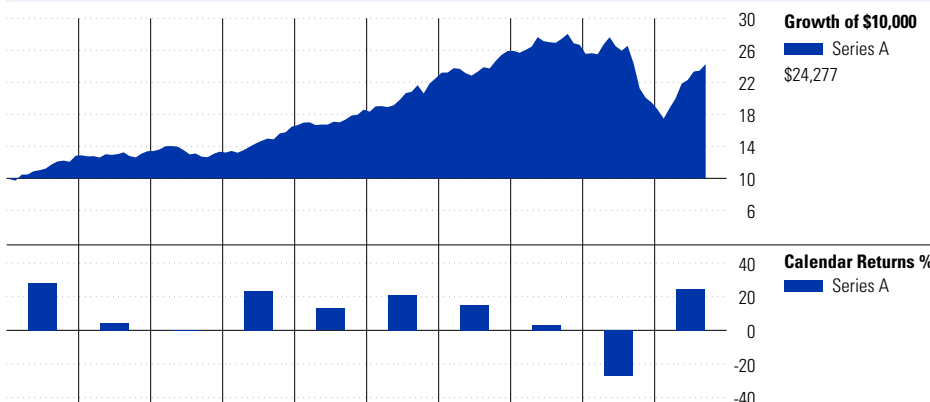
Company	% Assets
Royal Bank of Canada	9.0
Toronto-Dominion Bank	7.5
Bank of Nova Scotia	5.2
EnCana Corporation	4.0
Bank of Montreal	3.8
Manulife Financial Corporation	3.6
Suncor Energy, Inc.	3.4
Canadian Imperial Bank of Commerce	3.2
Cash & Cash Equivalent	2.9
Enbridge, Inc.	2.8
Power Corporation Of Canada Sub Vtg	2.5
Imperial Oil	2.4
Brookfield Asset Management, Inc.	2.4
BCE Inc.	2.3
TransCanada Corporation	2.3
Rogers Communications, Inc. B	2.3
Canadian Oil Sands Trust	2.1
Sun Life Financial, Inc.	2.1
Thomson Reuters Corporation	2.1
Barrick Gold Corporation	2.1
Canadian National Railway Company	2.0
Canada Govt 4.25% 01-06-2018	1.8
Potash Corporation of Saskatchewan, Inc.	1.6
CI Financial Corp	1.5
IGM Financial Inc.	1.2
Total % of Top 25 Holdings	75.9
Total Number of Stock Holdings	71
Total Number of Bond Holdings	11
Total Number of Other Holdings	8
Total Number of Holdings	90

Notes

Minimum investment for Series I units of the Fund is \$500,000. Minimum additional investment is \$5,000.

Fund name changed effective July 4, 2006.

Performance Analysis as of September 30, 2009



Year	Calendar Returns %	Fund Quartile
2000	28.3	2nd
2001	4.4	3rd
2002	-0.5	2nd
2003	23.5	1st
2004	12.9	4th
2005	21.1	2nd
2006	15.1	2nd
2007	3.0	2nd
2008	-27.0	3rd
YTD	24.6	2nd

Period	Trailing Return %	Fund Quartile
1 Mth	3.4	3rd
3 Mth	8.9	2nd
6 Mth	29.3	2nd
1 Yr	-0.3	2nd
3 Yr	0.8	1st
5 Yr	6.9	1st
10 Yr	10.0	1st
Since Incep.	11.6	—



RBC Canadian Dividend Fund

Management Overview

Manager Bios

Doug Raymond

RBC Asset Management Inc.

Doug Raymond is Senior Vice President and Co- Head, Canadian Equities. He has been in the Investment Industry since 1985.

Stuart Kedwell, CFA

RBC Asset Management Inc.

Stuart Kedwell is Senior Vice President and Senior Portfolio Manager, Canadian Equities, Co-Head, Canadian Equity Committee, RBC Asset Management Inc. He has been in the Investment Industry since 1997.

Performance Analysis Cont'd as of September 30, 2009

Distributions (\$)/Unit	YTD	2008	2007	2006	2005	2004	2003	2002	2001	2000
Total Distributions	0.43	0.47	2.14	1.02	0.33	0.51	0.44	0.70	0.47	0.75
Interest	0.43	—	—	—	—	—	—	—	—	—
Dividends	—	0.47	0.21	0.32	0.33	0.51	0.44	0.70	0.47	0.45
Capital Gains	—	—	1.93	0.70	—	—	—	—	—	0.30
Return Of Capital	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %		1Yr		3Yr		5Yr		10Yr
Best	7-1997	51.3	3-1998	29.9	3-1998	21.1	3-2006	15.9
Worst	2-2009	-31.9	2-2009	-9.1	2-2009	0.6	2-2009	6.1
Average		11.6		13.5		13.4		12.8
No. of Periods		189		165		141		81
Pct. Positive		78.8		94.5		100.0		100.0

Quarterly Commentary as at September 30, 2009

The RBC Canadian Dividend Fund (Series A) gained 8.9% during the third quarter, while the S&P/TSX Composite Total Return Index gained 10.6%.

With the economy recuperating, supported by fiscal and monetary stimulus, investors' attention shifted to what a return-to-trend earnings might look like. The improved outlook drove the Canadian equity market higher over the summer and away from extreme undervaluation levels. As the equity markets rebounded, advances in smaller-capitalization companies were somewhat stronger than large company returns and as a result, Fund performance was somewhat constrained due to its bias to larger companies.

Financials represented the largest weighting in the Fund and was also the strongest absolute performer, gaining 15.6%. The strength was led by Canadian banks as they delivered earnings that beat expectations on the back of strong trading results and solid operating performance in other divisions. Insurance stocks were the laggards after warnings that returns on equity would not improve

in the near term. While the valuation gap between banks and insurers has widened significantly, we continue to favour banks. Dividend increases at some banks could occur within the next 18 months.

The resiliency of economies in Asia, particularly China, combined with improving prospects for a recovery in Europe and North America, have driven commodity prices higher. Shares of metals and mining companies have reacted positively to this development. U.S. dollar weakness persisted through the summer, resulting in appreciation of gold and gold stocks. Underweight exposure to Materials detracted from relative performance.

Despite the strong run equity markets that have enjoyed, we think opportunities continue to exist as stocks remain undervalued based on our earnings models. We would expect market volatility may increase in coming months, as investors await guidance that the hoped for economic recovery is indeed materializing.

Major Buys

Bonavista Energy Trust
Canadian Utilities

Major Sells

Jean Coutu Group
TransAlta



RBC Canadian 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.

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