

# New Income Fund (PRCIX)

As of April 30, 2026



# T. Rowe Price

Portfolio Management	Managed Since	Joined Firm
Anna Dreyer	2024	2008
Carolyn Roby	2025	2006

## Investment Objective

The fund seeks to maximize total return through income and capital appreciation.

## General Information

CUSIP	779570100
Inception Date	August 31, 1973
Benchmark	Bloomberg US Agg Index
Expense Information (as of the most recent Prospectus) <sup>(1)</sup>	0.55%(Gross) 0.44%(Net)

<sup>(1)</sup>The Fund operates under a contractual expense limitation that expires on July 31, 2026.

## Market Commentary

The U.S. investment-grade (IG) fixed income market, as measured by the Bloomberg U.S. Aggregate Bond Index, delivered modest gains in April, partially recovering from a sharp downturn in March. While rising Treasury yields across most maturities created a headwind for total returns, tighter credit spreads provided meaningful support to overall benchmark performance.

Treasury yields moved higher later in April, reflecting stronger-than-expected economic data and continued resilience in labor market conditions, which reduced market expectations for near-term Federal Reserve rate cuts. At the same time, the ongoing conflict in the Middle East contributed to elevated inflation expectations. The benchmark 10-year U.S. Treasury yield increased from 4.30% at the beginning of April to 4.40% by month-end.

The Fed held its policy rate steady at its late-April meeting, in line with broad market expectations. The accompanying statement retained an easing bias; however, the decision revealed notable internal divergence. Three policymakers dissented in favor of removing the easing language, while one dissented in support of an immediate rate cut. Market participants largely interpreted the push to remove easing language as a hawkish signal, contributing to upward pressure on yields.

The meeting also marked Jerome Powell's final appearance as Fed chair. In an unusual development, Powell indicated he will remain on the Board of Governors following the transition to incoming Chair Kevin Warsh, citing concerns about potential political interference.

Across credit sectors, both absolute and excess returns were broadly positive. IG corporates outperformed, supported by improving sentiment tied to optimism about a cease-fire in the Middle East, sustained demand for income, and solid corporate earnings. Excess returns in agency mortgage-backed securities, asset-backed securities, and commercial mortgage-backed securities were more modest than their IG corporate counterparts.

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

	1m	3m	YTD	1yr	3yrs	5yrs	10yrs	15yrs	30-Day SEC Yield	30-Day SEC Yield w/o Waiver <sup>(2)</sup>
New Income Fund (PRCIX)	0.22	-0.22	-0.12	3.97	3.06	-0.31	1.37	2.05	4.28	4.12
Bloomberg U.S. Aggregate Bond Index (LBAGG)	0.11	-0.04	0.07	4.06	3.46	0.18	1.67	2.31	N/A	N/A

The 1-, 5-, and 10-year annualized returns as of 2026-03-31 were 3.86%, -0.20% and 1.42% for the Fund.

**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](https://www.troweprice.com).**

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

<sup>(2)</sup>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=trowepll&fundid=779570100>

**Risk Return Characteristics** (Five Years ended April 30, 2026)

	<b>Annualized Std. Deviation (%)</b>	<b>Alpha (%)</b>	<b>Beta</b>	<b>R-Squared</b>	<b>Information Ratio</b>	<b>Sharpe Ratio</b>	<b>Tracking Error (%)</b>
New Income Fund	6.25	-0.55	0.98	0.99	-0.86	-0.61	0.56
Bloomberg US Agg Index	6.33	0.00	1.00	1.00	0.00	-0.53	0.00

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Figures are calculated using monthly data and are net of fees.

<b>Top 10 Issuers (%)</b>	<b>Industry</b>	<b>Fund</b>
U.S. Treasuries	Sovereign	29.5
FNMA - Mortgages	Agency Fixed	14.9
GNMA	Agency Fixed	5.6
FHLMC - Mortgages	Agency Fixed	5.5
JPMorgan Chase	Banking	0.7
T-Mobile US	Communications	0.6
Carvana Auto Receivables Trust	Car Loan	0.6
Bank of America	Banking	0.6
Banco Santander	Car Loan/CMO	0.6
Goldman Sachs	Banking/Credit	0.5

Comprising 59.1% of total net assets.

Source: Financial data and analytics provider FactSet. Copyright 2026 FactSet. All rights reserved.

<b>Portfolio Characteristics</b>	<b>Fund</b>	<b>LBAGG</b>
Number of Holdings	1,693	14,086
Weighted Average Maturity	8.35 years	8.12 years
Weighted Average Effective Duration	5.85 years	5.79 years
Weighted Average Coupon	4.47%	3.69%
Yield to Maturity	4.98%	4.61%
Total Assets (all share classes)	\$17,572,765,801	N/A
Percent of Portfolio in Cash	0.5%	N/A

<b>Sector Diversification (%)</b>	<b>Fund</b>	<b>LBAGG</b>
Mortgage	30.6	23.9
U.S. Treasuries	29.5	46.1
Corporate	22.0	23.9
ABS	8.4	0.4
High Yield	3.9	0.0
Government Related	2.4	4.3
CMBS	1.7	1.4
Non-U.S. \$ Denom	0.7	0.0
Reserves	0.5	0.0

**Credit Quality**

<b>Diversification (%)</b>	Fund	LBAGG
U.S. Treas	29.5	46.1
U.S. Govt Ag	26.0	24.5
AAA	11.8	3.4
AA	4.5	5.1
A	9.1	11.3
BBB	14.1	9.7
BB	2.5	0.0
B	1.2	0.0
CCC	0.0	0.0
C	0.1	0.0
Not Rated	0.7	0.1
Reserves	0.5	0.0

**Maturity**

<b>Diversification (%)</b>	Fund	Fund vs. LBAGG
0-1 Year	2.2	2.1
1-3 Years	13.7	-9.4
3-5 Years	26.1	6.4
5-7 Years	17.7	3.3
7-10 Years	21.0	-3.6
10-20 Years	10.8	2.8
20-30 Years	8.3	-1.3
30+ Years	0.3	-0.5

**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](http://troweprice.com). Read it carefully.**

Visit [Troweprice.com/glossary](http://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.

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.

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