

## RBC HEDGE 250 INDEX<sup>®</sup> RETURNED -0.35 PER CENT IN DECEMBER 2008

**Year-to-date performance is -21.01 per cent**

**NEW YORK, January 16, 2009** — RBC Capital Markets today reported that for the month of December 2008 the RBC Hedge 250 Index<sup>®</sup> had a net return of -0.35 per cent. This brings the year-to-date return of the Index to -21.01 per cent. These returns are estimated and will be finalized by the middle of next month. The return for November 2008 has been finalized at -2.18 per cent.

The RBC Hedge 250 Index is an investable benchmark of the performance of the hedge fund industry. The Index operates in accordance with a unique construction methodology. Comprised of more than 250 actual hedge funds, the RBC Hedge 250 Index is positioned as the industry's most diversified and representative investable index. The Universe on which the Index is based currently consists of 5,865 hedge funds (excludes funds of hedge funds) with aggregate assets under management of \$1.356 trillion.

Since its inception on July 1, 2005 through the end of November 2008, the RBC Hedge 250 Index has had an annualized net return of 0.16 per cent. In comparison, over the same period, other investable indices have averaged -2.53 per cent while non-investable indices have averaged 1.95 per cent, according to information reported by the sponsors of those indices.

For more information about the RBC Hedge 250 Index, including historical performance information, please visit [www.rbchedge250.com](http://www.rbchedge250.com).

	Index Level	Dec-08	Nov-08	YTD	ITD
<b>RBC Hedge 250</b>	<b>100.19</b>	<b>-0.35%</b>	<b>-2.18%</b>	<b>-21.01%</b>	<b>0.19%</b>
<b>Relative Value</b>					
Convertible Arbitrage		0.62%	-8.04%	-37.82%	-25.19%
Equity Market Neutral		0.21%	-0.43%	-4.29%	8.63%
Fixed Income Arbitrage		0.37%	-2.87%	-22.84%	-8.79%
<b>Tactical</b>					
Equity Long/Short		-0.03%	-1.25%	-15.88%	17.06%
Macro		0.86%	-0.26%	-6.57%	5.73%
Managed Futures		1.79%	3.12%	17.43%	55.41%
<b>Event Driven</b>					
Credit		-3.42%	-5.26%	-33.89%	-17.27%
Mergers & Special Situations		-0.14%	-2.30%	-23.48%	-1.77%
<b>Multi-Strategy</b>					
Multi-Strategy		-0.36%	-4.63%	-33.82%	-12.53%

*Table contains estimated returns, except for the November returns, which are final. Inception Date is July 1, 2005. Index Level at inception was 100.00.*

### **About RBC's Alternative Assets Group**

For the past 10 years, RBC's Alternative Assets Group has created structured products referencing portfolios of hedge funds. It holds investments in over 1,200 hedge funds. AAG is the oldest dedicated group in the industry and has developed a significant infrastructure and extensive experience in the areas of fund due diligence, risk analysis, transaction execution, and portfolio administration and valuation.

### **About RBC Capital Markets**

RBC Capital Markets is the corporate and investment banking arm of RBC and is active globally in debt origination, sales and trading, foreign exchange, infrastructure finance, structured products, metals and mining, and energy. Its North American platform includes leading equity, underwriting, sales, trading and research businesses and a significant U.S. middle market investment banking franchise. *Bloomberg* ranks the firm as one of the Top 20 investment banks globally.

*Past performance is not necessarily indicative of future returns. Performance data for the RBC Hedge 250 Index® (the "Index") is net of underlying manager fees and an Index Fee as set forth in the Index administration rules (the "Index Rules"), and gross of any product fees. The Index composition is based on the Index Rules which are subject to change at any time and from time to time subject to Index Committee approval. Index funds may be added or removed, and allocations among funds, sectors and strategies may be changed, based upon the criteria set forth in the Index Rules. Implementation of the Index Rules in certain circumstances may involve the exercise of discretion. Inclusion of a hedge fund, sector or strategy in the Index does not represent an endorsement by RBC as to the investment merits of the fund, sector or strategy. Statements as to diversification and representative nature reflect RBC Capital Markets' opinion based on a comparison of the RBC Hedge 250 Index with other major investable hedge fund indices across a combination of factors, which include the number of hedge funds included in the index, the methodology used to weight strategies and funds, and the performance of the index versus the non-investable hedge fund indices. This material is not intended as investment advice, or as an offer or solicitation for the purchase or sale of any security or other financial instrument. For further information on composition, fees and administration of the Index, see the Index Rules.*

*Certain statements in this Press Release constitute "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. RBC assumes no obligation to update these forward looking statements to reflect actual results, changes in assumption or changes in other factors affecting such forward looking statements.*

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