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T. Rowe Price Launches Total Return Fund

New fund adds to existing suite of U.S. taxable fixed income opportunities

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NEWS

T. Rowe Price (NASDAQ-GS: TROW) has launched the T. Rowe Price Total Return Fund, a fixed income fund which seeks to maximize total return by investing in a diversified portfolio of U.S. securitized bonds, bank loans, and other debt instruments. The fund is co-managed by Andy McCormick, head of the U.S. taxable bond team, and portfolio manager Chris Brown.

T. ROWE PRICE TOTAL RETURN FUND

- | The fund will primarily invest in intermediate-term bonds and will employ a U.S.-focused, multi-sector approach.
- | The fund will emphasize flexibility by employing a risk-balanced framework that is supported by T. Rowe Price's fundamental research platform.
- | The fund serves as a complement to T. Rowe Price's existing multi-sector lineup and is designed to address the challenges of the current market environment, including low interest rates, potential for volatility, stretched valuations and impaired market liquidity.
- | The fund's primary benchmark will be the Bloomberg Barclays U.S. Aggregate Bond Index, but as a high tracking error fund, it will seek to differentiate itself from the index and maximize returns.
- | The fund will be offered with Investor, Advisor and I Class shares.

PORTFOLIO MANAGEMENT

- | Mr. McCormick has been with T. Rowe Price since 2008 and has over 30 years of investment experience.
- | Mr. Brown has more than 10 years of investment experience with T. Rowe Price, and most recently served as associate portfolio manager on the U.S. Taxable Bond team.

[Download a prospectus](#) or obtain one by calling 1-800-541-8803. The prospectus includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

Yield and share price will vary with interest rate changes. Investors should note that 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 of the fund's holdings will have its credit rating downgraded or may default, potentially reducing the fund's income level and share price.

T. Rowe Price Investment Services, Inc., distributor, T. Rowe Price mutual funds.

QUOTES

Andy McCormick, co-portfolio manager, T. Rowe Price Total Return Fund:

"The importance of high-grade U.S. bonds to both U.S. and global clients is an enduring feature of fixed income markets. With rates so low, bond investors are seeking more from their fixed income allocation. They want managers to dig harder to find higher returns. We've structured this fund to have the flexibility to take advantage of the best ideas our global research platform produces while still retaining the characteristics of a high-grade bond portfolio - diversification of risk away from stocks and steady cash flow from the fund's holdings."

Chris Brown, co-portfolio manager, T. Rowe Price Total Return Fund:

"This fund is built on high-conviction ideas from a wide range of bond markets, so we anticipate being able to spread risk broadly to protect investors from adverse outcomes while maximizing risk-adjusted returns. Andy and I will use the same

process that all of our multi-sector bond portfolios have employed in our effort to help produce strong risk-adjusted performance for investors; it is time-tested and built to support this new investment strategy."

ABOUT T. ROWE PRICE

Founded in 1937, Baltimore-based T. Rowe Price Group, Inc. (troweprice.com) is a global investment management organization with \$812.9 billion in assets under management as of September 30, 2016. The organization provides a broad array of mutual funds, subadvisory services, and separate account management for individual and institutional investors, retirement plans, and financial intermediaries. The company also offers sophisticated investment planning and guidance tools. T. Rowe Price's disciplined, risk-aware investment approach focuses on diversification, style consistency, and fundamental research.

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