

# Municipal Ladder 1-10 Year SMA

As of June 30, 2024



T.RowePrice

## General Information

Inception Date	February 29, 2020
Benchmark	Bloomberg Muni Managed Money Short/Intermediate 1-10 Index

## Portfolio Construction

Portfolio seeks to mitigate interest rate risks by keeping allocations to each year of the ladder roughly equal, typically holding bonds to maturity, and generally reinvesting proceeds in the longest-term bonds allowed. Managed to the Bloomberg Municipal Managed Money Short/Intermediate 1-10 Index.

Income is generally not subject to federal alternative minimum tax (AMT)

Key Facts	Rep. Portfolio	Benchmark
Weighted Average Maturity	4.46 yrs	5.46 yrs
Modified Duration to Worst	3.87 yrs	4.40 yrs
Weighted Average Coupon	4.77%	4.83%
Yield to Maturity	3.27%	3.17%
Yield to Worst %	3.26	3.10
Average Credit Quality	AA-	N/A

## Investment Approach

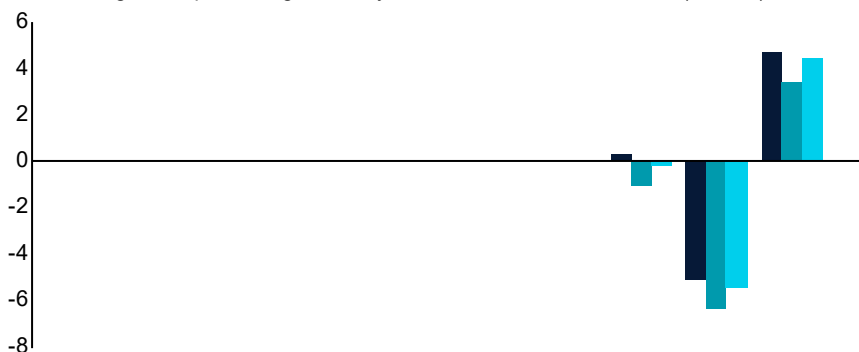
A nationally focused, laddered bond offering that seeks to provide a high level of tax-exempt income by investing in municipal securities with maturities out to eleven years.

Portfolio seeks to offer structured income streams across maturity spectrum of one to eleven years.

Backed by our independent credit research and quantitative capabilities, our investment approach emphasizes revenue bonds over general obligation (GO) debt due to the unfunded pension liabilities burdening many state and local GO borrowers.

## Calendar Year Returns (%) (total return)

- Municipal Ladder 1-10 Year A or Better SMA Composite ("Pure" Gross) (SMA PG)<sup>(1)</sup>
- Municipal Ladder 1-10 Year A or Better SMA Composite (Net - Wrap Fee) (SMA NWF)<sup>(1)</sup>
- Bloomberg Municipal Managed Money Short/Intermediate 1-10 Index (BMMSI)



	2021	2022	2023
SMA PG	0.27	-5.09	4.69
SMA NWF	-0.98	-6.28	3.39
BMMSI	-0.17	-5.43	4.48

## Composite Performance (%) (total return Performance > 1yr is Annualized)

	3m	YTD	1yr	3yrs	Since Inception
SMA PG	-0.39	-0.92	2.89	-0.46	0.35
SMA NWF	-0.71	-1.54	1.62	-1.70	-0.90
BMMSI	-0.91	-1.80	1.46	-0.96	-0.14

## Past performance is not a reliable indicator of future performance.

<sup>(1)</sup>Net annual returns reflect the deduction of a 1.25% annual wrap fee which is the maximum anticipated wrap fee deducted from the "pure" gross composite returns. Actual fees may vary. "Pure" gross returns are presented before the deduction of expenses and all other fees, but may include transaction costs. Returns include reinvestment of dividends and capital gains, if any.

Your account returns may differ from the composite returns shown due to various reasons that may include, but are not limited to, differences in timing of trades, rounding of shares, timing of cash flows and/or any client-imposed restrictions or customizations.

See the GIPS® Composite Report located in this material for additional information.

Prior to 30 June 2023, the name of the Municipal Ladder 1-10 Year SMA was the US Municipal Short/Intermediate Term (1-10) Ladder Bond SMA. Prior to 30 June 2023, the name of the Municipal Ladder 1-10 Year A or Better Composite was the US Municipal Short/Intermediate Term (1-10) Ladder Bond SMA Composite

**Risks:** All investments are subject to risks, including the possible loss of principal. Fixed income securities are subject to credit risk, liquidity risk, call risk, and interest rate risk. As interest rate rises, bond prices generally fall. The portfolio will be highly impacted by events tied to the overall municipal securities markets, which can be very volatile and significantly affected by unfavorable legislative or political developments and adverse changes in the financial conditions of municipal securities issuers and the economy. Some income may be subject to state and local taxes and the federal alternative minimum tax. Capital gains, if any, are generally taxable.

Industry Diversification (%)	Rep. Portfolio	BMMSI
Health Care	22.9	0.0
Transportation	18.0	8.0
Prerefunded	10.3	0.9
Special Tax	9.2	12.9
Housing	9.1	0.0
Electric	9.0	4.4
GO-State	6.0	21.7
GO-Local	5.6	21.9
Education	4.0	9.8
Water & Sewer	4.0	9.9
Other	1.8	8.1

Maturity Diversification (%)	Rep. Portfolio	Rep. Portfolio vs. BMMSI
0-1 Year	8.6	8.6
1-3 Years	31.7	11.2
3-5 Years	14.6	-7.0
5-7 Years	25.0	2.2
7-10 Years	20.1	-14.9

Credit Quality Diversification (%)	Rep. Portfolio	BMMSI
AAA	15.3	36.0
AA	54.3	62.9
A	30.1	0.0
Not Rated	0.2	1.2

## Portfolio Management

Managed Since

Joined Firm

James Lynch	2020	2008
-------------	------	------

## Important Information

**This material is being furnished for general informational and/or marketing purposes only and is not intended to be investment advice or a recommendation to take any particular investment action.** The material does not constitute or undertake to give advice of any nature, including fiduciary investment advice, nor is it intended to serve as the primary basis for an investment decision. Prospective investors are recommended to seek independent legal, financial and tax advice before making any investment decision. T. Rowe Price group of companies including T. Rowe Price Associates, Inc. and/or its affiliates receive revenue from T. Rowe Price investment products and services. **Past performance is not a reliable indicator of future performance.** The value of an investment and any income from it can go down as well as up. Investors may get back less than the amount invested.

The material does not constitute a distribution, an offer, an invitation, a personal or general recommendation concerning investments, investment strategies, or account types, advice of any kind, or solicitation to sell or buy any securities in any jurisdiction or to conduct any particular investment activity. The material has not been reviewed by any regulatory authority in any jurisdiction. Please consider your own circumstances before making an investment decision.

Information and opinions presented have been obtained or derived from sources believed to be reliable and current; however, we cannot guarantee the sources' accuracy or completeness. There is no guarantee that any forecasts made will come to pass. The views contained herein are as of the date noted on the material and are subject to change without notice; these views may differ from those of other T. Rowe Price group companies and/or associates. Under no circumstances should the material, in whole or in part, be copied or redistributed without consent from T. Rowe Price. The material is not intended for use by persons in jurisdictions which prohibit or restrict the distribution of the material and in certain countries the material is provided upon specific request.

**USA** - Issued in the USA by T. Rowe Price Associates, Inc., 100 East Pratt Street, Baltimore, MD, 21202, which is regulated by the U.S. Securities and Exchange Commission.

© 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.  
202406-3650940

## Additional Disclosures

Visit <https://www.troweprice.com/en/us/glossary> for a glossary of financial terminology.

Bloomberg, Moody's, Fitch and S&P Global Market Intelligence do not accept any liability for any errors or omissions in the indexes or data, and hereby expressly disclaim all warranties of originality, accuracy, completeness, timeliness, merchantability, and fitness for a particular purpose. No party may rely on any indexes or data contained in this communication. Visit <https://www.troweprice.com/en/us/market-data-disclosures> for additional legal notices & disclaimers.

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.

The representative portfolio is an account in the composite we believe most closely reflects current portfolio management style for the strategy. Performance is not a consideration in the selection of the representative portfolio. The characteristics of the representative portfolio shown may differ from those of other accounts in the strategy. Please see the GIPS® Composite Report for additional information on the composite.

"Other" includes any categories not explicitly mentioned.

Source for Industry Diversification: Bloomberg Index Services Ltd.

Credit ratings for the securities held in the Portfolio 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 Portfolio 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.

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

The holdings shown are for the representative portfolio and may not necessarily reflect a client's actual holdings.

Portfolio Construction: There is no guarantee that the investment will remain within the anticipated ranges of exposure.

## GIPS® Composite Report

## Municipal Ladder 1-10 Year A or Better SMA Composite

Period Ended December 31, 2023

Figures Shown in U.S. dollar

	<u>2020</u> <sup>2</sup>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Net Annual Returns (%) <sup>1</sup>	1.78	-0.98	-6.28	3.39
"Pure" Gross Annual Returns (%) <sup>1</sup>	2.85	0.27	-5.09	4.69
Bloomberg Municipal Managed Money Short/Intermediate 1-10 Index (%)	2.63	-0.17	-5.43	4.48
Composite 3-Yr St. Dev.	N/A	N/A	N/A	5.25
Bloomberg Municipal Managed Money Short/Intermediate 1-10 Index 3-Yr St. Dev.	N/A	N/A	N/A	5.89
Composite Dispersion	N/A	N/A	N/A	N/A
Comp. AUM (Millions)	1.0	1.1	1.0	1.0
Comp. AUA (Millions)	N/A	N/A	N/A	N/A
# of Accts. in Comp.	1	1	1	1
Total Firm AUM (Billions)	1,482.5	1,653.6	1,237.4	1,403.8 <sup>3</sup>
Total Firm AUA (Billions)	2.8	8.2	8.0	11.6
SMA Portfolio (%)	0%	0%	0%	0%

<sup>1</sup>Past performance is not a reliable indicator of future performance. Monthly composite performance is available upon request.<sup>2</sup>February 29, 2020 through December 31, 2020.<sup>3</sup>Preliminary - subject to adjustment.

T. Rowe Price (TRP) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. TRP has been independently verified for the 27-year period ended June 30, 2023 by KPMG LLP. The verification report is available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm wide basis. Verification does not ensure the accuracy of any specific composite presentation. TRP is a U.S. investment management firm with various investment advisers registered with the U.S. Securities and Exchange Commission, the U.K. Financial Conduct Authority, and other regulatory bodies in various countries and holds itself out as such to potential clients for GIPS purposes. TRP further defines itself under GIPS as a discretionary investment manager providing services primarily to institutional clients with regard to various mandates, which include U.S., international, and global strategies but excluding the services of the Private Asset Management group. The composite does not have a minimum size for composite inclusion. Valuations are computed and performance reported in U.S. dollars.

"Pure" gross returns are presented before the deduction of expenses and all other fees, but may include transactions costs. "Pure" gross returns are presented as supplemental information. Net of fees performance reflects the deduction of 1.25% annual wrap fee which is the maximum anticipated wrap fee appropriate to this mandate from the "pure" gross composite return. The bundled fee includes all charges for trading costs, portfolio management, custody, and other administrative fees. Bundled fees may vary across different financial firms and across different portfolios based on portfolio size and other factors. Gross and net performance returns are net of nonreclaimable withholding taxes on dividends, interest income, and capital gains. Portfolio valuation and assets under management are calculated based on the closing price of the security in its respective market. Gross performance returns are used to calculate presented risk measures. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Dispersion is measured by the standard deviation across asset-weighted portfolio returns represented within a composite for the full year. Dispersion is not calculated for the composites in which there are five or fewer portfolios. Some portfolios may trade futures, options, and other potentially high-risk derivatives that may create leverage and generally represent in aggregate less than 10% of a portfolio. Benchmarks are taken from published sources and may have different calculation methodologies, pricing times, and foreign exchange sources from the composite.

The firm's list of composite descriptions, a list of limited distribution pooled fund descriptions, and a list of broad distribution pooled funds are available upon request. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

**Municipal Ladder 1-10 Year A or Better SMA Composite.** The Municipal Ladder 1-10 Year A or Better SMA Composite seeks the highest level of tax-exempt income while attempting to minimize transactions and preserve principal primarily through the investment in municipal debt securities with laddered maturities ranging from 1 to 10 years. Formerly known as US Municipal Short/Intermediate Term (1-10) Ladder Bond SMA Composite (Created December 2019; incepted February 29, 2020)