



**ROYAL BANK OF CANADA  
SCOTIA CAPITAL  
FINANCIALS SUMMIT 2010  
WEDNESDAY, SEPTEMBER 15, 2010**

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**CAUTION REGARDING FORWARD-LOOKING STATEMENTS**

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From time to time, we make written or oral forward-looking statements within the meaning of certain securities laws, including the "safe harbour" provisions of the *United States Private Securities Litigation Reform Act of 1995* and any applicable Canadian securities legislation. We may make forward-looking statements in these speaker's notes, in other filings with Canadian regulators or the SEC, in reports to shareholders and in other communications. Forward-looking statements in these speaker's notes include, but are not limited to, statements relating to RBC and our business segment outlooks and the market and regulatory environment. The forward-looking information contained in these speaker's notes is presented for the purpose of assisting the holders of our securities and financial analysts in understanding our financial position and results of operations as at and for the periods ended on the dates presented and may not be appropriate for other purposes. Forward-looking statements are typically identified by words such as "believe", "expect", "foresee", "forecast", "anticipate", "intend", "estimate", "goal", "plan" and "project" and similar expressions of future or conditional verbs such as "will", "may", "should", "could", or "would".

By their very nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties, which give rise to the possibility that our predictions, forecasts, projections, expectations or conclusions will not prove to be accurate and that our assumptions may not be correct. We caution readers not to place undue reliance on these statements as a number of risk factors could cause our actual results to differ materially from the expectations expressed in such forward-

looking statements. These factors – many of which are beyond our control and the effects of which can be difficult to predict – include: credit, market, operational and liquidity and funding risks, and other risks discussed in the Risk, capital and liquidity management section of our Q3 2010 Report to Shareholders and in our 2009 Annual Report; general business, economic and financial market conditions in Canada, the United States and certain other countries in which we conduct business, including the effects of the European sovereign debt crisis; changes in accounting standards, policies and estimates, including changes in our estimates of provisions, allowances and valuations; the effects of changes in government fiscal, monetary and other policies; the effects of competition in the markets in which we operate; the impact of changes in laws and regulations, including tax laws, changes to and new interpretations of risk-based capital guidelines, and reporting instructions and liquidity regulatory guidance, and the Dodd-Frank Wall Street Reform and Consumer Protection Act; judicial or regulatory judgments and legal proceedings; the accuracy and completeness of information concerning our clients and counterparties; our ability to successfully execute our strategies and to complete and integrate strategic acquisitions and joint ventures successfully; and development and integration of our distribution networks.

We caution that the foregoing list of risk factors is not exhaustive and other factors could also adversely affect our results. When relying on our forward-looking statements to make decisions with respect to us, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by law, we do not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by us or on our behalf.

Additional information about these and other factors can be found in the Risk, capital and liquidity management section of our Q3 2010 Report to Shareholders and in our 2009 Annual Report.

Information contained in or otherwise accessible through the websites mentioned does not form part of these speaker's notes. All references in these speaker's notes to websites are inactive textual references and are for your information only.

## **GORDON M. NIXON, PRESIDENT & CEO**

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As noted on slide 2, all remarks, including those made during the question and answer session, may contain forward-looking statements, which involve applying assumptions, and have inherent risks and uncertainties. Actual results could differ materially from these statements.

RBC is a strong diversified financial company with operations in 53 countries and we serve close to 18 million clients. We are the 16th largest bank in the world by market capitalization and Canada's largest bank by assets. Canada is our core market and we are a leader in all of our key domestic businesses – banking, wealth management and capital markets, and we are extending that leadership. We generate two-thirds of our revenue in our home market and our long standing business model maintains a 75-25% split between our retail and wholesale businesses, a division we believe to be optimal in terms of earnings and risk diversification.

By leveraging our strong Canadian franchise, we have built businesses outside of Canada that are significant in scale and expanding their global reach. We are growing global capabilities in both capital markets and wealth management in areas where we have core capabilities, proven success and competitive strength.

Our long term strategy and diversified business mix have differentiated our performance over time and generated strong returns through all points of the cycle. This solid long-term performance sets us apart from our peers. As such, we deliver attractive shareholder returns and have consistently outperformed both the Canadian bank and S&P 500 indexes, despite maintaining strong capital levels.

As you know, we recently reported our third quarter earnings. The highlights of our third quarter results are provided on Slide 5. We generated earnings of \$1.3 billion driven by strong performances in Canadian Banking, Wealth Management, Insurance and Corporate and Investment Banking within our Capital Markets segment despite our Sales and Trading businesses facing some challenging global market conditions, particularly in Europe.

These strong results demonstrate the strength of our businesses and the advantage of our business mix. The successful execution of our long-term strategy combined with our financial strength and earnings power make RBC one of the better positioned financial services companies in the world. Today, we have an unprecedented range of opportunities to invest and grow our businesses.

I'll take a moment now to tell you how we are continuing to grow and execute our strategy in each of our business segments.

Our domestic retail bank is the cornerstone of our business. Canadian Banking generates more than half of RBC's total earnings and remains a main production engine in terms of earnings power. We have an unparalleled distribution network that spans from coast to coast, the most valued brand in Canada, and a culture that always puts the client at the forefront of our actions and decisions. We continue to lead our home market, ranking number one or two in all consumer and business product categories. And we are continuing to build on these leadership positions.

With the strongest branch network in the country combined with our strength in alternative distribution channels -- such as online banking, dedicated mobile sales forces and direct outreach centres -- we can access more customers to provide advice and sell more products and services.

We are advancing our lead in selling anchor products, such as mortgages and other consumer loans, and increasing product penetration per customer. We also sell more mutual funds, creditor insurance, and credit cards through our distribution network than any of our peers.

We know our customers want a bank that provides the best advice and meets their busy schedules. We remain focused on making strategic investments in our distribution channels and making it easier for our clients to reach us when they need us. We're growing our mobile sales force which is the largest in Canada, opening new branches and extending our branch hours in select markets and areas where it makes sense.

I am pleased that our continuous efforts to serve the needs of our customers are being recognized. Forrester ranked our on-line banking site as #1 among Canadian Banking Public Websites for the second consecutive year.

In Canada, we have had favourable economic conditions, and although slowing, it remains strong relative to economic growth globally.

While we expect consumer demand to slow in areas like home equity lending, largely as a result of rising interest rates, and after a period of strong activity, we have a number of initiatives underway to extend our domestic leadership, profitably gain market share and drive earnings momentum.

We are making strategic investments to better leverage our size and scale advantage to drive efficiencies and eliminate costs. Our current initiatives centre on two key objectives – enhancing our sales and service productivity and streamlining and automating processes.

We've already made strong progress, our year to date efficiency ratio is 46.9%, a 120bps improvement over last year. And we believe there is still room to drive efficiency levels into the low 40's.

I am confident that our leading market positions and client centric approach combined with our unprecedented, unparalleled distribution capability and efficiency will continue to translate into solid earnings growth going forward.

Taking a look at Wealth Management on slide 7, we believe the wealth segment is positioned to grow at a faster pace than other parts of the global financial service industry.

Demographic trends such as an aging population have created the need for more retirement solutions and estate planning. We also expect a significant growth in high-net worth investors, especially in emerging markets.

We are a leader in wealth management products and services and our wealth business represents an important component of our diverse offering. We offer an array of products and services that meet all our clients' needs, delivering superior product performance through a team of top advisors and an extensive distribution network.

We are leveraging the strength and breadth of RBC's other capabilities to provide leading services and broad product solutions to both retail and institutional clients. As a result, we are seeing good momentum in our Canadian, U.S. and international wealth management businesses.

In Canada, we are the clear market leader. We are the largest full-service brokerage firm and the leader in investment management with over \$155 billion in assets under administration, representing almost a quarter of the Canadian market.

We are the country's largest asset manager with 15% of the mutual fund market and we continue to lead the market in long-term net sales. The 2010 Investment Executive Brokerage Report Card awarded RBC Dominion Securities with its top ranking of bank-owned brokerage firms and bank-owned investment dealers, and we placed first in overall stability and image with the public.

In the U.S, we are the 6th largest full-service brokerage firm, with over 2,300 financial consultants and a network that spans over 200 locations in 44 states. We have established a truly national U.S. firm from a business that had its roots as a regional brokerage firm.

As an exciting validation of our focus on providing superior service to our clients, RBC U.S. Wealth Management achieved the second spot on J.D. Power and Associates' U.S. Full Service Investor Satisfaction list.

With this solid foundation, we believe we are well positioned to take advantage of improving U.S. market conditions and deliver strong organic growth.

Internationally, our high net worth client business serves clients in 19 countries. We are a top 20 global private bank as measured by client assets and the number one provider of trust services throughout the United Kingdom. We were pleased to be recognized in the 2010 Euromoney Private Banking Awards for having the Best Private Banking Services Overall in Canada, the Caribbean and Jersey.

Despite low interest rates and challenging markets, our focus is to grow and compete on a global scale while striving for excellence in client service.

We have a goal to be a top 20 global asset manager and we are actively looking to expand through acquisitions, with an eye on U.S. and European-based firms that have excellent performance and distribution in their home markets as well as emerging markets.

Turning to Insurance, our steadily growing insurance business provides stable contributions to our diversified earnings stream and complements our retail product offering.

We are the largest bank-owned insurer in North America, providing a wide range of insurance products, services and solutions to more than 5 million clients in Canada, U.S. and internationally.

For the first time, our proprietary channel sales have matched our strong third party originated insurance sales – a testament to our distribution strength, brand power and continuous drive to make it simple and easy for our clients to do business with us.

Turning to International Banking, while the difficult economic and credit conditions continue to affect our U.S. bank, we are making progress towards restructuring our operations and we hope to see the benefits when the credit cycle begins to turn.

Our focus remains on right sizing our U.S. retail banking footprint to achieve the appropriate density and concentration to enhance our competitive position and improving productivity across our branches by investing in technology and streamlining processes.

Our Caribbean banking business continues to perform reasonably well as the second largest banking group in the English Caribbean region and RBC Dexia Investor Services remains a top 10 global custody player, serving a diverse customer base.

Turning to slide 8, our Capital Markets segment accounts for approximately 25% of our overall business mix.

Looking back at our third quarter results, we faced challenging global market conditions, particularly in Europe, which significantly affected our trading results. While this was an extremely difficult operating environment, our corporate and investment banking businesses did have a strong quarter demonstrating the diversity of this overall segment.

Over the last several years, it has been our strategy to build a capital markets franchise that generates consistent and solid earnings growth through a broad diversified portfolio of different business lines that span several markets, geographies and client segments.

This approach is clearly unique as we are Canada's only truly global investment bank.

The global financing needs of our clients are best served by our strength in Canada, our cross border reach and global capabilities which in turn generate diverse revenue streams and growth in our earnings base.

We have strengthened the competitive positions of our corporate and investment banking and trading businesses by deepening existing client relationships and expanding our client base globally.

The strength of our capital markets franchise starts in Canada, where we are the largest capital markets firm with top tier market share across all of our businesses including trading, debt and equity origination, loan syndication and M&A.

We were recognized as the "Best Investment Bank in Canada" by Euromoney for the third consecutive year. Our leadership position in Canada is expanding and we are continually winning significant mandates.

The success of our global reach is reflected in our performance and we now generate approximately 60 percent of our capital markets revenues outside of Canada. Our fixed income, energy and mining businesses are global leaders.

In the U.S., we have made strategic investments in our business over the last several years, resulting in a strong M&A advisory and origination businesses. Our recent appointment as joint booker runner on the GM IPO is a positive sign of our growing strength in U.S. investment banking. As well, we continue to build a significant fixed income trading business and our U.S. primary dealer designation in 2009 reinforces and highlights the depth of this business.

We see good momentum and opportunities in the U.S. and continue to build and expand our capabilities while winning key mandates and attracting significant clients.

We continue to expand our presence in Europe by developing debt and equity origination businesses that will not only meet our client's global needs but will support our strong and expanding fixed income trading platform.

As an example, we are expanding the number of industry sectors we serve and have moved beyond infrastructure, mining and energy into financials and utilities.

The support we provide our European clients was recently recognized in Credit Magazine's 2010 European awards where institutional investors gave our credit trading business top rankings in several categories.

We have won a number of significant mandates recently including acting as joint bookrunner and hedge manager to the largest ever UK Gilt offering of £8 billion.

Our global expansion and the building of this global franchise has enhanced our competitive position across markets. I continue to believe that the long term returns in the capital markets segment will be strong in relation to other financial services areas and does provide RBC with important revenue and earnings diversification.

Having discussed our business operations, I thought it would be important to spend a few minutes talking about the recent regulatory developments, a topic clearly at the forefront of investors' minds. The recent announcement by the Group of Governors and Heads of Supervision on global minimum capital standards gave some clarity on the proposed amendments. Global minimum capital standards have been outlined as well as details on phase in periods.

In light of these recent developments, OSFI published an advisory on expectations for capital management which came out yesterday. The release outlined that they no longer require the increased conservatism in capital management previously announced in late 2008.

OSFI also indicated that banks must demonstrate they have prudent internal capital targets and sufficient capital before they conduct any transaction that may negatively impact capital levels.

We are encouraged by these announcements and feel quite comfortable meeting these standards within the established timelines given where RBC's capital levels stand today.

The adoption timeline allows us ample time to make the optimal decisions necessary to minimize the impact of the transition to these standards. Some aspects of the proposed Basel regulations have yet to be determined and we look forward to having a clearer line of sight following the November G20 meetings in Korea.

In the meantime, we will continue to prudently manage our capital base and focus on proactively pursuing opportunities to mitigate any potential impacts and explore alternatives in our various businesses.

I'd like to end my closing remarks by re-iterating a few key points.

RBC's financial strength, diverse business model and, leading market positions will continue to drive strong performance. These strengths coupled with RBC's capital strength and low leverage ratio provide significant flexibility and competitive advantage over many other global players.

Our Canadian banking business is stronger than ever and we believe we can continue to outpace the competition.

We are growing Wealth Management in Canada and internationally in order to capitalize on improving market conditions.

We continue to build our Capital Markets franchise, extend our global capabilities and solidify our competitive positions in several markets. And, with respect to our other segments we remain focused on generating the appropriate returns on capital that meet our expectations.

I believe that RBC has the right long-term strategies for our businesses to succeed which enables growth, earnings stability and solid long term returns for our shareholders.

With that I conclude and thank you for your time and I am now pleased to take your questions.