



For Professional Investors Only

An attractive investment combining the potential for Annualised Returns of 10%, Early Redemption opportunities every quarter, and linked to the performance of Blue Chip Stocks.

Product Summary¹

Product	Autocallable Notes linked to a selection of Blue Chip stocks
Issuer	Royal Bank of Canada, rated as Aa1 (Moody's), AA (Fitch), AA- (S&P)
Underlyings ('Stocks')	INTEL CORP. (INTC UQ) NIKE INC. (NKE UN) TESCO PLC. (TSCO LN) BERKSHIRE HATHAWAY INC. (BRK/B UN) GENERAL ELECTRIC CO. (GE UN)
Key Dates	Initial Valuation Date: 13th January 2012 Issue Date: 6th February 2012 Final Valuation Date: 13th January 2016 Maturity Date: 20th January 2016
Investment Term	4 Years
Phoenix Bonus Coupons	If ALL Underlyings are at, or above 55% of their initial level on each quarterly Observation Date, then the investor receives a 2.50% bonus coupon.
Autocall Periods	Quarterly – if on any quarterly Observation Date ALL Underlyings are equal to or greater than 95% of their Initial Level, the note is redeemed early and the investors receive 100% of initial capital.
Conditional Protection	A fall of more than 50% in performance is required in any Underlying before capital may be at risk. The performance is measured by comparing the Initial Valuation Level vs. the Final Valuation Level. If this performance measures a fall of more than 50% then investors receive the performance of the Worst Performing Underlying at Maturity.
Subscription Period	13th January 2012 – 2nd February 2012
ISIN Code	USD: XS0735041633 EUR: XS0735041476 GBP: XS0735041559

¹ : Full product details are available in the Termsheet, which is available on request.

Scenario Analysis

Performance of Worst Performing Underlying at Final Valuation Date (Final ² /Initial performance)	Redemption at Maturity
125%	102.50%
100%	102.50%
75%	102.50%
55%	102.50%
50%	100%
25%	25%
10%	10%
0%	0%

² : Final Level taken on the close of the Final Valuation Date.

Key Features

- 15 opportunities for early redemption, with a defensive trigger of 95% of the Initial Levels – the Notes will early redeem on any Quarterly Observation Date even if any stock has fallen up to 5%.
- Potential for attractive returns (2.5% p/qtr) in exchange for a defined level of risk – max return 40% over 4 years.
- Strong potential for regular income of 10% annualised, as long as ALL Underlyings are at or above 55% of Initial Levels, observed on each Quarterly Observation Date
- Defensive outlook – strong capital buffer, no loss of capital as long as no Underlying has fallen below 50% of its Initial Valuation Level (European Barrier)

Investment Description

The **Blue Chip Select Phoenix Notes** (the 'Notes') are designed for investors seeking **attractive, regular coupons (2.5% p/qtr)** compared to low deposit rates, and are moderately bullish equity markets over the medium term.

The Notes are a Phoenix structure linked to a basket of Blue Chip Stocks. **The Notes will deliver a regular quarterly bonus of 2.5% if All Stocks are at or above just 55% of their initial levels.** Providing an excellent opportunity for investors to benefit from strong income levels even in bearish markets.

The Notes 'Autocall' or **early redeem** on the first quarterly period that all the Underlyings are recorded as being **at or above 95% of their Initial Levels**. On Early Redemption the Notes return 100% of capital, plus the relevant 2.5% bonus coupon.

Even if the Notes do not early redeem, they contain a valuable protection feature for the investor. The Notes will return 100% of capital invested as long as none of the Underlyings at the Final Valuation Date have fallen by more than 50% from their Initial Valuation Levels.

If any Underlying has fallen by more than 50% at the Final Valuation Date, then the Final Redemption Amount will be equivalent to the performance of the Worst Performing Underlying, and some capital will be lost.

The Underlyings are well diversified global blue chip companies, and many of these stocks appear in the portfolio's of some of the largest and well recognised global investors:

Underlyings: Top 3 Shareholders, as per Bloomberg 17 Jan 2012:

Underlying	Largest shareholder	2nd largest shareholder	3rd largest shareholder
Tesco Plc	Blackrock Inc.	Legal & General	Berkshire Hathaway
Nike Inc.	Fidelity Management & Research	Vanguard Group Inc.	Capital Research Global Investors
Intel Corp	State street corp	Vanguard Group Inc	Moore Gordon Earle
General Electric Co.	Vanguard Group Inc.	State Street Corp.	Blackrock Institutional Trust
Berkshire Hathaway Inc.	Gates Foundation	State Street Corp	Vanguard Group Inc.



PAST PERFORMANCE IS NO INDICATION OF FUTURE PERFORMANCE

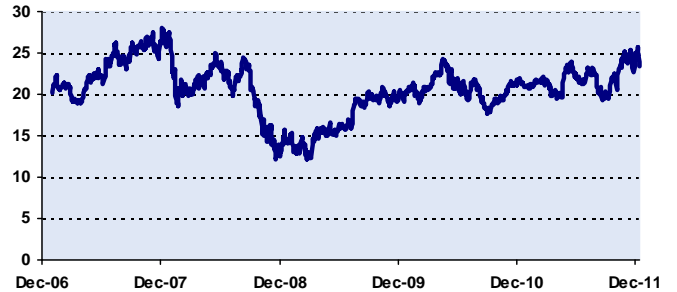
Underlyings

INTEL CORP. (INTC UQ Equity)

Intel Corporation designs, manufactures, and sells computer components and related products. The Company's major products include microprocessors, chipsets, embedded processors and microcontrollers, flash memory products, graphics products, network and communications products, systems management software, conferencing products, and digital imaging products.

Source: Bloomberg @ 16.01.2012

INTC UQ Equity – 5yr Performance



NIKE INC. (NKE UN Equity)

NIKE, Inc. designs, develops, and markets athletic footwear, apparel, equipment, and accessory products for men, women, and children. The Company sells its products worldwide to retail stores, through its own stores, subsidiaries, and distributors.

Source: Bloomberg @ 16.01.2012

NKE UN Equity – 5yr Performance



TESCO PLC. (TSCO LN Equity)

Tesco plc is a food retailer. The Group operates stores in the United Kingdom, Republic of Ireland, Czech Republic, Hungary, Poland, Slovakia, Turkey, Japan, Malaysia, South Korea, China, Thailand, and the United States.

Source: Bloomberg @ 16.01.2012

TSCO LN Equity - 5yr Performance



GENERAL ELECTRIC INC. (GE UN Equity)

General Electric Company is a globally diversified technology and financial services company. The Company's products and services include aircraft engines, power generation, water processing, and household appliances to medical imaging, business and consumer financing and industrial products.

Source: Bloomberg @ 16.01.2012

GE UN Equity - 5yr Performance



BERKSHIRE HATHAWAY INC. (BRK/B UN Equity)

Berkshire Hathaway Inc. is a holding company owning subsidiaries in a variety of business sectors. The Company's principal operations are insurance business conducted nationwide on a primary basis and worldwide on a reinsurance basis. Berkshire's other operations include a railway company, a specialty chemical company, and an international association of diversified businesses.

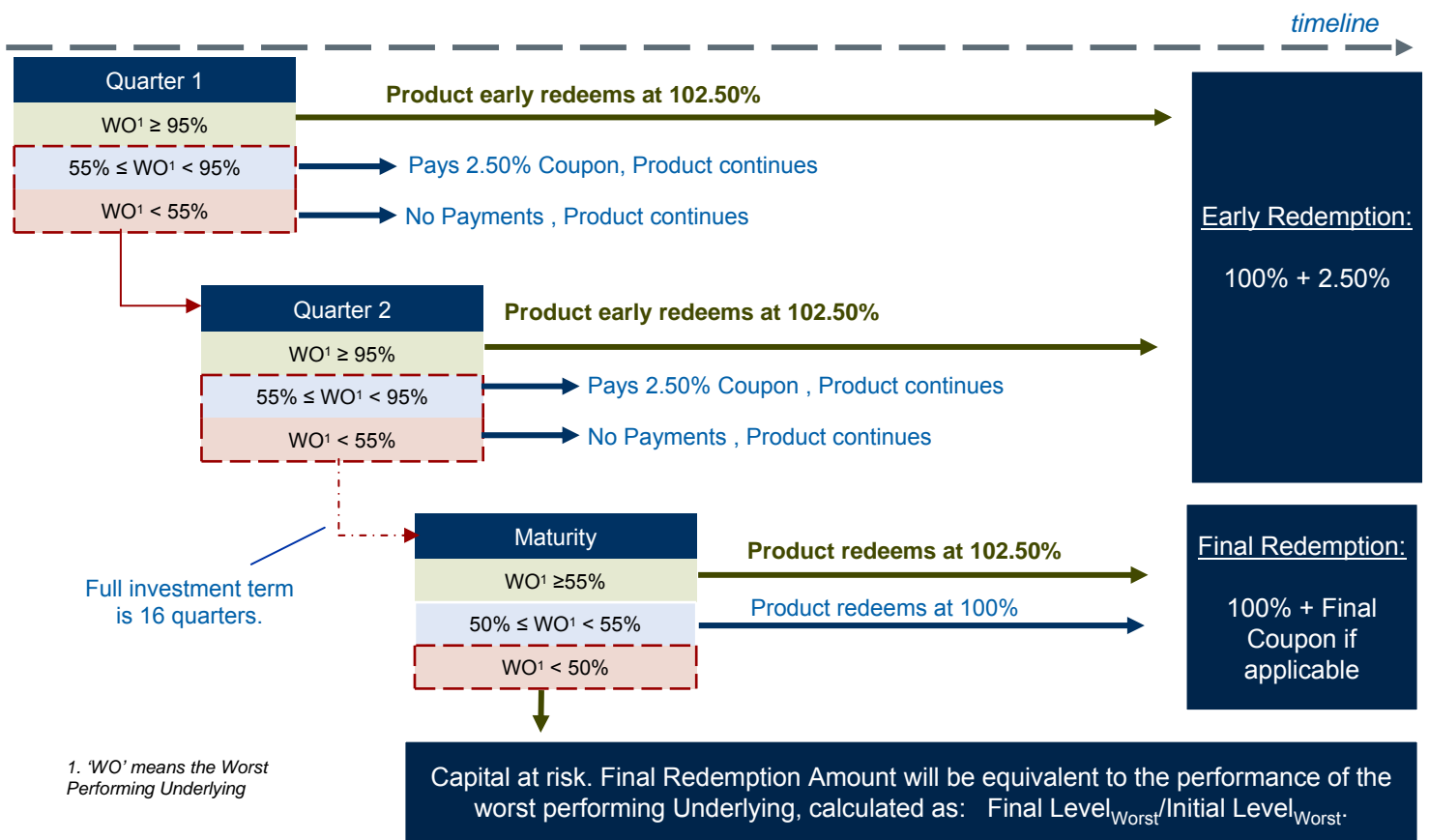
Source: Bloomberg @ 16.01.2012

BRK/B UN Equity - 5yr Performance





Payoff Illustration : Autocall Mechanism & Phoenix Bonus Coupons



Royal Bank of Canada: Diversified Financial Strength, Global Capabilities

- Top 10 bank by market capitalisation globally (c. US\$85 billion)⁽¹⁾
- Exceptional credit ratings: Aa1 Moody's / AA Fitch / AA- S&P
- Tier 1 Capital Ratio of 13.0%⁽²⁾
- US\$605 billion of assets⁽²⁾
- 80,000 employees and 18 million clients in 55 countries⁽²⁾



#3 Most Respected Financial Institution
BARRON'S



#2 Global Trader
credit

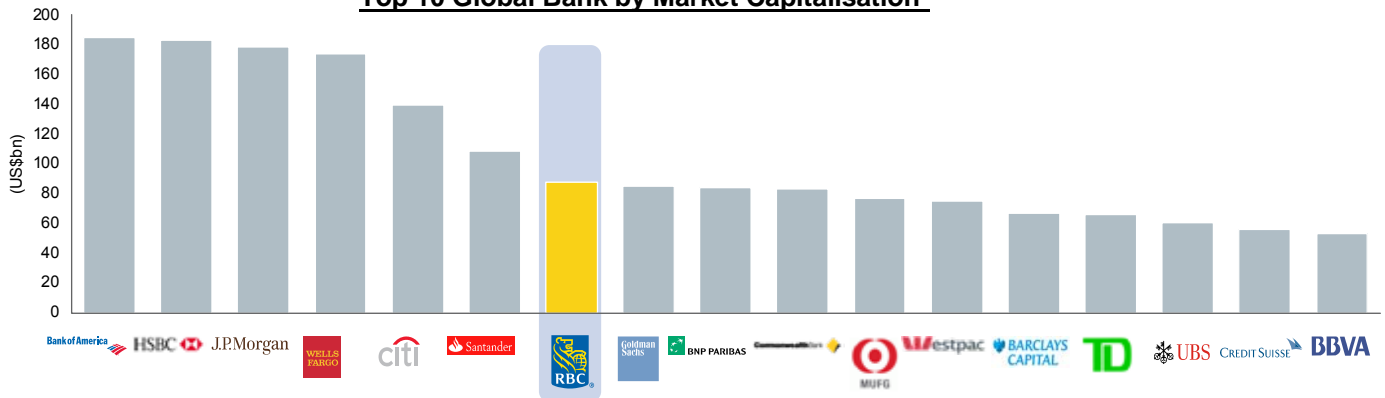


#1 Global Bond House of the quarter
pfi



Best Overall Credit House in Europe
credit

Top 10 Global Bank by Market Capitalisation¹



Ratings	Moody's	A2 (S)	Aa2 (N)	Aa3 (N)	A1 (S)	A3 (S)	Aa2 (N)	Aa1 (N)	A1 (N)	Aa2 (S)	Aa1 (N)	na	Aa1 (N)	A1 (S)	Aaa (N)	Aa3 (N)	Aa2 (N)	Aa2 (N)
	S&P	A (S)	AA- (N)	A+ (N)	AA- (N)	A (S)	AA (N)	AA- (S)	A (N)	AA (N)	AA (S)	A (S)	AA (S)	A+ (N)	AA- (S)	A+ (S)	A (S)	AA (N)

(1) Bloomberg, Capital IQ
(2) RBC as at Jul'11



RBC Capital Markets®

Blue Chip Select Phoenix Notes



Risks

Please bear in mind that investors are exposed to the credit risk of the Issuer. The Notes are not capital protected and investors may receive back less than the original amount invested. The value of the investment can go down as well as up and investors can potentially lose all of their investment. Any secondary market provided by Royal Bank of Canada is subject to change and may be stopped without notice and investors may therefore be unable to sell or redeem the Notes until their maturity. If the Notes are redeemed early they may be redeemed at a level less than the amount originally invested.

Disclaimer

This material has been issued by RBC Capital Markets (a business brand name under which Royal Bank of Canada, London branch and subsidiaries of the Royal Bank of Canada trade) and is authorised and regulated in the United Kingdom by the Financial Services Authority ("FSA"). Information herein is believed to be reliable, but no representation or warranty is made as to its accuracy or completeness. All opinions and estimates contained herein should not be relied upon, are subject to change without notice and are not necessarily those of the RBC Financial Group (RBCFG). This information is not a solicitation to buy or sell any securities in any jurisdiction where such a solicitation would be illegal. Nothing herein is intended to create any legally binding obligations on either party unless it is subject to a trade confirmation in the usual format. Entities in the RBCFG may hold positions in any of the financial products, and derivatives thereon, discussed herein.

This information is not a termsheet and has been prepared solely for information purposes. It is not an offer or a solicitation to buy or sell the product. This information is for your internal use only and not for further distribution. This communication is a marketing communication; it is not a product of Royal Bank of Canada's Research Department and should not be regarded as a research recommendation. Unless indicated, these views are the author's and may differ from those of Royal Bank of Canada's research analysts or others in the Firm. Unless stated otherwise, the material contained herein has not been based on a consideration of any individual client circumstances and as such should not be considered to be a personal recommendation. Certain assumptions may have been made in the analysis that resulted in any information and returns/results detailed herein. No representation is made that any returns/results indicated would be achieved or that all assumptions in achieving these returns/results have been considered. Past performance is not necessarily indicative of future results. All prices or values are indicative only, and may vary significantly from executable prices or from prices obtained from elsewhere. Any investment decision should be made only based on the terms of the base prospectus and final terms for the product (if any) (the "Offering Documents"), the terms of which will supersede the terms herein. This information is directed at sophisticated prospective investors in order to assist them in determining whether they have an interest in the type of securities described herein. In the UK it is directed only to those persons who are eligible counterparties or professional clients and must not be acted on or relied upon by retail clients (each as defined in the UK Financial Services Authority's rules). No public offering of the product, or possession or distribution of any offering material in relation thereto, is permitted in any jurisdiction unless in compliance with all applicable laws, regulations, codes, directives, orders and/or regulatory requirements, rules and guidance in force from time to time including, for the avoidance of doubt, the EU Prospectus Directive (2003/71/EC) and any implementing measures and Regulation S of the United States Securities Act 1933 as amended (the "Securities Act"). The product may not be offered, sold, transferred or delivered directly or indirectly in the United States to, or for the account or benefit of, any U.S. Person (as defined in Regulation S under the Securities Act). No representation or warranty is given with respect to the accuracy or completeness of the information herein. The interests of Royal Bank of Canada may conflict with the interests of the investors in respect of any matter requiring its consent and Royal Bank of Canada will not be required to consider the interests of the investors in exercising such rights. Royal Bank of Canada does not give investment, tax, accounting, legal, regulatory or other advice and nothing in this communication should be viewed as such; prospective investors should consult their own professional advisors.

RBC Capital Markets ("RBC") is a business name used by Royal Bank of Canada and certain of its subsidiaries including RBC Dominion Securities Inc., RBC Capital Markets Corporation, Royal Bank of Canada Europe Limited and Royal Bank of Canada – Sydney Branch. The entities comprising RBC Capital Markets are wholly owned subsidiaries of the Royal Bank of Canada and are members of the RBC Financial Group. RBC is authorized and regulated by the FSA. This document has been prepared by RBC CM for information or discussion purposes only and shall not be construed as and does not form part of an offer, nor an invitation to offer, nor a solicitation or recommendation to enter into any transaction, nor is it an official or unofficial confirmation of terms. Although the indicative information set forth herein is reflective of terms, as of the date of this communication, under which we believe an issuance of securities or other transactions might be structured, no assurance can be given that such an issuance or transaction could in fact be executed, nor is the issuer obligated to issue such securities or obligations. We have sent you this document in our capacity as a potential counterparty acting at arm's length. We are not acting as your financial adviser nor in a fiduciary capacity in respect of the proposed transaction, including the securities or other obligations referred to herein, or any other transaction with you unless otherwise expressly agreed by us in writing. Also no representation is made concerning the tax or any other legal implications in any applicable jurisdiction of this proposed transaction involving the securities or other obligation referred to herein and we are not advising you in respect of such implications. Before entering into any transaction you should take steps to ensure that you understand the transaction and have made an independent assessment of the appropriateness of the transaction in light of your own objectives and circumstances, including the possible risks and benefits of entering into such a transaction and also the tax or any other legal implications of entering into this proposed transaction, including seeking appropriate advice in any applicable jurisdiction. Reference must be made to the official offering or other transaction documents or official Agreement confirmation for definitive information with respect to any indicative offering or transaction described herein.