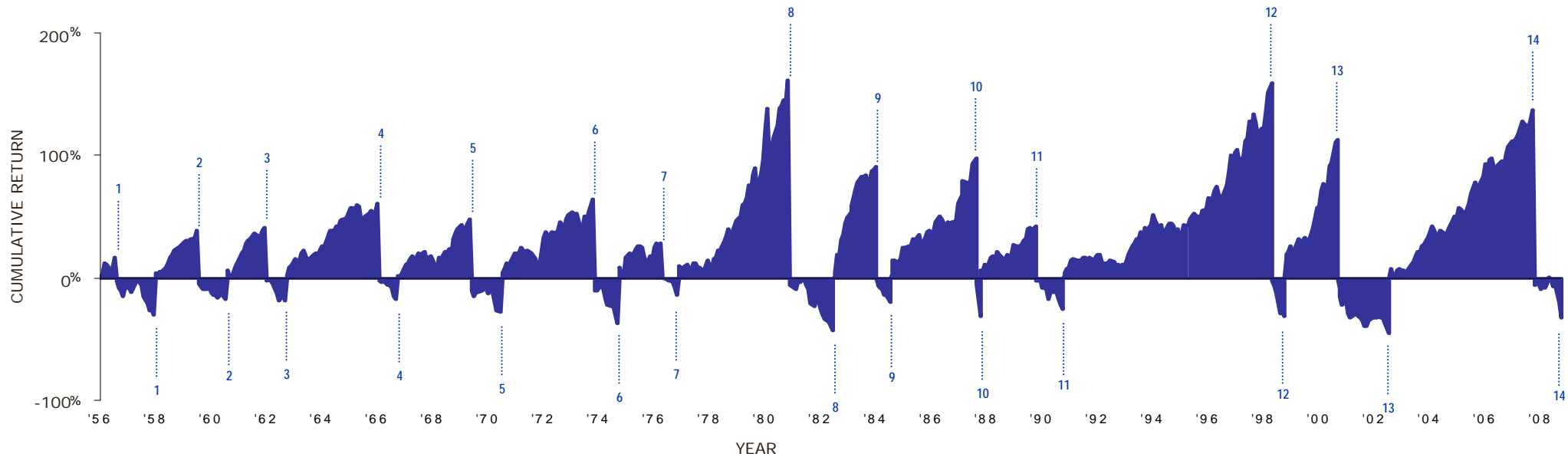


Bull and Bear Markets in Canada since 1956



Bear markets feel bad. Wars, crises, bubbles, credit crunches, and countless other events define these periods in history. As you look back through history, two things become clear: bear markets are inevitable; and significant bull markets always follow. The chart below shows a history of bull and bear markets in Canada based on the S&P/TSX Composite Index from 1956 to October 31, 2008. As you can see stocks have always recovered from every major bear market.



Canadian Bull Markets				
	Began	Ended	Gain	Duration (months)
1	Feb-56	Jul-56	18%	5
2	Jan-58	Jul-59	39%	18
3	Aug-60	Dec-61	42%	16
4	Oct-62	Jan-66	61%	40
5	Oct-66	May-69	49%	31
6	Jul-70	Oct-73	64%	40
7	Oct-74	Apr-76	29%	18
8	Dec-76	Nov-80	161%	48
9	Jul-82	Jan-84	91%	18
10	Aug-84	Aug-87	98%	37
11	Nov-87	Oct-89	42%	23
12	Nov-90	Apr-98	160%	90
13	Nov-98	Sep-00	113%	22
14	Jul-02	Oct-07	137%	64
	Average		79%	34

Canadian Bear Markets				
	Began	Ended	Decline	Duration (months)
1	Jul-56	Dec-57	-30%	17
2	Jul-59	Jul-60	-18%	12
3	Dec-61	Sep-62	-18%	9
4	Jan-66	Sep-66	-17%	8
5	May-69	Jun-70	-28%	13
6	Oct-73	Oct-74	-37%	11
7	May-76	Nov-76	-17%	7
8	Nov-80	Jun-82	-44%	19
9	Jan-84	Jul-84	-20%	7
10	Aug-87	Oct-87	-31%	3
11	Oct-89	Oct-90	-25%	13
12	Apr-98	Oct-98	-32%	6
13	Sep-00	Jul-02	-46%	23
	Average		-28%	11
	14 Oct-07		-33% *	13 *

* As at October 31, 2008



Lipper Award Winner
Best Overall Fund Group 2007 and 2008

Bear markets are defined as peak to trough corrections exceeding 15%. Chart is provided by RBC Asset Management Inc. (RBC AM) for illustrative purposes only and does not predict future values or performance. It is believed to be accurate and reliable but due to possibility of human or mechanical error, RBC AM is not responsible for any errors or omissions. Information obtained from third parties is believed to be reliable but RBC AM, its affiliates nor any other person assume responsibility for any errors or omissions or for any loss or damage suffered. © Registered trademark of Royal Bank of Canada. RBC Asset Management is a registered trademark of Royal Bank of Canada. Used under licence. © RBC Asset Management Inc. 2008.