

The logo consists of the text 'Fi360' in a white, sans-serif font. The 'i' has a dot, and the '3' is a simple numeral. The '6' has a loop at the bottom. The '0' is a simple circle. The text is centered within a white square frame.

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T. Rowe Price Webinar

STABLE VALUE: WHY THIS TIME IS DIFFERENT

Time to Take a Closer Look

May 27, 2020



Time to Take a Closer Look

MODERATOR:



Michael Doshier
DC Strategist

SPEAKERS:



Tony Luna, CFA
Portfolio Manager &
Head of Stable Value



Bob Madore
Portfolio Manager,
Stable Value



Whitney H. Reid, CFA
Portfolio Specialist

Biographical Backgrounds



Tony Luna,
CFA

*Portfolio Manager &
Head of Stable Value*

Tony Luna is a portfolio manager in the Fixed Income Division at T. Rowe Price and head of the Stable Asset Management team. Mr. Luna specializes in managing stable value and synthetic investment contract portfolios, as well as co-managing the T. Rowe Price Stable Value Common Trust Fund. He is a vice president of T. Rowe Price Group, Inc., T. Rowe Price Associates, Inc., and T. Rowe Price Trust Company.

Mr. Luna has 25 years of investment experience, 23 of which have been with T. Rowe Price. Prior to joining the firm in 1996, he worked with The Ryland Group in its Mortgage Structuring Division.

Mr. Luna earned a B.S. in business administration from Towson University and an M.S. in finance from Johns Hopkins University. He also has earned the Chartered Financial Analyst designation.



Bob
Madore

*Portfolio Manager,
Stable Value*

Bob Madore is a vice president of T. Rowe Price Group, Inc., T. Rowe Price Associates, Inc., and T. Rowe Price Trust Company. He is a portfolio manager in the Fixed Income Division specializing in stable value portfolios. Bob is chairman of the Investment Advisory Committee and co-portfolio manager of the T. Rowe Price Stable Value Common Trust Fund. He also has lead portfolio management responsibilities for several large Stable Asset Management team accounts.

Prior to joining T. Rowe Price in 2001, Bob was a senior vice president and portfolio manager at Putnam Investments. At Putnam, he had senior-level responsibility for its stable value business, which included Putnam's Stable Value Fund. Prior to joining Putnam, Bob was a founding partner at Fiduciary Capital Management.

He earned a B.A. from the University of Connecticut. He served on the Board of Directors of the Stable Value Investment Association from 2002 to 2007 and again from 2015 to present, currently serving his fourth three-year term. Bob also is an active member of its Accounting and Government Relations Committees.

Biographical Backgrounds



**Whitney
Reid, CFA**

Portfolio Specialist

Whitney Reid is a vice president of T. Rowe Price Group, Inc., and T. Rowe Price Associates, Inc., and a portfolio specialist in the U.S. Fixed Income Division. He works as a proxy for fixed income portfolio managers with clients, consultants, and prospects. He supports our Stable Value, U.S. Short Duration, and U.S. Investment-Grade Corporate Strategies.

Prior to joining the firm in 2011, he was director of research at Sturdivant & Co. Preceding this, he was a fixed income credit analyst and fixed income product manager at Delaware Investments. Whitney's background includes time spent on the plan sponsor side working first as a senior investment officer for the City of Philadelphia Municipal Employees Retirement System and then as treasurer for the City of Philadelphia. He was also a member of the United States Army, rising to the rank of captain.

Whitney earned an M.S. in business administration from Boston University and a B.S. in electrical engineering from Lehigh University. He has also earned the Chartered Financial Analyst designation.



**Michael
Doshier**

DC Strategist

Michael is the Senior Defined Contribution Advisor Strategist primarily responsible for driving the increased visibility of T Rowe Price's investment brand, furthering the firm's position as a thought leader in the retirement arena.

Michael has more than 25 years of experience across several firms and functional roles. Specifically, he has a multifaceted background including time spent with Franklin Templeton, MassMutual and Fidelity. He has broad experience through various roles, namely global head of marketing for Franklin's retirement business, head of business strategy for Fidelity's tax-exempt retirement plan business, and other expansive sales and relationship management roles within the retirement space. He is also a frequent speaker at industry events on key issues affecting the DC and global retirement industry and remains well connected on the ever evolving legislative and regulatory conversations happening on Capitol Hill.

Michael is a graduate of Xavier University and has earned his FINRA Series 7, 63, and 24 registrations.



Time to Take a Closer Look

**Impact of
Pandemic on
fixed income
markets?**

**How is Stable
Value performing
during the crisis?**

**How have wrap
providers and
wrap capacity
fared during the
Crisis?**

**Potential impact
of CARES Act on
cash flows and
DC Plan assets?**

**Money Market
Funds vs. Stable
Value?**

**Advisors and
Plan Sponsors
have more tools,
like Fi360, at
their disposal.**

Time to Take a Closer Look

Impact of the pandemic on fixed income markets?

- Healthcare crisis vs. Financial crisis in 2008 Global Financial Crisis (GFC)
- Illiquid fixed income markets
- Fixed income new issue market
- Federal Reserve and Federal Government responses



Time to Take a Closer Look

How is Stable Value performing during the crisis?

- Participant cash flows
- Market-to-book value ratios
- Crediting rates and market value performance
- Downgraded and defaulted securities



Past performance is not a reliable indicator of future performance.

Time to Take a Closer Look

How have wrap providers and wrap capacity fared during the crisis?

- Pandemic vs. GFC
- Availability of wrap capacity and wrap fees
- Post-GFC investment guideline changes
- Downgraded and defaulted securities
- Corporate bankruptcies and Plan terminations

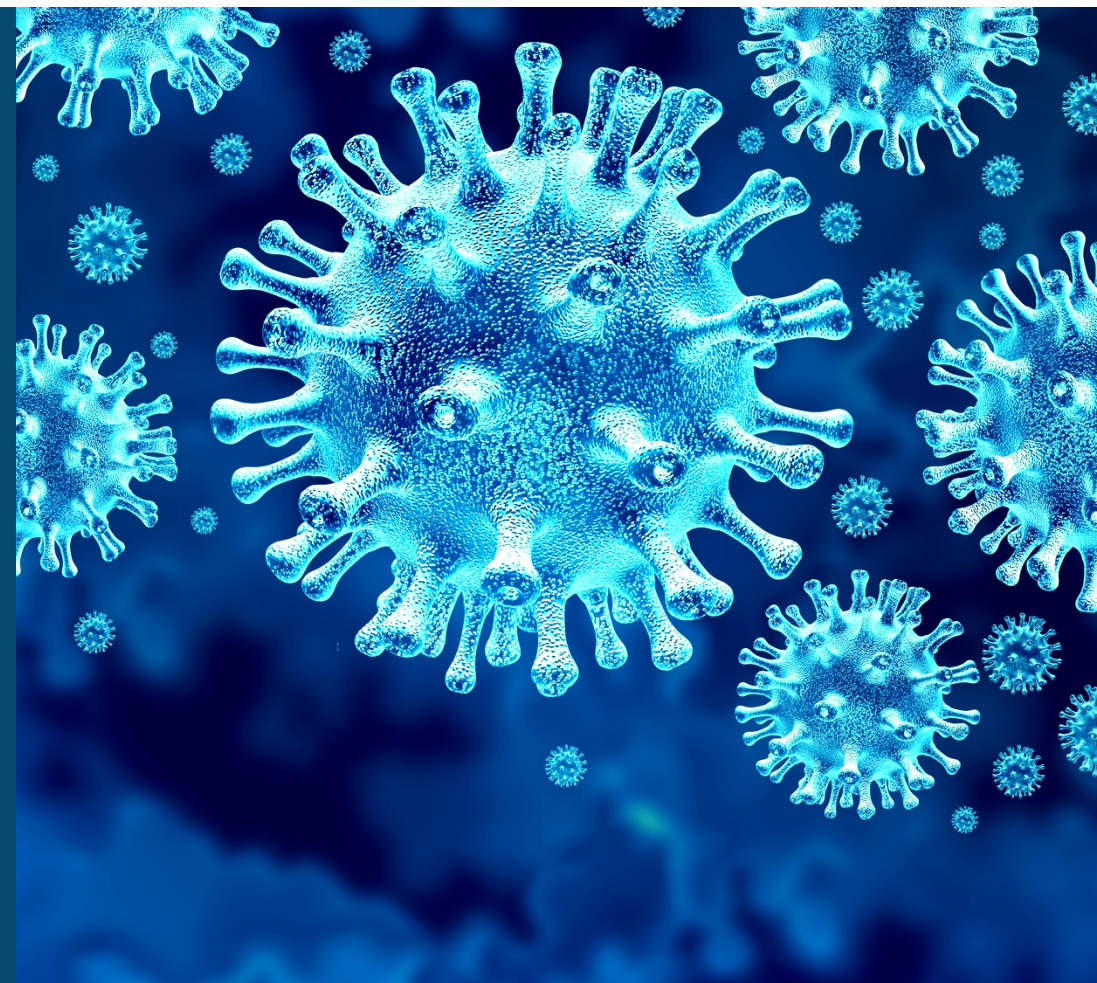


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Time to Take a Closer Look

Impact of COVID-19 and CARES Act on cash flows and DC Plan assets?

- Review participant activity through the COVID-19 crisis
- CARES Act DC Plan withdrawal provisions and adoption
- Potential impact to Stable Value and Plan assets





Time to Take a Closer Look

Money Market Funds vs. Stable Value?

- Federal Reserve's near zero interest rate policy
- Post-GFC low interest rate environment and 2016 money market reform
- Comparing money market fund yields vs. stable value crediting rates and performance



Past performance is not a reliable indicator of future performance.

Time to Take a Closer Look

Advisors and Plan Sponsors have more tools, like Fi360, at their disposal.

- Greater transparency
- Available online from a PC or mobile device
- Fi360 offers broad stable value product and manager coverage
- Ability to compare different stable value managers and products
- Quickly becoming the trusted resource for stable value industry news, whitepapers and education





Stable Value: Why It Is Different This Time

SUMMARY

STABLE VALUE

Stable value performed as it was designed to perform as a principal preservation investment option.

WRAP PROVIDERS

Wrap providers performed extremely well and much better than during the GFC.

VS. MONEY MARKET FUNDS

Stable value may be an attractive investment option relative to money market funds.

FI360 STABLE VALUE VISION

The ability to evaluate stable value managers and products at your fingertips.



Questions?

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