

RBC EUROPEAN EQUITY FUND



RBC Asset Management®

Dominic Wallington, MA

Chief Executive Officer and
Chief Investment Officer,
RBC Asset Management UK Ltd.,
London, England

**Vittorio Fegitz, MSc**

Senior Portfolio Manager
RBC Asset Management UK Ltd.,
London, England
Industry Experience: Since 1983

**David Lambert**

Portfolio Manager
RBC Asset Management UK Ltd.,
London, England

Fund Inception Date

July 1987

Net Assets

\$1,178.1MM

NAV – Series A

\$14.50

2008 MER – Series A*

2.15%

Distribution Policy

Income: Annually (Dec.)

Capital Gains: Annually (Dec.)

Benchmark

100% MSCI Europe Total Return Index (CDN\$)

* Based on actual expenses for half-year period

January 1 to June 30, 2008, expressed on an annualized basis.

Investment Objectives

To provide long-term capital growth by investing
in equity securities of European companies in order
to provide exposure to growth opportunities in the
European economy.

Fund Code

Series A – RBF 457

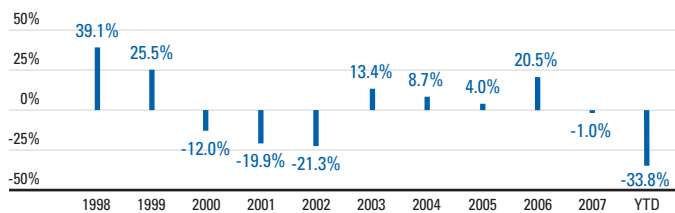
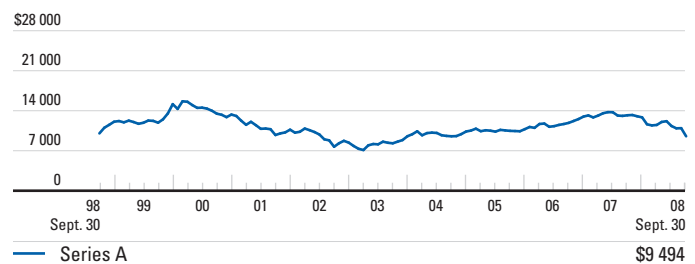
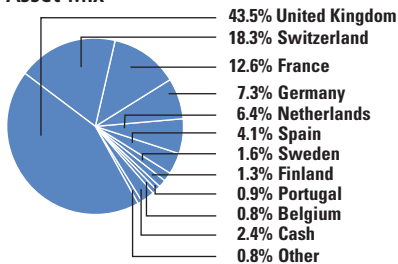
Advisor Series ISC – RBF 748

Advisor Series DSC – RBF 848

Advisor Series Low Load – RBF 174

Series F – RBF 622

Minimum Investment	Registered	Non-Registered
Initial Investment	\$500	\$500
Additional Investment	\$25	\$25
Pre-Authorized Contribution	\$25	\$25

Calendar Performance – Series A**Performance History** (Growth of \$10,000 over 10 years or since inception)**Portfolio Composition****Asset Mix****Top Sector Mix (%)**

	July '08	Oct. '08
Financials	24.1	20.5
Health Care	10.1	14.8
Energy	12.2	12.8
Industrials	11.3	12.7
Telecommunication Services	7.1	9.1
Consumer Staples	9.4	8.0
Consumer Discretionary	6.7	7.6
Utilities	7.9	4.9
Materials	5.7	3.9
Information Technology	5.1	3.6

Top 10 Holdings

Company	Sector	%
Novartis AG	Health Care	4.8
Royal Dutch Shell Plc., A Shares	Energy	4.4
BNP Paribas S.A.	Financials	4.4
HSBC Holdings Plc. (U.K. Reg.)	Financials	3.8
Koninklijke KPN N.V.	Telecom. Services	3.7
BP Plc.	Energy	3.6
Total S.A.	Energy	3.5
AstraZeneca Plc.	Health Care	3.3
Vodafone Group Plc.	Telecom. Services	3.0
Compass Group Plc.	Industrials	2.5
Total		37.0
Total Equity Holdings		59

Trailing Performance – Series A (%)

	1 mo.	3 mo.	6 mo.	1 yr.	3 yr.	5 yr.	10 yr.	Since Inception
	-10.7	-22.1	-29.4	-35.8	-6.6	-0.2	-2.6	2.9

Distributions – Series A

	YTD	2007	2006	2005	2004	2003
MER (%)	2.15*	2.20	2.43	2.51	2.60	2.72
Total Distributions (\$)	0.00**	0.15	0.13	0.08	0.01	0.01
Interest	–	0.00	0.00	0.08	0.00	0.00
Dividends	–	0.15	0.13	0.00	0.01	0.01
Capital Gains	–	0.00	0.00	0.00	0.00	0.00
Return of Capital	–	0.00	0.00	0.00	0.00	0.00

* 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.

Note

This page is not complete without
the disclaimer on the next page.

Fund-specific information is on the
next page.



CANADA 2008
Best Overall Fund Group
2007 & 2008
RBC Asset Management

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 October 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 October 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 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 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.

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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