



PORTFOLIO UPDATE

Real Estate Fund

As of March 31, 2024



Portfolio Manager:
Gregg Korondi

Managed Fund Since:
2024

Joined Firm:
2020

INVESTMENT OBJECTIVE

The fund seeks to provide long-term growth through a combination of capital appreciation and current income.

FUND INFORMATION

Symbol	TRREX
CUSIP	779919109
Inception Date of Fund	October 31, 1997
Benchmark	FTSE Nareit All Equity REITs Index
Expense Information (as of the most recent Prospectus)	0.82%
Fiscal Year End	December 31
12B-1 Fee	—

PERFORMANCE

(NAV, total return)

	One Month	Three Months	One Year	Annualized			
				Three Years	Five Years	Ten Years	Fifteen Years
Real Estate Fund	1.32%	-1.86%	7.97%	3.35%	2.52%	5.06%	12.67%
Lipper Real Estate Funds Index	1.65	-0.70	8.06	1.98	4.04	6.20	12.86
FTSE Nareit All Equity REITs Index	1.78	-1.30	8.02	2.47	3.96	6.93	13.63

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.

Changes in the tax laws, overbuilding, environmental issues, the quality of property management in the case of real estate investment trusts (REITs), and other factors could hurt a fund that invests in the real estate industry.

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

MARKET COMMENTARY

U.S. equities advanced in March, capping a strong quarter that lifted several broad indexes to all-time highs. As measured by various Russell indexes, mid-cap equities fared best, followed by small-caps and large-caps. Value outperformed growth in all market capitalizations. Within the S&P 500, energy led returns, followed by utilities and materials. All sectors advanced, although consumer discretionary and real estate lagged the broader benchmark.

Investors remained optimistic about the corporate profit potential stemming from advances in artificial intelligence and were encouraged by the outcome of the Federal Reserve's mid-March monetary policy meeting. Although the central bank kept short-term interest rates steady, policymakers maintained their year-end 2023 projections for three quarter-point interest rate cuts by the end of 2024 despite recent upticks in inflation readings. Longer-term Treasury yields finished the month modestly lower.

The overall equity REIT market, as measured by the FTSE NAREIT All Equity REITs Index, delivered positive results during the period. The small other real estate sector, which largely consists of outdoor advertising companies, produced the best returns for the second straight month, while the regional mall, office, and self-storage segments also produced solid returns. Conversely, the data center segment was the weakest performer in the benchmark, while infrastructure and industrial real estate also lagged with slightly negative returns.

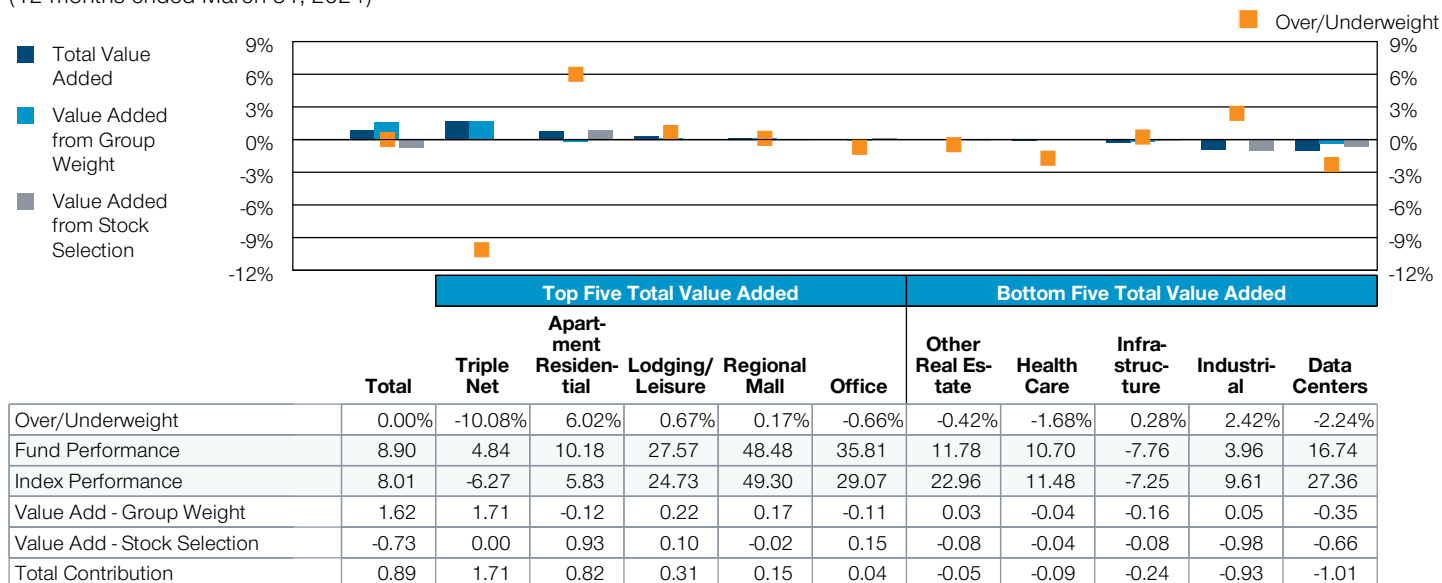
RISK RETURN CHARACTERISTICS

(Five Years ended March 31, 2024)

	Annualized Std. Deviation	Alpha	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error
Real Estate Fund	20.57%	-1.29%	1.01	0.96	-0.35	0.02	4.08%
FTSE Nareit All Equity REITs Index	20.02	0.00	1.00	1.00	0.00	0.09	0.00

Past performance is not a reliable indicator of future performance. Figures are calculated using monthly data and are net of fees.**SECTOR ATTRIBUTION DATA VS. FTSE NAREIT ALL EQUITY REITS INDEX (TOP AND BOTTOM 5 BY TOTAL VALUE ADDED)**

(12 months ended March 31, 2024)



Past performance is not a reliable indicator of future performance. All numbers are percentages. Analysis represents the total performance of the portfolio as calculated by the FactSet attribution model and is inclusive of other assets. Non-equity positions are excluded from structure shown. Returns will not match official T. Rowe Price performance because FactSet uses different exchange rate sources and does not capture intra-day trading. Performance for each security is obtained in the local currency and, if necessary, is converted to USD using an exchange rate determined by an independent third party. Figures are shown with gross dividends reinvested. Sources: Financial data and analytics provider FactSet. Copyright 2024 FactSet. All Rights Reserved. Analysis by T. Rowe Price. T. Rowe Price uses a custom structure for sector and industry reporting for this product. Figures are shown gross of fees. Returns would be lower as a result of the deduction of such fees. Performance returns are in USD.

TOP 10 ISSUERS

Comprising 52.0% of total net assets.

	Industry	% of Fund
Prologis	Industrial	8.2%
American Tower	Infrastructure	7.8
Equinix	Data Centers	7.3
Public Storage	Self Storage	5.3
Simon Property Group	Regional Mall	4.8
Welltower	Health Care	4.4
Essex Property Trust	Apartment Residential	3.8
Regency Centers	Shopping Center	3.6
Rexford Industrial Realty	Industrial	3.4
AvalonBay Communities	Apartment Residential	3.4

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

PORTFOLIO CHARACTERISTICS

	Real Estate Fund	FTSE Nareit All Equity REITs Index
Number of Issuers	40	107
Investment Weighted Median Market Cap (mm)	\$23,937	\$31,075
Price to Earnings (12 Months Forward)*° †	40.6X	39.8X
Price to Book (trailing)°	2.6X	2.3X
Projected Earnings Growth Rate (3 - 5 Years)*° †	1.6%	2.8%
Return on Equity (Last 12 Months excl. charges)°	7.7%	7.7%
Top 20 Issuers as Percent of Total	79.3%	67.8%
Total Assets (all share classes)	854,741,205	–
Percent of Portfolio in Cash	1.6%	–

°Statistics are based on investment-weighted median.

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†These statistics are based on the Fund's underlying holdings and are not a projection of future portfolio performance. Actual results may vary.

INDUSTRY DIVERSIFICATION

	Apt Res	Industri- al	Infra- struc- ture	Health Care	Self Storage	Data Centers	Shop- ping Center	Region- al Mall	Agg- Land	Lodging / Lei- sure	Other
Real Estate Fund	20.2%	17.7%	13.1%	8.8%	8.5%	7.3%	6.4%	4.8%	4.1%	3.8%	3.7%
FTSE Nareit All Equity REITs Index	14.5	15.6	13.1	10.3	7.3	9.8	4.7	4.7	2.1	3.3	14.5
Over/Underweight	5.7	2.1	0.0	-1.5	1.2	-2.5	1.7	0.1	1.9	0.6	-10.9

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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Unless otherwise noted, index returns are shown with gross dividends reinvested.

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.

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.

"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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