



Ultra Short-Term Bond Fund

Total Fund Assets: \$2.2 billion

INVESTMENT APPROACH

- The portfolio seeks to provide a high level of income with fluctuations in principal value.
- Structurally overweights investment grade credit sectors as yield has historically played a much larger role than price appreciation in generating excess returns.
- Utilizes a diversified multi-sector approach in an effort to provide investors with consistent returns over a market cycle while maintaining volatility.
- Employs a collaborative team approach to generate investment ideas for the portfolio.
- Aim to manage risk and return profile through a disciplined investment process with robust quantitative risk management tools and management oversight.
- Seeks to add value primarily through sector rotation, individual security selection, and term structure positioning.
- The fund's yield and share price will vary with interest rate changes. Investors should note that if interest rates rise from current levels, bond fund total returns will decline and may even turn negative in the short term.

PORTFOLIO CONSTRUCTION

- Dedicated global resources focused on bottom-up and top-down fundamental research are key drivers in identifying investment opportunities and seeking to manage risk.
- Investment decisions are based on the objectives of credit quality, liquidity, diversification, and yield; we seek to minimize price volatility through maturity management and security selection.
- Seek advantageous yield through incremental sector rotation and security selection.
- Investments include short-term investment grade corporate and government securities, securitized securities such as MBS, CMBS, and ABS, money market securities, and bank obligations
- Target tracking error range: 30-60 basis points
- Typical duration: 0.75 Years +/- 0.25 years.

BENCHMARK

- Bloomberg Short-Term Government/Corporate Index

PORTFOLIO MANAGEMENT

Alex Obaza, CFA®

Portfolio Manager

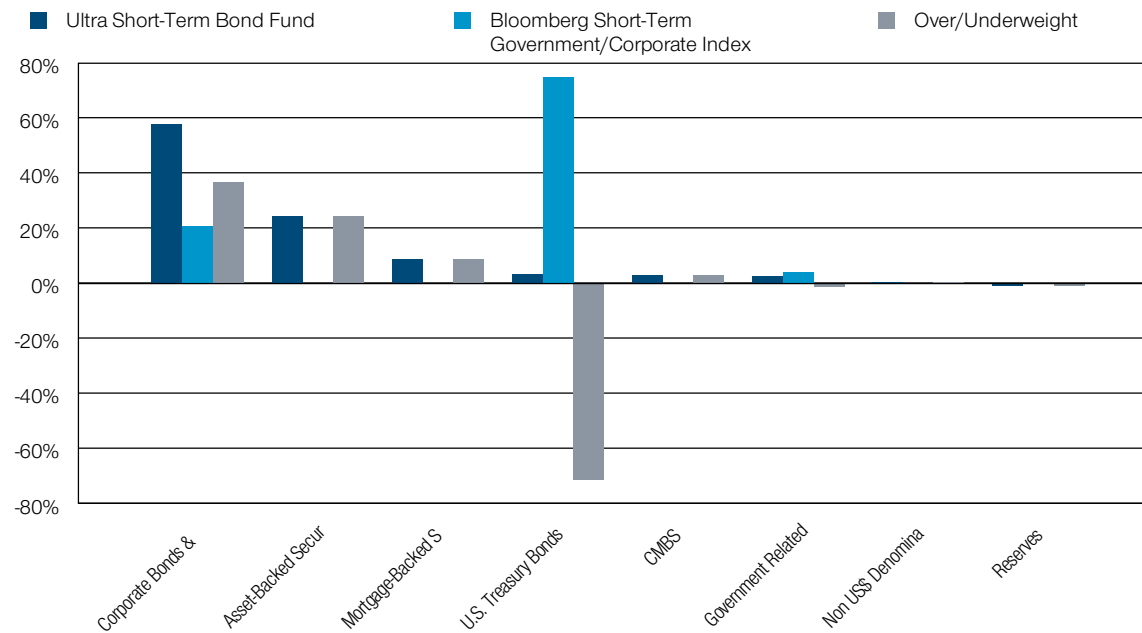
- 15 years of investment experience; 18 years with T. Rowe Price.
- M.B.A., University of Maryland, Robert H. Smith School of Business
- B.S., Wake Forest University

For a complete list of the members of the Fund's Investment Advisory Committee, please refer to the Fund's prospectus. CFA® and Chartered Financial Analyst® are registered trademarks owned by CFA Institute.

TOP ISSUERS

	% of Fund
Edison International	1.4%
International Flavors & Fragrances	1.2
Brighthouse Financial	1.1
Daimler Truck Holding	1.1
V. F.	1.0
Volkswagen	1.0
Ovintiv	1.0
Harley-Davidson	0.9
Jabil	0.9
Walgreens Boots Alliance	0.9
Total	10.5%

SECTOR DIVERSIFICATION

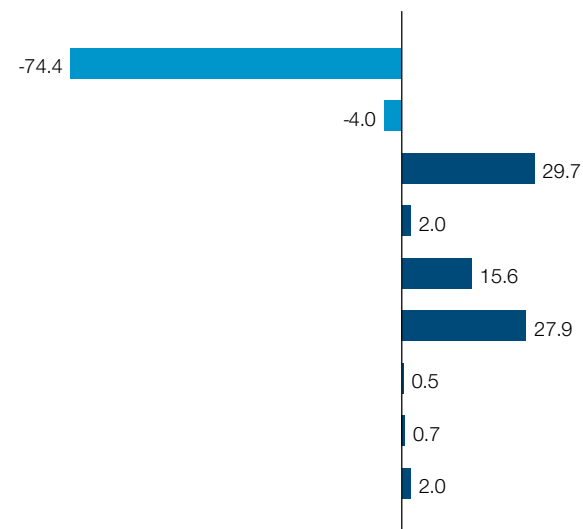


PORTFOLIO CHARACTERISTICS

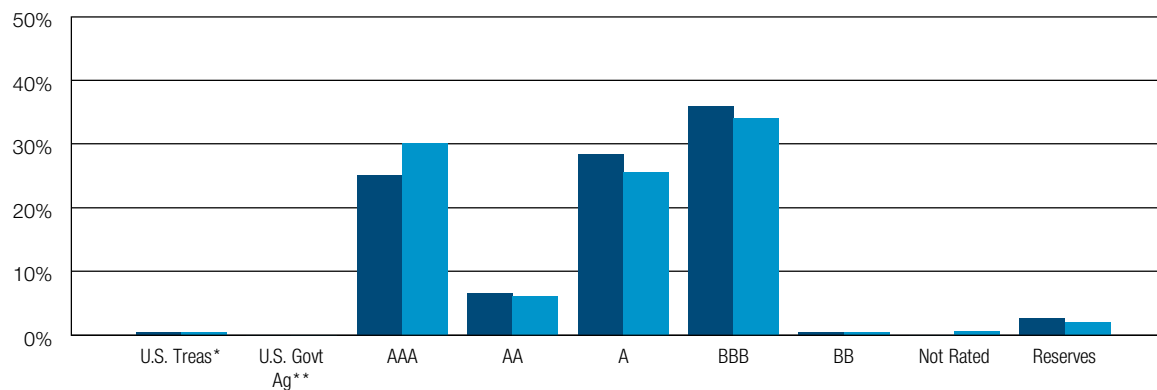
	Fund	Bloomberg Short-Term Government/Corporate Index
Weighted Average Maturity	1.34 years	0.48 years
Weighted Average Effective Duration	0.69 years	0.45 years
Number of Holdings	357	790

CREDIT QUALITY DIVERSIFICATION

	% of Fund	% of Index
U.S. Treasury*	0.5	74.9
U.S. Government Agency Securities**	0.0	4.0
AAA	30.3	0.5
AA	6.2	4.2
A	25.7	10.1
BBB	34.1	6.2
BB	0.5	0.0
Not Rated	0.7	0.0
Reserves	2.0	0.0

Fund vs. Bloomberg Short-Term Government/Corporate Index**QUARTER-OVER-QUARTER CHANGE**

- Fund - Prior Quarter (12/31/23)
- Fund - Current Quarter (3/31/24)



PERFORMANCE

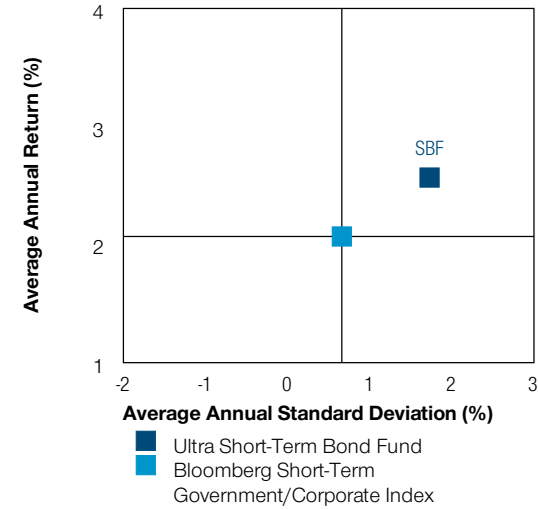
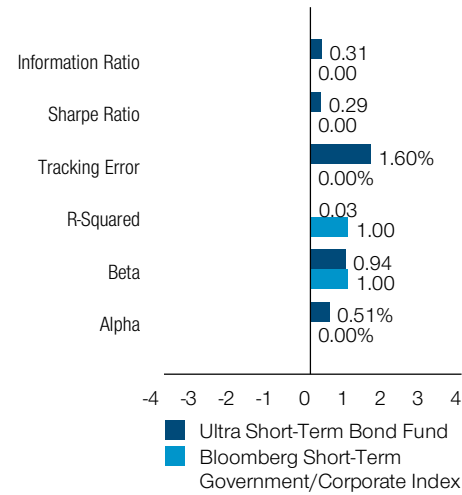
	Annualized (only pertains to the total return figures)					
	Three Months	One Year	Three Years	Five Years	Ten Years	Since Inception 12/3/12
Ultra Short-Term Bond Fund	1.62%	6.64%	2.37%	2.57%	2.03%	1.82%
Bloomberg Short-Term Government/Corporate Index	1.18	5.19	2.34	2.07	1.52	1.37
Morningstar Ultrashort Bond Category	1.43	6.11	2.39	2.16	1.66	–
Morningstar Ranking	–	54 of 238	111 of 203	22 of 183	20 of 110	–

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. The Fund's gross and net expense ratios as of its most recent prospectus were 0.33% and 0.31%, respectively. The Fund operates under a contractual expense limitation that expires on September 30, 2025. Morningstar rankings are based on average annual total returns. ©2024 Morningstar, Inc. All Rights Reserved. The Morningstar 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.

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



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

ADDITIONAL DISCLOSURES

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

Weighted Average Maturity is an average of the maturities of the underlying bonds, with each bond's maturity weighted by the percentage of Fund assets it represents. Weighted Average Effective Duration is a calculation that seeks to measure the price sensitivity of the Fund to changes in interest rates. In general, the longer the average maturity or duration, the greater the Fund's sensitivity to interest rates. Duration is a better indicator of price sensitivity because it takes into account the time value of cash flows.

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](https://www.troweprice.com). Read it carefully.

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

"Bloomberg®" and Bloomberg Indices 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 this product, 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.

Copyright © 2024, S&P Global Market Intelligence (and its affiliates, as applicable). Reproduction of any information, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content. A reference to a particular investment or security, a rating or any observation concerning an investment that is part of the Content is not a recommendation to buy, sell or hold such investment or security, does not address the appropriateness of an investment or security and should not be relied on as investment advice. Credit ratings are statements of opinions and are not statements of fact.

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.

Source for Sector Diversification: T. Rowe Price

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

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. 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.

© 2024, Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "Moody's"). All rights reserved. Moody's ratings and other information ("Moody's Information") are proprietary to Moody's and/or its licensors and are protected by copyright and other intellectual property laws. Moody's Information is licensed to Client by Moody's. MOODY'S INFORMATION MAY NOT BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. Moody's (R) is a registered trademark.

Copyright © 2024 Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries.

Certain numbers in this report may not equal stated totals due to rounding. Unless otherwise stated, data is as of the report date.

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.

Residents of Quebec may request a French translation of this document. Please contact CanadaTranslationRequests@troweprice.com. Les résidents du Québec peuvent demander une traduction française de ce document. S'il vous plaît contactez CanadaTranslationRequests@troweprice.com.

202201-1975688