



PORTFOLIO UPDATE

Total Return Fund

As of March 31, 2024

Portfolio Manager:	Managed Fund Since:	Joined Firm:
Chris Brown	2016	2005
Anna Dreyer	2021	2008

INVESTMENT OBJECTIVE

The fund seeks to maximize total return through income and, secondarily, capital appreciation.

FUND INFORMATION

Symbol	PTTFX
CUSIP	872803101
Inception Date of Fund	November 15, 2016
Benchmark	Bloomberg US Agg Index
Expense Information (as of the most recent Prospectus)*	0.60% (Gross) 0.46% (Net)
Fiscal Year End	May 31
12B-1 Fee	–

MARKET COMMENTARY

The U.S. investment-grade (IG) fixed income market, as measured by the Bloomberg U.S. Aggregate Bond Index, recorded positive returns in March, although first-quarter results were negative as a result of a two-month losing streak at the start of the year. A slight drop in longer-term Treasury yields along with generally tighter credit spreads supported the March rebound.

Treasury yields fluctuated during the month but finished slightly lower across much of the curve. Higher-than-expected inflation data helped drive up Treasury yields through the first half of the month, while a Federal Reserve meeting that was generally perceived as dovish sent rates lower toward the end of March. After starting the month at 4.25%, the benchmark 10-year Treasury yield rose as high as 4.34%, the highest closing level since the end of November, according to Treasury Department data, before dropping back to 4.20% at month-end.

At the Fed meeting, policymakers, as expected, left the federal funds rate unchanged, but investors were more focused on the Summary of Economic Projections, which continued to show that the median Fed forecaster expects three interest rate cuts this year. The projections did point to stronger growth and inflation this year than previously indicated, while also removing one rate cut from the forecast for 2025.

Absolute results were positive in all the major benchmark sectors due to falling Treasury yields, while excess returns were also generally positive. IG corporates benefited from solid technicals, resilient economic data, and a risk-on environment and produced the strongest absolute and excess returns. Commercial mortgage-backed securities (CMBS) performed well-particularly beaten-down, lower-rated issues-amid solid demand, while the agency mortgage-backed securities sector received a boost from expectations for lower rate volatility and manageable supply. Asset-backed securities delivered modest excess returns but trailed other sectors amid elevated new issuance.

PERFORMANCE

(NAV, total return)

	One Month	Three Months	One Year	Three Years	Five Years	Annualized		
						Since Inception 11/15/16	30-Day SEC Yield	30-Day SEC Yield w/o Waiver ^o
Total Return Fund	0.90%	-0.48%	1.54%	-3.17%	0.45%	1.42%	5.21%	5.12%
Bloomberg U.S. Aggregate Bond Index	0.92	-0.78	1.70	-2.46	0.36	1.07	–	–

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.

^oExcludes 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.

Investors should note that if interest rates rise significantly from current levels, total returns will decline and may even turn negative in the short term.

The Fund is subject to risks of fixed income investing, including interest rate risk and credit risk. The Fund's investments in high-yield securities are subject to greater volatility and credit risk than investment-grade bonds.

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

RISK RETURN CHARACTERISTICS

(Five Years ended March 31, 2024)

	Annualized Std. Deviation	Alpha	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error
Total Return Fund	6.79%	0.16%	1.02	0.83	0.03	-0.24	2.85%
Bloomberg US Agg Index	6.08	0.00	1.00	1.00	0.00	-0.28	0.00

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

Comprising 5.8% of total net assets.

	% of Fund
Federative Republic of Brazil	1.0%
Rogers Communications	0.7
T-Mobile US	0.6
HUB International	0.6
Ultimate Software Group	0.5
Vistra	0.5
Corp Nacional del Cobre de Chile	0.5
Morgan Stanley	0.5
Wells Fargo	0.5
Solventum	0.4

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

PORTFOLIO CHARACTERISTICS

	Total Return Fund	Bloomberg US Agg Index
Number of Holdings	1,224	13,534
Weighted Average Maturity	7.93 years	8.40 years
Weighted Average Effective Duration	6.25 years	6.14 years
Weighted Average Coupon	4.68%	3.28%
Yield to Maturity	6.16%	4.85%
Percent of Portfolio in Cash	-1.1%	-
Total Assets (all share classes) (USD)	675,624,266	-

SECTOR DIVERSIFICATION

	Mort- gage	U.S. Treas- ury	High Yield	Corpo- rate	ABS	CMBS	Emerg- ing Mar- ket	TIPS	Equity & Other	Non- US\$ De- nomi- nated	Govern- ment Related	U.S. Mu- nicipal	Re- serves
Total Return Fund	31.6%	17.0%	14.8%	12.1%	10.6%	4.4%	2.8%	2.3%	1.9%	1.8%	1.7%	0.1%	-1.0%
Bloomberg US Agg Index	26.2	42.2	0.0	25.3	0.5	0.9	0.0	0.0	0.0	0.0	4.9	0.0	0.0
Over/Underweight	5.4	-25.2	14.8	-13.3	10.1	3.5	2.8	2.3	1.9	1.8	-3.2	0.1	-1.0

CREDIT QUALITY DIVERSIFICATION

	U.S. Treas*	U.S. Govt Ag**	AAA	AA	A	BBB	BB	B	CCC	Not Rated	Re- serves
Total Return Fund	19.3%	26.9%	5.7%	6.4%	7.6%	12.5%	9.7%	6.3%	3.0%	3.6%	-1.0%
Bloomberg US Agg Index	41.9	27.0	4.4	4.6	11.6	10.7	0.0	0.0	0.0	0.0	0.0
Over/Underweight	-22.6	-0.1	1.3	1.8	-4.0	1.9	9.7	6.3	3.0	3.6	-1.0

MATURITY DIVERSIFICATION

	0-1 Year	1-3 Years	3-5 Years	5-7 Years	7-10 Years	10-20 Years	20-30 Years	30+ Years
Total Return Fund	2.8%	11.6%	16.6%	20.1%	24.5%	16.8%	7.0%	0.6%
Bloomberg US Agg Index	0.0	22.0	18.9	13.6	24.8	9.8	9.9	0.9
Over/Underweight	2.8	-10.5	-2.3	6.5	-0.3	7.0	-3.0	-0.4

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. 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.

The Top Issuers excludes U.S. Treasuries, institutional funds, agencies and securitized products.

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

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Source for Maturity Diversification: T Rowe Price.

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

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