

FACT SHEET

# QM US Bond ETF (TAGG)

As of December 31, 2023



T. Rowe Price



Portfolio Manager:  
Rob Larkins

Managed Fund Since:  
2021

Joined Firm:  
2003

## FUND INFORMATION

Inception Date	September 28, 2021
Benchmark	Bloomberg US Agg Index
Expense Information (as of the most recent prospectus)	0.08%
Total Net Assets	\$93,551,216 (USD)
% of Portfolio in Cash	0.14%
Number of Holdings	610
Beta	-
Ticker Symbol	TAGG
CUSIP	87283Q602
iNAV Ticker	-
Exchange	NYSE

## INVESTMENT OBJECTIVE AND STRATEGY

The fund seeks to provide a total return that exceeds the performance of the U.S. investment-grade bond market.

- The portfolio manager selects a set of U.S. dollar-denominated bonds that represent key benchmark traits while attempting to exploit benchmark inefficiencies in an effort to generate a modest amount of outperformance over the index.
- Our proprietary approach emphasizes quantitative inputs like risk modeling and controls but also recognizes the importance of fundamental research to add potential value and help mitigate credit risk.

## BENEFITS AND RISKS

- Aims to offer income investors a cost-effective way to seek to approximate the performance of the broad investment-grade bond market.
- Has an intermediate risk/reward profile and should typically offer a higher yield than less volatile short-term bond funds and a lower yield than more volatile longer-term funds.
- Yield and share price will vary with interest rate changes. If interest rates rise significantly from current levels, bond fund total returns will decline and may even turn negative in the short term.
- There is also a chance that one or more of the fund's holdings will have its credit rating downgraded or will default.
- The fund's strategy relies heavily on quantitative models to analyze data and construct investment portfolios. Relying on these models entails the risk that the models themselves may be limited or incorrect, that the data the models rely on may be incorrect or incomplete, and that the adviser may not be successful in selecting companies for investment or determining the weighting of particular securities

## PERFORMANCE

	One Month	Three Months	One Year	Annualized Since Inception 9/28/21
NAV	3.83%	6.72%	5.66%	-3.92%
Market Price	3.76	6.73	5.74	-3.95
Bloomberg U.S. Aggregate Bond Index	3.83	6.82	5.53	-3.67

Performance data quoted represents past performance and is not a reliable indicator of future performance. Investment returns and principal value will fluctuate and shares, when sold, may be worth more or less than their original cost. To obtain the most recent month-end performance, visit [troweprice.com](http://troweprice.com). Market returns are based on the midpoint of the bid/ask spread at market close (typically, 4 p.m. ET) and do not represent returns an investor would receive if shares were traded at other times.

The average annual total return figures reflect the reinvestment of dividends and capital gains, if any.

**TOP 10 ISSUERS**

	% of Fund
Bank of America	1.0%
Charter Communications	0.9
Goldman Sachs	0.7
Wells Fargo	0.6
Citigroup	0.6
AT&T	0.5
CVS Health	0.5
JPMorgan Chase	0.5
Southern Company	0.5
Aercap Holdings	0.5

**SECTOR DIVERSIFICATION**

	Mort- gage	Corp- rate	U.S. Trea- sury	ABS	CMBS	Gover- ment- Related	U.S. Mu- nicipal	High Yield	Reserves
QM US Bond ETF	31.3%	28.5%	28.1%	4.4%	4.2%	3.0%	0.2%	0.2%	0.1%
Bloomberg US Agg Index	26.8	25.3	41.7	0.4	0.9	4.8	0.0	0.0	0.0
<b>Over/Underweight</b>	<b>4.5</b>	<b>3.2</b>	<b>-13.7</b>	<b>4.0</b>	<b>3.3</b>	<b>-1.9</b>	<b>0.2</b>	<b>0.2</b>	<b>0.1</b>

**CREDIT QUALITY DIVERSIFICATION**

	U.S. Treas <sup>(1)</sup>	U.S. Govt		AAA	AA	A	BBB	BB	Not Rated	Reserves
		Ag <sup>(2)</sup>								
QM US Bond ETF	25.9%	29.7%	7.5%	6.2%	14.4%	13.8%	0.2%	0.0%	0.0%	2.3%
Bloomberg US Agg Index	41.4	27.6	4.3	4.6	11.5	10.6	0.0	0.0	0.0	0.0
<b>Over/Underweight</b>	<b>-15.5</b>	<b>2.1</b>	<b>3.2</b>	<b>1.7</b>	<b>2.9</b>	<b>3.2</b>	<b>0.2</b>	<b>0.0</b>	<b>0.0</b>	<b>2.3</b>

<sup>(1)</sup>U.S. Treasury securities are issued by the U.S. Treasury and are backed by the full faith and credit of the U.S. government. The ratings of U.S. Treasury securities are derived from the ratings on the U.S. government.

<sup>(2)</sup>U.S. government agency securities are issued or guaranteed by a U.S. government agency, and may include conventional pass-through securities and collateralized mortgage obligations; unlike Treasuries, government agency securities are not issued directly by the U.S. government and are generally unrated but may have credit support from the U.S. Treasury (e.g., FHLMC and FNMA issues) or a direct government guarantee (e.g., GNMA issues). Therefore, this category may include rated and unrated securities.

**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
QM US Bond ETF	5.4%	19.2%	17.6%	10.6%	24.5%	14.7%	7.9%	0.2%
Bloomberg US Agg Index	0.0	21.8	18.3	13.2	23.3	12.4	10.2	0.8
<b>Over/Underweight</b>	<b>5.4</b>	<b>-2.6</b>	<b>-0.7</b>	<b>-2.6</b>	<b>1.2</b>	<b>2.3</b>	<b>-2.4</b>	<b>-0.7</b>

Not FDIC-Insured. May lose value. No bank guarantee.

**Definitions**

Beta: A measure of market risk of an investment option that shows how responsive the investment is to a given market index, such as the Standard & Poor's 500 Index. By definition, the beta of the benchmark is 1.00. An investment with a beta of 1.10 is expected to perform 10% better than the index in up markets and 10% worse in down markets. Usually, higher betas represent riskier investments. Figures are calculated using monthly data and are net of fees.

**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 1-855-405-6488 or visit [troweprice.com](https://www.troweprice.com). Read it carefully.

**ETFs are bought and sold at market prices, not NAV. Investors generally incur the cost of the spread between the prices at which shares are bought and sold. Buying and selling shares may result in brokerage commissions which will reduce returns.**

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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.

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

Credit ratings for the securities held in the Fund are provided by Moody's, Standard & Poor's and Fitch 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. 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 sovereign securities. The Fund is not rated by any agency.

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