



PORTFOLIO UPDATE

New Income Fund - I Class

As of September 30, 2019



Portfolio Manager:

Stephen Bartolini

Managed Fund Since:

2018

Joined Firm:

2010

INVESTMENT OBJECTIVE

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

FUND INFORMATION

Symbol	PRXEX
CUSIP	779570407
Inception Date of Fund	August 28, 2015
Benchmark	Bloomberg Barclays US Agg Index
Expense Information (as of the most recent Prospectus)*	0.41% (Gross) 0.39% (Net)
Fiscal Year End	May 31
12B-1 Fee	-

*The I Class operates under a contractual operating expense limitation that expires on September 30, 2020. The fund's net expense ratio reflects a permanent waiver of a portion of the T. Rowe Price Associates, Inc. management fee charged to the fund. This waiver is an amount sufficient to fully offset any acquired fund fees and expenses related to investments in other T. Rowe Price mutual funds. T. Rowe Price funds would be required to seek regulatory approval in order to terminate this arrangement.

PERFORMANCE

(NAV, total return)

	Annualized									30-Day SEC Yield w/o Waiver ^o
	One Month	Three Months	Year-to-Date	One Year	Three Years	Five Years	Ten Years	Fifteen Years	30-Day SEC Yield	
New Income Fund - I Class	-0.49%	2.11%	8.82%	10.09%	3.02%	3.30%	3.87%	4.38%	2.61%	2.61%
Bloomberg Barclays U.S. Aggregate Bond Index	-0.53	2.27	8.52	10.30	2.92	3.38	3.75	4.21	-	-

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. 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. The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any. The T. Rowe Price Fund shares the portfolio of an existing fund (the original share class of the fund referred to as the "investor class"). The total return figures for the I Class shares have been calculated using the performance data of the investor class up to the inception date of the I Class (8/28/15) and the actual performance results of the I Class since that date. Because the I Classes are expected to have lower expenses than the Investor Classes, the I Class performance, had it existed over the periods shown, would have been higher.

^oExcludes the effect of contractual expense limitation arrangements.

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.

Source for Bloomberg Barclays data: Bloomberg Index Services Limited. See additional disclosures.

THIS MATERIAL MUST BE PRECEDED OR ACCOMPANIED BY A PROSPECTUS, OR SUMMARY PROSPECTUS IF AVAILABLE.

RISK RETURN CHARACTERISTICS

(Three Years ended September 30, 2019)

	Annualized Std. Deviation	Alpha	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error
New Income Fund - I Class	3.19%	0.15%	0.96	0.98	0.20	0.46	0.47%
Bloomberg Barclays US Agg Index	3.30	0.00	1.00	1.00	0.00	0.42	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 7.1% of total net assets.

	Industry	% of Fund
Republic of Colombia	Sovereign	1.1%
GE	Finance Companies	0.8
Becton, Dickinson & Company	Consumer Non Cyclical	0.8
Comcast, Special Class A	Communications	0.7
Cigna	Insurance	0.7
Capital One Financial	Banking	0.7
State of Israel	Treasuries	0.6
CVS Health	Consumer Cyclical	0.6
Brixmor Property	REITs	0.6
American Airlines	Transportation	0.6

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

PORTFOLIO CHARACTERISTICS

	New Income Fund - I Class	Bloomberg Bar- clays US Agg Index
Number of Holdings	1,510	10,793
Weighted Average Maturity	8.23 years	7.86 years
Weighted Average Effective Duration	5.78 years	5.69 years
Weighted Average Coupon	3.89%	3.27%
Yield to Maturity	3.04%	2.27%
Percent of Portfolio in Cash	-4.4%	-
Total Assets (all share classes)	24,828,682,058	-

SECTOR DIVERSIFICATION

	U.S. Treas- uries	Govern- ment Re- lated	Corporate	Mortgage	CMBS	ABS	High Yield	Non-U.S. \$ Denom	Reserves
New Income Fund - I Class	14.0%	4.9%	29.2%	32.2%	8.7%	7.5%	6.4%	1.5%	-4.4%
Bloomberg Barclays US Agg Index	40.0	5.8	24.4	26.5	1.3	0.4	0.8	0.0	0.0
Over/Underweight	-26.0	-0.8	4.8	5.7	7.4	7.0	5.6	1.5	-4.4

CREDIT QUALITY DIVERSIFICATION

	U.S. Treas*	U.S. Govt Ag**	AAA	AA	A	BBB	BB	B	CCC	Not Rated	Re-serves
New Income Fund - I Class	14.0%	23.6%	16.1%	3.9%	9.5%	29.2%	3.9%	3.7%	0.2%	0.4%	-4.4%
Bloomberg Barclays US Agg Index	40.0	27.7	4.8	3.3	10.6	12.8	0.8	0.0	0.0	0.0	0.0
Over/Underweight	-26.0	-4.1	11.3	0.5	-1.1	16.3	3.2	3.7	0.2	0.4	-4.4

*U.S. Treasury securities are issued by the U.S. Treasury and are backed by the full faith and credit of the U.S. government. The ratings of U.S. Treasury securities are derived from the ratings on the U.S. government.

**U.S. government agency securities are issued or guaranteed by a U.S. government agency, and may include conventional pass-through securities and collateralized mortgage obligations; unlike Treasuries, government agency securities are not issued directly by the U.S. government and are generally unrated but may have credit support from the U.S. Treasury (e.g., FHLMC and FNMA issues) or a direct government guarantee (e.g., GNMA issues). Therefore, this category may include rated and unrated securities.

Source for Bloomberg Barclays data: Bloomberg Index Services Limited.

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
New Income Fund - I Class	-1.8%	17.3%	32.1%	26.5%	16.1%	1.6%	8.2%	0.1%
Bloomberg Barclays US Agg Index	0.0	26.0	30.9	16.0	9.2	4.0	13.2	0.6
Over/Underweight	-1.8	-8.7	1.1	10.5	6.8	-2.4	-5.0	-0.6

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

Source for Bloomberg Barclays index data: Bloomberg Index Services Ltd. Copyright 2019, Bloomberg Index Services Ltd. Used with permission.

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.

Sources for credit quality: Moody's Investors Service; if Moody's does not rate a security, then Standard & Poor's (S&P) is used as a secondary source. When available, T. Rowe Price will use Fitch for securities that are not rated by Moody's or S&P. T. Rowe Price does not evaluate these ratings, but simply assigns them to the appropriate credit quality category as determined by the rating agency. T. Rowe Price uses the rating of the underlying investment vehicle for credit default swaps.

Source for Maturity Diversification: T Rowe Price.

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.

This material has been prepared for informational purposes only. The views and opinions stated in this commentary are those of the portfolio managers listed as of the date indicated. These views and opinions are subject to change based on market or other conditions and may differ from those of other T. Rowe Price associates. Actual market and investment results may differ materially from expectations.

© 2019 T. Rowe Price. All rights reserved. T. ROWE PRICE, INVEST WITH CONFIDENCE, and the bighorn sheep design are, collectively and/or apart, trademarks or registered trademarks of T. Rowe Price Group, Inc.

T. Rowe Price Investment Services, Inc., Distributor.

2017-US-30725 201910-968887