



# T. Rowe Price

## PORTFOLIO UPDATE

## Balanced Fund

As of March 31, 2024

Portfolio Manager:	Managed Fund Since:	Joined Firm:
Charles Shriver	2011	1991
Toby Thompson	2020	2007

### INVESTMENT OBJECTIVE

The fund seeks to provide capital growth, current income, and preservation of capital through a portfolio of stocks and fixed income securities.

### FUND INFORMATION

Symbol	RPBAX
CUSIP	77954G108
Inception Date of Fund	December 31, 1939
Benchmark	Morningstar Moderate Target Risk Index
Expense Information (as of the most recent Prospectus)*	0.65% (Gross) 0.61% (Net)
Fiscal Year End	December 31
12B-1 Fee	—

\*The fund's net expense ratio reflects a permanent waiver of a portion of the T. Rowe Price Associates, Inc. management fee charged to the fund. This waiver is an amount sufficient to fully offset any acquired fund fees and expenses related to investments in other T. Rowe Price mutual funds. T. Rowe Price funds would be required to seek regulatory approval in order to terminate this arrangement.

### PERFORMANCE

(NAV, total return)

	One Month	Three Months	One Year	Annualized			
				Three Years	Five Years	Ten Years	Fifteen Years
Balanced Fund	2.64%	6.02%	18.23%	4.38%	8.18%	7.34%	10.19%
Morningstar Moderate Target Risk Index	2.34	3.87	12.73	2.63	6.42	5.91	8.50
Combined Index Portfolio*	2.43	5.59	16.69	5.37	8.57	7.52	9.86

**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.

\*As of August 1, 2012 the Combined Index Portfolio consisted of 45.5% S&P 500 Index, 35% Bloomberg U.S. Aggregate Bond Index, and 19.5% MSCI EAFE Index Net. From May 1, 2011 until July 31, 2012 the Combined Index Portfolio contained a range of 52%-45.5% S&P 500 Index, 35% Bloomberg U.S. Aggregate Bond Index, and 13%-19.5% MSCI EAFE Index Net. From May 1, 2008 until April 30, 2011 the Combined Index Portfolio consisted of 52% S&P 500 Index, 35% Bloomberg U.S. Aggregate Bond Index, and 13% MSCI EAFE Index Net. From inception until April 30, 2008 the Combined Index Portfolio consisted of 50% S&P 500 Index, 40% Bloomberg U.S. Aggregate Bond Index, and 10% MSCI EAFE Index Net. The indices or percentages may vary over time.

The fund is subject to the risks of stock investing, including possible loss of principal. Bonds may decline in response to rising interest rates, a credit rating downgrade, or failure of the issuer to make timely payments of interest or principal.

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

### MARKET COMMENTARY

Global equity and fixed income markets were mixed in March. Equity markets were driven by investors' optimism about the corporate profit potential stemming from advances in artificial intelligence. Treasury interest rates retraced some of their late-2023 decline due to some higher-than-expected inflation readings. U.S. Treasury bill yields increased, even though the fed funds target rate remained in the 5.25% to 5.50% range.

We remain overweight equities, supported by firming growth and moderating inflation, positive earnings trends, and reasonable valuations outside of large-cap growth. Bond yields remain attractive but could be volatile as central bank expectations continue to shift alongside the growth and inflation backdrop. Credit fundamentals remain supportive; however, spreads remain tight.

Despite the prominence of macroeconomic factors in driving the sustained rally in stocks and the recent downturn in bonds, we believe that earnings expectations and corporate fundamentals will be a more significant driver of near-term market performance. We also think volatility may increase with the coming U.S. presidential election, and a resilient labor market along with wage growth, which could cause the Fed to keep rates high if it significantly increases, could pose economic headwinds as financial conditions tighten. Against this backdrop, we are mindful of maintaining liquidity given both attractive higher-quality, short-term yields, and for the potential to add to risk assets should volatility create attractive opportunities.

Key risks to global markets include the impacts of geopolitical tensions, the central banks' policy divergence, a retrenchment in growth, a resurgence in inflation, and the trajectory of Chinese growth and policy. While we increased allocations to risk assets during the recent period given the potential upward inflection in earnings, we continue to evaluate long-term valuations along with the durability of current economic growth as we assess compelling opportunities and potential risks through the remainder of the year.

**RISK RETURN CHARACTERISTICS**

(Five Years ended March 31, 2024)

	Annualized Std. Deviation	Alpha	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error
Balanced Fund	13.14%	1.49%	1.06	0.98	0.87	0.46	2.04%
Morningstar Moderate Target Risk Index	12.28	0.00	1.00	1.00	0.00	0.35	0.00
Balanced Fund	13.14	-0.50	1.03	0.99	-0.26	0.46	1.47
Combined Index Portfolio	12.70	0.00	1.00	1.00	0.00	0.51	0.00

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

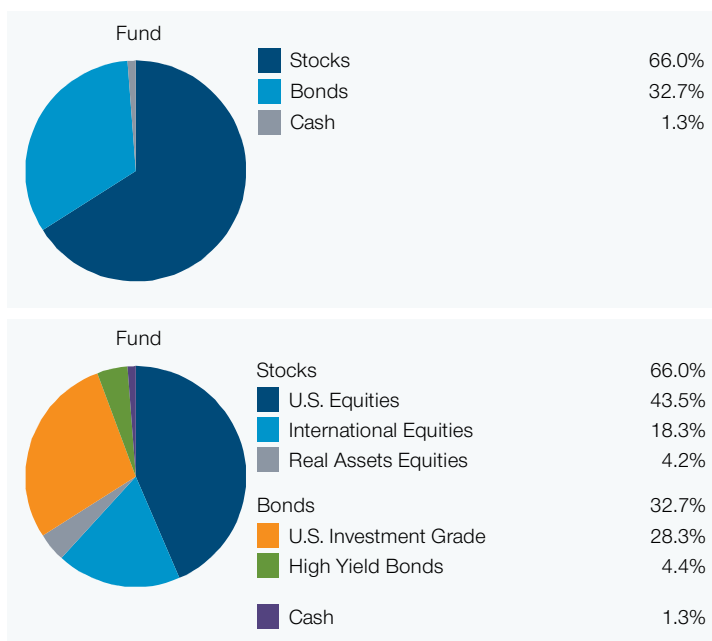
Entire Portfolio	Balanced Fund
Total Number of Issuers	778
Total Number of Countries	43
Top 10 Holdings as Percent of Total	21.5%
Total Assets (all share classes)	4,620,222,438
Percent of Portfolio in Cash <sup>o</sup>	1.6%
Equity <sup>oo</sup>	Balanced Fund
Investment Weighted Median Market Cap (mm)	\$127,376
Price to Earnings (12 Months Forward) <sup>ooo</sup> † *	23.6X
Price to Book (trailing) <sup>ooo</sup>	6.7X
Projected Earnings Growth Rate (3 - 5 Years) <sup>ooo</sup> † *	12.0%
Return on Equity (Last 12 Months excl. charges) <sup>ooo</sup>	23.2%
Fixed Income <sup>††</sup>	Balanced Fund
Weighted Average Maturity	8.30 years
Weighted Average Effective Duration	5.75 years

\*I/B/E/S © 2024 Refinitiv. All rights reserved.

<sup>o</sup>Includes the cash underlying derivative positions and includes portfolio level cash and any cash in underlying commingled vehicles managed by T. Rowe Price.<sup>oo</sup>Excludes impact of equity derivatives.<sup>ooo</sup>Investment Weighted Median.

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

††Calculations exclude cash and includes the impact of bond derivatives.

**ASSET DIVERSIFICATION\*\***

\*\*Based on a name-on-strategy allocation.

**MANAGEMENT**

The Balanced Fund is managed by Charles Shriver and Toby Thompson. The portfolio managers are responsible for the strategic design and day-to-day management of the Fund. This includes portfolio design, positioning, performance, and risk-management oversight. The Fund's tactical asset allocation decisions are made by the firm's Asset Allocation Committee. The Committee is co-chaired by Charles Shriver and David Eiswert, and includes some of the firm's most senior investment management professionals across major asset classes.

Individual security selection is made by portfolio managers of the Fund's component strategies drawing on the fundamental insights of T. Rowe Price's team of around 200 global research analysts.

**SECTOR DIVERSIFICATION – EQUITY ONLY**

	Info Tech	Finan- cials	Health Care	Indust & Bus Svcs	Cons Disc	Comm Svcs	Cons Stpls	Materi- als	Energy	Real Es- tate	Utilities	Misc.	Trusts & Funds
Balanced Fund	21.9%	15.7%	12.5%	9.8%	9.6%	7.0%	5.9%	5.7%	5.5%	3.8%	2.2%	0.2%	0.1%

**SECTOR DIVERSIFICATION – FIXED INCOME ONLY**

	U.S. Treas- uries	TIPS	Government Related	U.S. Mu- nicipals	Corpo- rate	Mort- gage	CMBS	ABS	High Yield	Non- U.S. \$ Denom	Emerg- ing Mar- ket
Balanced Fund	25.9%	0.7%	3.6%	0.2%	24.7%	25.2%	4.2%	2.9%	12.2%	0.2%	0.1%

**Definitions**

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

Source for Morningstar data: © 2024 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

"Bloomberg®" and the Bloomberg Indices identified in this document are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the index (collectively, "Bloomberg") and have been licensed for use for certain purposes by T. Rowe Price. Bloomberg is not affiliated with T. Rowe Price, and Bloomberg does not approve, endorse, review, or recommend this product. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to this product.

Source for MSCI data: MSCI. MSCI and its affiliates and third party sources and providers (collectively, "MSCI") makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed, or produced by MSCI. Historical MSCI data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. None of the MSCI data is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such.

The S&P 500 Index is a product of S&P Dow Jones Indices LLC, a division of S&P Global, or its affiliates ("SPDJ") and has been licensed for use by T. Rowe Price. Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC, a division of S&P Global ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"). This product is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, or none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P 500 Index.

For any equity benchmarks shown, returns are shown with gross dividends reinvested, unless otherwise noted.

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.

Equities include common stocks as well as convertible securities.

T. Rowe Price uses a custom structure for diversification reporting on this product.

T. Rowe Price uses the current MSCI/S&P Global Industry Classification Standard (GICS) for sector and industry reporting.

The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of Morgan Stanley Capital International Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by T. Rowe Price. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any or such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

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

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.

This material has been prepared for informational purposes only. The views and opinions stated in this commentary are those of the portfolio managers listed as of the date indicated. These views and opinions are subject to change based on market or other conditions and may differ from those of other T. Rowe Price associates. Actual market and investment results may differ materially from expectations.

© 2024 T. Rowe Price. All Rights Reserved. T. ROWE PRICE, INVEST WITH CONFIDENCE, and the Bighorn Sheep design are, collectively and/or apart, trademarks of T. Rowe Price Group, Inc.

T. Rowe Price Investment Services, Inc., Distributor.  
202009-1313002 202404-3473457