



PORTFOLIO UPDATE

# Inflation Protected Bond Fund

As of September 30, 2019



**Portfolio Manager:**

Stephen Bartolini

**Managed Fund Since:**

2016

**Joined Firm:**

2010

## INVESTMENT OBJECTIVE

The fund seeks to provide inflation protection and income by investing primarily in inflation-protected debt securities.

## FUND INFORMATION

Symbol	PRIPX
CUSIP	77958D101
Inception Date of Fund	October 31, 2002
Benchmark	Bloomberg Barclays US TIPS Index
Expense Information (as of the most recent Prospectus)*	0.57% (Gross) 0.41% (Net)
Fiscal Year End	May 31
12B-1 Fee	-

\*The Fund operates under a contractual expense limitation that expires on September 30, 2020.

## PERFORMANCE

(NAV, total return)

	One Month	Three Months	Year-to-Date	One Year	Annualized					30-Day SEC Yield	30-Day SEC Yield w/o Waiver <sup>o</sup>
					Three Years	Five Years	Ten Years	Fifteen Years			
Inflation Protected Bond Fund	-1.07%	1.46%	8.00%	7.48%	2.05%	2.19%	3.13%	3.53%	2.01%	1.98%	
Bloomberg Barclays U.S. TIPS Index	-1.36	1.35	7.58	7.13	2.21	2.45	3.46	3.90	-	-	

**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](http://troweprice.com). 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](http://troweprice.com). Read it carefully.** The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any. Yields have not been adjusted for inflation. Because inflation fluctuates, it cannot be projected into the future precisely enough to be included in the yield calculation.

<sup>o</sup>Excludes the effect of contractual expense limitation arrangements.

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

Source for Bloomberg Barclays data: Bloomberg Index Services Limited. See additional disclosures.

**RISK RETURN CHARACTERISTICS**

(Five Years ended September 30, 2019)

	Annualized Std. Deviation	Alpha	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error
Inflation Protected Bond Fund	3.57%	-0.27%	1.02	0.98	-0.52	0.34	0.49%
Bloomberg Barclays US TIPS Index	3.48	0.00	1.00	1.00	0.00	0.43	0.00

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

**PORTFOLIO CHARACTERISTICS**

	Inflation Protected Bond Fund	Bloomberg Bar- clays US TIPS Index
Number of Holdings	151	40
Weighted Average Maturity	8.30 years	8.38 years
Weighted Average Effective Duration	5.11 years	4.84 years
Weighted Average Coupon	1.08%	0.81%
Yield to Maturity	2.07%	1.87%
Percent of Portfolio in Cash	0.3%	-
Total Assets (all share classes)	371,654,625	-

**SECTOR DIVERSIFICATION**

	TIPS	Government Re- lated	MBS	ABS	CMBS	Corporate Securities	Inflation Swaps	Reserves
Inflation Protected Bond Fund	83.1%	2.5%	5.7%	2.2%	0.2%	6.1%	-0.1%	-0.3%
Bloomberg Barclays US TIPS Index	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Over/Underweight</b>	<b>-16.9</b>	<b>2.5</b>	<b>5.7</b>	<b>2.2</b>	<b>0.2</b>	<b>6.1</b>	<b>-0.1</b>	<b>-0.3</b>

**CREDIT QUALITY DIVERSIFICATION**

	U.S. Treas*	U.S. Govt Ag**	AAA	AA	A	BBB	BB	Not Rated	Reserves
Inflation Protected Bond Fund	83.1%	0.3%	5.2%	0.3%	3.0%	7.2%	0.9%	-0.2%	0.3%
Bloomberg Barclays US TIPS Index	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Over/Underweight</b>	<b>-16.9</b>	<b>0.3</b>	<b>5.2</b>	<b>0.3</b>	<b>3.0</b>	<b>7.2</b>	<b>0.9</b>	<b>-0.2</b>	<b>0.3</b>

\*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.

\*\*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.

Source for Bloomberg Barclays data: Bloomberg Index Services Limited.

**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
Inflation Protected Bond Fund	5.3%	27.0%	8.5%	23.1%	18.9%	0.0%	17.2%	0.0%
Bloomberg Barclays US TIPS Index	0.0	20.6	20.6	17.7	25.0	0.7	15.4	0.0
<b>Over/Underweight</b>	<b>5.3</b>	<b>6.4</b>	<b>-12.1</b>	<b>5.5</b>	<b>-6.1</b>	<b>-0.7</b>	<b>1.8</b>	<b>0.0</b>

## 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

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

Sources for credit quality: Moody's Investors Service; if Moody's does not rate a security, then Standard & Poor's (S&P) is used as a secondary source. When available, T. Rowe Price will use Fitch for securities that are not rated by Moody's or S&P. T. Rowe Price does not evaluate these ratings, but simply assigns them to the appropriate credit quality category as determined by the rating agency. T. Rowe Price uses the rating of the underlying investment vehicle for credit default swaps.

Source for Maturity Diversification: T Rowe Price.

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.

This material should not be deemed a recommendation to buy or sell any of the securities mentioned.

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