

Inflation Protected Bond Fund (PRIPX)

As of December 31, 2025



T. Rowe Price

Portfolio Highlights

The T. Rowe Price Inflation Protected Bond Fund produced positive total returns and performed in line with the Bloomberg U.S. TIPS Index for the three-month period ended December 31, 2025.

Relative Performance Drivers:

- Curve positioning contributed positively to results via a 5s30s steepener.
- Sector allocation and security selection largely matched the benchmark, resulting in little impact to performance, though an out-of-benchmark allocation to zero-coupon inflation swaps hindered results on the margin.

Additional Highlights:

- Upcoming labor market releases should help clarify the true pace of economic activity.
- Data quality issues following the government shutdown have introduced new uncertainties into fixed income markets.

Fund Information

CUSIP	77958D101
Inception Date of Fund	October 31, 2002
Benchmark	Bloomberg US TIPS Index
Expense Information (as of the most recent Prospectus) ⁽¹⁾	0.66%(Gross) 0.41%(Net)
Total Assets (all share classes)	\$477,005,898
Percent of Portfolio in Cash	0.6%

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

Performance (%) (NAV, total return performance > 1 year is annualized)

	3m	1yr	3yrs	5yrs	10yrs	15yrs	30-Day SEC Yield	30-Day SEC Yield w/o Waiver ⁽²⁾
Inflation Protected Bond Fund	0.08	6.64	3.56	0.38	2.59	2.41	4.00	3.70
Bloomberg U.S. TIPS Index	0.13	7.01	4.23	1.12	3.09	2.91	N/A	N/A

Calendar Year Performance (%) (NAV, total return)

	Inception Date	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Inflation Protected Bond Fund	Oct 31 2002	3.52	2.75	-1.33	8.65	11.06	5.31	-12.85	2.58	1.53	6.64
Bloomberg U.S. TIPS Index		4.68	3.01	-1.26	8.43	10.99	5.96	-11.85	3.90	1.84	7.01

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.

Performance Review

TIPS Supported by Falling Real Yields

U.S. Treasury inflation protected securities (TIPS), as measured by the Bloomberg U.S. TIPS Index, produced positive absolute results for the period as the sector benefited from falling real (inflation-adjusted) yields. Nominal Treasuries outperformed TIPS, and shorter-maturity TIPS outperformed TIPS with longer maturities.

Inflation measures showed signs of disinflationary expectations, though the actual consumer price index (CPI) hovered above the Fed's target, driven partially by services and lingering tariff impacts, with forecasts expected to remain sticky into 2026. The headline CPI rose 2.7% in November; meanwhile, the core personal consumption expenditures (PCE) price index, the Fed's preferred inflation gauge, rose 2.6%.

Ten-year break-even spreads, which are a measure of the market's inflation expectations, fell from 2.36% at the start of the period to 2.25% by quarter-end. Break-evens had fallen as low as 2.22% in late November and again in late December, fluctuating in between.

The Federal Reserve made two additional rate cuts during the fourth quarter, as was widely expected, dropping the federal funds rate to the 3.50%-3.75% range. However, during their December meeting, policymakers increased their expectations for GDP growth in 2026 as the drag from higher tariffs waned and spending continues to be supported. Policymakers generally expressed expectations for inflation to remain somewhat elevated in the near term before moving gradually to 2%. Their median forecast for core PCE inflation in 2025 fell to 2.5% from 2.6% in September.

The T. Rowe Price Inflation Protected Bond Fund generated positive total returns and performed in line with the Bloomberg U.S. TIPS Index in the fourth quarter of 2025. Relative performance was driven by the following factors:

Sector Allocation Held Back Returns

We kept the portfolio's sector allocation close to the benchmark during the period, with nearly all of the fund's net assets invested in TIPS. An out-of-benchmark allocation to two- and five-year zero-coupon inflation swaps (ZCIS) detracted from performance as inflation expectations came down during the quarter.

Security Selection Added Marginal Value

Our selection within TIPS did minimally boost performance, reflecting the application of our relative value framework.

Interest Rate Management Had a Neutral Impact

Interest rate management had an overall mixed impact on performance. We maintained a 5s30s curve steepener throughout the period, which aided performance as long-term rates increased more than intermediate-term rates. That said, our modest short duration positioning offset those returns as short-term rates ended the quarter lower.

Pricing Differences Aided Performance

Market pricing differences impacted performance this quarter. Index pricing closed an hour earlier than the official market close on New Year's Eve. During the period between 1 p.m. and 4 p.m. ET, yields rose, which drove prices lower and hurt returns for the fund relative to the index that day.

Portfolio Positioning And Activity

The majority of the fund's net assets were invested in TIPS at period-end. With inflation remaining above the Fed's target and companies likely to pass price increases on to customers, we believe that TIPS remain an attractive option.

Within inflation accounts, we reduced exposure to two- and five-year ZCIS over the quarter, as the market increasingly priced in a "peak inflation" consensus, making outperformance more challenging. Consistent with this environment, our U.S. break-even model shifted from C1 to C2 as the break-even curve steepened.

We had virtually no exposure to sectors with credit risk at period-end, as we believe the risk/reward trade-off in these segments is unappealing given current economic cycle dynamics.

Interest Rate Management

Throughout the fourth quarter, we kept U.S. rate positioning mostly neutral. Early in the quarter, we held a modest short duration position but moved U.S. rates exposure to neutral as shorter yields declined. We maintained a yield curve steepening bias, expressed through 5s30s steepeners in longer-duration accounts and 2s10s steepeners in shorter accounts, though we notably reduced our 5s30s position by quarter-end.

Manager's Outlook

We maintained a cautious stance on the U.S. economic outlook this quarter. Data quality issues following the government shutdown have introduced new uncertainties into fixed income markets. We expect inflation to rebound, largely due to the Bureau of Labor Statistics' temporary methodology of assuming zero inflation for October to address missing data. Temporary adjustments to inflation reporting and related base effects are likely to distort near-term inflation measures, complicating the assessment of underlying trends for both policymakers and investors.

Looking ahead, we see potential for inflation to be influenced by companies passing on higher input costs from recent tariffs. Upcoming labor market data releases will be important in clarifying the trajectory of economic activity.

In this environment, we expect the Federal Reserve to remain on hold through the first half of 2026 as they monitor labor and inflation developments. The direction of monetary policy in the second half of the year will depend on evolving economic conditions and policy leadership. Given these uncertainties, we continue to favor a disciplined approach, utilizing our research capabilities to navigate risks and opportunities.

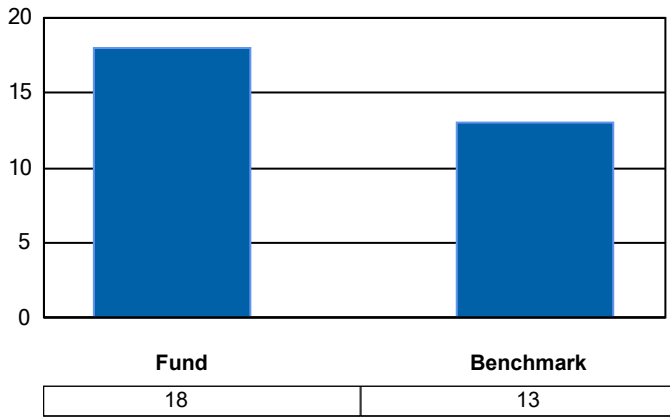
Investors should also consider that TIPS may help preserve purchasing power over time, particularly as inflation dynamics evolve.

Organizational Update

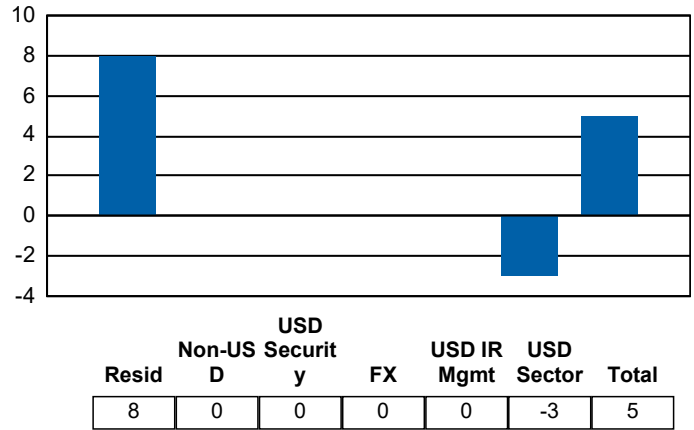
Effective December 31, 2025, Amit Deshpande, head of Fixed Income (FI) Quantitative Investments and a co-portfolio manager of the Inflation Protected Bond Fund, left the firm to focus on personal matters. Rob Larkins and Yong Lee remain the co-portfolio managers on these strategies.

Quarterly Attribution

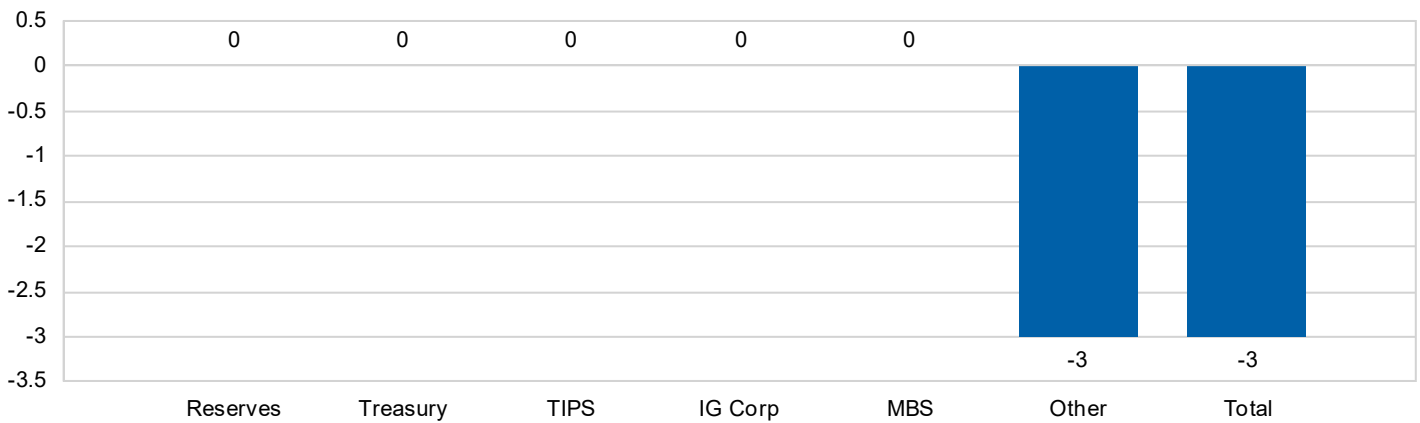
Overall Performance: Fund vs. Bloomberg US TIPS Index (3 months ended December 31, 2025) (bps)



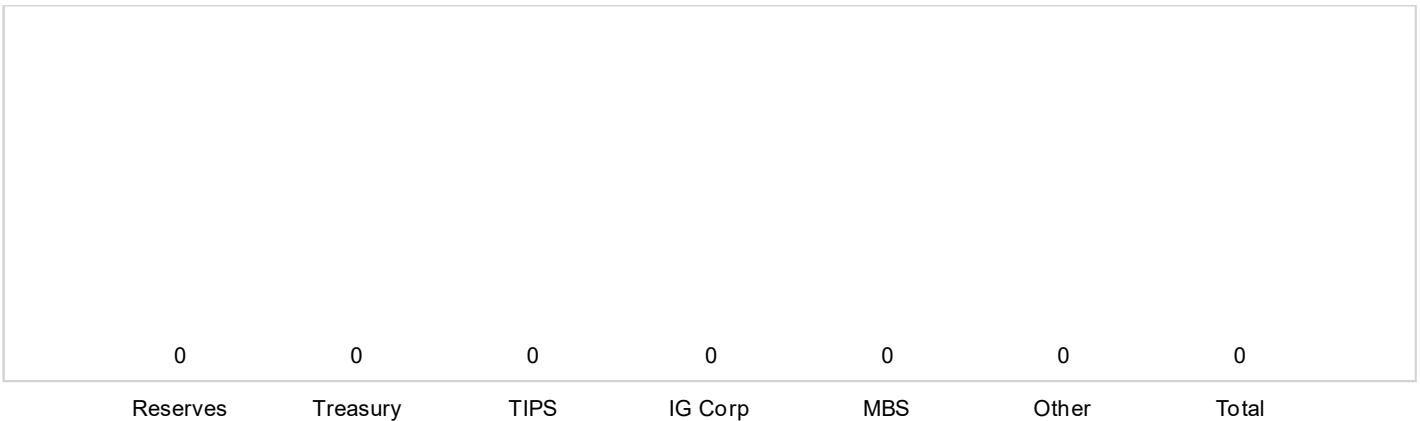
Contribution To Allocation Effect: Fund vs. Bloomberg US TIPS Index (3 months ended December 31, 2025) (bps)



Sector Allocation: Fund vs. Bloomberg US TIPS Index (3 months ended December 31, 2025) (bps)



Security Selection Details: Fund vs. Bloomberg US TIPS Index (3 months ended December 31, 2025) (bps)

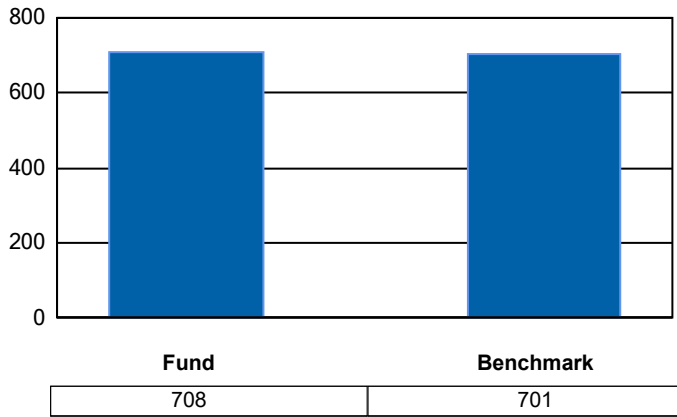


Source: Bloomberg Index Services Limited.

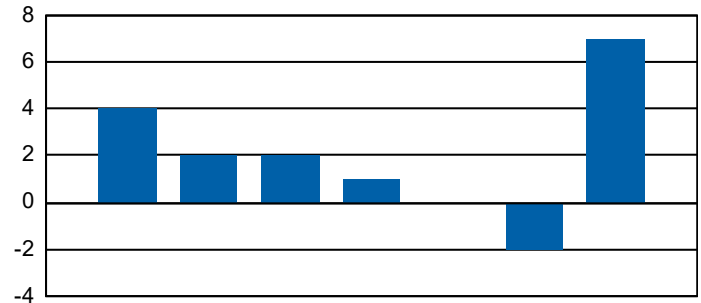
Analysis represents the performance of the portfolio compared to its benchmark as calculated by the Bloomberg attribution model. Performance is attributed to a set of portfolio decisions such as credit quality, duration and yield curve exposures, relative sector weightings, and security selection. Performance for each security is obtained in the local currency and, if necessary, is converted to USD using an exchange rate determined by an independent third party. Figures are shown gross of fees. Returns would have been lower as a result of the deduction of such fees.

12-Month Attribution

Overall Performance: Fund vs. Bloomberg US TIPS Index (12 months ended December 31, 2025) (bps)

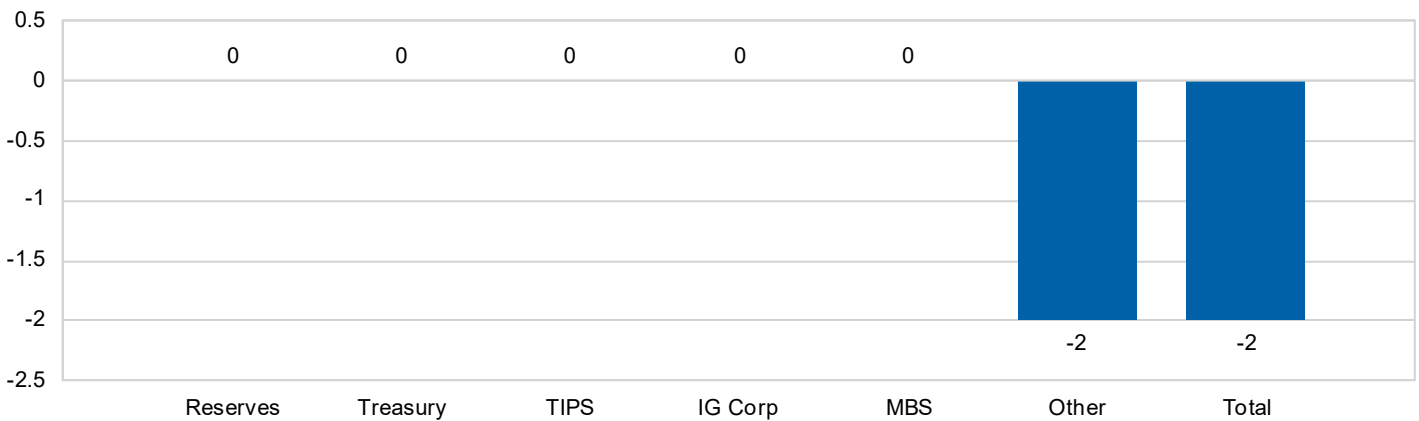


Contribution To Allocation Effect: Fund vs. Bloomberg US TIPS Index (12 months ended December 31, 2025) (bps)

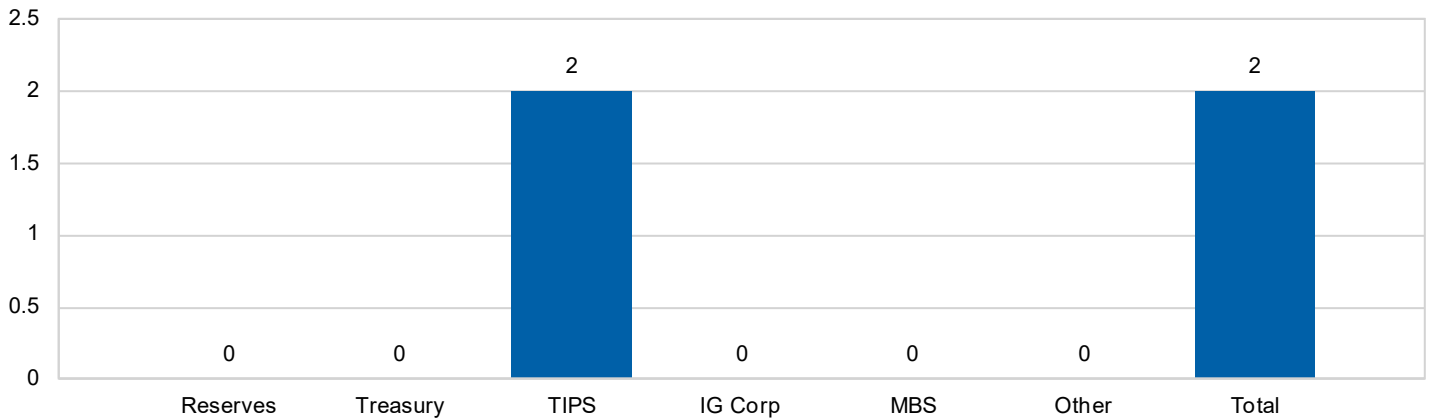


Resid	FX	Security	USD IR Mgmt	Non-US D	USD Sector	Total
4	2	2	1	0	-2	7

Sector Allocation: Fund vs. Bloomberg US TIPS Index (12 months ended December 31, 2025) (bps)



Security Selection Details: Fund vs. Bloomberg US TIPS Index (12 months ended December 31, 2025) (bps)



Source: Bloomberg Index Services Limited.

Analysis represents the performance of the portfolio compared to its benchmark as calculated by the Bloomberg attribution model. Performance is attributed to a set of portfolio decisions such as credit quality, duration and yield curve exposures, relative sector weightings, and security selection. Performance for each security is obtained in the local currency and, if necessary, is converted to USD using an exchange rate determined by an independent third party. Figures are shown gross of fees. Returns would have been lower as a result of the deduction of such fees.

Portfolio Positioning**Sector Diversification - Changes Over Time vs. Bloomberg US TIPS Index (%)**

Sector	Fund 12/31/24	Fund 9/30/25	Fund 12/31/25	Benchmark 12/31/25
TIPS	99.4	96.1	96.2	100.0
Inflation Swaps	0.0	3.6	3.2	0.0
Reserves	0.6	0.3	0.6	0.0

Maturity Diversification - Changes Over Time vs. Bloomberg US TIPS Index (%)

	Fund 12/31/24	Fund 9/30/25	Fund 12/31/25	Benchmark 12/31/25
0-1 Year	0.6	0.3	2.7	0.0
1-3 Years	25.3	22.2	23.1	25.6
3-5 Years	28.2	29.1	24.5	25.5
5-7 Years	11.4	9.9	10.4	12.7
7-10 Years	21.2	24.5	26.0	22.3
10-20 Years	4.3	5.5	5.1	6.1
20-30 Years	9.0	8.4	8.2	7.8

Portfolio Management

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

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.

Visit Troweprice.com/glossary for a glossary of financial terminology.

Bloomberg does 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 Troweprice.com/marketdata for additional legal notices & disclaimers.

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.

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.

The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the portfolio, and no assumptions should be made that investments in the securities identified and discussed were or will be profitable.

The manager's views and portfolio holdings are historical and subject to change. 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.

© 2026 T. Rowe Price. All Rights Reserved. T. ROWE PRICE, INVEST WITH CONFIDENCE, the Bighorn Sheep design, and related indicators (see troweprice.com/ip) are trademarks of T. Rowe Price Group, Inc. All other trademarks are the property of their respective owners. Use does not imply endorsement, sponsorship, or affiliation of T. Rowe Price with any of the trademark owners.

T. Rowe Price Investment Services, Inc., Distributor.

202601-5092874