



# RBC North American Value Fund (Series D)

**Fund Category**  
Canadian Focused Equity

**Morningstar Rating™**  
N/A

## Investment Objective

To provide long-term capital growth by investing primarily in equity securities of Canadian and/or U.S. companies priced below their true value and offering long-term opportunities for growth.

## Fund Details

Series	Load Structure	Currency	Fund Code
D	No Load	CAD	RBF1020

Inception Date	July 2007
Total Assets \$Mil	137.8
Series D NAV \$	13.76
Series D MER %	1.16
Benchmark	50% S&P 500 (\$C) 50% S&P/TSX Composite

Income Distribution	Annually
Capital Gains Distribution	Annually

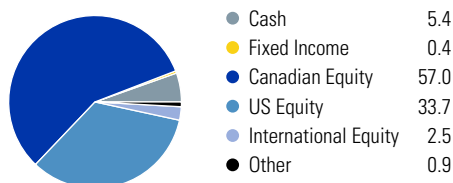
Sales Status	Open
Min. Investment \$	10,000
Subsequent Investment \$	25
RRSP Eligibility	Yes

Management Company	RBC Asset Management Inc.
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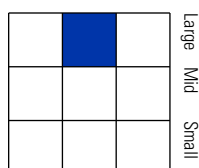
Web Site [www.rbcam.com](http://www.rbcam.com)

## Portfolio Analysis as of May 31, 2009

### Asset Mix



### Equity Style



Value Blend Growth

### Equity Statistics

P/B Ratio	1.4
P/E Ratio	14.6
Avg Mkt Cap \$Bil	17.0

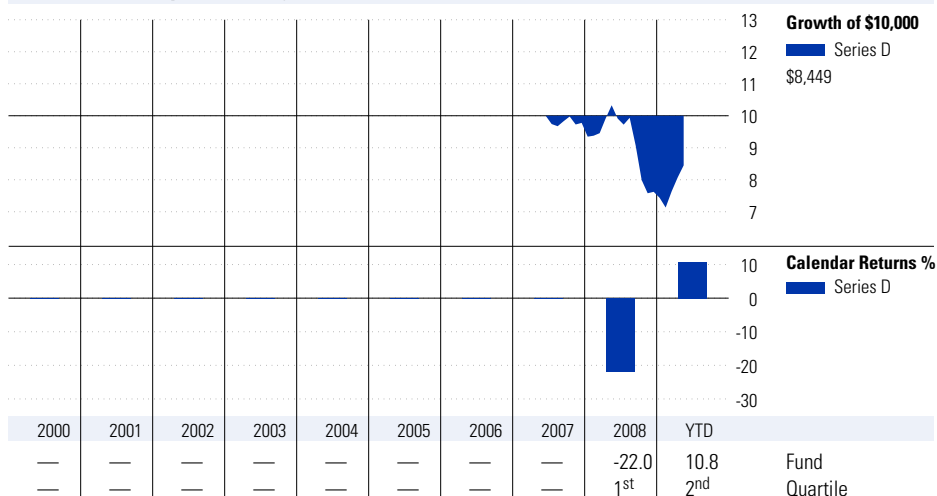
### Global Equity Sectors

Sector	% Equity
Utilities	1.9
Energy	23.1
Financials	30.6
Materials	7.1
Consumer Discretionary	9.4
Consumer Staples	1.1
Telecommunication Services	1.2
Industrials	9.8
Health Care	8.3
Information Technology	7.5
Unclassified	0.0

### Top Ten Holdings

Company	% Assets
Cash & Cash Equivalent	5.4
Royal Bank of Canada	5.0
EnCana Corporation	4.6
Toronto-Dominion Bank	4.3
Suncor Energy, Inc.	3.4
Manulife Financial Corporation	2.7
Canadian Oil Sands Trust	2.4
Imperial Oil	2.4
CI Financial Corp	2.3
Sun Life Financial, Inc.	2.2
<b>Total % of Top 10 Holdings</b>	<b>34.6</b>
<b>Total Number of Stock Holdings</b>	<b>79</b>
<b>Total Number of Bond Holdings</b>	<b>1</b>
<b>Total Number of Other Holdings</b>	<b>3</b>
<b>Total Number of Holdings</b>	<b>83</b>

## Performance Analysis as of May 31, 2009



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
4.7	18.5	11.5	-18.2	—	—	—	-8.4	Fund
4 <sup>th</sup>	4 <sup>th</sup>	2 <sup>nd</sup>	1 <sup>st</sup>	—	—	—	—	Quartile



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## Management Overview

### Manager Bios

#### Doug Raymond

##### RBC Asset Management Inc

Doug Raymond 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 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 May 31, 2009

Distributions (\$)/Unit	YTD	2008	2007	2006	2005	2004	2003	2002	2001	2000
Total Distributions	—	—	1.80	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	1.80	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %		1Yr		3Yr		5Yr		10Yr
Best	8-2008	2.7	—	—	—	—	—	—
Worst	2-2009	-23.9	—	—	—	—	—	—
Average		-15.4		—		—		—
No. of Periods		11		—		—		—
Pct. Positive		9.1		—		—		—

### Quarterly Commentary as at ---

The RBC North American Value Fund gained 0.2% in the first quarter, outperforming its benchmark, which lost 5.1%. The Fund benefited from an overweight in Canadian equities and an increased allocation to cash at the beginning of the quarter.

Financials, Industrials and Energy contributed positively to the Fund's relative performance. The Fund benefited from an overweight exposure to Canadian financial companies, as the banks' generally high-quality earnings and relatively strong capital positions enabled them to weather the credit storm better than their global peers. Recent stock sales have further improved their balance sheets. Declining loan demand and a challenging credit cycle are likely to drag on earnings in the near term, however overall earnings power should provide ample support as we progress through the cycle.

Fund performance was also boosted by stock selection in the Consumer Discretionary sector and underweight exposure to Consumer Staples. Stock selection and asset mix in the Materials sector

were a drag on performance. Poor-earnings visibility, a lack of confidence that demand would be sustained, and in some cases, high leverage, weighed on the performance of some companies. Information Technology was the best absolute performer in the benchmark, and an underweight position in this sector for the Fund was a drag on performance.

While overall earnings growth and performance will be limited by; weak global demand, a challenging credit cycle and strained consumers, stock valuations are at historically attractive values and significant negatives are already imbedded in valuations.

Extensive fiscal and monetary stimulus has been pumped into the global economy and we are watching for confidence in the financial system to return. We expect forward-looking equity markets to provide attractive returns in the intermediate term. We will look to deploy cash as opportunities arise.

#### Major Buys

EMC Corp.  
Abbott Labs  
Brookfield Properties

#### Major Sells

Emerson Electric  
Nexen  
Norfolk Southern



## RBC North American Value Fund (Series D)

### 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](http://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 May 31, 2009.

Morningstar ratings are overall ratings reflecting risk adjusted performance as of May 31, 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](http://www.morningstar.ca).

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