

Corporate Income Fund

(PRPIX)

As of December 31, 2025



T. Rowe Price

Portfolio Management	Managed Since	Joined Firm
Steve Boothe	2018	1999
Lauren Wagandt	2018	2009

Investment Objective

The fund seeks to provide high income and some capital growth.

General Information

CUSIP	741478101
Inception Date	October 31, 1995
Benchmark	Bloomberg US Corp Invest-Grd Index
Expense Information (as of the most recent Prospectus) ⁽¹⁾	0.72%(Gross) 0.59%(Net)

⁽¹⁾The Fund operates under a contractual expense limitation that expires on July 31, 2027.

Market Commentary

Investment-grade (IG) corporate bonds, as represented by the Bloomberg U.S. Corporate Investment Grade Bond Index, generated modest negative total returns in December. Higher yields at the long end of the U.S. Treasury curve weighed on absolute results, although credit sectors remained resilient and posted positive excess returns.

In terms of monetary policy, the Federal Reserve, as was widely expected, lowered its target range for the federal funds rate by 25 basis points to the 3.50%-3.75% range. Notably, however, three policymakers dissented for the first time in six years, with two officials favoring no change to the policy rate and one preferring a 50-basis-point cut. Fed Chair Jerome Powell's post-meeting press conference offered somewhat mixed messages, though ultimately appeared to be less hawkish than some investors were anticipating. While Powell noted that the Fed funds rate is "within a broad range of estimates of its neutral value" and that policymakers are "well positioned to wait and see how the economy evolves," he also referenced concerns about "significant downside risks" to the labor market.

U.S. IG corporates saw positive excess returns in December as spreads ended tighter as demand remained relatively steady and supply slowed as it typically does in the final month of the year. Financials made up the majority of issuance, followed by industrials and utilities. December's gross new issuance was above estimates at USD 38 billion.

Economic data releases, including delayed data due to the government shutdown, provided mixed signals during the month. October data was not released due to the shutdown. Annual headline inflation registered lower at 2.7% in November, down from 3.0% in September. Meanwhile, the annual core consumer price index decreased to 2.6% in November, down from 3.0% in September. In terms of November's employment data, nonfarm payrolls were slightly higher than expected at 64,000, while the unemployment rate rose above expectations to 4.6%, its highest since 2021.

Performance (%) (NAV, total return Performance > 1yr is Annualized)

	1m	3m	1yr	3yrs	5yrs	10yrs	15yrs	30-Day SEC Yield	30-Day SEC Yield w/o Waiver ⁽²⁾
Corporate Income Fund (PRPIX)	-0.08	0.82	7.90	6.45	-0.13	2.91	3.56	4.54	4.35
Bloomberg U.S. Corporate Investment Grade Bond Index (LBCBI)	-0.20	0.84	7.77	6.10	-0.09	3.27	3.69	N/A	N/A

Past performance is not a guarantee or a reliable indicator of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain the most recent month-end performance, visit troweprice.com.

The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any.

⁽²⁾Excludes the effect of contractual expense limitation arrangements. If the expense waiver was not in effect for the 30-Day period shown, there may not be a difference in the 30-day SEC yields shown above.

The fund(s) may have other share classes available that offer different investment minimums and fees. See the prospectus for details.

Risks: Interest rates: A rise in interest rates typically causes the price of a fixed rate debt instrument to fall and its yield to rise. Conversely, a decline in interest rates typically causes the price of a fixed rate debt instrument to rise and the yield to fall. **Derivatives:** The use of derivatives exposes the fund to additional volatility and potential losses. A derivative involves risks different from, and possibly greater than, the risks associated with investing directly in the assets on which the derivative is based, including liquidity risk, valuation risk, correlation risk, market risk, interest rate risk, leverage risk, counterparty and credit risk, operational risk, management risk, legal risk, and regulatory risk. See the prospectus for more detail on the fund's principal risks.

THIS MATERIAL MUST BE PRECEDED OR ACCOMPANIED BY A PROSPECTUS, OR SUMMARY PROSPECTUS IF AVAILABLE.
<https://prospectus-express.broadridge.com/summary.asp?doctype=pros&clientid=trowepl&fundid=741478101>

Risk Return Characteristics (Five Years ended December 31, 2025)

	Annualized Std. Deviation (%)	Alpha (%)	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error (%)
Corporate Income Fund	7.88	-0.01	1.01	0.99	-0.07	-0.43	0.70
Bloomberg US Corp Invest-Grd Index	7.77	0.00	1.00	1.00	0.00	-0.43	0.00

Past performance is not a guarantee or a reliable indicator of future results. Figures are calculated using monthly data and are net of fees.

Top 10 Issuers (%)	Industry	Fund
U.S. Treasuries	Treasuries	4.0
Citigroup	Banking	3.4
Morgan Stanley	Banking	2.7
Goldman Sachs	Banking	2.0
Bank of America	Banking	2.0
Wells Fargo	Banking	1.8
JPMorgan Chase	Banking	1.7
Meta Platforms	Communications	1.6
Oracle	Technology	1.4
Diamondback Energy	Energy	1.4

Comprising 22.0% of total net assets.

Portfolio Characteristics	Fund	LBCBI
Number of Holdings	243	8,627
Weighted Average Maturity	10.51 years	10.33 years
Weighted Average Effective Duration	6.82 years	6.64 years
Weighted Average Coupon	5.33%	4.46%
Yield to Maturity	5.24%	4.82%
Total Assets (all share classes)	\$293,758,652	N/A
Percent of Portfolio in Cash	3.9%	N/A

Industry Diversification (%)	Fund	LBCBI
Banking	18.0	22.1
Insurance	8.5	4.8
Energy	7.2	7.3
Electric Utility	7.0	8.8
Health/ Pharma	6.5	9.5
Technology	6.4	9.7
Securitized	5.0	0.0
Non Corporate	4.0	0.0
US Treasuries	4.0	0.0
Telecom	4.0	4.4
Other	29.5	33.4

**Credit Quality
Diversification (%)**

	Fund	LBCBI
U.S. Treas	4.0	0.0
AAA	0.0	1.8
AA	8.4	15.5
A	35.3	44.8
BBB	40.6	37.8
BB	5.0	0.0
Not Rated	2.9	0.0
Reserves	3.9	0.0

Maturity

Diversification (%)	Fund	Fund vs. LBCBI
0-1 Year	4.9	4.9
1-3 Years	7.0	-13.3
3-5 Years	16.6	-2.1
5-7 Years	22.8	10.7
7-10 Years	24.4	7.5
10-20 Years	5.1	-7.8
20-30 Years	17.9	1.4
30+ Years	1.3	-1.3

Additional Disclosures & Definitions

Consider the investment objectives, risks, and charges and expenses carefully before investing. For a prospectus or, if available, a summary prospectus containing this and other information, call 1-800-638-7780 or visit troweprice.com. Read it carefully.

Visit [Troweprice.com/glossary](https://troweprice.com/glossary) for a glossary of financial terminology.

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Fund Assets, holdings-based analytics (excluding portfolio turnover), and portfolio attribution are calculated using T. Rowe Price's internal Investment Book of Records (IBOR). Due to timing and accounting methodology differences, IBOR data may differ from the Accounting Book of Records (ABOR) data provided by the Fund's accountant.

T. Rowe Price uses a custom structure for sector and industry reporting for this product.

Diversification exhibits may not add to 100% due to exclusion or inclusion of cash.

Credit ratings for the securities held in the Fund are provided by Moody's, Standard & Poor's and Fitch and are converted to the Standard & Poor's nomenclature. A rating of "AAA" represents the highest-rated securities, and a rating of "D" represents the lowest-rated securities. If the rating agencies differ, the highest rating is applied to the security. If a rating is not available, the security is classified as Not Rated (NR). T. Rowe Price uses the rating of the underlying investment vehicle to determine the creditworthiness of credit default swaps and sovereign securities. The Fund is not rated by any agency. U.S. Government Agency securities, if any, may include conventional pass-through securities and collateralized mortgage obligations. This category may include rated and unrated securities.

"Other" includes any categories not explicitly mentioned.

Certain numbers in this report may not equal stated totals due to rounding. Unless otherwise stated, data is as of the report date.

Unless indicated otherwise the source of all data is T. Rowe Price.

This material should not be deemed a recommendation to buy or sell any of the securities mentioned.

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