

JUNE 30, 2009

NEW
ERA
FUND

Semiannual Report



T. ROWE PRICE[®]

®

HIGHLIGHTS

- Natural resources stocks rallied sharply in the first half of 2009 amid rising commodities prices.
- The New Era Fund posted a substantial gain, outpacing the broad market by a wide margin but trailing its Lipper index.
- Most resources industries performed well, but our emphasis on major integrated oil companies and avoidance of weaker, more financially leveraged energy stocks hampered results versus similar funds.
- Global economic growth and a weaker U.S. currency will force prices of constrained resource commodities to rise in dollar terms. We are identifying those commodities that are most likely to be affected and investing in companies best positioned to exploit those resources.

The views and opinions in this report were current as of June 30, 2009. They are not guarantees of performance or investment results and should not be taken as investment advice. Investment decisions reflect a variety of factors, and the managers reserve the right to change their views about individual stocks, sectors, and the markets at any time. As a result, the views expressed should not be relied upon as a forecast of the fund's future investment intent. The report is certified under the Sarbanes-Oxley Act, which requires mutual funds and other public companies to affirm that, to the best of their knowledge, the information in their financial reports is fairly and accurately stated in all material respects.

REPORTS ON THE WEB

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Fellow Shareholders

Stocks continued last year's decline into the first months of 2009 before a sharp rally lifted most major indexes into positive territory for the first half of the year. Overall first-half performance numbers were tepid, but there was a strong rebound in the prices of oil and other commodities, which was reflected by resource equities. This commodity price strength was based on the market's expectation of a recuperating global economy and concerns that the Federal Reserve's easy monetary policy would lead to a resurgence in inflation and erode the dollar's purchasing power. Both oil and gold are seen as a hedge against the weaker dollar. There has also been modest improvement in oil demand, particularly from China, along with some stability in domestic gasoline markets. Copper is also benefiting from strong Chinese demand. However, apart from this bounceback from an oversold position, most commodities are now fairly listless, given that only a weak recovery is anticipated for the second half of this year.

Your fund returned 17.71% for the six-month period ended June 30, 2009, far exceeding the return of the overall market as represented by the S&P 500 Stock Index. With the exceptions of refining and market-

PERFORMANCE COMPARISON

Six-Month Period Ended 6/30/09	Total Return
New Era Fund	17.71%
S&P 500 Index	3.16
Lipper Global Natural Resources Funds Index	23.57

ing and building and real estate, the industries we invest in had positive returns relative to the broad market. New Era lagged the Lipper index of similar funds due primarily to our overweighting in major international integrated oil firms. We had

positioned the fund to emphasize energy without taking on the financial risk associated with many of the more leveraged industry participants. As a result, we missed some of the rebound by these weaker firms.

ECONOMIC AND MARKET ENVIRONMENT

Recent signs are mixed but point to some improvement in the economic landscape. The huge amount of money injected into the financial system by the Treasury and Federal Reserve, along with bailout funds to shore

A WORD ABOUT YOUR SHAREHOLDER REPORT

At T. Rowe Price, we believe that information is essential to understanding your investments in this fast-moving and volatile market environment. In this shareholder report's "Manager's Letter," your fund's portfolio manager writes a candid assessment of recent market events and fund performance, offers important insights into how the fund is managed, and provides a perspective for the next few months. We encourage you to read this report carefully.

Did you know you could receive your shareholder report sooner? The online version is usually available at least two weeks before you receive it by mail. If you're looking for easy access to the latest shareholder reports, account statements, transaction confirmations, tax forms, mutual fund prospectuses, and more, consider paperless e-delivery options from T. Rowe Price.

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up the more precarious financial entities, seems to have stabilized the system. However, institutional lending and corporate spending have not rebounded, and consumer confidence, which had shown some improvement, slipped as the period ended. The government's fiscal stimulus spending is slowly finding its way into the economy, but the unemployment rate continues to worsen. Housing may have found a bottom, but this may merely be due to an increase in foreclosure sales. Housing starts have actually ticked up over the last three months. Consumer savings rates have risen, and cheap money has found its way into riskier assets, such as high-yield bonds and equities.

This willingness to take on greater risk is an important milestone in rebuilding confidence in our financial markets, but greater confidence in the economy itself is needed before spending can reinvigorate domestic growth. For now, the massive funding to finance the stimulus program has been reasonably well received without the anticipated negative impact on the dollar and concomitant impact on inflation. Apparently, our currency is benefiting from expectations that the U.S. economy is likely to be the first to recover within the Organization for Economic Cooperation and Development (OECD).

Overseas, the economies of Europe, Japan, and Asia (with the exception of China) continue to lag the recovery of the U.S. This is simply because the problems began earlier in this country, and we will reach

the one-year milestone—and resulting improvement in year-over-year comparisons—sooner than the rest of the world.

Most countries have implemented some sort of stimulus program, and the International Monetary Fund has lent support where internal resources have been inadequate to repair the damage done by the financial crisis.

China's stimulus has largely been the most direct, aimed at infrastructure building—new cities, roads, bridges, housing, etc. Since the Chinese economy is centrally planned, these measures have been effected swiftly, with the results already becoming apparent and with the greatest positive impact globally on metals demand. Historically, China is heavily dependent upon exports, so it remains to be seen whether the stimulus will keep the country's economy growing until exports recover. That, of course, is dependent upon a U.S. economic recovery. The world has not decoupled—economies are interlinked globally, though the timing of individual countries' economic

cycles has, until recently, varied. The synchronicity of the most recent period of global growth was in reality stimulated by the availability of easy credit.

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PORTFOLIO REVIEW

Oil was the first commodity to recover strongly, rising from the low \$30s in December to as high as \$73 recently. Although this strength was anticipated, it happened more rapidly than would generally be expected given high global inventories and limited evidence of demand recovery. In fact, demand is expected to fall nearly 1.7 million barrels per day this year. While we had forecast that oil would be the first commodity to recover and positioned the fund accordingly, we were not willing to take the risk of investing in the weaker players in the industry. As a result, our heavy weighting of international integrated oil companies, such as **ExxonMobil**, **Royal Dutch Shell**, and **Chevron**, actually hampered performance relative to our peers. However, we did improve our leverage to the commodity by adding to our position in **Petroleo Brasileiro** and starting a new position in **Suncor Energy**, the large Canadian oil sands producer. Petrobras is a Brazilian company that discovered a completely new oil resource in the pre-salt formation of the Santos Basin. Our position in **Sunoco**, the sole remaining pure refiner in the portfolio, detracted from performance due to rising oil prices and lackluster oil product demand. (Please refer to the portfolio of investments for a complete listing of the fund's holdings and the amount each represents in the portfolio.)

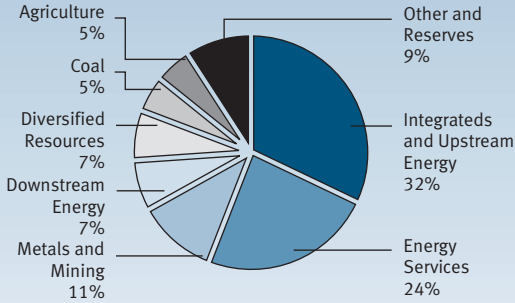
For the same reasons, we de-emphasized oil and gas producers because of their financial leverage and operating leverage to domestic natural gas, a market we felt would be slow to recover—and it has proven so, yet the producer stocks performed well. Domestic natural gas prices fell from over \$12 per million cubic feet (MMcf) during the summer of 2008 to recent lows approaching \$3 per MMcf due to a number of factors, including the economic downturn, which caused industrial and utility demand to weaken while the high price induced conservation on the part of consumers.

However, a new technique has allowed significant new sources of natural gas to be recovered in basins prone to shale formations at great depth that are saturated with gas. Application of the new technology spread from the Texas/Oklahoma/Arkansas region to the Northeast and even to areas in western Canada. These rapidly emerging plays made the development of these resources achievable at under \$6 per MMcf, and surplus capacity came about with prices well above that level. As the surplus persisted in the face of declining demand, gas exploration and development activity dropped precipitously. Given the low prices recently established and the need for higher activity once the surplus capacity rapidly depletes, we established a higher exposure to natural gas by increasing our weighting to **XTO Energy** and establishing a new position in **Ultra Petroleum**, a very successful producer in the Pinedale Field of Wyoming. We also inaugurated a new position in **Southwestern Energy**, a company exposed to the shale plays in Arkansas and Texas.

The recovery in oil prices boosted strong performance by the oil service and oil and gas drilling industries. These industries have lost pricing power with the decline in domestic natural gas drilling and the reduction in global expenditures, but the stocks reacted very positively to rising oil prices, with expectations that it would lead to a recovery in capital spending. It may be years, however, before the high pricing levels reached in early 2008 will once again be achieved, and earnings comparisons for most of those industries will be tough for the next several quarters. Our high weighting in those industries served us well, though, with **Diamond Offshore Drilling**, **Cameron International**, **Schlumberger**, and **Transocean** among our best contributors.

While the Obama administration has sought to restore funds to develop clean coal technologies, the domestic thermal coal market has languished: Power station stockpiles have grown as the economics favored substituting power derived from natural gas and power demand has weakened in the face of the recession. We reduced our position in the most operationally leveraged coal producer, **Arch Coal**. Furthermore,

INDUSTRY DIVERSIFICATION



Based on net assets as of 6/30/09.

it now appears that some form of carbon regulation, perhaps in the form of “cap and trade,” is unlikely to pass until after the congressional elections of 2010. This legislation is vital to establishing the economic framework for building new power plants, whether coal-fired, natural gas-fired, or nuclear. As important, it will further encourage the development of technology

to retrofit existing coal-fired plants to reduce carbon dioxide emissions. Demand for imported coal from India and China is increasing and will gradually tighten up world markets.

While utilities are being forced to use a greater proportion of green technologies such as wind and solar to produce power, the decline in energy prices has made the economics of these technologies marginal unless there are significant tax breaks. Adoption of solar in some European markets has waned, and residential and commercial adoption in the U.S. has been quite slow, aggravated by the weak economy. Even the legendary oil man turned “green” T. Boone Pickens has had to scrap plans for a major wind farm. Our only investment related to alternative energy is the high-voltage transmission line construction company, **Quanta Services**, which will also benefit from spending to reinforce the national grid. With most wind farms and utility solar installations remotely located, it will be one of the few companies with the capability to build transmission lines to these remote locations.

Our exposure to diversified metals, particularly base metals, proved fortuitous as China’s stimulus program strengthened the metals market in the short run. In particular, China funded its strategic metals reserve to stockpile metals for the anticipated recovery in demand, and existing inventories were already low. Our nonferrous position in copper, **Freeport-McMoRan Copper & Gold**, doubled during the period, and our diversified metals positions in **BHP Billiton** and **Vale** contributed significantly as demand for copper, iron ore, and nickel from China continued to grow. The proportion of trade in these metals from China accelerated to record levels as OECD demand waned.

Corn and soybean prices remained high despite the economic downturn, and worldwide grain inventories stayed low, encouraging farmers to maintain high plantings. In turn, this should have kept fertilizer prices high, although farmers in India, China, and Brazil struggled for credit. There has been a standoff between the producers of potash and phosphate fertilizers and the farmers seeking lower prices for these inputs, and this clash has led to lower application rates, which may penalize crop yields. Even so, **Potash Corporation of Saskatchewan** was one of our top contributors. Prices for phosphate fertilizers have cracked, and there are risks that potash prices will fall as well. However, farmers cannot avoid adding adequate nutrients to the soil for more than two seasons at most, and the prices for fertilizers will recover along with demand. We added new positions in **Mosaic**, a producer of phosphate, potash, and ammonia fertilizers, and **Sociedad Quimica y Minera**, a Chilean producer of potash and lithium for the next generation of car batteries. At the same time, we eliminated a position in **Intrepid Potash**, a marginal producer of solution-mined potash, and **Terra Industries**, a domestic fertilizer producer and distributor.

OUTLOOK

The five years from 2003 to 2007 were the strongest period of global economic growth in recorded history. It was built on the back of cheap

credit and expanding debt leverage. Looking ahead, that debt is being transferred from the consumer and financial institutions to governments around the globe that are paying it off by expanding the money supply. At the same time, they are stimulating their economies with deficit financing to produce growth and offset unemployment.

However, consumers are saving more and spending less while corporations are generally rebuilding their balance sheets. Consequently, government spending will be key to any economic growth in the intermediate term. A sustainable recovery in China is increasingly important as that nation now accounts for virtually all of the growth in resource demand. Global economic growth is likely to be much weaker than in the period we just experienced as leverage, other than government debt, will be

shunned. Ultimately, taxpayers will be forced to finance an increasing deficit as the interest on public debt grows.

A SUSTAINABLE
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However, easy monetary policy and deficit spending will likely debase or weaken our currency relative to others. Given resource capacity constraints, this means that any global economic growth, particularly from emerging markets, will force prices of constrained resource commodities to rise in dollar terms. We are identifying those commodities that are likely to be most affected and investing in companies best positioned to exploit those resources.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Charles M. Ober". The signature is fluid and cursive, with the first name "Charles" being the most prominent part.

Charles M. Ober

President of the fund and chairman of its Investment Advisory Committee

July 20, 2009

The committee chairman has day-to-day responsibility for managing the portfolio and works with committee members in developing and executing the fund's investment program.

RISKS OF STOCK INVESTING

The fund's share price can fall because of weakness in the stock markets, a particular industry, or specific holdings. Stock markets can decline for many reasons, including adverse political or economic developments, changes in investor psychology, or heavy institutional selling. The prospects for an industry or company may deteriorate because of a variety of factors, including disappointing earnings or changes in the competitive environment. In addition, the investment manager's assessment of companies held in a fund may prove incorrect, resulting in losses or poor performance even in rising markets. Funds that invest only in specific industries will experience greater volatility than funds investing in a broad range of industries. The rate of earnings growth of natural resources companies may be irregular since these companies are strongly affected by natural forces, global economic cycles, and international politics. For example, stock prices of energy companies can fall sharply when oil prices fall.

GLOSSARY

Lipper indexes: Fund benchmarks that consist of a small number of the largest mutual funds in a particular category as tracked by Lipper Inc.

S&P 500 Stock Index: An unmanaged index that tracks the stocks of 500 primarily large-cap U.S. companies.

PORTFOLIO HIGHLIGHTS

TWENTY-FIVE LARGEST HOLDINGS

	Percent of Net Assets 6/30/09
Schlumberger	3.8%
Cameron International	3.5
Diamond Offshore Drilling	3.3
Canadian Natural Resources	3.2
ExxonMobil	2.6
Potash Corporation of Saskatchewan	2.6
BHP Billiton	2.4
Royal Dutch Shell	2.3
Consol Energy	2.2
Agnico-Eagle Mines	2.2
EOG Resources	2.2
Total	2.2
Smith International	2.1
Murphy Oil	2.0
BP	1.9
Peabody Energy	1.8
Vale	1.8
Transocean	1.7
Devon Energy	1.7
Petroleo Brasileiro	1.6
Baker Hughes	1.5
Quanta Services	1.4
XTO Energy	1.4
BG Group	1.3
Foster Wheeler	1.3
Total	54.0%

Note: Table excludes investments in the T. Rowe Price Reserve Investment Fund.

PORTFOLIO HIGHLIGHTS

MAJOR PORTFOLIO CHANGES

Listed in descending order of size.

Six Months Ended 6/30/09

Largest Purchases

Mosaic*
Southwestern Energy*
XTO Energy
Ultra Petroleum*
EOG Resources
Suncor Energy*
Eldorado Gold*
Newfield Exploration
Vulcan Materials*
Sociedad Quimica y Minera*

Largest Sales

StatoilHydro
ExxonMobil
Cameron International
ConocoPhillips
Atlas Copco**
Arch Coal
Royal Dutch Shell
Intrepid Potash**
Terra Industries**
Franco Nevada

*Position added.

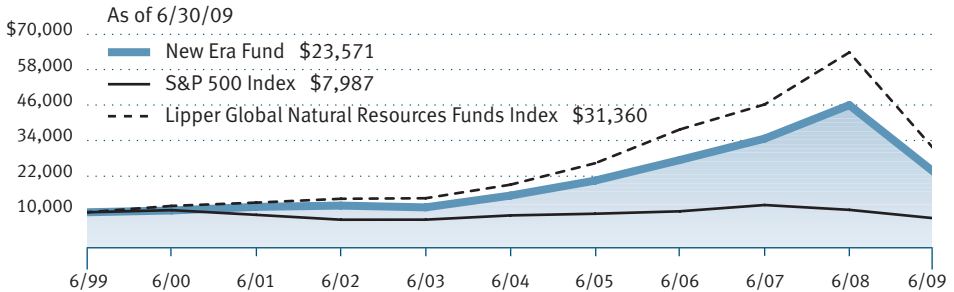
**Position eliminated.

Performance and Expenses

GROWTH OF \$10,000

This chart shows the value of a hypothetical \$10,000 investment in the fund over the past 10 fiscal year periods or since inception (for funds lacking 10-year records). The result is compared with benchmarks, which may include a broad-based market index and a peer group average or index. Market indexes do not include expenses, which are deducted from fund returns as well as mutual fund averages and indexes.

NEW ERA FUND



AVERAGE ANNUAL COMPOUND TOTAL RETURN

This table shows how the fund would have performed each year if its actual (or cumulative) returns for the periods shown had been earned at a constant rate.

Periods Ended 6/30/09	1 Year	5 Years	10 Years
New Era Fund	-49.03%	8.53%	8.95%

Current performance may be higher or lower than the quoted past performance, which cannot guarantee future results. Share price, principal value, and return will vary, and you may have a gain or loss when you sell your shares. For the most recent month-end performance, please visit our Web site (troweprice.com) or contact a T. Rowe Price representative at 1-800-225-5132.

Average annual total return figures include changes in principal value, reinvested dividends, and capital gain distributions. Returns do not reflect taxes that the shareholder may pay on fund distributions or the redemption of fund shares. When assessing performance, investors should consider both short- and long-term returns.

EXPENSE RATIO

New Era Fund

0.66%

The expense ratio shown is as of the fund's fiscal year ended 12/31/08. This number may vary from the expense ratio shown elsewhere in this report because it is based on a different time period and, if applicable, does not include fee or expense waivers.

FUND EXPENSE EXAMPLE

As a mutual fund shareholder, you may incur two types of costs: (1) transaction costs, such as redemption fees or sales loads, and (2) ongoing costs, including management fees, distribution and service (12b-1) fees, and other fund expenses. The following example is intended to help you understand your ongoing costs (in dollars) of investing in the fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the most recent six-month period and held for the entire period.

Actual Expenses

The first line of the following table ("Actual") provides information about actual account values and expenses based on the fund's actual returns. You may use the information in this line, together with your account balance, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information on the second line of the table ("Hypothetical") is based on hypothetical account values and expenses derived from the fund's actual expense ratio and an assumed 5% per year rate of return before expenses (not the fund's actual return). You may compare the ongoing costs of investing in the fund with other funds by contrasting this 5% hypothetical example and the 5% hypothetical examples that appear in the shareholder reports of the other funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Note: T. Rowe Price charges an annual small-account maintenance fee of \$10, generally for accounts with less than \$2,000 (\$500 for UGMA/UTMA). The fee is waived for any investor whose T. Rowe Price mutual fund accounts total \$25,000 or more, accounts employing automatic investing, and IRAs and other retirement plan accounts that utilize a prototype plan sponsored by T. Rowe Price (although a separate custodial or administrative fee may apply to such accounts). This fee is not included in the accompanying table. If you are subject to the fee, keep it in mind when you are estimating the ongoing expenses of investing in the fund and when comparing the expenses of this fund with other funds.

FUND EXPENSE EXAMPLE (CONTINUED)

You should also be aware that the expenses shown in the table highlight only your ongoing costs and do not reflect any transaction costs, such as redemption fees or sales loads. Therefore, the second line of the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. To the extent a fund charges transaction costs, however, the total cost of owning that fund is higher.

T. ROWE PRICE NEW ERA FUND

	Beginning Account Value 1/1/09	Ending Account Value 6/30/09	Expenses Paid During Period* 1/1/09 to 6/30/09
Actual	\$1,000.00	\$1,177.10	\$3.83
Hypothetical (assumes 5% return before expenses)	1,000.00	1,021.27	3.56

*Expenses are equal to the fund's annualized expense ratio for the six-month period (0.71%), multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (181) divided by the days in the year (365) to reflect the half-year period.

T. ROWE PRICE NEW ERA FUND

Unaudited

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

	6 Months Ended 6/30/09 [†]	Year Ended 12/31/08 [†]	12/31/07 [†]	12/31/06 [†]	12/31/05 [†]	12/31/04
NET ASSET VALUE						
Beginning of period	\$ 29.58	\$ 61.16	\$ 46.00	\$ 41.10	\$ 33.68	\$ 27.22
Investment activities						
Net investment income	0.25	0.51	0.57	0.57	0.39	0.24
Net realized and unrealized gain (loss)	4.99	(31.21)	17.97	6.45	9.72	7.91
Total from investment activities	5.24	(30.70)	18.54	7.02	10.11	8.15
Distributions						
Net investment income	–	(0.49)	(0.54)	(0.57)	(0.37)	(0.23)
Net realized gain	–	(0.39)	(2.84)	(1.55)	(2.32)	(1.46)
Total distributions	–	(0.88)	(3.38)	(2.12)	(2.69)	(1.69)
NET ASSET VALUE						
End of period	\$ 34.82	\$ 29.58	\$ 61.16	\$ 46.00	\$ 41.10	\$ 33.68

Ratios/Supplemental Data

Total return⁽¹⁾	17.71%	(50.18)%	40.69%	17.00%	29.88%	30.09%
Ratio of total expenses to average net assets	0.71% ⁽²⁾	0.66%	0.64%	0.66%	0.68%	0.69%
Ratio of net investment income to average net assets	1.58% ⁽²⁾	0.94%	1.03%	1.26%	1.02%	0.87%
Portfolio turnover rate	9.5%	21.0%	17.5%	15.6%	35.7%	19.2%
Net assets, end of period (in millions)	\$ 3,939	\$ 3,151	\$ 6,921	\$ 4,438	\$ 3,764	\$ 2,148

[†] Per share amounts calculated using average shares outstanding method.

(1) Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions.

(2) Annualized

The accompanying notes are an integral part of these financial statements.

PORTFOLIO OF INVESTMENTS ‡	Shares	Value
(Cost and value in \$000s)		
COMMON STOCKS 95.1%		
NATURAL RESOURCE RELATED 95.1%		
Agriculture 4.6%		
Deere	953,200	38,080
Mosaic	876,200	38,816
Potash Corporation of Saskatchewan	1,114,856	103,737
		180,633
Building & Real Estate 0.6%		
AMB Property, REIT	343,300	6,457
Boston Properties, REIT	97,600	4,656
Camden Property Trust, REIT	262,800	7,253
Duke Realty, REIT	366,900	3,218
Simon Property Group, REIT	63,615	3,272
		24,856
Chemicals 2.1%		
Air Liquide (EUR)	192,363	17,615
Air Products & Chemicals	248,300	16,038
Albermarle	493,800	12,626
Praxair	486,200	34,554
		80,833
Coal 5.3%		
Arch Coal	3,122,304	47,990
CONSOL Energy	2,584,400	87,766
Peabody Energy	2,380,202	71,787
		207,543
Diversified Metals 6.0%		
BHP Billiton (AUD)	3,438,024	94,227
Eurasian Natural Resources (GBP)	1,825,288	19,743
Nucor	179,100	7,958
Rio Tinto (AUD)	564,397	23,621
Rio Tinto, Rights, 7/1/09 (AUD) (1)	296,308	5,709
Steel Dynamics	955,600	14,076

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	Shares	Value
(Cost and value in \$000s)		
Vale, ADR	3,954,200	69,713
		235,047
Diversified Resources 7.0%		
Bucyrus International, Class A	692,200	19,769
Burlington Northern Santa Fe	168,276	12,375
China Railway Construction, H Shares (HKD) (1)	12,525,500	19,225
EnergySolutions	1,661,900	15,290
Finning International (CAD)	824,500	11,909
Fluor	285,400	14,638
Foster Wheeler (1)	2,146,822	50,987
Joy Global	1,177,000	42,042
Penn Virginia	141,800	2,321
Quanta Services (1)	2,458,560	56,867
Sociedad Quimica Minersp, ADR	328,900	11,903
Terex (1)	415,600	5,016
Vulcan Materials	297,100	12,805
Western Water (1)	2,259	—
		275,147
Forest Products 0.8%		
International Paper	946,478	14,320
Potlatch, REIT	129,600	3,148
Weyerhaeuser	487,172	14,825
		32,293
Gas Transmission & Distribution 3.8%		
Gazprom, ADR	2,299,584	46,858
Southwestern Energy (1)	993,800	38,609
Spectra Energy	1,464,700	24,783
Williams Companies	2,400,539	37,473
		147,723
Integrated Petroleum-Domestic 2.7%		
ConocoPhillips	431,258	18,139

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	Shares	Value
(Cost and value in \$000s)		
Hess	116,800	6,278
Murphy Oil	1,468,046	79,744
		104,161
Integrated Petroleum-International 14.6%		
BP, ADR	1,567,473	74,737
Chevron	705,832	46,761
Eni, ADR	825,574	39,140
ExxonMobil	1,492,018	104,307
Lukoil, ADR	542,095	24,232
Petroleo Brasileiro, ADR	1,859,968	62,049
Rosneft Oil, GDR (1)	1,534,200	8,419
Royal Dutch Shell, ADR	1,784,506	89,564
StatoilHydro (NOK)	2,033,099	40,162
Total, ADR	1,581,300	85,754
		575,125
Miscellaneous Energy 3.2%		
Duke Energy	780,200	11,383
Dynegy, Class A (1)	12,089,238	27,443
Edison International	191,372	6,020
Exelon	324,500	16,618
NRG Energy (1)	1,963,028	50,960
RRI Energy (1)	3,047,300	15,267
		127,691
Non-Ferrous Metals 1.0%		
Freeport-McMoRan Copper & Gold	813,293	40,754
		40,754
Oil & Gas Drilling 6.4%		
Diamond Offshore Drilling	1,585,336	131,662
Nabors Industries (1)	596,552	9,294
Noble Drilling	1,509,444	45,661

	Shares	Value
(Cost and value in \$000s)		
Transocean (1)	895,225	66,506
		253,123
Oil & Gas Equipment & Services 17.4%		
Baker Hughes	1,585,859	57,789
BJ Services	3,708,960	50,553
Cameron International (1)	4,820,352	136,416
FMC Technologies (1)	1,176,968	44,230
Halliburton	927,200	19,193
McDermott International (1)	1,490,200	30,266
National Oilwell Varco (1)	407,534	13,310
Saipem (EUR)	757,022	18,479
Schlumberger	2,742,172	148,379
Smith International	3,264,103	84,051
Technip (EUR)	955,362	46,961
Tenaris, ADR	355,085	9,601
Trican Well Service (CAD)	2,992,400	25,778
		685,006
Petroleum Exploration & Production 14.8%		
Anadarko Petroleum	614,622	27,898
BG Group (GBP)	3,040,885	51,092
Bill Barrett (1)	566,565	15,558
Canadian Natural Resources	2,411,996	126,606
Devon Energy	1,205,859	65,719
Encore Acquisition (1)	1,171,700	36,147
EOG Resources	1,263,166	85,794
Newfield Exploration (1)	878,800	28,711
Nexen	777,892	16,841
Novatek, GDR	367,370	17,623
Suncor Energy	638,000	19,357
Tullow Oil (GBP)	457,500	7,078
Ultra Petroleum (1)	438,600	17,106
Woodside Petroleum (AUD)	396,900	13,753

T. ROWE PRICE NEW ERA FUND

	Shares	Value
(Cost and value in \$000s)		
XTO Energy	1,415,241	53,977
		583,260
Precious Metals 4.4%		
Agnico Eagle Mines, Warrants, 12/2/13 (1)	57,750	1,242
Agnico-Eagle Mines, Acquisition Date: 12/3/08		
Acquisition Cost \$3,350 (2)	115,500	6,061
Agnico-Eagle Mines	1,502,800	78,867
Barrick Gold	1,310,300	43,960
Eldorado Gold (1)	1,488,000	13,318
Franco-Nevada (CAD)	1,301,500	31,286
Franco-Nevada, Warrants, 6/16/17 (CAD) (1)	58,200	235
		174,969
Refining & Marketing 0.4%		
Sunoco	697,600	16,184
		16,184
Total Common Stocks (Cost \$3,185,092)		3,744,348
SHORT-TERM INVESTMENTS 4.7%		
Money Market Funds 4.7%		
T. Rowe Price Reserve Investment Fund, 0.41% (3)(4)	186,243,609	186,244
Total Short-Term Investments (Cost \$186,244)		186,244

(Cost and value in \$000s)

Total Investments in Securities

99.8% of Net Assets (Cost \$3,371,336)

\$ 3,930,592

‡ Denominated in U.S. dollars unless otherwise noted.

(1) Non-income producing

(2) Security cannot be offered for public resale without first being registered under the Securities Act of 1933 and related rules ("restricted security"). Acquisition date represents the day on which an enforceable right to acquire such security is obtained and is presented along with related cost in the security description. The fund has registration rights for certain restricted securities. Any costs related to such registration are borne by the issuer. The aggregate value of restricted securities (excluding 144A holdings) at period-end amounts to \$6,061 and represents 0.2% of net assets.

(3) Seven-day yield

(4) Affiliated Companies

ADR American Depositary Receipts

AUD Australian Dollar

CAD Canadian Dollar

EUR Euro

GBP British Pound

GDR Global Depositary Receipts

HKD Hong Kong Dollar

NOK Norwegian Krone

REIT Real Estate Investment Trust

Affiliated Companies

(\$000s)

The fund may invest in certain securities that are considered affiliated companies. As defined by the 1940 Act, an affiliated company is one in which the fund owns 5% or more of the outstanding voting securities, or a company which is under common ownership or control.

Affiliate	Purchase	Sales	Investment	Value	
	Cost	Cost	Income	6/30/09	12/31/08
T. Rowe Price Reserve	¤	¤			
Investment Fund, 0.41%			\$ 390	\$ 186,244	\$ 72,595
Totals			\$ 390	\$ 186,244	\$ 72,595

¤ Purchase and sale information not shown for cash management funds.

Amounts reflected on the accompanying financial statements include the following amounts related to affiliated companies:

Investment in securities, at cost	\$ 186,244
Dividend income	390
Interest income	-
Investment income	\$ 390
Realized gain (loss) on securities	\$ -
Capital gain distributions from mutual funds	\$ -

The accompanying notes are an integral part of these financial statements.

STATEMENT OF ASSETS AND LIABILITIES

(\$000s, except shares and per share amounts)

Assets

Investments in securities, at value (cost \$3,371,336)	\$ 3,930,592
Receivable for investment securities sold	5,378
Dividends and interest receivable	5,099
Receivable for shares sold	3,292
Other assets	477
Total assets	<u>3,944,838</u>

Liabilities

Payable for shares redeemed	2,852
Investment management fees payable	1,897
Due to affiliates	292
Other liabilities	453
Total liabilities	<u>5,494</u>

NET ASSETS**\$ 3,939,344****Net Assets Consist of:**

Undistributed net investment income	\$ 31,894
Accumulated undistributed net realized loss	(315,119)
Net unrealized gain	559,246
Paid-in capital applicable to 113,137,182 shares of \$1.00 par value capital stock outstanding; 200,000,000 shares authorized	<u>3,663,323</u>

NET ASSETS**\$ 3,939,344****NET ASSET VALUE PER SHARE****\$ 34.82**

The accompanying notes are an integral part of these financial statements.

STATEMENT OF OPERATIONS

(\$000s)

	6 Months Ended 6/30/09
Investment Income (Loss)	
Income	
Dividend (net of foreign taxes of \$2,328)	\$ 38,761
Securities lending	351
Total income	<u>39,112</u>
Expenses	
Investment management	9,545
Shareholder servicing	2,036
Prospectus and shareholder reports	192
Custody and accounting	123
Registration	38
Legal and audit	19
Directors	11
Miscellaneous	99
Total expenses	<u>12,063</u>
Net investment income	<u>27,049</u>
Realized and Unrealized Gain (Loss)	
Net realized gain (loss)	
Securities	(233,208)
Foreign currency transactions	65
Net realized loss	<u>(233,143)</u>
Change in net unrealized gain (loss)	
Securities	766,354
Other assets and liabilities denominated in foreign currencies	(13)
Change in net unrealized gain	<u>766,341</u>
Net realized and unrealized gain	<u>533,198</u>
INCREASE IN NET ASSETS FROM OPERATIONS	<u>\$ 560,247</u>

The accompanying notes are an integral part of these financial statements.

T. ROWE PRICE NEW ERA FUND

Unaudited

STATEMENT OF CHANGES IN NET ASSETS

(\$000s)

	6 Months Ended 6/30/09	Year Ended 12/31/08
Increase (Decrease) in Net Assets		
Operations		
Net investment income	\$ 27,049	\$ 57,742
Net realized loss	(233,143)	(71,140)
Change in net unrealized gain (loss)	766,341	(3,496,697)
Increase (decrease) in net assets from operations	560,247	(3,510,095)
Distributions to shareholders		
Net investment income	-	(50,905)
Net realized gain	-	(40,525)
Decrease in net assets from distributions	-	(91,430)
Capital share transactions*		
Shares sold	514,135	1,648,639
Distributions reinvested	-	83,532
Shares redeemed	(285,560)	(1,901,359)
Increase (decrease) in net assets from capital share transactions	228,575	(169,188)
Net Assets		
Increase (decrease) during period	788,822	(3,770,713)
Beginning of period	3,150,522	6,921,235
End of period	\$ 3,939,344	\$ 3,150,522
Undistributed net investment income	31,894	4,845
*Share information		
Shares sold	16,141	30,336
Distributions reinvested	-	2,854
Shares redeemed	(9,498)	(39,856)
Increase (decrease) in shares outstanding	6,643	(6,666)

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

T. Rowe Price New Era Fund, Inc. (the fund), is registered under the Investment Company Act of 1940 (the 1940 Act) as a diversified, open-end management investment company. The fund commenced operations on January 20, 1969. The fund seeks to provide long-term capital growth primarily through the common stocks of companies that own or develop natural resources and other basic commodities, and also through the stocks of selected nonresource growth companies.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America, which require the use of estimates made by fund management. Fund management believes that estimates and security valuations are appropriate; however, actual results may differ from those estimates, and the security valuations reflected in the financial statements may differ from the value the fund ultimately realizes upon sale of the securities. Further, fund management believes no events have occurred between June 30, 2009 and August 20, 2009, the date of issuance of the financial statements, that require adjustment of, or disclosure in, the accompanying financial statements.

Investment Transactions, Investment Income, and Distributions Income and expenses are recorded on the accrual basis. Dividends received from mutual fund investments are reflected as dividend income; capital gain distributions are reflected as realized gain/loss. Dividend income and capital gain distributions are recorded on the ex-dividend date. Income tax-related interest and penalties, if incurred, would be recorded as income tax expense. Investment transactions are accounted for on the trade date. Realized gains and losses are reported on the identified cost basis. Distributions to shareholders are recorded on the ex-dividend date. Income distributions are declared and paid on an annual basis. Capital gain distributions, if any, are declared and paid by the fund, typically on an annual basis.

Currency Translation Assets, including investments, and liabilities denominated in foreign currencies are translated into U.S. dollar values each day at the prevailing exchange rate, using the mean of the bid and asked prices of such currencies against U.S. dollars as quoted by a major bank. Purchases and sales of securities, income, and expenses are translated into U.S. dollars at the prevailing exchange rate on the date of the transaction. The effect of changes in foreign currency

exchange rates on realized and unrealized security gains and losses is reflected as a component of security gains and losses.

Rebates and Credits Subject to best execution, the fund may direct certain security trades to brokers who have agreed to rebate a portion of the related brokerage commission to the fund in cash. Commission rebates are reflected as realized gain on securities in the accompanying financial statements and totaled \$29,000 for the six months ended June 30, 2009. Additionally, the fund earns credits on temporarily uninvested cash balances held at the custodian which reduce the fund's custody charges. Custody expense in the accompanying financial statements is presented before reduction for credits.

New Accounting Pronouncement On January 1, 2009, the fund adopted Statement of Financial Accounting Standards No. 161 (FAS 161), *Disclosures about Derivative Instruments and Hedging Activities*. FAS 161 requires enhanced disclosures about derivative and hedging activities, including how such activities are accounted for and their effect on financial position, performance and cash flows. Adoption of FAS 161 had no impact on the fund's net assets or results of operations.

NOTE 2 - VALUATION

The fund's investments are reported at fair value as defined under Statement of Financial Accounting Standards No. 157 (FAS 157), *Fair Value Measurements*. The fund values its investments and computes its net asset value per share at the close of the New York Stock Exchange (NYSE), normally 4 p.m. ET, each day that the NYSE is open for business.

Valuation Methods Equity securities listed or regularly traded on a securities exchange or in the over-the-counter (OTC) market are valued at the last quoted sale price or, for certain markets, the official closing price at the time the valuations are made, except for OTC Bulletin Board securities, which are valued at the mean of the latest bid and asked prices. A security that is listed or traded on more than one exchange is valued at the quotation on the exchange determined to be the primary market for such security. Listed securities not traded on a particular day are valued at the mean of the latest bid and asked prices for domestic securities and the last quoted sale price for international securities.

Investments in mutual funds are valued at the mutual fund's closing net asset value per share on the day of valuation.

Other investments, including restricted securities, and those for which the above valuation procedures are inappropriate or are deemed not to reflect fair value are stated at fair value as determined in good faith by the T. Rowe Price Valuation Committee, established by the fund's Board of Directors.

For valuation purposes, the last quoted prices of non-U.S. equity securities may be adjusted under the circumstances described below. If the fund determines that developments between the close of a foreign market and the close of the NYSE will, in its judgment, materially affect the value of some or all of its portfolio securities, the fund will adjust the previous closing prices to reflect what it believes to be the fair value of the securities as of the close of the NYSE. In deciding whether it is necessary to adjust closing prices to reflect fair value, the fund reviews a variety of factors, including developments in foreign markets, the performance of U.S. securities markets, and the performance of instruments trading in U.S. markets that represent foreign securities and baskets of foreign securities. A fund may also fair value securities in other situations, such as when a particular foreign market is closed but the fund is open. The fund uses outside pricing services to provide it with closing prices and information to evaluate and/or adjust those prices. The fund cannot predict how often it will use closing prices and how often it will determine it necessary to adjust those prices to reflect fair value. As a means of evaluating its security valuation process, the fund routinely compares closing prices, the next day's opening prices in the same markets, and adjusted prices.

Valuation Inputs Various inputs are used to determine the value of the fund's investments. These inputs are summarized in the three broad levels listed below:

Level 1 – quoted prices in active markets for identical securities

Level 2 – observable inputs other than Level 1 quoted prices (including, but not limited to, quoted prices for similar securities, interest rates, prepayment speeds, credit risk)

Level 3 – unobservable inputs

Observable inputs are those based on market data obtained from sources independent of the fund, and unobservable inputs reflect the fund's own assumptions based on the best information available. The input levels are not necessarily an indication of the risk or liquidity associated with investments at that level. For example, non-U.S. equity securities actively traded in foreign markets generally are reflected in Level 2 despite the availability of closing prices because the fund evaluates and determines whether those closing prices reflect fair value at the

close of the NYSE or require adjustment, as described above. The following table summarizes the fund's investments, based on the inputs used to determine their values on June 30, 2009:

(\$000s)	Level 1 Quoted Prices	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Total Value
Assets				
Investments in Securities				
Common Stocks	\$ 3,238,514	\$ 505,834	\$ —	\$ 3,744,348
Short-Term Investments	186,244	—	—	186,244
Total	\$ 3,424,758	\$ 505,834	\$ —	\$ 3,930,592

NOTE 3 - OTHER INVESTMENT TRANSACTIONS

Consistent with its investment objective, the fund engages in the following practices to manage exposure to certain risks or to enhance performance. The investment objective, policies, program, and risk factors of the fund are described more fully in the fund's prospectus and Statement of Additional Information.

Restricted Securities The fund may invest in securities that are subject to legal or contractual restrictions on resale. Prompt sale of such securities at an acceptable price may be difficult and may involve substantial delays and additional costs.

Securities Lending The fund lends its securities to approved brokers to earn additional income. It receives as collateral cash and U.S. government securities valued at 102% to 105% of the value of the securities on loan. Cash collateral is invested by the fund's lending agent(s) in accordance with investment guidelines approved by fund management. Although risk is mitigated by the collateral, the fund could experience a delay in recovering its securities and a possible loss of income or value if the borrower fails to return the securities or if collateral investments decline in value. Securities lending revenue recognized by the fund consists of earnings on invested collateral and borrowing fees, net of any rebates to the borrower and compensation to the lending agent. At June 30, 2009, there were no securities on loan.

Other Purchases and sales of portfolio securities other than short-term securities aggregated \$452,061,000 and \$309,123,000, respectively, for the six months ended June 30, 2009.

NOTE 4 - FEDERAL INCOME TAXES

No provision for federal income taxes is required since the fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code and distribute to shareholders all of its taxable income and gains. Distributions are determined in accordance with Federal income tax regulations, which differ from generally accepted accounting principles, and, therefore, may differ in amount or character from net investment income and realized gains for financial reporting purposes. Financial reporting records are adjusted for permanent book/tax differences to reflect tax character but are not adjusted for temporary differences. The amount and character of tax-basis distributions and composition of net assets are finalized at fiscal year-end; accordingly, tax-basis balances have not been determined as of June 30, 2009.

In accordance with federal tax regulations, the fund deferred recognition of certain capital loss amounts previously recognized in the prior fiscal year for financial reporting purposes until the current fiscal period for tax purposes. Such deferrals amounted to \$74,843,000 and related to net capital losses realized between November 1 and the fund's fiscal year-end date.

At June 30, 2009, the cost of investments for federal income tax purposes was \$3,371,336,000. Net unrealized gain aggregated \$559,246,000 at period-end, of which \$968,459,000 related to appreciated investments and \$409,213,000 related to depreciated investments.

NOTE 5 - FOREIGN TAXES

The fund is subject to foreign income taxes imposed by certain countries in which it invests. Additionally, capital gains realized by the fund upon disposition of securities issued in or by certain foreign countries are subject to capital gains tax imposed by those countries. All taxes are computed in accordance with the applicable foreign tax law, and, to the extent permitted, capital losses are used to offset capital gains. Tax expense attributable to income is accrued by the fund as a reduction of income. Current and deferred tax expense attributable to net capital gains is reflected as a component of realized and/or change in unrealized gain/loss on securities in the accompanying financial statements. At June 30, 2009, the fund had no deferred tax liability attributable to foreign securities and no foreign capital loss carryforwards.

NOTE 6 - RELATED PARTY TRANSACTIONS

The fund is managed by T. Rowe Price Associates, Inc. (the manager or Price Associates), a wholly owned subsidiary of T. Rowe Price Group, Inc. The investment management agreement between the fund and the manager provides for an annual investment management fee, which is computed daily and paid monthly. The fee consists of an individual fund fee, equal to 0.25% of the fund's average daily net assets, and a group fee. The group fee rate is calculated based on the combined net assets of certain mutual funds sponsored by Price Associates (the group) applied to a graduated fee schedule, with rates ranging from 0.48% for the first \$1 billion of assets to 0.285% for assets in excess of \$220 billion. The fund's group fee is determined by applying the group fee rate to the fund's average daily net assets. At June 30, 2009, the effective annual group fee rate was 0.31%.

In addition, the fund has entered into service agreements with Price Associates and two wholly owned subsidiaries of Price Associates (collectively, Price). Price Associates computes the daily share price and provides certain other administrative services to the fund. T. Rowe Price Services, Inc., provides shareholder and administrative services in its capacity as the fund's transfer and dividend disbursing agent. T. Rowe Price Retirement Plan Services, Inc., provides subaccounting and recordkeeping services for certain retirement accounts invested in the fund. For the six months ended June 30, 2009, expenses incurred pursuant to these service agreements were \$47,000 for Price Associates, \$1,241,000 for T. Rowe Price Services, Inc., and \$163,000 for T. Rowe Price Retirement Plan Services, Inc. The total amount payable at period-end pursuant to these service agreements is reflected as Due to Affiliates in the accompanying financial statements.

The fund may invest in the T. Rowe Price Reserve Investment Fund and the T. Rowe Price Government Reserve Investment Fund (collectively, the T. Rowe Price Reserve Investment Funds), open-end management investment companies managed by Price Associates and considered affiliates of the fund. The T. Rowe Price Reserve Investment Funds are offered as cash management options to mutual funds, trusts, and other accounts managed by Price Associates and/or its affiliates and are not available for direct purchase by members of the public. The T. Rowe Price Reserve Investment Funds pay no investment management fees.

As of June 30, 2009, T. Rowe Price Group, Inc., and/or its wholly owned subsidiaries owned 573,241 shares of the fund, representing less than 1% of the fund's net assets.

INFORMATION ON PROXY VOTING POLICIES, PROCEDURES, AND RECORDS

A description of the policies and procedures used by T. Rowe Price funds and portfolios to determine how to vote proxies relating to portfolio securities is available in each fund's Statement of Additional Information, which you may request by calling 1-800-225-5132 or by accessing the SEC's Web site, www.sec.gov. The description of our proxy voting policies and procedures is also available on our Web site, www.troweprice.com. To access it, click on the words "Our Company" at the top of our corporate homepage. Then, when the next page appears, click on the words "Proxy Voting Policies" on the left side of the page.

Each fund's most recent annual proxy voting record is available on our Web site and through the SEC's Web site. To access it through our Web site, follow the directions above, then click on the words "Proxy Voting Records" on the right side of the Proxy Voting Policies page.

HOW TO OBTAIN QUARTERLY PORTFOLIO HOLDINGS

The fund files a complete schedule of portfolio holdings with the Securities and Exchange Commission for the first and third quarters of each fiscal year on Form N-Q. The fund's Form N-Q is available electronically on the SEC's Web site (www.sec.gov); hard copies may be reviewed and copied at the SEC's Public Reference Room, 450 Fifth St. N.W., Washington, DC 20549. For more information on the Public Reference Room, call 1-800-SEC-0330.

APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT

On March 10, 2009, the fund's Board of Directors (Board) unanimously approved the investment advisory contract (Contract) between the fund and its investment manager, T. Rowe Price Associates, Inc. (Manager). The Board considered a variety of factors in connection with its review of the Contract, also taking into account information provided by the Manager during the course of the year, as discussed below:

Services Provided by the Manager

The Board considered the nature, quality, and extent of the services provided to the fund by the Manager. These services included, but were not limited to, management of the fund's portfolio and a variety of related activities, as well as financial and administrative services, reporting, and communications. The Board also reviewed the background and experience of the Manager's senior management team and investment personnel involved in the management of the fund. The Board concluded that it was satisfied with the nature, quality, and extent of the services provided by the Manager.

Investment Performance of the Fund

The Board reviewed the fund's average annual total returns over the 1-, 3-, 5-, and 10-year periods as well as the fund's year-by-year returns and compared these returns with previously agreed upon comparable performance measures and market data, including those supplied by Lipper and Morningstar, which are independent providers of mutual fund data. On the basis of this evaluation and the Board's ongoing review of investment results, and factoring in the severity of the market turmoil in 2008, the Board concluded that the fund's performance was satisfactory.

Costs, Benefits, Profits, and Economies of Scale

The Board reviewed detailed information regarding the revenues received by the Manager under the Contract and other benefits that the Manager (and its affiliates) may have realized from its relationship with the fund, including research received under "soft dollar" agreements. The Board noted that soft dollars were not used to pay for third-party, non-broker research during 2008. The Board also received information on the estimated costs incurred and profits realized by the Manager and its affiliates from advising T. Rowe Price mutual funds, as well as estimates of the gross profits realized from managing the fund in particular. The Board concluded that the Manager's profits were reasonable in light of the services provided to the fund. The Board also considered whether the fund or other funds benefit under the fee levels set forth in the Contract from any economies of scale realized by the Manager. Under the Contract, the fund pays a fee to the Manager composed of two components—a group fee rate based on the aggregate assets of certain T. Rowe Price mutual funds (including the fund) that declines at certain asset levels and an individual fund fee rate that is assessed on the assets of the fund. The Board concluded that the advisory fee structure for the fund continued to provide for a reasonable sharing of benefits from any economies of scale with the fund's investors.

APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT (CONTINUED)

Fees

The Board reviewed the fund's management fee rate, operating expenses, and total expense ratio and compared them with fees and expenses of other comparable funds based on information and data supplied by Lipper. The information provided to the Board indicated that the fund's management fee rate and expense ratio were at or below the median for comparable funds. The Board also reviewed the fee schedules for comparable privately managed accounts of the Manager and its affiliates. Management informed the Board that the Manager's responsibilities for privately managed accounts are more limited than its responsibilities for the fund and other T. Rowe Price mutual funds that it or its affiliates advise. On the basis of the information provided, the Board concluded that the fees paid by the fund under the Contract were reasonable.

Approval of the Contract

As noted, the Board approved the continuation of the Contract. No single factor was considered in isolation or to be determinative to the decision. Rather, the Board concluded, in light of a weighting and balancing of all factors considered, that it was in the best interests of the fund to approve the continuation of the Contract, including the fees to be charged for services thereunder.

INVESTMENT SERVICES AND INFORMATION

KNOWLEDGEABLE SERVICE REPRESENTATIVES

By Phone: 1-800-225-5132. Available Monday through Friday from 8 a.m. until 10 p.m. ET and Saturday from 8:30 a.m. until 5 p.m. ET.

In Person at a T. Rowe Price Investor Center. Please visit the Web at troweprice.com/investorcenter or call 1-800-225-5132 to locate a center near you.

ACCOUNT SERVICES

Automated 24-Hour Services Including Tele* AccessSM and account access through the T. Rowe Price Web site at troweprice.com.

Automatic Investing. From your bank account or paycheck.

Automatic Withdrawal. Scheduled, periodic redemptions.

IRA Rebalancing. Automatically rebalance to ensure that your accounts reflect your desired asset allocations.

BROKERAGE SERVICES[‡]

Trade stocks, mutual funds, ETFs, bonds, options, CDs, precious metals, and more at competitive commissions.

INVESTMENT INFORMATION

Consolidated Statement. Overview of all of your accounts.

Shareholder Reports. Manager reviews of their strategies and results.

T. Rowe Price Report. Quarterly investment newsletter.

T. Rowe Price Investor. Quarterly publication of insightful financial articles.

Insights. Educational reports on investment strategies and markets.

Investment Guides. Investors Portfolio Review; International Investing Guide; Guide to Bond Funds; On Track Retirement Savings Guide; and Retirement Readiness Guide.

FINANCIAL INTERMEDIARIES AND ADVISORS

By Phone: 1-877-804-2315. Contact us Monday through Friday from 8:30 a.m. until 6 p.m. ET.

By Mail: T. Rowe Price, Financial Institution Services, P.O. Box 89000, Baltimore, MD 21289-4232.

CUSTOMERS WHO TRADE THROUGH A FINANCIAL INTERMEDIARY

Please contact your intermediary or financial professional for assistance.

[‡] Option trading involves additional risk and is not suitable for all investors. Brokerage services offered by T. Rowe Price Investment Services, Inc., member FINRA/SIPC.

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LOG IN AND MANAGE YOUR INVESTMENTS ONLINE

troweprice.com/access

We offer a consolidated view of your T. Rowe Price mutual fund and brokerage accounts. You can sort accounts, customize their groupings, and/or grant View Access to others as you see fit. Analyze your portfolio with **Portfolio Growth Tracker**. Track the historical growth of your mutual fund investments over time. The analysis consists of three components: Activity Summary, Asset Allocation, and Net Investment versus Market Value.

ONLINE SERVICING

troweprice.com/paperless

Enroll to receive your transaction confirmations, investor statements, prospectuses, and shareholder reports online instead of by U.S. mail. You will receive an e-mail with a link to our Web site informing you that your document is available to view online, print, or download. For your convenience and recordkeeping purposes, you will continue to receive your end-of-year summary statement by mail.

Join our E-mail Program to receive market and fund information by e-mail.

Receive timely market reports, performance on T. Rowe Price mutual funds, investment and market insights from T. Rowe Price managers, and more.

INVESTMENT GUIDANCE AND TOOLS

troweprice.com/planningtools

Personal Guides provide you with information that can help you, in a few easy steps, match investments with your financial objectives.

Morningstar® Portfolio Manager (formerly Portfolio Tracker) enables you to track, rebalance, and analyze your portfolio.

Morningstar Portfolio X-Ray® is a comprehensive tool that provides an in-depth examination of your exposure to different sectors, stock types, sub-asset classes, and global diversification.

FINANCIAL INTERMEDIARIES AND ADVISORS

troweprice.com/financialintermediaries

This secure site is designed for professional financial intermediaries and advisors. Financial professionals may access daily prices and historical performance on mutual funds; view market research, manager commentary, and sales ideas; and access literature and forms. For U.S. technical assistance, call 1-888-358-8490 or e-mail us at onlinehelp@troweprice.com. For non-U.S. technical assistance, call +1 (410) 345 4400 or contact us via e-mail.

T. ROWE PRICE RETIREMENT SERVICES

T. Rowe Price offers unique retirement services that can help you meet a broad variety of planning challenges. Our retirement tools are suitable for individuals, the self-employed, small businesses, corporations, and nonprofit organizations. For more information, call **1-800-IRA-5000** or visit our Web site at **troweprice.com/retirement**.

INVESTMENT ACCOUNTS

Rollover IRAs. When you are changing jobs, retiring, or deciding what to do with the money left in a former employer's retirement plan, a Rollover IRA can be the smart move. Call toll-free 1-800-IRA-5000. Our rollover specialists can open your account over the phone and handle most of the paperwork for you. They'll even contact your former employer to help move your money.

Roth IRAs. Your contributions can grow tax-deferred for retirement and distributions are potentially tax-free. Open your account over the phone by calling 1-800-IRA-5000 or online at troweprice.com/ira.

Traditional IRAs. Call 1-800-IRA-5000 or visit troweprice.com/ira to open one of these tax-deferred retirement accounts. In some cases, contributions may be tax-deductible.

Small Business Retirement Plans. If you're self-employed or run a small business or professional practice, T. Rowe Price can help you establish a cost-effective retirement plan that's easy to set up and maintain.

403(b) Custodial Accounts. For those employed by a school, university, church, or other nonprofit organization.

No-Load Variable Annuities.

INVESTMENT GUIDANCE

T. Rowe Price Advisory Planning Services offers a wide range of services that provide expert advice based on your individual needs and financial goals, including consultations with an advisory counselor. Please contact one of our specialists at **1-800-844-9424** to determine the most appropriate service to fit your needs.*

* Services offered by T. Rowe Price Advisory Services, Inc., a federally registered investment adviser. There may be costs associated with these services.

COLLEGE PLANNING

With the costs of college steadily increasing, it's critical to plan early. Our college planning information and college savings products can help you meet your educational investment goals. For more information, visit our Web site at troweprice.com/college, where you will find the **Saving for College Personal Guide**, an interactive tool that can help you determine how much you should save, estimate future tuition costs, and review college savings options. In a few easy steps, the guide provides you with information and a Personalized Action Plan. To speak with a college planning specialist, please call **1-800-638-5660**.

Education Savings Accounts (formerly Education IRAs). This education investment account permits contributions up to a total of \$2,000 per year per beneficiary to help pay for educational costs at eligible schools, including elementary, secondary, and post-secondary institutions. Withdrawals from Education Savings Accounts are tax-free if the proceeds are used for qualified educational expenses.

College Savings Plans (529 Plans). To help families prepare for college education costs, T. Rowe Price manages three 529 plans that are open to all U.S. residents. Any earnings on contributions are tax-deferred and distributions are exempt from federal income taxes when used for qualified educational expenses. Also, these plans offer high contribution limits and affordable systematic investing.

T. Rowe Price manages the T. Rowe Price College Savings Plan, a national 529 plan offered by the Education Trust of Alaska; the Maryland College Investment Plan; and the University of Alaska College Savings Plan. The Maryland College Investment Plan offers certain potential benefits for Maryland residents, and the University of Alaska College Savings Plan offers potential benefits for Alaska residents.

Earnings on a distribution not used for qualified expenses may be subject to income taxes and a 10% federal penalty. Please note that the availability of tax or other benefits may be conditioned on meeting certain requirements such as residency, purpose for or timing of distributions, or other factors, as applicable.

Please visit our Web site or call 1-800-638-5660 to obtain the applicable plan disclosure document, which includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing. Please consider, before investing, whether your or your beneficiary's home state offers any state tax or other benefits that are only available for investments in that state's plan. T. Rowe Price Investment Services, Inc., Distributor/Underwriter.

T. ROWE PRICE MUTUAL FUNDS

This page contains supplementary information that is not part of the shareholder report.

STOCK FUNDS

Domestic

Blue Chip Growth*
Capital Appreciation*
Capital Opportunity*
Diversified Mid-Cap Growth
Diversified Small-Cap Growth
Dividend Growth*
Equity Income*
Equity Index 500
Extended Equity Market Index
Financial Services
Growth & Income
Growth Stock*
Health Sciences
Media & Telecommunications
Mid-Cap Growth*
Mid-Cap Value*
New America Growth*
New Era
New Horizons
Real Estate*
Science & Technology*
Small-Cap Stock*
Small-Cap Value*
Spectrum Growth
Tax-Efficient Multi-Cap Growth
Total Equity Market Index
U.S. Large-Cap Core*
Value*

ASSET ALLOCATION FUNDS

Balanced
Personal Strategy Balanced
Personal Strategy Growth
Personal Strategy Income
Retirement 2005*
Retirement 2010*
Retirement 2015*
Retirement 2020*

ASSET ALLOCATION FUNDS (CONT.)

Retirement 2025*
Retirement 2030*
Retirement 2035*
Retirement 2040*
Retirement 2045*
Retirement 2050*
Retirement 2055*
Retirement Income*

BOND FUNDS

Domestic Taxable

Corporate Income
GNMA
High Yield*
Inflation Protected Bond
New Income*
Short-Term Bond*
Spectrum Income
Strategic Income*
Summit GNMA
U.S. Bond Index
U.S. Treasury Intermediate
U.S. Treasury Long-Term

Domestic Tax-Free

California Tax-Free Bond
Georgia Tax-Free Bond
Maryland Short-Term
Tax-Free Bond
Maryland Tax-Free Bond
New Jersey Tax-Free Bond
New York Tax-Free Bond
Summit Municipal Income
Summit Municipal Intermediate
Tax-Free High Yield
Tax-Free Income*
Tax-Free Short-Intermediate
Virginia Tax-Free Bond

MONEY MARKET FUNDS

Taxable

Prime Reserve
Summit Cash Reserves
U.S. Treasury Money

Tax-Free

California Tax-Free Money
Maryland Tax-Free Money
New York Tax-Free Money
Summit Municipal Money Market
Tax-Exempt Money

INTERNATIONAL/GLOBAL FUNDS

Stock

Africa & Middle East
Emerging Europe & Mediterranean
Emerging Markets Stock
European Stock
Global Large-Cap Stock*
Global Real Estate*
Global Stock*
Global Technology
International Discovery
International Equity Index
International Growth & Income*
International Stock*
Japan
Latin America
New Asia
Overseas Stock
Spectrum International

Bond

Emerging Markets Bond
International Bond*

For more information about T. Rowe Price funds or services, please contact us directly at 1-800-225-5132. Request a prospectus, which includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

Investments in the money market funds are not insured or guaranteed by the FDIC or any other government agency. Although the funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the funds.

* T. Rowe Price Advisor and R Classes may be available for these funds. T. Rowe Price Advisor and R Classes are offered only through financial intermediaries. For more information about T. Rowe Price Advisor and R Classes, contact your financial professional or call T. Rowe Price at 1-877-804-2315.



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