

PGIM INVESTMENTS UPDATE

FIXED INCOME FUND CHANGES

DECEMBER 2018

SUMMARY OF CHANGES:

PGIM Unconstrained Bond Fund updates:

- I. Enhanced expense reduction effective on or about January 1, 2019,
- II. Fund renaming and repositioning effective on or about February 12, 2019.

PGIM Global Absolute Return Bond Fund update:

- I. Fund renaming effective on or about February 12, 2019.

PGIM UNCONSTRAINED BOND FUND UPDATES:

I. Enhanced expense reduction effective on or about January 1, 2019:

As part of PGIM Investments' ongoing commitment to shareholders, we are implementing enhanced contractual expense caps for the **PGIM Unconstrained Bond Fund**. Effective on or about January 1, 2019, the enhanced contractual expense caps will result in lower net annual operating expenses for the Fund and its shareholders:

Share Class	A	C	Z	R6
Current Net Operating Expenses	1.15%	1.90%	0.80%	0.75%
New Net Operating Expenses¹	1.15%	1.90%	0.73%	0.70%
Expense reduction (+/-)	---	---	-0.07%	-0.05%

Gross operating expenses: A: 1.82%, C: 3.46%, Z: 1.20%, R6: 117.83%. Net operating expenses apply to A: 1.15%, C: 1.90%, Z: 0.73%, and R6: 0.70% after contractual reduction through 6/30/2020. Expenses are as of the most recent prospectus.

¹PGIM Investments LLC (PGIM Investments) has contractually agreed, through June 30, 2020, to limit Total Annual Fund Operating Expenses after fee waivers and/or expense reimbursements to 1.15% of average daily net assets for Class A shares, 1.90% of average daily net assets for Class C shares, 0.73% of average daily net assets for Class Z shares, and 0.70% of average daily net assets for Class R6 shares. This contractual waiver excludes interest, brokerage, taxes (such as income and foreign withholding taxes, stamp duty and deferred tax expenses), acquired fund fees and expenses, extraordinary expenses, and certain other Fund expenses such as dividend and interest expense and broker charges on short sales. Where applicable, PGIM Investments agrees to waive management fees or shared operating expenses on any share class to the same extent that it waives similar expenses on any other share class. In addition, Total Annual Fund Operating Expenses for Class R6 shares will not exceed Total Annual Fund Operating Expenses for Class Z shares. Fees and/or expenses waived and/or reimbursed by PGIM Investments may be recouped by PGIM Investments within the same fiscal year during which such waiver and/or reimbursement is made if such recoupment can be realized without exceeding the expense limit in effect at the time of the recoupment for that fiscal year. This waiver may not be terminated prior to June 30, 2020 without the prior approval of the Fund's Board of Trustees.

II. Fund renaming and repositioning effective on or about February 12, 2019:

The Board of Trustees has approved various proposals to reposition the **PGIM Unconstrained Bond Fund**, including changing the name of the Fund to **PGIM Strategic Bond Fund**, effective on or about February 12, 2019. PGIM Investments believes that repositioning the Fund is in the best interests of shareholders, who may realize the following benefits:

- Potential for improved performance;
- Reduction in new total expenses for Class Z and Class R6 shares due to a change in the fee waiver and/or expense reimbursements; and
- Potential for asset growth of the Fund.

The table below compares the Fund's current name, investment objective, strategies and performance benchmarks to those of the repositioned Fund:

	Current Fund PGIM Unconstrained Bond Fund	Repositioned Fund PGIM Strategic Bond Fund
Investment Objective	Seeks positive returns over the long term, regardless of market conditions.	Seeks to maximize total return, through a combination of current income and capital appreciation.
Primary Benchmark	ICE BofA Merrill Lynch US Dollar LIBOR 3-Month Constant Maturity Index	Bloomberg Barclays U.S. Intermediate Aggregate Bond Index
Lipper Category	Lipper Alternative Credit Focus	Lipper Multi-Sector Income (expected)
Investment Strategies		
<i>Duration and Maturity</i>	Although the Fund may invest in instruments of any duration or maturity, under normal market conditions the dollar-weighted average effective duration of the Fund, including futures positions, is expected to range within -5 to +5 years.	The Fund may invest in instruments of any duration or maturity.
<i>Fixed Income Instruments</i>	At least 80% of investable assets.	Same
<i>Non-US Fixed Income Instruments</i>	Up to 50% of investable assets.	Same
<i>Fixed Income Instruments Denominated in non-USD Currencies</i>	Up to 50% of total assets.	Same
<i>Bonds</i>	High yield (junk) bonds: Up to 100% of total assets	Investment grade bonds: At least 25% of investable assets
<i>Derivatives</i>	Up to 100% of total assets, subject to asset segregation requirements.	Same

PGIM GLOBAL ABSOLUTE RETURN BOND FUND UPDATES:

I. Fund renaming effective on or about February 12, 2019:

The Board of Trustees has approved to change the name of the **PGIM Global Absolute Return Bond Fund** to the **PGIM Global Dynamic Bond Fund**, effective on or about February 12, 2019. PGIM Investments believes that the name change is in the best interest of shareholders and will avoid confusion with the PGIM Absolute Return Bond Fund.

Please note that:

- CUSIP numbers and NASDAQ symbols will remain the same;
- The RIC name will remain the same, Prudential Investments Portfolios 3; and
- No changes will be made to the investment objective, strategy, benchmark, fees or portfolio management team.

TICKER AND CUSIP SYMBOLS

RIC	Old Fund Name	New Fund Name	Ticker	CUSIP	Fund ID
Prudential Investment Portfolios 3	PGIM Unconstrained Bond Fund Class A	PGIM Strategic Bond Fund Class A	PUCAX	74440K678	1143
	PGIM Unconstrained Bond Fund Class C	PGIM Strategic Bond Fund Class C	PUCGX	74440K660	1144
	PGIM Unconstrained Bond Fund Class Z	PGIM Strategic Bond Fund Class Z	PUCZX	74440K652	1145
	PGIM Unconstrained Bond Fund Class R6	PGIM Strategic Bond Fund Class R6	PUCQX	74440K520	1181
	PGIM Global Absolute Return Bond Fund Class A	PGIM Global Dynamic Bond Fund Class A	PAJAX	74440K645	1146
	PGIM Global Absolute Return Bond Fund Class C	PGIM Global Dynamic Bond Fund Class C	PAJGX	74440K637	1147
	PGIM Global Absolute Return Bond Fund Class Z	PGIM Global Dynamic Bond Fund Class Z	PAJZX	74440K611	1149
	PGIM Global Absolute Return Bond Fund Class R6	PGIM Global Dynamic Bond Fund Class R6	PAJQX	74440K629	1148

Fund Risks

PGIM Unconstrained Bond Fund: Fixed income investments are subject to credit, market, and interest rate risks; **call and redemption risk**, where the issuer may call a bond held by the Fund for redemption before it matures and the Fund may lose income; **foreign securities**, which are subject to the risks of currency fluctuation and political uncertainty; **mortgage-backed and asset-backed securities**, which are subject to prepayment, extension, and **interest rate risks**, where the value will decline as interest rates rise; **liquidity risk**, which exists when particular investments are difficult to sell; **high yield (“junk”) bonds**, which are subject to greater credit and market risks; **emerging markets risk**, which are subject to greater volatility and price declines; **currency risk** in that the value of a particular currency will change in relation to other currencies; **selling short** is a form of **leveraging techniques**, which may magnify losses; **derivatives**, which may carry market, credit, and liquidity risks; **U.S. government securities** and U.S. Treasury bills are backed by the full faith and credit of the U.S. government, are less volatile than equity investments, and provide a guaranteed return of principal at maturity; **risk of investment in loans**, which include collateral and uncollateralized loans and their possible inability to meet obligations because of the financial condition of the borrower. **The Fund is deemed a commodity pool and compliance with certain commodity pool regulations may cause the Fund’s expenses to increase.** The nature to which regulations of commodity pools may affect the fund are uncertain. **Diversification** does not guarantee a profit or protect against a loss in declining markets. The risks associated with the Fund are more fully explained in the prospectus. These risks may increase the Fund’s share price volatility. There is no guarantee the Fund’s objective will be achieved.

PGIM Global Absolute Return Fund: The Fund may invest in: **High yield (“junk”) bonds**, have greater credit and market risks; **mortgage-backed and asset-backed securities**, which are subject to prepayment, extension, and interest rate risks; **call and redemption risk**, where bonds may be called before maturity and the Fund may lose income; **liquidity risk** when particular investments may be difficult to sell; **foreign securities**, have risks of currency fluctuation and political uncertainty; **emerging market risk**, are subject to greater volatility and price declines; **currency risk** in that the value of a particular currency will change in relation to other currencies; **derivatives**, which may carry market, credit, and liquidity risks; and **loans**, include collateral and uncollateralized loans and their possible inability to meet obligations. **Fixed income instruments**, which are subject to **credit, market, and interest rate risk**, and their value will decline as interest rates rise; **selling short** is a form of **leveraging techniques**, which may magnify losses; **U.S. government and U.S. agency securities** are subject to market risk, interest rate risk and credit risk. **The Fund is deemed a commodity pool and compliance with certain commodity pool regulations may cause the Fund’s expenses to increase** **Diversification** does not assure a profit or protect against a loss in declining markets. The risks associated with the Fund are more fully explained in the prospectus and summary prospectus. These risks may result in greater share price volatility. There is no guarantee the Fund’s objective will be achieved.

Class R6 and Z shares may be available to group retirement plans and institutional investors through certain retirement, mutual fund wrap, and asset allocation programs. They may also be eligible to institutional investors at a \$5,000,000 investment minimum. Class A, C, and Z shares are generally closed to new retirement plans. Please see the prospectus for additional information about fees, expenses, and investor eligibility.

For more information, please contact the PGIM Investments Sales Desk at (800) 257-3893.

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Consider a fund’s investment objectives, risks, charges, and expenses carefully before investing. The prospectus and the summary prospectus contain this and other information about the fund. Contact the PGIM Investments Sales Desk at (800) 257-3893 to obtain the prospectus and the summary prospectus. Read them carefully before investing.

Mutual fund investing involves risk. Some mutual funds have more risk than others. The investment return and principal value will fluctuate and shares when sold may be worth more or less than the original cost and it is possible to lose money.

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Mutual Funds: Are not insured by the FDIC or any federal government agency | May lose value | Are not a deposit of or guaranteed by any bank or any bank affiliate.