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Corporate Speakers:

- Linsley Carruth, T. Rowe Price Group, Inc., Director of Investor Relations
- Robert Sharps, T. Rowe Price Group, Inc., Chief Executive Officer and President
- Eric Veiel, T. Rowe Price Group, Inc., Head of Global Investments
- Jen Dardis, T. Rowe Price Group, Inc., Chief Financial Officer

Participants:

- Daniel Fannon, Jefferies, Analyst
- Michael Brown, KBW, Analyst
- Craig Siegenthaler, Bank of America, Analyst
- Kenneth Worthington, JPMorgan, Analyst
- Brennan Hawken, UBS, Analyst
- Alexander Blostein, Goldman Sachs, Analyst
- Michael Cyprys, Morgan Stanley, Analyst

PRESENTATION

Operator: Good morning. (Operator Instructions) Welcome to T. Rowe Price's Fourth Quarter 2023 Earnings Conference Call. (Operator Instructions) As a reminder, this call is being recorded and will be available for replay on T. Rowe Price's website shortly after the call concludes. I will now turn the call over to Linsley Carruth, T. Rowe Price's director of Investor Relations. Please go ahead.

Linsley Carruth: Hello. And thank you for joining us today for our fourth-quarter earnings call. The press release and the supplemental materials document can be found on our IR website at investors.troweprice.com. Today's call will last approximately 45 minutes.

Our CEO and President Rob Sharps, CFO Jen Dardis, and Head of Global Investments Eric Veiel will discuss the company's results for about 20 minutes, and then we'll open it up to your questions. (Operator Instructions) I'd like to remind you that during the course of this call, we may make a number of forward-looking statements and reference certain non-GAAP financial measures.

Please refer to the forward-looking statement language and the reconciliations to GAAP in the supplemental materials as well as in our press release. All investment performance references to peer groups on today's call are using Morningstar peer groups. Now I'll turn it over to Rob.

Robert Sharps: Thank you, Linsley. And thanks to all of you for joining us. Before we get started, I want to share that in late November, Eric was named head of Global Investments in recognition of his strong leadership as well as his extensive investment experience. I know he will continue to focus on pursuing superior outcomes for our clients, and both Jen and I congratulate him on his expanded role.

Eric will provide today's update on our investment organization, followed by Jen, who will cover our financial results. With that, I will turn to 2023 results.

While 2023 was a challenging year for us with substantial net outflows, it also brought progress. Investment performance improved, and we advanced important work to ensure our firm is positioned for future growth. We are already seeing a number of early indicators that support our confidence that better days are ahead.

We have a long and solid track record of putting clients first and pursuing excellence. As we near our 88th anniversary, I am confident that we will build on this tradition, delivering compelling value for our clients, our associates, and our shareholders.

As I mentioned, we made meaningful progress against our strategic priorities in 2023.

- Our active ETF business is gaining traction, with assets under management over $2.7 billion at the end of January.
- We launched the T. Rowe Price OHA Select Private Credit Fund, or OCREDIT, with over $1.5 billion of investable capital and are in the early stages of bringing this product to the wealth management channel.
- We acquired Retiree, Inc., to enhance our ability to expand and retain relationships with preretiree and retiree clients by providing tax-aware retirement income and Social Security claiming strategies. This acquisition demonstrates our commitment to broadening and evolving our already strong retirement capabilities and deepens our position as a retirement leader.
- We partnered with the International Finance Corporation to create the T. Rowe Price Emerging Markets Blue Economy Bond Strategy, a pioneering blue bond strategy that will focus on private companies operating in emerging markets.
- We expanded our capital appreciation suite with the launch of the T. Rowe Price Capital Appreciation and Income Fund for investors seeking an income-oriented fund.
- We have an industry-leading position in our target date franchise, with strong investment performance and net inflows of $13.1 billion last year. Building on this strength, we continue to innovate and add new capabilities including moving beyond accumulation.
- The engagement and collaboration among our investment teams got back to what I would characterize as healthy pre-pandemic levels. Our culture thrives on the energy around our teams engaging with corporate management teams, traveling together and debating risks and opportunities. This is how our investment platform delivers its best for clients.

We are evolving as markets and our clients demand more, and we are ready to compete with additional vehicles, new capabilities, and new experiences.

Leading indicators support our confidence that there will be a slower pace of net outflows this year.

- We are seeing improved performance in large-cap growth funds and expect that the rebound in 2023 will reduce redemptions in 2024.
- Key elements of strategic initiatives are delivering.
  - We're seeing improving gross sales in our individual investor channel, with Q4 having the highest gross sales of any quarter over the last two years.
  - We saw positive momentum for net flows in our U.S. wealth management platform segment in Q4.
  - And in EMEA, we were recently selected by a large UK wealth management firm to manage a custom multi-asset income fund.

Despite a challenging year, our balance sheet remains solid, with $2.5 billion of cash and discretionary investments at the end of 2023. We continue to prioritize the dividend while maintaining ample liquidity to support our seed capital program, opportunistic buybacks, and potential M&A. We recently announced a quarterly dividend of $1.24, which increased for the 38th consecutive year.

I want to underscore that the progress I've highlighted is a result of our associates' commitment to investment excellence, to superb client service, and to driving our corporate strategy forward. We are grateful for their hard work and are confident that, together, we will return the firm to organic growth. I'll now turn to Eric.

Eric Veiel: Thank you, Rob. After retreating in the third quarter, both equity and fixed income markets rebounded in the later part of the fourth quarter, resulting in strong calendar year returns in most indices.

Across asset classes, we delivered solid investment performance, with 64% of our funds beating their peer group medians for the year.

Strong equity performers included our U.S. Equity Research Fund, Capital Appreciation Fund, and Mid-Cap Value Fund, which are top-quartile performers for the 1-, 3-, 5-, and 10-year time periods.

2023 also marked the 16th year that our Capital Appreciation Fund, managed by David Giroux, beat its Morningstar peer group average, tying the record for the most consecutive calendar years a U.S. equity or multi-asset fund has done so under the same portfolio manager.

Our three large-cap growth equity funds all delivered top-quartile one-year performance in 2023, turning around the performance challenges of 2022 that have driven recent outflows. And while over 60% of the return for the Russell 1000 Growth benchmark came from the seven largest names in 2023, our large-cap growth strategies delivered alpha from a much wider set of fundamental investment choices.

Strong performance in our target date suite continued with all vintages of both the flagship retirement suite and the newer blend suite beating their peer group medians for the year. Overall, our multi-asset products had a strong year, with just over half of the funds in their top quartile for the year.

Our fixed income franchise had a solid year, with 60% of the funds beating their peer group medians. Several of our non-investment-grade funds, including high yield, international, low duration, and muni funds were all top-quartile performers for the year.

Most notably, Global Multi-Sector Bond Fund was the top performer in its peer group for the year, adding to its 5- and 10-year top-decile performance.

Investment performance across our alternatives platform was strong in 2023, with liquid strategies outperforming their benchmarks and private strategies generating attractive absolute performance.

I want to share a few highlights about our investment platform.

As a fundamental research-driven investment organization, our over 900 investment professionals around the globe adhere to our rigorous investment process and leverage insights generated by our research platform.

Over the last 10 years, we've more than doubled the investment professional ranks, including the scale up for TRPIM and the addition of OHA. We saw very little turnover in the past year, with average portfolio manager tenure at T. Rowe Price of 17 years.

Importantly, as Rob referenced, our team engagement is back to pre-pandemic levels. We conducted over 14,000 due diligence meetings last year, and thanks in large part to our proprietary in-house corporate access capabilities, the majority of these meetings were held in person. Our analysts and PMs engaged in field research trips large and small. For example, 48 members of our emerging markets team spent one week traveling across China, digging deep on key topics across the technology, industrial, and consumer sectors.

The strength of our research platform can be seen in our US Equity Research Strategy, with over 25 TRPA analysts contributing to the portfolio and their focus area of expertise. Their insights delivered for clients. In addition to the top-quartile performance versus peers I mentioned earlier, it has demonstrated its ability to generate alpha over

time with less tracking error. We have broadened this approach and now offer a Global Equity Research strategy that leverages the insights of over 75 global analysts.
Our investment data insights team, in collaboration with our data science team, is generating ideas and enabling our investment professionals to be more efficient by leveraging capabilities like large language models to improve the delivery of data and insights to our portfolio managers and analysts. Our research.ai generative AI tool is in beta test with 80 investment professionals and represents a promising start to what is sure to be a continued investment in this area.

We recently established an equity solutions capability that will allow us to deliver customized versions of our fundamental equity investment strategies for large clients tailored to their specific objectives. This capability builds upon the strong success of our integrated equity team, which combines fundamental and systematic processes and has demonstrated strong results across a wide variety of strategies, including US Small-Cap Growth, US Mid-Cap Core, Large-Cap Value, and Global Core.

And our ESG teams continue to help our portfolio managers make informed decisions by understanding the risks and opportunities related to ESG and how they may impact the company's performance. We are also responding to client demand and developing new products like the T. Rowe Price Emerging Markets Blue Economy Bond Strategy that Rob mentioned.

Pursuing excellent investment performance for our clients remains our top priority. The depth and breadth of our investment platform, which is rooted in our three pillars of people, process, and culture, gives us the tools to be able to do so. I'll now turn it over to Jen to cover our financials.

Jen Dardis: Thank you, Eric. I'll review our financial results, and then we will open the line for questions.

Our adjusted earnings per share for Q4 2023 was $1.72, bringing us to $7.59 for the year. 2023 was down from $8.02 in 2022 from lower average AUM and investment advisory revenue and higher expenses.

We had $28.3 billion in net outflows this quarter, bringing full-year outflows to $81.8 billion. During the fourth quarter, we had a handful of large redemptions in our subadvisory and institutional channels that elevated net outflows.

From an asset class perspective, U.S. equity continued to be the main driver of net outflows.

In our DC channel, Stable Value posted sizable net outflows in 2023 after delivering strong positive net flows in 2022, a sign that retirement investors may be seeking higher yield or reorienting toward a risk appetite.

We are seeing encouraging signs in our smaller-ticket retail business, with improving net flows in both our direct and intermediary channels.

Our target date suite ended the year with $13.1 billion of positive net flows, and alternatives also posted positive flows for the year. Additional detail on alternative flows can be found on page 20 of the annual version of our supplemental materials.

There are also some signs of strength across our individual equity and fixed income products with Capital Appreciation, All-Cap Opportunities, International Core and Global Multi-Sector Bond, all delivering over $1 billion in positive net flows in 2023.

Looking at our income statement. Q4 adjusted net revenues were $1.7 billion for the quarter, bringing our full-year adjusted total revenue to $6.5 billion.

Our Q4 investment advisory revenue of about $1.5 billion was higher than Q4 of last year, but the $5.7 billion earned for the full year was lower than 2022 overall based on the trend in average assets.

Our effective fee rate of 42.2 basis points in Q4 was up due to a little over $25 million in performance-based fees, predominantly on alternatives products that crystallized in the fourth quarter. Without these performance-based fees, our Q4 effective fee rate would have been more in line with the Q3 2023 fee rate.

Turning to expenses, Q4 adjusted operating expenses were $1.2 billion. As I mentioned last quarter, Q4 included higher expenses compared to Q3 related to seasonal advertising and promotion, stock-based compensation, and professional fees. As equity markets improved in 2023, we increased the investment in our brand to support future growth. Q3 2023 also included a nonrecurring benefit in G&A expenses.

Full-year 2023 adjusted operating expenses, excluding the carried interest expense, were $4.19 billion, up 3% over 2022's $4.07 billion and within the previously provided 2023 guidance range of 2% to 4%.

Based on average market conditions over the last quarter, we expect 2024 adjusted operating expenses, excluding carried interest expense, to be up 3% to 5% over 2023's $4.19 billion. This is up slightly from previously provided 2024 guidance due to the increase in equity markets and the impact this is expected to have on our market-driven expenses in 2024.

We anticipate the 2024 non-GAAP effective tax rate will be in the range of 23% to 26%, reflecting lower expected valuation allowances related to our UK-based business and a lower state tax rate associated with income apportionment rules in certain jurisdictions.

Despite a challenging year, we remain committed to maintaining our strong balance sheet and returning capital to stockholders.

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We bought back $103 million worth of shares during the fourth quarter, bringing 2023 total buybacks to $254 million, and we've continued to buy back shares during the start of 2024.

As Rob mentioned, last week, we announced a quarterly dividend of $1.24 per share, a $0.02 per share increase.

Between the dividend and buybacks, we've returned $1.38 billion to stockholders over the course of 2023 while also increasing our cash position over $300 million from the end of 2022.

This strong financial position allows us continued flexibility to support the annual dividend and to pursue opportunistic share buybacks while also strategically investing in seed capital or M&A as opportunities arise.

We remain focused on proactively managing our expenses to allow for the continued investment in our strategic priorities while ensuring our cost structure is appropriate for the size and scale of the firm.

This financial discipline, along with our commitment to efficiency and process improvement, positions us to fund our future growth through modest increases in expenses and the reallocation of existing expenditures. With that, I'd like to ask the operator to open the line for questions.

QUESTIONS AND ANSWERS

Operator: (Operator Instructions) Our first question comes from the line of Dan Fannon with Jefferies.

Daniel Fannon: Rob, I was hoping you could enhance or expand upon your comments around 2024 improvements. I think you highlighted some gross sales trends in the fourth quarter improving, plus we know investment performance has gotten better. So curious about maybe the sales profile as we start the year, how redemptions maybe are tracking? And just a little more color around the positive outlook.

Robert Sharps: Dan, thank you for the question. Our base case for 2024 is that we will have outflows, but we do expect improvement from 2023. First, the investment strategies with the most substantial outflows in 2022 and '23 had much better performance in 2023. That should translate into lower client redemptions and improve sales over time. And in fact, we are seeing evidence of that already. You're beginning to see improvements in gross sales in some of those strategies.

And if you look at our notified terminations or if you look at our at risk as we go into'24, I feel like we're in a meaningfully better position than we were going into 2023. I'd point out a handful of other things.

One, I think we expect the contribution from OHA and new vehicles, ETFs, and SMAs to build going forward. I feel like we are beginning to see some momentum build there. And when we combine all of that with some early-stage sales momentum from some of our strategic initiatives, I'm confident that this will be a better year.

How much better, I'd say, is to be determined. To some extent, I think it is dependent on continued execution from an investment performance perspective, it's contingent on risk appetites in the marketplace and levels of volatility. It's contingent on some—more—greater risk appetite and lengthening time horizons as some of the money on the sidelines reengages and extends time horizons.

But as I look across our distribution channels and across our strategies, there are a number of areas where I'm encouraged. First and foremost, target date—we had an excellent year in 2023, we expect another strong year in 2024. January retirement date flows were just shy of $3 billion. We had net flows in target dates in Q4, which is unusual seasonally. They were modest, but nonetheless, first Q4 where we've had positive flows since 2019.

But beyond that, whether it's in RPS core market or USI wealth or our individual investment (investor), there are pockets where I think we are beginning to see better trends. So in light of that, I think we're pretty confident that we will have a better year in'24 than we had in'23, and I think we'll build momentum throughout the course of the year.

Operator: Our next question comes from the line of Mike Brown with KBW.

Michael Brown: Wanted to start on OHA. How would you characterize the next chapter of the story there, right? So where is the investments around OHA currently? Where is the incremental investment dollars going in for that business? And then OCREDIT has $1.5 billion of investable capital.

Can you just give us a view into how the monthly flows have been there and any view you have into perhaps where the flows could progress here in 2024?

Robert Sharps: Sure. Thank you for the question. Specifically with regard to OCREDIT, OCREDIT raised over $100 million since the end of September, when we went effective with the SEC, and we expect a similar amount throughout the course of Q1 and momentum to build throughout the course of the year as we launch on additional adviser and broker-dealer platforms.

I'd say it's a very competitive market for private credit in the wealth channel and non-traded BDCs, and the benign credit environment has made it difficult to differentiate on performance. But we continue to be very confident that the combination of T. Rowe Price and OHA's home office relationships in the wealth channel and T. Rowe Price's field support combined with OHA's long-term track record in private credit and relationships with issuers will lead to success with both OCREDIT and follow-on products.

We are hearing from the wealth platforms that they're interested in follow-on products as they build their relationship with T. Rowe Price and OHA and private market alternatives, and we're evaluating our alternatives there. Look, if you take a step back with regard to OHA, fee-basis AUM in alternatives for us was up 10% in 2023.

They have just under $12 billion in capital commitments that are uninvested at this point. You will see a redemption in January when we report monthlies for slightly over $1 billion in the alternatives category. But even despite that, we're pretty confident that we'll see OHA building momentum in 2024, and we expect an acceleration in flows this year. I think it's important to remember that some of the capital raised for OHA in 2023 was for distressed and deployment is trigger-based. So that only will go into flows as it's deployed.

But if you look at the underlying performance of OHA strategies, it's very strong. If you look at our pipeline, it's healthy and as strong as it's been since we closed the deal in private credit in particular, and OHA is in the market launching OLEND, which is a dedicated senior private lending fund, and that's a part of the market where demand has been strong.

It's very early days there, but I would say initially, interest has been encouraging from seed and anchor investors. So collectively, when we look at the contribution from OHA in '24 and beyond, we're confident that it will build and become more substantial over the course of this year and years to come.

Operator: Our next question comes from the line of Craig Siegenthaler with Bank of America.

Craig Siegenthaler: My question is on the fixed income flows, which inflected negatively in the quarter. So some of that, I think, was seasonal and related to tax loss harvesting, so not reoccurring, but how should we think about the forward trajectory, especially given the potential for industry rebalancings and duration extensions with Fed rate cuts around the corner and also record money market AUM on the sidelines?

Robert Sharps: Yes, Craig, thank you for the question. I think we do anticipate that as some of that money comes off the sidelines that it will look to fixed income given higher rates and better potential for absolute return. I think—look, I think we're underestimated in terms of our fixed income capabilities.

We have a strong fixed income team and a global platform with a number of strategies with good results across plus sectors and in the core, including Global Multi-Sector and QM Bond. We're also very focused on launching new vehicles and deepening our go-to-market and sales capabilities in fixed income.

With higher rates offering more attractive total returns, we intend to compete aggressively. Specifically, as it relates to Q4 flows, much of what you saw was a sizable redemption in a short duration strategy, and I wouldn't consider that to be predictive of flows going forward.

We also have a pretty meaningful stable value and floating rate franchise, which really benefited from the rate environment as people wanted to be short duration and rates were rising in 2022, and we saw the other side of that a little bit in 2023. But as I think about our potential in fixed income, it's an area where we are making investments, and we are intent on growing going forward.

Eric Veiel: I would just—I would just simply add, I think Rob covered it well. Arif Husain, who is leading our fixed income team, is highly motivated. The team is highly motivated to really emphasize to the market broadly, our capabilities, and I think have put together a plan to do that. And as Rob mentioned, the sectors where I think we have a very strong performance.

I would just add to that, to the extent that taxes come back into view for folks as the year winds on, our municipal team is also very strong, and we have some interesting products in that area as well.

Operator: Our next question comes from the line of Kenneth Worthington with JPMorgan.

Kenneth Worthington: Investors domiciled outside the U.S. account for, I think, 8.6% of your business today. Where do you expect that to go? I'm sorry, first, what portion of your resources are focused outside the U.S.? Second, you announced some management changes on the non-U.S. side of the business.

Can you flesh out the opportunity there and what you hope the new managers will accomplish? And third, what do you expect for growth in the non-U.S. business versus the U.S over the intermediate term?

Robert Sharps: Ken, one more time. The last question was relative growth in EMEA and APAC versus U.S. What were the other two?

Kenneth Worthington: Yes. The first is what portion of your resources are focused on the non-U.S. business. And you announced some management changes to the non-U.S. business, I think, earlier this week or late last week. What are the opportunities you want those new managers to focus on?

Robert Sharps: Yes—from—I'll take the last one first. We expect relative growth outside of the U.S. to be greater than what it is in the U.S. But the arithmetic of that is not that challenging, given that we have a relatively small base from which we would need to grow off of.

We have a number of focus markets outside of the U.S., both in Asia Pacific and EMEA, and those are the areas where we're really concentrating our resources—Japan, Australia, Germany, Italy, the UK, and Canada. And we would expect each of those markets to meaningfully outgrow the U.S. over the course of the next several years.

In fact, I would say, if you were to look at our flow trends before 2023, we had positive contribution reasonably consistently I think in each year over the last many years from APAC, and I think you'd have to go back a couple of years, but we had several years of positive contribution from EMEA before 2021.

In terms of the resources outside of the U.S., I think it's important first to realize that some of those are decked against global investment strategies. So not all of them are specific to AUM raised outside of the U.S. But we have around roundly 8,000 associates, and about 1,300 of those associates are domiciled outside of the U.S.

Again, a number of those people are investment professionals that we are leveraging for global and multiregional strategies. So I think if you're thinking about the profitability of those regions that may not be—the associate account may not be the right way to look at it.

What I will say is that we are profitable, if you look at our EMEA and our APAC businesses and you look at the revenue from clients domiciled there and you deck direct expenses and allocate some other meaningful expenses against those. We are profitable in those areas. And I also think that we've built ahead. So those are areas where we can get some very meaningful leverage off of the existing investments that we've made in distribution as well as the global investment platform that we've developed.

Operator: Our next question comes from the line of Brennan Hawken with UBS.

Brennan Hawken: Jennifer, I know you said that the fee rate ex the performance fee would be flat quarter over quarter. But is it possible to quantify that impact in dollars? And is it right that those performance fees come from SMAs within OHA, and should we think about that just happening in the fourth quarter from time to time?

Jen Dardis: So I think the number I've given in the commentary—thanks, Brennan, for the question—was $25 million was the amount for Q4. And as you know, OHA has a number of performance-based fees. These are the ones specifically that crystallize in year. And yes, that's typically the kind of accounts it would be. And yes, most of those happened during the fourth quarter, but they can happen through the year.

Operator: And our next question comes from the line of Alexander Blostein with Goldman Sachs.

Alexander Blostein: I was hoping you could expand on your buyback commentary, seeing a bit of a pickup, I guess, in the fourth quarter, and I think you alluded to remaining active on share repurchases so far in the first quarter. Given T. Rowe's robust balance sheet and obviously strong cash flow generation, can you just kind of help us frame what the buyback opportunity is for 2024?

Robert Sharps: Sure. Our priorities with regard to capital allocation haven't changed. We want to, first and foremost, invest in the company; second, protect and raise the regular dividend and put ourselves in a position to have the flexibility to make appropriate acquisitions as the opportunities present themselves. But we also kind of generate a lot of cash flow and historically have been opportunistic with regard to our share repurchase. I'd say what has changed at the margin last year was that the buyback was more muted given lower free cash flow after the dividend.

I think if you think about the order of magnitude for potential over the course of 2024 based on our planning, it's not going to go back to the $1 billion a year or the levels that you saw in years before 2023. But I think we will be opportunistic, and we'll take advantage of opportunities in the marketplace to repurchase shares. And over time, I have an objective of taking the share count lower.

So I think you could think about the levels of 2023 as a base case, but there are a lot of contingencies, and Alex, there could be quite a bit of variability around that. And as you note, we do have a strong balance sheet and kind of given the right opportunity, we certainly would have the potential to outspend cash flow, but that's not our base case.

Operator: Our next question comes from the line of Michael Cyprys with Morgan Stanley.

Michael Cyprys: Great. Just wanted to come back to your commentary on the Retiree, Inc., acquisition. I was hoping you could maybe elaborate a bit on the strategic rationale, the opportunity set you see there, how you see this helping enhance the growth profile of T. Rowe.

And then more broadly, if you could just comment on how you're thinking about M&A at this point where it could be most additive to T. Rowe.

Robert Sharps: Yes. Specifically, as it relates to Retiree, they have a set of proprietary algorithms that help retirement investors make the transition from accumulation to decumulation and look at optimizing Social Security elections as well as which assets to liquidate first and when to take withdrawals from your tax-deferred retirement investments.

We showed a slide in the supplement with regard to the portion of our AUM that are in defined contribution plans as well as retirement-related overall. And if you think about our individual investor business, one of our strategic initiatives is retirement advisory services. So for our advisory capabilities to be able to incorporate differentiated guidance with regard to how to most tax-efficiently support your lifestyle and cash flow needs in retirement, that's value add.

And that's really where we've rolled it out initially. Longer term, we see a tremendous amount of opportunity to incorporate it into, for instance, our recordkeeping offerings to differentiate the offering for plan sponsors and participants.

But also, I think we have a meaningful potential to partner with people in the wealth channel with our intermediary partners. So I think it's very early days for us exploring kind of what the potential is.

In terms of our approach to M&A, it's still the same. We're looking for things that add capabilities that make us more important to our clients and that fit strategically and culturally and make financial sense.

Operator: Thank you. I'm currently showing no further questions at this time. I'd like to hand the conference back over to Mr. Sharps for closing remarks.

Robert Sharps: All right. Very good. Thank you. Well, thank you all for joining us today and for your interest in T. Rowe Price.

As I said at the outset, '23 was a challenging year for us, but we also made a lot of progress, better investment performance, a lot of advancement with regard to our strategic work to position us for future growth, and that's beginning to translate into results that give us some confidence that we do see better days ahead and have the potential to continue to deliver great value for clients, associates, and shareholders. So again, thank you. And good day.

Operator: This concludes today's conference call. You may now disconnect. Thank you for your participation. Everyone have a wonderful day.