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T. Rowe Price Launches Global Allocation Fund For Investors Seeking Diversification Across Borders And Asset Classes

New Mutual Fund Seeks Global Opportunities While Leveraging Extensive Global Research Platform and Veteran Asset Allocation Team

BALTIMORE, June 25, 2013 /PRNewswire/ -- T. Rowe Price (NASDAQ-GS: TROW) has launched the [Global Allocation Fund](#) (RPGAX), broadening the firm's lineup of asset allocation products, which currently have over \$138 billion in assets as of March 31, 2013.

To view the multimedia assets associated with this release, please click <http://www.prnewswire.com/news-releases/t-rowe-price-launches-global-allocation-fund-for-investors-seeking-diversification-across-borders-and-asset-classes-212814101.html>

The new mutual fund is the firm's most broadly diversified asset allocation fund. It seeks long-term total return from investments in U.S. and international stocks, bonds, cash, and alternative investments. The fund may serve as a core holding or complementary portfolio.

Fund Details

- Typically, the fund will invest 60% of assets in stocks, 30% in bonds and cash, and 10% in alternative investments. Approximately 40% of the fund's total assets will be invested in international stocks and bonds across both developed and emerging markets.
- The fund's strategic investment design incorporates nearly 20 asset classes and strategies, including:
 - **International Equities:** Approximately 50% of the equity allocation will be international equities, including developed small-cap and large-cap equities; developed growth, core, and value equities; and emerging market equities.
 - **Diversified Fixed Income:** The fixed income allocation will include approximately 30% in international bonds, as well as exposure to short-duration TIPS, high yield, floating rate, and emerging market local currency bonds.
 - **Strategic Diversifying Asset Classes:** Approximately 10% of the fund's assets will be directly invested in externally managed hedge funds with an absolute return-oriented profile. Additionally, currency hedging and index call writing will also be used to moderate risk and provide alternative sources of uncorrelated returns and income.
- The fund will employ T. Rowe Price's 23 years of experience managing asset allocation portfolios and will tactically weight some asset classes and sectors over others, based on where the firm's investment professionals see the best opportunities.
- Active security selection by the underlying sector portfolio managers allows the fund to leverage the firm's global research platform of more than 200 investment professionals globally.
- Charles Shriver, who has 13 years of investment experience and has been with T. Rowe Price for 21 years, manages the fund. He also manages T. Rowe Price's Balanced Fund, Personal Strategy Funds, and Spectrum Funds.
- Stefan Hubrich, who is also the director of asset allocation research, will act as the associate portfolio manager. Mr. Hubrich has nine years of investment experience, seven of which have been with T. Rowe Price.
- The minimum initial investment in the Global Allocation Fund is \$2,500 or \$1,000 for retirement plans or gifts or transfers to minors (UGMA/UTMA) accounts.
- Investors can access the strategy through Investor Class shares of the fund or Advisor Class shares (PAFGX).
- The net expense ratio is estimated to be 1.05% for Investor Class shares and 1.15% for Advisor Class shares.
- This fund is expected to have a risk profile akin to a balanced portfolio made up of 60% stocks and 40% bonds. Diversification cannot assure a profit or protect against loss in a declining market. The fund is subject to general stock and bond market risks. Investments overseas generally carry more risk than investments in U.S. assets, including unfavorable currency exchange rates and political or economic uncertainty abroad. To the extent the fund has investments in emerging market countries, it will be more subject to abrupt and severe price declines. The fund's investments in alternative investments and hedge funds are difficult to value and monitor when compared with more traditional investments and may increase the fund's liquidity risks.

[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.

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

Quotes

Charles Shriver, CFA, Portfolio Manager

"As investors increasingly look beyond U.S. stocks and bonds to meet their long-term investment objectives, we designed the Global Allocation Fund to more fully benefit from investment opportunities around the world, both across asset classes and investment strategies."

"The fund is a natural extension of several of T. Rowe Price's key strengths. These include our global research capabilities and our asset allocation experience, where we've been designing solutions to help investors meet their goals since 1990."

About T. Rowe Price

Founded in 1937, Baltimore-based T. Rowe Price (troweprice.com) is a global investment management organization with \$617.4 billion in assets under management as of March 31, 2013. 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 a variety of 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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