

# RBC Wealth Management Private Client Research Group: Objective and Independent

## **INTEGRITY IN RESEARCH**

The Private Client Research Group at RBC Wealth Management focuses on providing timely, independent information to our Financial Advisors (FAs) and their clients. The Private Client Research Group acts as an independent filter, analyzing research from our correspondents and utilizing only that which fits our clients' needs. We have the ability to "call it as we see it" and overlay our own independent and objective analysis. Objectivity is nothing new to our FAs and clients, who have benefited from independent analysis for years.

## **RBC WEALTH MANAGEMENT PRIVATE CLIENT RESEARCH GROUP**

Research is an important part of the decision making process when you and your FA are developing and maintaining your portfolio. We seek to provide your FA with a broad and extensive array of fundamental research on the marketplace. Our commitment goes beyond access to comprehensive research information; it extends to focus attention on key analysts, recommendations, and trends within our research sources. This is accomplished not only through our own research efforts and those of our partner, RBC Capital Markets, but also through nationally recognized correspondents.

## **ARGUS RESEARCH**

Argus Research is an independent research firm that was established in 1934. However, the firm's independence and history aren't the only positive attributes it brings to the table. Argus boasts a unique six-point system for analyzing stocks, giving the firm an edge when it comes to developing ideas, forecasts, and ratings. This comprehensive system is a combination of top-down and bottom-up

analysis that consists of industry, growth, financial strength, management, risk, and valuation analysis. Argus' research universe consists of 600 stocks (and growing), including 200 of the most widely held stocks according to the firm's sister company, Vickers Stock Research Corporation. Argus analysts are regularly interviewed in the financial media for their insights, opinions, and forecasts.

## **STANDARD & POOR'S**

Standard & Poor's (S&P) Equity Research is the world's largest independent investment research firm, with over 120 experienced U.S., European and Asian equity analysts covering approximately 2,000 equities across more than 120 industries worldwide. S&P was among the leaders in equity research providers with nine awards and a top four ranking in the 2008 edition of *The Wall Street Journal's* "Best on the Street" annual survey. At S&P, independence is about unbiased, rigorous analysis, made possible through disciplined processes and procedures, strict compliance with laws and regulations, and the highest level of integrity and ethics.

## **Quantitative and Qualitative Research**

S&P's Equity Research is unique in the research world, because they utilize both quantitative and qualitative approaches to cover a very broad universe of equities at the level of the best, most specialized research firms. S&P is able to do this because they have a large and talented research team, backed by the extensive resources of S&P and its parent company, The McGraw-Hill Companies.

## **A Rigorous Approach Featuring Stars**

S&P's equity analysts cover approximately 2,000 equities, ranking them in accordance with their well-known Stock Appreciation Ranking System (STARS). Under STARS, S&P's analysts rank stocks according to their forecast of future capital appreciation potential



**RBC Wealth Management®**

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versus the expected performance of the S&P 500 Index (in the U.S.), based on an intermediate (6- to 12-month) time horizon.

### **CREDIT SUISSE**

Credit Suisse is a global, full-service investment banking and securities firm. Credit Suisse's Correspondent Research Service, established in 1991, has a history of providing a superior research product and client services. Credit Suisse has an extensive research franchise on Wall Street with over 90 domestic analysts, covering 1,000 companies in over 50 industries. Worldwide, Credit Suisse is a leader in multiple categories of Technology, Transportation, Energy, Consumer, Retail, Financial, Media, Healthcare, Capital Goods and Portfolio Strategy. While Credit Suisse's equity research is highly regarded and broad-based, it is their idea-oriented approach that sets them apart from other top ranking research departments. The first firm on Wall Street to promote a value-based approach to securities analysis, its proprietary Value Dynamics Framework helps it identify companies earning returns in excess of their cost of capital that are more likely to generate superior value for shareholders. Credit Suisse's use of this methodology on a worldwide basis is unique among Wall Street research departments and has been extremely well-received.

### **RBC CAPITAL MARKETS**

RBC Capital Markets is the corporate and investment banking arm of Royal Bank of Canada (RBC). With over \$667 billion (U.S.) in assets, RBC is the largest bank in Canada and the fifth largest financial institution in North America, ranked by assets and market capitalization. Internationally, RBC serves more than 15 million individual, corporate, and government clients. RBC Capital Markets offers a broad and

expanding range of corporate and investment banking products and services to corporations, governments and institutions across North America and around the globe. Powered by in-depth industry knowledge, superior research, and links to the full resources of RBC, RBC Capital Markets is positioned to deliver customized solutions to clients through teams of top-ranked professionals worldwide. RBC Capital Markets focuses on defined industry sectors where value can be provided by way of superior knowledge and execution capabilities. RBC Capital Markets' areas of focus are: Communication, Media and Entertainment, Consumer, Energy, Financial, Health Care, Income Trust, Paper and Forest Products, Real Estate, Hardware and Software Technology, and Telecommunication Services.

### **RBC WEALTH MANAGEMENT CAN HELP**

With the ever-increasing amount of financial information on the Internet and in the financial and mainstream media, it can be challenging to figure out the difference between hype and legitimate, objective research. As a result, the information sources used to make decisions about your investments are more important than ever before. Here at RBC Wealth Management, we've taken the time to cultivate relationships with independent research firms staffed by professional analysts. These firms provide us with unbiased, equitable, impartial findings on companies, their industries and earnings forecasts, examining both the good and the bad. As economies shift, markets correct and companies come under greater and greater scrutiny, it is good to know that your Financial Advisor has access to timely information from some of the best independent research providers on the Street.

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