

RBC DIVERSIFIED FUND USD FIXED INCOME

NAV as of 30.07.2010

USD 99.06

OBJECTIVES

The investment objective for the USD Fixed Income subfund is medium term capital gains with a prudent diversification of risk.

Highlights

- Aims to provide attractive returns relative to the benchmark.
- Invests in a diversified portfolio of investment grade bonds and other debt instruments issued by Governments, Supra-nationals and Corporate entities with a minimum credit rating of A+ / A1 as established by Standard & Poor's or Moody's credit rating service.
- The duration of the fund will be +/- 2 years relative to the benchmark.
- Exposure will be primarily to the US Dollar however investments in other currencies are permitted.

Benchmark

Bloomberg/EFFAS Bond Indices US Govt 1-10 Years Total Return (US10TR).

COMMENTARY

30.06.2010

Bond market trends were particularly positive during the period under review, due mainly to the uncertain outlook for economic growth in general, and particularly in Europe where there are fears that the drive to clean up the public finances could tip the economy back into recession. Under these conditions, investors focused mainly on Government bonds at the expense of more risky assets such as corporate debt.

Unemployment in the euro zone rose again during the quarter, stepping above the 10% mark to 10.1%. At the same time, the surveys showed a slight deterioration in both business and consumer confidence over the period.

The budgetary turmoil experienced by some European countries has triggered a rush on German government debt, pushing the yield on the 10-year benchmark government bond to a record low of 2.50%.

Economic recovery in the industrialised countries is likely to remain moderate and non-inflationary, with stable key interest rates and a reasonably upwards sloping yield curve. In this environment, bond yields can be expected to move within a trading range.

FUND DATA

Fund Domicile	Switzerland	Fees	Subscription max. 2.00%
Fund Administrator	SIF Swiss Investment Funds SA	Management	max. 1.00%
Fund Manager	Royal Bank of Canada (Suisse) SA	Custody	max. 0.25%
Custodian Bank	Royal Bank of Canada (Suisse) SA	EU Savings Tax status	Tax on Distributions & Redemption / Sales
Valoren N°	1665784	Publications	Newspapers
ISIN	CH0016657840		Le Temps, Neue Zuercher Zeitung
Inception date	30.09.2003		1665784.S
Subscription / Redemption	Daily		RBCFIUS SW
Minimum Investment	1 unit		1665784
Dividend	Semi-annual		Internet www.swiss-if.ch
Reports	30th April 31st October	Auditors	PriceWaterhouseCoopers, Geneva

CONTACTS

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The prospectus, the statutes and the current semi-annual and annual reports can be obtained free of charge from Royal Bank of Canada (Suisse) SA and SIF Swiss Investment Funds SA. This document is not a solicitation to subscribe to any of the Funds described herein and is by way of information only. Performance data does not take into account the fees and commissions received for the issuance and the redemption of units. Subscriptions are valid only if made on the basis of the current prospectus and the statutes and the most recent semi-annual and annual reports for the relevant fund. Past performance is not guarantee of future performance.

ROYAL BANK OF CANADA (SUISSE) SA

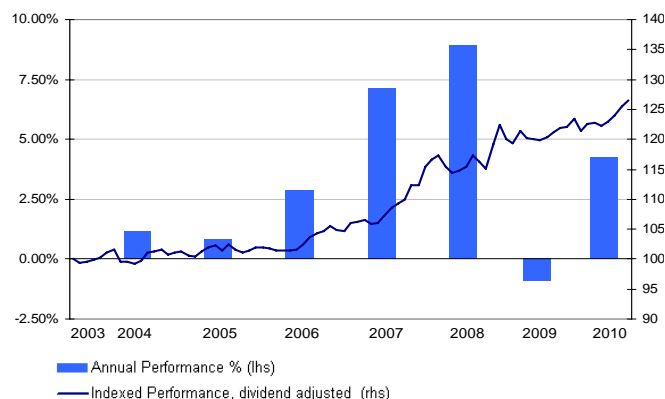


LIPPER
FUND AWARDS 2009
SWITZERLAND

Morningstar Rating™



HISTORICAL PERFORMANCE (%)



PERFORMANCE (%)

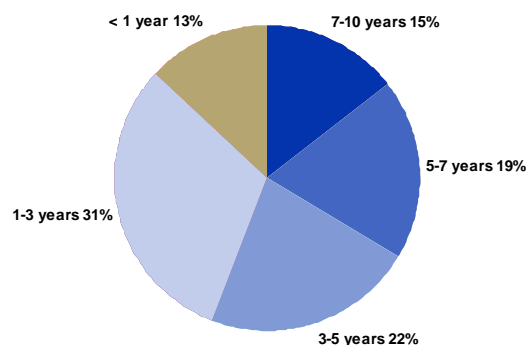
	July	3 Months	YTD	1 Year	3 Years **	2009
Fund *	0.81	2.93	4.26	5.08	5.68	-0.91
Benchmark ***	0.70	3.57	5.38	6.32	7.03	-1.64

* net of fees, dividend adjusted

** annualized performances

*** benchmark until March 31, 2009 : Merrill Lynch US Treasuries 1-10 years index in USD

MATURITY PROFILE



MAJOR HOLDINGS

Issuer	Coupon	Maturity date	%
USA	4.00 %	15.08.2018	15 %
USA	4.25 %	15.08.2013	7 %
Eksportfinans	5.00 %	14.02.2012	7 %
USA	7.25 %	15.05.2016	5 %
USA	4.875 %	15.02.2012	5 %

ADDITIONAL DATA

Fund size (millions) :	USD 116.18
Performance since inception (cumulated) :	26.52 %
Average duration :	3.82 years
Yield to maturity :	1.43 %
Average maturity :	4.22 years
Average coupon :	4.26 %
Total Expense Ratio :	1.06 %