

# Institutional Floating Rate Fund

## (RPIFX)

As of December 31, 2025



T. Rowe Price

| Portfolio Management | Managed Since | Joined Firm |
|----------------------|---------------|-------------|
| Paul Massaro         | 2009          | 2003        |

### Investment Objective

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

### General Information

|  |  |
|--|--|
| CUSIP  | 77958B402                              |
| Inception Date   | January 31, 2008                       |
| Benchmark  | Morningstar LSTA Performing Loan Index |
| Expense Information (as of the most recent Prospectus) | 0.57%                                  |

### Market Commentary

Leveraged loans advanced in December, largely due to strong collateralized loan obligation (CLO) demand. The portion of the loan market trading above par trended higher, causing an uptick in repricing activity, which along with refinancing transactions, dominated the primary market. The dearth of new money opportunities and elevated cash balances due to some large paydowns provided technical support for the asset class. Higher credit qualities and all loan industries recorded gains.

The Bureau of Labor Statistics' (BLS) nonfarm payrolls report showed that U.S. employers added 64,000 jobs in November, ahead of estimates and a sharp rebound from the jobs lost in October. However, the unemployment rate rose to 4.6% in November, the highest level in over four years. The BLS later reported that U.S. inflation unexpectedly cooled in November. According to its consumer price index, prices rose 2.7% year over year, below estimates and down from a 3% rise in September. Core prices, which exclude volatile food and energy costs, rose 2.6% over the same period, the lowest level since March 2021. The Federal Reserve lowered its target range for the federal funds rate by 25 basis points to the 3.50%-3.75% range. During his post-meeting press conference, Fed Chair Jerome Powell noted that the fed funds rate is "within a broad range of estimates of its neutral value" and that policymakers are "well positioned to wait and see how the economy evolves," but he also referenced concerns about "significant downside risks" to the labor market.

Loan funds reported an outflow of USD 1.8 billion in December. According to J.P. Morgan, USD 60.1 billion in loans came to the market, although opportunistic repricing/refinancing transactions accounted for 80% of the total volume. The gross volume of CLOs, a key source of demand, was USD 30.7 billion. The Morningstar LSTA 12-month par-weighted leveraged loan default rate ticked lower to 1.23% from 1.25% in November.

### Performance (%) (NAV, total return Performance > 1yr is Annualized)

|  | 1m   | 3m   | 1yr  | 3yrs | 5yrs | 10yrs | 15yrs | 30-Day SEC Yield |
|--|------|------|------|------|------|-------|-------|------------------|
| Institutional Floating Rate Fund (RPIFX)       | 0.81 | 1.57 | 6.67 | 9.40 | 6.37 | 5.49  | 4.87  | 6.59             |
| Morningstar LSTA Performing Loan Index (SPLST) | 0.67 | 1.30 | 6.01 | 9.58 | 6.60 | 6.02  | 5.22  | N/A              |

**Past performance is not a guarantee or a reliable indicator of future results. 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://troweprice.com).**

The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any.

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

**Risks: Interest rates:** A rise in interest rates typically causes the price of a fixed rate debt instrument to fall and its yield to rise. Conversely, a decline in interest rates typically causes the price of a fixed rate debt instrument to rise and the yield to fall. **Floating rate loans:** Transactions involving floating rate loans may have significantly longer settlement periods than more traditional bond investments (settlement can take longer than 7and often involve borrowers whose financial condition is troubled or highly leveraged, which increases the risk that the fund may not receive its proceeds in a timely manner and that the fund may incur unexpected losses in order to pay redemption proceeds to its shareholders. See the prospectus for more detail on the fund's principal risks.

THIS MATERIAL MUST BE PRECEDED OR ACCOMPANIED BY A PROSPECTUS, OR SUMMARY PROSPECTUS IF AVAILABLE.  
<https://prospectus-express.broadridge.com/summary.asp?doctype=pros&clientid=trowepl&fundid=77958B402>

**Risk Return Characteristics** (Five Years ended December 31, 2025)

|  | <b>Annualized<br/>Std.<br/>Deviation (%)</b> | <b>Alpha<br/>(%)</b> | <b>Beta</b> | <b>R-Squared</b> | <b>Information<br/>Ratio</b> | <b>Sharpe Ratio</b> | <b>Tracking<br/>Error (%)</b> |
|--|--|----------------------|-------------|------------------|------------------------------|---------------------|-------------------------------|
| Institutional Floating Rate Fund       | 3.09   | -0.08                | 0.96        | 0.96             | -0.39                        | 0.98                | 0.58                          |
| Morningstar LSTA Performing Loan Index | 3.15   | 0.00                 | 1.00        | 1.00             | 0.00                         | 1.04                | 0.00                          |

**Past performance is not a guarantee or a reliable indicator of future results.** Figures are calculated using monthly data and are net of fees.

| <b>Top 10 Issuers (%)</b> | <b>Industry</b> | <b>Fund</b> |
|---------------------------|-----------------|-------------|
| Applied Systems Inc       | Info Tech       | 2.4         |
| Alera Group Inc           | Financial       | 2.0         |
| Cloud Software Group Inc  | Info Tech       | 1.9         |
| Asurion LLC               | Wireless        | 1.7         |
| CRC Insurance Group LLC   | Financial       | 1.6         |
| HUB International Ltd     | Financial       | 1.6         |
| Sophia Holding II LP      | Info Tech       | 1.6         |
| X Corp                    | Info Tech       | 1.6         |
| Duravant LLC              | Manufacturing   | 1.5         |
| UKG Inc                   | Services        | 1.5         |

Comprising 17.4% of total net assets.

| <b>Portfolio Characteristics</b>    | <b>Fund</b>     | <b>SPLST</b> |
|-------------------------------------|-----------------|--------------|
| Number of Holdings                  | 339             | 1,275        |
| Weighted Average Maturity           | 4.77 years      | 4.62 years   |
| Weighted Average Effective Duration | 0.46 years      | N/A          |
| Weighted Average Coupon             | 7.14%           | N/A          |
| Yield to Maturity                   | 7.11%           | 8.00%        |
| Total Assets (all share classes)    | \$5,069,974,549 | N/A          |
| Percent of Portfolio in Cash        | 4.6%            | N/A          |

| <b>Industry Diversification (%)</b> | <b>Fund</b> | <b>SPLST</b> |
|-------------------------------------|-------------|--------------|
| Financial                           | 18.4        | 9.5          |
| Info Tech                           | 16.1        | 14.6         |
| Services                            | 8.7         | 16.4         |
| Health Care                         | 7.8         | 10.9         |
| Manufacturing                       | 5.8         | 5.1          |
| Automotives                         | 4.1         | 2.9          |
| Media                               | 4.1         | 1.3          |
| Utilities                           | 3.8         | 2.7          |
| Entertainment & Leisure             | 3.5         | 2.7          |
| Other Telecommunications            | 3.3         | 0.9          |
| Other                               | 19.8        | 33.0         |

**Credit Quality**

| <b>Diversification (%)</b> | <b>Fund</b> | <b>SPLST</b> |
|----------------------------|-------------|--------------|
| BBB/BB & Abv               | 2.0         | 0.5          |
| BB                         | 12.6        | 18.9         |
| BB/B                       | 5.2         | 6.7          |
| B                          | 57.6        | 53.9         |
| B/CCC                      | 3.9         | 3.8          |
| CCC & Below                | 9.4         | 4.1          |
| CDS                        | 0.0         | 0.0          |
| Equities                   | 0.3         | 0.0          |
| Not Rated                  | 4.3         | 12.1         |
| Short- Term                | 4.6         | 0.0          |

**Maturity Diversification (%)**

|            | <b>Fund</b> |
|------------|-------------|
| 0-2 Years  | 1.5         |
| 2-4 Years  | 28.2        |
| 4-7 Years  | 62.2        |
| 7-10 Years | 3.3         |
| 10+ Years  | 0.2         |

**Additional Disclosures & Definitions**

**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](http://troweprice.com). Read it carefully.**

Visit [Troweprice.com/glossary](http://Troweprice.com/glossary) for a glossary of financial terminology.

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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.

T. Rowe Price uses a custom structure for sector and industry reporting for this product.

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

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.

"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.

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