



For Professional Investors Only

A unique investment linked to Diversified Blue Chip providing Fixed Levels of Quarterly Income (8.8% p.a.).

Product Summary¹

Product	Worst Of Reverse Convertible Note linked Diversified Blue Chip companies.
Issuer	Royal Bank of Canada , rated as Aa1 (Moody's), AA (Fitch), AA- (S&P)
Underlyings ('Stocks')	Caterpillar Inc (CAT UN) Barrick Gold Corp (ABX UN) L'Oréal (OR FP) AstraZeneca Plc (AZN LN) Advanced Macro Devices (AMD UN)
Key Dates	Initial Valuation Date: 24 February 2012 Issue/Settlement Date: 02 March 2012 Final Valuation Date: 24 February 2017 Maturity Date: 03 March 2017
Investment Term	5 years , cash settlement
Coupon Amount	2.2% fixed per qtr (8.8% p.a.) – paid regardless of the Stock performances
Capital Barrier Type	50% European Barrier, observed on the Final Valuation Date only
Conditional Protection	A fall of more than 50% in performance is required in any Stock before capital may be at risk. The performance is measured by comparing the Final Valuation Level vs. the Initial Valuation Level: If no Stock has fallen by more than 50% then 100% capital is returned at Maturity If any Stock has fallen by more than 50% (a Barrier breach) then investors receive the performance of the Worst Performing Stock at Maturity.
Subscription Period	27 Jan – 02 Mar 2012, subject to availability
ISIN Codes	GBP: XS0741467756 EUR: XS0741467087 USD: XS0741457799

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

Key Features

- Suitable for investors seeking fixed income of 8.8% p.a. (paid Qtrly), over an investment horizon of 5 years,
- Regular income payments, made on a quarterly basis (2.2%) regardless of equity market conditions,
- Final redemption amount is linked to a basket of Diversified Blue Chip Stocks,
- Strong capital buffer, no loss of capital as long as no Stock has fallen below 50% of its Initial Level when observed at the Final Valuation Date (European barrier),
- Timely investment opportunity: the expected recovery within global equity markets provides an attractive entry point.
- The Notes are available in GBP, EUR, USD.

Investment Description

The Diversified Blue Chip Income Notes (the 'Notes') are designed for investors seeking regular income in a low deposit rate environment, and have a moderate or positive view on global equity markets.

The Notes are a 'Reverse Convertible' structure, where the final redemption amount is linked to the worst performer of the Diversified Blue Chip Stocks selected in the product. In exchange for this pre-defined level of risk, investors receive attractive fixed income payments of 8.8% p.a., which are paid quarterly (2.2%) regardless of the performance of the underlying Stocks.

The Notes contain an important safety buffer in the event that the Stocks perform negatively. The Notes will return 100% of capital invested as long as none of the Stocks on the close of the Final Valuation Date, have fallen below 50% of their Initial Level.

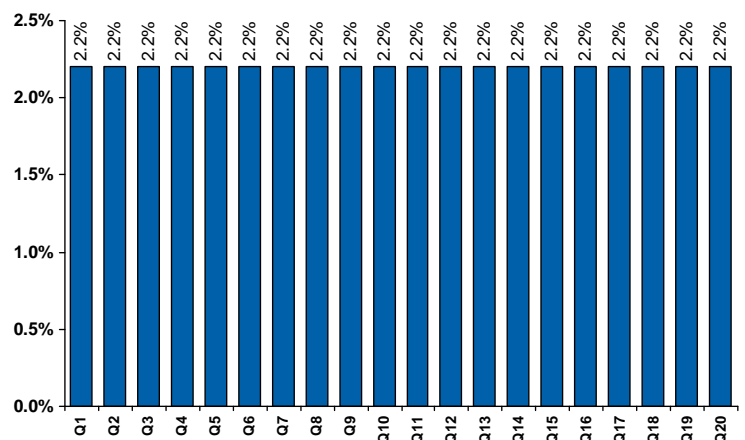
If any Stock has fallen by more than 50% on the Financial Valuation Date, then the Final Redemption Amount will be equivalent to the performance of the Worst Performing Stock, and some capital may be lost.

Scenario Analysis at Maturity

Performance of Worst Performing Underlying at Maturity (Final/Initial level)	Redemption at Maturity
140%	102.2%
120%	102.2%
100%	102.2%
80%	102.2%
60%	102.2%
40%	42.2%
20%	22.2%
0%	2.2%

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

Fixed Income Amounts (2.2% per qtr)





PAST PERFORMANCE IS NO INDICATION OF FUTURE PERFORMANCE

Underlyings:

AstraZeneca Plc (AZN LN Equity),

AstraZeneca PLC is a holding company. The Company, through its subsidiaries, researches, manufactures, and sells pharmaceutical and medical products. AstraZeneca focuses its operations on seven therapeutic areas: Gastrointestinal, Oncology, Cardiovascular, Respiratory, Central Nervous System, Pain Control, Anaesthesia, and Infection.

Source: Bloomberg @ 30.12.2012

Astra Zeneca– 5yr Performance (GBP)



L'Oréal (OR FP Equity),

L'Oreal SA manufactures, markets, and distributes health and beauty aids. The Company produces colorants, styling, and hair care products for professional hairdressers, hair care, cosmetics, and skin care products and perfumes for consumers, luxury cosmetics and perfumes sold through department stores, perfumeries and travel stores, and dermatological and pharmaceutical products.

Source: Bloomberg @ 30.12.2012

L'Oréal– 5yr Performance (EUR)



Barrick Gold Corp (ABX UN Equity),

Barrick Gold Corporation is an international gold company with operating mines and development projects in the United States, Canada, South America, Australia, and Africa.

Sources: Bloomberg @ 30.12.2012

Barrick Gold– 5yr Performance (USD)



Caterpillar Inc (CAT UN Equity)

Caterpillar Inc. designs, manufactures, and markets construction, mining, agricultural, and forestry machinery. The Company also manufactures engines and other related parts for its equipment, and offers financing and insurance. Caterpillar distributes its products through a worldwide organization of dealers.

Sources: Bloomberg @ 30.12.2012

Caterpillar Inc – 5yr Performance (USD)



Advanced Micro Devices (AMD UN Equity)

Advanced Micro Devices, Inc. manufactures semiconductor products. The Company manufactures products that include microprocessors, embedded microprocessors, chipsets, graphics, video and multimedia products. Advanced Micro Devices, Inc. offers its products on a global basis.

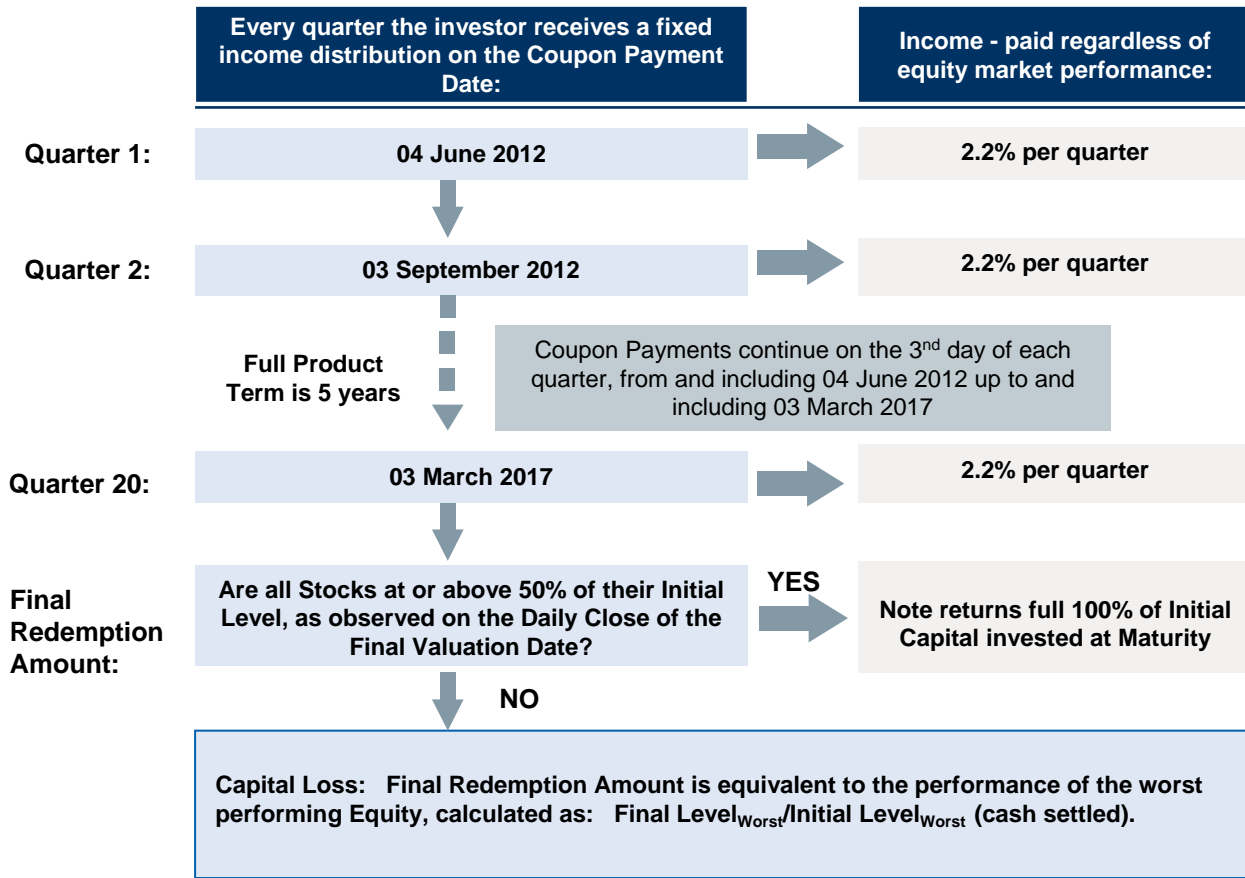
Sources: Bloomberg @ 30.12.2012

Advanced Micro Devices – 5yr Performance (USD)





Worst of Reverse Convertible Notes – Payoff Diagram:



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

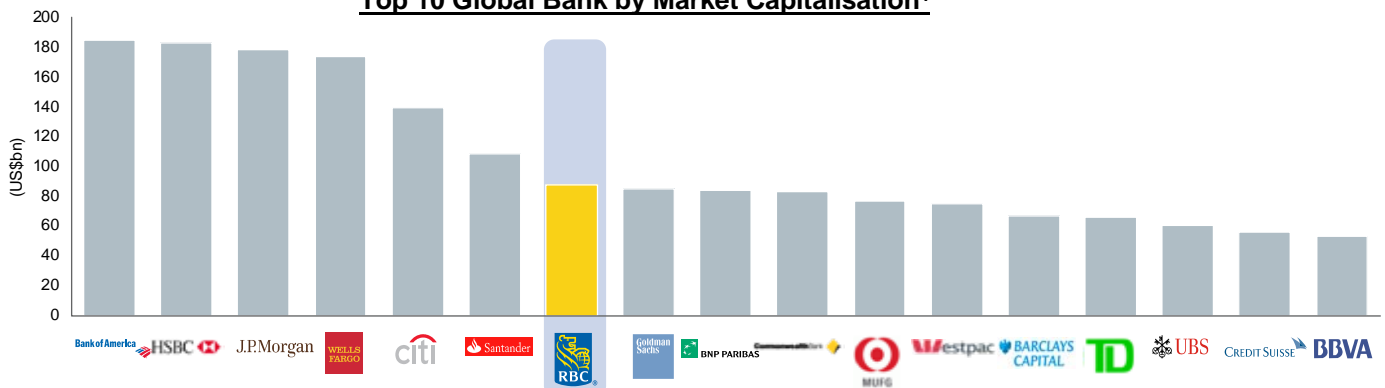


#1 Global Bond House of the Year
pfi



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 Oct'09



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.

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