

# RBC Global Funds USA (Income Units)

As at December 31, 2011 - Data in US DOLLARS

## Objective

To achieve long-term capital appreciation by investing in equity and convertible securities of companies located in the United States of America.

## Investment Adviser

Cornerstone Investment Partners, LLC

## Benchmark

Russell 1000 Index

## Investment Philosophy

Cornerstone has observed that stock prices are more volatile than the underlying fundamentals of a given company. This anomaly provides an opportunity, as disciplined investors, to exploit security mispricing. Large companies have embedded characteristics that tend to persist. The focus of our investment research is to determine if a company's historical fundamentals are likely to continue into the future. Over the long-term, price and value tend to converge as near term issues are resolved.

## PERFORMANCE (USD)

### Total Return<sup>1</sup>

	Month	3 Months	YTD	1 Year	3 Years	5 Years
Portfolio	0.5%	9.6%	1.4%	1.4%	10.1%	(3.4%)
Benchmark	0.8%	11.8%	1.5%	1.5%	14.8%	0.0%
Added Value	(0.3%)	(2.2%)	(0.1%)	(0.1%)	(4.7%)	(3.4%)

### 1 Year Performance<sup>1</sup>

Ending	Portfolio	Benchmark	Added Value
December 2011	1.4%	1.5%	(0.1%)
December 2010	8.5%	16.1%	(7.6%)
December 2009	21.5%	28.4%	(6.9%)
December 2008	(38.6%)	(37.6%)	(1.0%)
December 2007	2.4%	5.8%	(3.4%)

### 3 Year Annualised Rolling Performance<sup>1</sup>

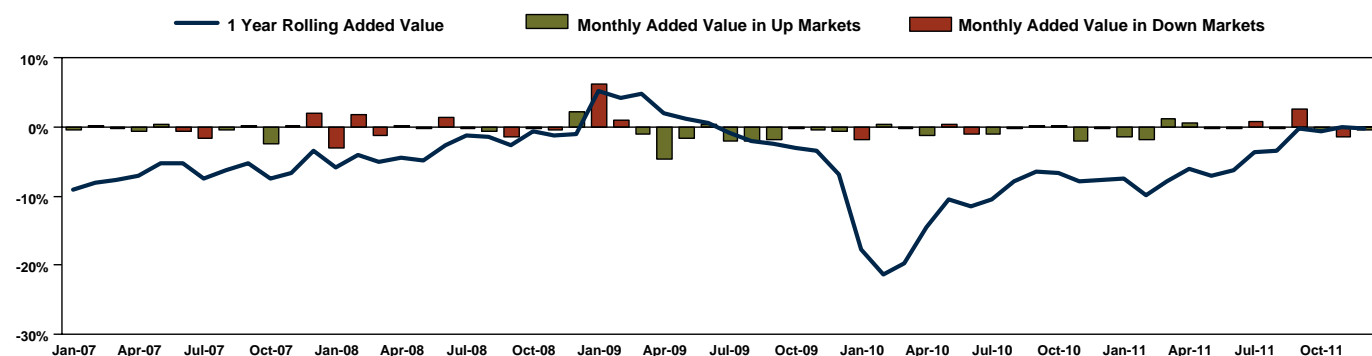
Ending	Portfolio	Benchmark	Added Value
December 2011	10.1%	14.8%	(4.7%)
December 2010	(6.8%)	(2.4%)	(4.5%)
December 2009	(8.6%)	(5.4%)	(3.2%)
December 2008	(12.7%)	(8.7%)	(4.0%)
December 2007	4.8%	9.1%	(4.3%)

<sup>1</sup> Notes: Product's inception was Nov 23, 1995. From Nov 23, 1995 to January 30, 2006, the product was managed by RBC Global Asset Management. From January 31, 2006 to June 30, 2010, the product was managed by New Amsterdam Partners. Starting on July 1, 2010, the product is managed by Cornerstone Investment Partners. Total Portfolio Returns are calculated using the NAV of the fund and reflect the deduction of fees.

Geometric calculation is used for appropriate linkage over multiple time periods.

Negative values are shown in parentheses ().

Returns less than one year are not annualised.



## CONTRIBUTORS TO PERFORMANCE

Top 5	Current Weight	Security Attribution
Eli Lilly & Co	3.8%	0.29
Google Inc Cl A	4.6%	0.22
Merck & Co Inc	4.3%	0.19
Western Digital Corp	3.6%	0.19
Bristol-Myers Squibb Co	3.5%	0.19

Bottom 5	Current Weight	Security Attribution
Oracle Corp	3.9%	(0.59)
VF Corp	2.8%	(0.32)
Capital One Financial Corp	3.2%	(0.20)
Parker Hannifin Corporation	2.2%	(0.20)
Vale SA ADR	1.8%	(0.17)

Attribution	Portfolio		Policy		Attribution Effects			Total
	Weight	Return	Weight	Return	Allocation	Selection	Interaction	
US Equity	100.00	0.59	100.00	0.84	(0.19)	(0.58)	0.52	(0.25)
Energy	11.00	2.06	11.97	(1.06)	0.02	0.37	(0.03)	0.36
Materials	2.03	(7.74)	4.13	(2.26)	0.06	(0.23)	0.12	(0.05)
Industrials	8.29	(0.90)	10.95	0.78	0.00	(0.18)	0.04	(0.14)
Consumer Discretionary	9.24	(2.48)	11.60	0.87	0.00	(0.39)	0.08	(0.31)
Consumer Staples	3.85	1.89	10.32	2.52	(0.11)	(0.06)	0.04	(0.13)
Health Care	17.95	5.40	11.57	2.71	0.12	0.31	0.17	0.60
Financials	16.29	(0.69)	13.97	1.95	0.03	(0.37)	(0.06)	(0.40)
Information Technology	29.03	(0.72)	18.74	(1.12)	(0.20)	0.07	0.04	(0.09)
Telecommunication Services	2.32	4.35	2.93	3.69	(0.02)	0.02	0.00	0.00
Utilities	0.00	--	3.83	3.30	(0.09)	(0.13)	0.13	(0.09)

Attribution is intended to demonstrate trends in performance due to security selection and sector/country allocation and is calculated from the underlying segregated asset positions and may not add up to the total portfolio return calculated using the NAV of the fund.

## FUND INFORMATION

Top Ten Holdings	Current
Chevron Corp	4.7%
Google Inc Cl A	4.5%
Merck & Co Inc	4.2%
Teva Pharmaceutical Industries Ltd	4.2%
Apple Inc	4.0%
State Street Corp	3.9%
Exxon Mobil Corp	3.9%
Wal-Mart Stores Inc	3.8%
Oracle Corp	3.8%
Eli Lilly & Co	3.7%

Cash and Equivalents	1.4%
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No. of Holdings	30
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Fund Particulars	
Launch Date	November 23, 1995
Fund Size(MM)	\$2.5
NAV per share	\$50.61
Average Yield(Gross)	2.65%
Pricing Currency	USD
Bloomberg Code (ISIN)	RBCUSA1 GU (GB0007489791)

Purchases
N/A

Sales
N/A

This report is incomplete without the Legal Disclaimer included on the last page

**Manager and Registrar**

RBC Offshore Fund Managers Limited, Canada Court, Upland Road, St. Peter Port, Guernsey, Channel Islands

**Adminstrator**

RBC Offshore Fund Managers Limited, Canada Court, Upland Road, St. Peter Port, Guernsey, Channel Islands

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