

# RBC Capital Markets' Strength in the Municipal Bond Market

RBC Capital Markets is the brand name under which we offer fixed income research, sales, trading and banking services to our clients in the U.S. Our regional expertise combined with our national scope give us a unique advantage in gathering and evaluating information on bonds issued in the areas we serve.

## TRADING AND UNDERWRITING

With 6 regional trading desks and numerous underwriting groups across the country, we provide in-depth market knowledge and access to local municipal bond issuers and our team of municipal underwriters and traders is among the most active on or off Wall Street. We maintain extensive inventory positions and actively participate in both the primary and secondary markets, offering our clients a wide range of investment opportunities. Through BondDesk, traders and financial consultants have access to more than 75 commingled retail inventories, from primary and regional dealers across the country. This live and executable trading platform allows us to provide our customers with competitive offerings and the largest selection of fixed income products in the marketplace. As a result, we are able to provide our customers with more opportunities and achieve better pricing for their trades.

## MARKET DISTRIBUTION

Through RBC Wealth Management, we have an expansive client network, with retail branch offices located throughout the nation serving individual investors. Our underwriting and trading capabilities are broadly dispersed, far-reaching, and client focused, which allows us to deliver a wide range of municipal products.

## RESEARCH AND STRATEGIES GROUP

Supplying our clients with quality research is one more way we strive to provide the best in fixed income products and services. Our municipal strategies group provides in-depth access to credit information, market conditions, and product information for investors. We publish timely commentaries on the economy, fixed income markets, and investment strategies.

In 2009, RBC Capital Markets' Public Finance Department was again one of the most active underwriters of negotiated municipal securities in the nation:

### #1 LEAD MANAGER, NEGOTIATED BANK QUALIFIED ISSUES

#### NATIONAL BANK QUALIFIED LEAD MANAGER LEAGUE TABLE

**Negotiated: Full Credit to Book Manager**

01/01/2009 - 12/31/2009

Full to Book Runner	Par Amt (US\$ mil)	Rank	Mkt. Share	# of Issues
RBC Capital Markets	2,537.8	1	12.7	265
Piper Jaffray & Co	1,365.1	2	6.8	194
Robert W Baird & Co	1,108.5	3	5.5	180
Morgan Keegan & Co Inc	910.0	4	4.5	108
Stifel Nicolaus & Company Inc	819.5	5	4.1	107
Southwest Securities	681.1	6	3.4	78
George K Baum & Company Inc	678.7	7	3.4	127
D A Davidson & Co	632.2	8	3.2	229
Stone & Youngberg	612.1	9	3.1	71
Stephens Inc	565.0	10	2.8	59
Top 10 Total	9,910.0	-	49.5	1,418
Industry Total	20,068.1	-	100.0	3,473



RBC Capital Markets®  
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## #1 LEAD MANAGER, NEGOTIATED MIDDLE MARKET ISSUES, BY NUMBER OF ISSUES

### NATIONAL MIDDLE MARKET LEAD MANAGER LEAGUE TABLE

Negotiated: Full Credit to Book Manager, Issues

\$50mm & Under

01/01/2009 - 12/31/2009

Full to Book Runner	Par Amt (US\$ mil)	Rank	Mkt. Share	# of Issues
RBC Capital Markets	5,749.0	1	8.5	423
Bank of America Merrill Lynch	4,798.5	2	7.1	191
Piper Jaffray & Co	4,206.7	3	6.2	378
Citi	3,652.3	4	5.4	136
Wells Fargo & Co	3,227.3	5	4.8	169
Morgan Keegan & Co Inc	3,185.5	6	4.7	227
George K Baum & Company Inc	2,576.6	7	3.8	227
J P Morgan Securities Inc	2,389.6	8	3.5	93
Morgan Stanley	2,329.3	9	3.5	88
Stifel Nicolaus & Company Inc	2,182.6	10	3.2	192
Top 10 Total	34,297.4	-	50.7	2,124
Industry Total	67,531.1	-	100.0	6,232

### INVESTMENT BANKING

RBC Capital Markets operates one of the largest municipal finance departments in the country. Its various banking offices throughout the country provide local clients with public finance professionals who have first-hand knowledge of the area and a vested interest in the community at large. The bankers are able to sustain a level of active involvement with the issuer by attending local meetings and establishing a direct relationship free from geographic barriers. The growth

of RBC Capital Markets public finance practice has been built upon maintaining significant banking offices in select cities across the country. These core market offices are staffed with public finance bankers who have significant municipal finance expertise coupled with considerable knowledge of their specific market's economy, demographics and public finance laws.

### CONTINUED SUCCESS

RBC Capital Markets' leadership in Public Finance continued in 2009. RBC was the Senior Manager on 522 Negotiated Issues — a number 7 ranking; was the Senior or Co-Manager on 846 Negotiated Issues — a number 9 ranking; and was the Lead Manager on 423 Negotiated Middle Market Issues — a number 1 ranking. In the middle markets sector, RBC was the most active Senior Manager by number of issues for Negotiated Middle Market Issues - \$50 million and under.

### CONTACT US

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*RBC Capital Markets is a trade name of Royal Bank of Canada and its affiliates, including RBC Capital Markets Corporation and the fixed income businesses of RBC Wealth Management in the U.S. (members NYSE/SIPC), RBC Dominion Securities Inc. in Canada (member CIPF), and Royal Bank of Canada (Europe) Ltd.*

*The fixed income investment banking, sales, trading and underwriting activities of Royal Bank of Canada throughout the world are carried out under the name RBC Capital Markets. The municipal securities underwriting and financial advisory services of RBC Capital Markets in the United States are provided by RBC Wealth Management, a full-service broker-dealer (including retail brokerage). Balance sheet products, such as interest rate swaps and letters of credit, are provided by Royal Bank of Canada. [RBC Centura Bank is a bank in the southeastern United States that is a wholly-owned subsidiary of Royal Bank of Canada.] The terms "RBC," "we" or "our" in this proposal refer to one or more of these entities as indicated by the context.*

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