



Limited Duration Inflation Focused Bond Fund (TRBFX)

As of December 31, 2025

Portfolio Management	Managed Since	Joined Firm
Yong Lee	2024	2010
Rob Larkins	2024	2003

Investment Objective

The fund seeks a level of income that is consistent with the current rate of inflation.

General Information

CUSIP	872798103
Inception Date	September 29, 2006
Benchmark	Bloomberg US 1-5 Yr Treasury TIPS Index
Expense Information (as of the most recent Prospectus) ⁽¹⁾	0.57%(Gross) 0.48%(Net)

⁽¹⁾The Fund operates under a contractual expense limitation that expires on July 31, 2027.

Market Commentary

Treasury inflation protected securities and nominal Treasuries produced negative total returns in December owing primarily to rising yields across intermediate- and long-term maturities. The Treasury yield curve steepened over the period with short-term yields ultimately falling at the end of the month following a 25bp rate cut and dovish bias from the Fed. Intermediate and long-term yields ended the month higher as markets repriced higher term premia amid uncertainty over the medium-term inflation outlook and credibility of sustained disinflation under easier policy.

The Federal Reserve, as expected, lowered its target range for the federal funds rate by 25 basis points to 3.50%-3.75%. Notably, three policymakers dissented for the first time in six years, with two officials favoring no change to the policy rate and one preferring a 50-basis-point cut. While Fed Chair Jerome Powell noted that the Fed funds rate is "within a broad range of estimates of its neutral value" and policymakers are "well positioned to wait and see how the economy evolves," he also referenced concerns about "significant downside risks" to the labor market.

Nominal Treasuries outperformed their inflation-linked counterparts over the one-month period. Break-even (BE) spreads ended tighter than where they started the month, except for the 10Y and 30Y, which modestly widened. Declining oil prices for the first half of the month and November CPI coming in lower than expected helped push BE spreads tighter toward the end of the month, though there were concerns over data quality and potential distortion due to the government shutdown.

Economic data releases, including delayed data due to the shutdown, provided mixed signals during the month. October data was not released due to the shutdown. Annual headline inflation registered lower at 2.7% in November, down from 3.0% in September. Meanwhile, the annual core consumer price index decreased to 2.6% in November, down from 3.0% in September. In terms of November's employment data, nonfarm payrolls were slightly higher than expected at 64,000, while the unemployment rate rose above expectations to 4.6%, its highest since 2021.

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

	1m	3m	1yr	3yrs	5yrs	10yrs	15yrs	30-Day SEC Yield	30-Day SEC Yield w/o Waiver ⁽²⁾
Limited Duration Inflation Focused Bond Fund (TRBFX)	-0.10	0.08	5.87	4.31	2.58	2.69	1.88	3.43	3.35
Bloomberg U.S. 1-5 Year Treasury TIPS Index (BC15T)	0.03	0.33	6.55	5.12	3.32	3.16	2.38	N/A	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.

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

The Fund's high current yield is due to the rise in the inflation rate, which might not be repeated. Changes in the rate of inflation may cause the Fund's yield to vary substantially from one month to the next.

⁽²⁾Excludes the effect of contractual expense limitation arrangements. If the expense waiver was not in effect for the 30-Day period shown, there may not be a difference in the 30-day SEC yields shown above.

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. **Derivatives:** The use of derivatives exposes the fund to additional volatility and potential losses. A derivative involves risks different from, and possibly greater than, the risks associated with investing directly in the assets on which the derivative is based, including liquidity risk, valuation risk, correlation risk, market risk, interest rate risk, leverage risk, counterparty and credit risk, operational risk, management risk, legal risk, and regulatory risk. 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=trowepll&fundid=872798103>

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

	Annualized Std. Deviation (%)	Alpha (%)	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error (%)
Limited Duration Inflation Focused Bond Fund	3.11	-0.72	0.97	0.97	-1.44	-0.23	0.51
Bloomberg US 1-5 Yr Treasury TIPS Index	3.19	0.00	1.00	1.00	0.00	0.00	0.00

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Portfolio Characteristics

	Fund	BC15T
Number of Holdings	44	21
Weighted Average Maturity	2.91 years	2.90 years
Weighted Average Effective Duration	2.82 years	2.73 years
Weighted Average Coupon	1.32%	1.20%
Yield to Maturity	3.64%	3.63%
Total Assets (all share classes)	\$9,233,199,997	N/A
Percent of Portfolio in Cash	0.3%	N/A

Sector Diversification (%)

	Fund	BC15T
TIPS	96.7	100.0
Inflation Swaps	3.0	0.0
Reserves	0.3	0.0
Mortgage-Backed Securities	0.0	0.0

Credit Quality

Credit Quality Diversification (%)	Fund	BC15T
U.S. Treas	99.7	100.0
U.S. Govt Ag	0.0	0.0
AAA	0.0	0.0
Not Rated	0.0	0.0
Reserves	0.3	0.0

Maturity

Maturity Diversification (%)	Fund	Fund vs. BC15T
0-1 Year	6.4	6.4
1-3 Years	42.9	-7.2
3-5 Years	49.7	-0.2
5-7 Years	1.0	1.0

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. Read it carefully.

Visit 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.

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, Standard & Poor's and Fitch. A rating of "AAA" represents the highest-rated securities, and a rating of "D" represents the lowest-rated securities. If the rating agencies differ, the highest rating is applied to the security. If a rating is not available, the security is classified as Not Rated (NR). T. Rowe Price uses the rating of the underlying investment vehicle to determine the creditworthiness of credit default swaps and applies the long-term issuer rating to 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.

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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