



T. Rowe Price

PORTFOLIO UPDATE

Institutional Floating Rate Fund

As of March 31, 2024



Portfolio Manager:
Paul Massaro

Managed Fund Since:
2009

Joined Firm:
2003

INVESTMENT OBJECTIVE

The fund seeks high current income and, secondarily, capital appreciation.

FUND INFORMATION

Symbol	RPIFX
CUSIP	77958B402
Inception Date of Fund	January 31, 2008
Benchmark	Morningstar LSTA Performing Loan Index
Expense Information (as of the most recent Prospectus)	0.57%
Fiscal Year End	May 31
12B-1 Fee	–

PERFORMANCE

(NAV, total return)

	One Month	Three Months	One Year	Annualized				30-Day SEC Yield
				Three Years	Five Years	Ten Years	Fifteen Years	
Institutional Floating Rate Fund	0.63%	2.20%	11.47%	5.62%	5.12%	4.36%	6.16%	8.57%
Morningstar LSTA Performing Loan Index	0.87	2.53	12.85	6.19	5.70	4.82	7.33	–

Performance data quoted represents past performance and is not a reliable indicator of future performance. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain the most recent month-end performance, visit [troweprice.com](https://www.troweprice.com). The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any.

This fund could have greater price declines than a fund that invests primarily in high-quality bonds or loans: the loans and debt securities held by the fund are usually considered speculative and involve a greater risk of default and price decline than higher-rated bonds.

The fund(s) may have other share classes available that offer different investment minimums and fees. See the prospectus for details.

MARKET COMMENTARY

Leveraged loans generated gains in March amid favorable technical conditions and the generally benign macro environment. Positive flows, healthy collateralized loan obligation (CLO) formation, and modest new money issuance were supportive, as were the Federal Reserve's unchanged rate cut expectations despite an uptick in some inflation data. Loans rated CCC outpaced higher qualities as CLOs sought discounted opportunities and repricing risk tempered demand for loans trading above par. Nearly all loan industries posted gains.

The yield of the benchmark 10-year U.S. Treasury note decreased from 4.25% to 4.20% by month-end. The Labor Department reported that core (less food and energy) prices had increased 0.36% in February, slightly less than the previous month but above expectations. Some signs of cooling in the labor market and elsewhere in the economy may have reassured investors about inflation and interest rates. Although the nonfarm payroll report for February looked strong at the headline level with job growth exceeding expectations at 275,000, the gains stemmed almost entirely from part-time employment. The Labor Department later reported that the unemployment rate had risen to 3.9% in February, its highest level in over two years. The Fed's mid-month policy meeting revealed that policymakers still expect three rate cuts over the remainder of the year. In a press conference widely seen as dovish, Fed Chair Powell expressed conviction that rate cuts will be delivered in 2024 despite hotter-than-expected inflation reports in January and February, which Powell said, "haven't really changed the overall story."

Loan funds reported an inflow of USD 1.1 billion in March, and CLO origination remained strong with a gross volume of USD 33 billion. According to J.P. Morgan, USD 117.9 billion in loans came to the market, although repricing and refinancing transactions accounted for 89% of the gross volume. The Morningstar LSTA 12-month par-weighted leveraged loan default rate decreased to 1.14% from 1.41% in February.

THIS MATERIAL MUST BE PRECEDED OR ACCOMPANIED BY A PROSPECTUS, OR SUMMARY PROSPECTUS IF AVAILABLE.

RISK RETURN CHARACTERISTICS

(Five Years ended March 31, 2024)

	Annualized Std. Deviation	Alpha	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error
Institutional Floating Rate Fund	6.24%	-0.01%	0.83	0.98	-0.37	0.48	1.57%
Morningstar LSTA Performing Loan Index	7.39	0.00	1.00	1.00	0.00	0.49	0.00

Past performance is not a reliable indicator of future performance. Figures are calculated using monthly data and are net of fees.**TOP 10 ISSUERS**

Comprising 23.6% of total net assets.

	Industry	% of Fund
UKG Inc	Services	3.7%
Truist Insurance Holdings LLC	Financial	3.5
HUB International Ltd	Financial	3.0
Applied Systems Inc	Info Tech	2.6
Asurion LLC	Wireless Communications	2.2
AssuredPartners Inc	Financial	2.1
Cloud Software Group Inc	Info Tech	1.8
Epicor Software Corp	Info Tech	1.6
BMC Software Inc	Info Tech	1.6
UFC Holdings LLC	Entertainment & Leisure	1.5

Issuers are as of the date indicated and are subject to change.

PORTFOLIO CHARACTERISTICS

	Institutional Floating Rate Fund	Morningstar LSTA Perform- ing Loan Index
Number of Holdings	311	1,347
Weighted Average Maturity	4.76 years	4.30 years
Weighted Average Duration	0.65 years	– years
Weighted Average Coupon	9.21%	–
Yield to Worst	8.35%	–
Percent of Portfolio in Cash	2.8%	–
Total Assets (all share classes)	4,079,603,431	–

INDUSTRY DIVERSIFICATION

	Finan- cial	Info Tech	Services	Health Care	Automotives	Enter- tain- ment & Leisure	Manu- factur- ing	Utilities	Energy	Media	Other
Institutional Floating Rate Fund	17.2%	15.0%	11.2%	8.2%	4.9%	4.7%	3.8%	3.5%	2.9%	2.6%	23.3%
Morningstar LSTA Performing Loan Index	7.9	13.8	15.6	12.2	3.0	2.5	4.3	2.4	2.3	1.7	34.4
Over/Underweight	9.3	1.2	-4.5	-4.0	1.9	2.2	-0.5	1.1	0.6	0.9	-11.0

CREDIT QUALITY DIVERSIFICATION

	BBB/BB & Abv	BB	BB/B	B	B/CCC	CCC & Below	Not Rated	Short-Term
Institutional Floating Rate Fund	3.1%	12.1%	5.3%	59.5%	1.8%	11.4%	4.0%	2.8%
Morningstar LSTA Performing Loan Index	0.8	19.6	9.5	60.9	3.7	4.6	0.9	0.0
Over/Underweight	2.3	-7.5	-4.3	-1.4	-1.9	6.8	3.1	2.8

MATURITY DIVERSIFICATION

	0-2 Years	2-4 Years	4-7 Years	7-10 Years	10+ Years
Institutional Floating Rate Fund	4.7%	24.9%	63.1%	4.4%	0.0%

Definitions

Weighted Average Duration is a calculation that seeks to measure the price sensitivity of a bond Fund to changes in interest rates. In general, the longer the average duration, the greater the Fund's sensitivity to interest rates.

Additional Disclosures

Consider the investment objectives, risks, and charges and expenses carefully before investing. For a prospectus or, if available, a summary prospectus containing this and other information, call 1-800-638-7780 or visit troweprice.com. Read it carefully.

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Fund Assets, holdings-based analytics (excluding portfolio turnover), and portfolio attribution are calculated using T. Rowe Price's internal Investment Book of Records (IBOR). Due to timing and accounting methodology differences, IBOR data may differ from the Accounting Book of Records (ABOR) data provided by the Fund's accountant.

Industry classification was determined by T. Rowe Price's high yield industry structure.

Diversification exhibits may not add to 100% due to exclusion or inclusion of cash.

Source for Credit Quality Diversification:

Credit ratings for the securities held in the Fund are provided by Moody's and Standard & Poor's and are converted to the Standard & Poor's nomenclature. A rating of "AAA" represents the highest-rated securities, and a rating of "D" represents the lowest-rated securities. Split ratings (e.g., BB/B and B/CCC) are assigned when Moody's and S&P differ. If a rating is not available, the security is classified as Not Rated (NR). The rating of the underlying investment vehicle is used to determine the creditworthiness of credit default swaps and sovereign securities. The Fund is not rated by any agency. U.S. Government Agency securities, if any, may include conventional pass-through securities and collateralized mortgage obligations. This category may include rated and unrated securities.

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Source for Maturity Diversification: T Rowe Price.

"Other" includes any categories not explicitly mentioned.

Certain numbers in this report may not equal stated totals due to rounding. Unless otherwise stated, data is as of the report date.

Unless indicated otherwise the source of all data is T. Rowe Price.

This material should not be deemed a recommendation to buy or sell any of the securities mentioned.

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