



# T. Rowe Price

## PORTFOLIO UPDATE

# Corporate Income Fund

As of March 31, 2024

Portfolio Manager:	Managed Fund Since:	Joined Firm:
Steve Boothe	2018	1999
Lauren Wagandt	2018	2009

## INVESTMENT OBJECTIVE

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

## FUND INFORMATION

Symbol	PRPIX
CUSIP	741478101
Inception Date of Fund	October 31, 1995
Benchmark	Bloomberg US Corp Invest-Grd Index
Expense Information (as of the most recent Prospectus)*	0.69% (Gross) 0.59% (Net)
Fiscal Year End	May 31
12B-1 Fee	–

\*The Fund operates under a contractual expense limitation that expires on September 30, 2025.

## PERFORMANCE

(NAV, total return)

	Annualized							30-Day SEC Yield	30-Day SEC Yield w/o Waiver <sup>o</sup>
	One Month	Three Months	One Year	Three Years	Five Years	Ten Years	Fifteen Years		
Corporate Income Fund	1.15%	-0.40%	4.36%	-2.39%	0.99%	2.21%	4.85%	4.91%	4.80%
Bloomberg U.S. Corporate Investment Grade Bond Index	1.29	-0.40	4.43	-1.87	1.52	2.61	4.92	–	–

**Performance data quoted represents past performance and is not a reliable indicator of future performance. 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>o</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 is subject to the risks of fixed income investing, including interest rate risk and credit risk.

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

## MARKET COMMENTARY

Investment-grade (IG) corporate bonds, as represented by the Bloomberg U.S. Corporate Investment Grade Bond Index, generated positive total returns in March. Fluctuating Treasury yields aided benchmark returns overall amid warm inflation data and the Fed's press conference that was largely viewed as dovish. Fed Chair Powell expressed conviction that rate cuts will be delivered this year despite hotter-than-expected inflation reports in January and February, which Powell said, "haven't really changed the overall story." While the Fed still expects 75 basis points of cuts in 2024, one fewer cut was expected in 2025.

U.S. IG corporates saw demand remain strong as supply lightened throughout March, helping spreads to close the month near their one-year tight. The credit curve remains relatively flat and well below long-term averages. While buyers remained yield-focused and long-end supply remained low, intermediate-term corporates slightly outperformed long-term corporates. From an excess return standpoint, however, long-term corporates outperformed intermediate-term corporates. Financials modestly underperformed industrials in the back half of the month as tight credit spreads and lower-than-expected issuance increased the market's expectations for elevated bank supply over the coming weeks. Approximately USD 144 billion in new gross issuance was brought to market in March increasing the first quarter's (Q1) total issuance to USD 537 billion, the largest Q1 issuance of all time.

Economic releases highlighted marginally softer employment data though inflation data remained warm. While February's nonfarm payroll report exceeded expectations at 275,000, the jobs gains stemmed entirely from part-time employment. Notably, the totals from the previous two months were downwardly revised by 167,000 and, in February, the unemployment rate rose from 3.7% to 3.9%. In terms of inflation, the annualized headline consumer price index for February ticked up to 3.2%. The Fed's preferred inflation measure, the core PCE price index, was milder, rising by 2.8% year over year, the smallest increase in almost three years.

**RISK RETURN CHARACTERISTICS**

(Five Years ended March 31, 2024)

	Annualized Std. Deviation	Alpha	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error
Corporate Income Fund	9.46%	-0.46%	1.07	0.98	-0.36	-0.11	1.50%
Bloomberg US Corp Invest-Grd Index	8.79	0.00	1.00	1.00	0.00	-0.06	0.00

**Past performance is not a reliable indicator of future performance.** Figures are calculated using monthly data and are net of fees.**TOP ISSUERS**

Comprising 15.9% of total net assets.

	Industry	% of Fund
Banco Santander	Banking	2.2%
Citigroup	Banking	2.2
AbbVie	Consumer Non Cyclical	1.9
Morgan Stanley	Banking	1.7
Solventum	Consumer Non Cyclical	1.5
Goldman Sachs	Banking	1.3
Wells Fargo	Banking	1.3
JPMorgan Chase	Banking	1.3
Rogers Communications	Communications	1.3
CVS Health	Consumer Cyclical	1.2

Issuers are as of the date indicated and are subject to change.

**PORTFOLIO CHARACTERISTICS**

	Corporate Income Fund	Bloomberg US Corp Invest-Grd Index
Number of Holdings	296	7,938
Weighted Average Maturity	9.47 years	10.66 years
Weighted Average Effective Duration	6.62 years	6.90 years
Weighted Average Coupon	4.97%	4.21%
Yield to Maturity	5.75%	5.30%
Percent of Portfolio in Cash	-0.2%	-
Total Assets (all share classes)	549,025,827	-

**INDUSTRY DIVERSIFICATION**

	Banking	Health/ Pharma	Energy	Electric Utility	Insur- ance	Tele- com	Non Cy- clicals	Securi- tized	Non Corpo- rate	Tech- nology	Other
Corporate Income Fund	20.9%	11.3%	10.9%	9.5%	6.2%	5.5%	4.8%	4.6%	4.0%	2.8%	19.6%
Bloomberg US Corp Invest-Grd Index	23.1	9.8	6.9	8.1	4.5	4.7	5.9	0.0	0.0	9.4	27.6
<b>Over/Underweight</b>	<b>-2.2</b>	<b>1.5</b>	<b>3.9</b>	<b>1.4</b>	<b>1.7</b>	<b>0.7</b>	<b>-1.1</b>	<b>4.6</b>	<b>4.0</b>	<b>-6.6</b>	<b>-8.0</b>

**CREDIT QUALITY DIVERSIFICATION**

	U.S. Treas*	AAA	AA	A	BBB	BB	Not Rated	Reserves
Corporate Income Fund	1.2%	1.0%	5.9%	33.7%	52.5%	4.0%	1.8%	-0.2%
Bloomberg US Corp Invest-Grd Index	0.0	2.1	14.3	44.3	39.3	0.0	0.0	0.0
<b>Over/Underweight</b>	<b>1.2</b>	<b>-1.2</b>	<b>-8.4</b>	<b>-10.5</b>	<b>13.2</b>	<b>4.0</b>	<b>1.8</b>	<b>-0.2</b>

**MATURITY DIVERSIFICATION**

	0-1 Year	1-3 Years	3-5 Years	5-7 Years	7-10 Years	10-20 Years	20-30 Years	30+ Years
Corporate Income Fund	1.3%	12.0%	19.1%	23.4%	20.4%	7.3%	14.6%	1.8%
Bloomberg US Corp Invest-Grd Index	0.0	21.0	17.7	12.5	15.3	12.6	17.9	3.1
<b>Over/Underweight</b>	<b>1.3</b>	<b>-9.0</b>	<b>1.4</b>	<b>11.0</b>	<b>5.1</b>	<b>-5.2</b>	<b>-3.4</b>	<b>-1.2</b>

**Definitions**

Weighted Average Effective Duration is a calculation that seeks to measure the price sensitivity of a bond Fund to changes in interest rates. In general, the longer the average duration, the greater the Fund's sensitivity to interest rates.

**Additional Disclosures**

**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.**

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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.

The Top Issuers excludes U.S. Treasuries, institutional funds, agencies and securitized products.

T. Rowe Price uses a custom structure for diversification reporting on this product.

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

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Source for Maturity Diversification: T Rowe Price.

"Other" includes any categories not explicitly mentioned.

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

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