AGNC Investment Corp. (AGNC)

Updated April 24th, 2026, by Kody Kester

Key Metrics

Current Price:	$10.96	**5 Year CAGR Estimate:**	6.1%	**Market Cap:**	$12.6B
Fair Value Price:	$7.80	**5 Year Growth Estimate:**	-1.0%	**Ex-Dividend Date:**	04/30/26
% Fair Value:	139%	**5 Year Valuation Multiple Estimate:**	-6.3%	**Dividend Payment Date:**	05/11/26
Dividend Yield:	13.1%	**5 Year Price Target**	$7.50	**Years Of Dividend Growth:**	0
Dividend Risk Score:	F	**Sector:**	Real Estate	**Rating:**	Sell

Overview & Current Events

AGNC Investment Corp. (AGNC) is a leading mortgage real estate investment trust (REIT) incorporated in 2008 and headquartered in Bethesda, Maryland. The company invests primarily in residential mortgage pass-through securities and collateralized mortgage obligations (CMOs) guaranteed by U.S. government-sponsored enterprises, including Fannie Mae, Freddie Mac, and Ginnie Mae. AGNC funds its portfolio primarily through collateralized borrowings structured as repurchase agreements, operating with leveraged exposure to agency mortgage-backed securities. The company's asset portfolio totals approximately $94.7 billion as of March 31st, 2026. AGNC pays a monthly dividend and is an internally managed mortgage REIT.

On April 20th, 2026, AGNC shared its financial results for the first quarter ended March 31st, 2026. The company's net spread and dollar roll income (NSDRI) per share decreased by 4.5% year-over-year to $0.42 in the quarter. That beat the analyst consensus during the quarter by $0.05. The driving factor behind AGNC's NSDRI per share decline was a sharp uptick in the constant prepayment rate for the quarter. This almost doubled from 7% in Q1 2025 to 13.2% in Q1 2026. The other factor that made it difficult for AGNC to grow was that its portfolio growth struggled to keep pace with the rapid growth of the share count over the past 12 months. The company's tangible net book value per share edged 1.6% higher over the year-ago period to $8.38 during the quarter.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$2.36	$2.56	$2.35	$2.16	$2.70	$3.02	$3.11	$2.61	$1.88	$1.50	***$1.58***	***$1.50***
DPS	$2.32	$2.16	$2.16	$2.02	$1.60	$1.44	$1.44	$1.44	$1.44	$1.44	***$1.44***	***$1.44***
Shares[1]	331	391	536	541	540	522	575	694	897	1,108	***1,148***	***1,950***

Looking ahead, we believe that AGNC's NSDRI per share will contract by 1% annually through 2031, off an anticipated 2026 base of $1.58. While the company is facing pressure from surging CPR, it is somewhat encouraging that its average net interest spread expanded by 25 basis points sequentially to 2.06% in Q1 2026 (down only six basis points versus Q1 2025). This shows that the company's underlying portfolio is becoming more profitable, which is helping to mostly offset the higher CPR and the growing share count. That's why we aren't forecasting a sharper drop in NSDRI per share.

[1] Share count is in millions.

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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	7.7	7.9	7.5	8.2	5.8	5.0	3.3	3.8	5.0	7.3	***6.9***	***5.0***
Avg. Yld.	12.8%	10.7%	12.2%	11.4%	10.3%	9.6%	13.9%	14.7%	15.3%	13.2%	***13.1%***	***19.2%***

Since 2016, AGNC has been valued at a P/E ratio as low as the low single-digits to as much as the high single-digits. Over that time, the average P/E ratio was around 6. In recent years, the elevated interest rate environment has pushed this multiple down to around 5. We believe that a fair value P/E ratio of 5 is realistic for AGNC. Compared to the current-year P/E ratio of 6.9, that suggests the mortgage REIT's shares are significantly overvalued.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	98%	84%	92%	94%	59%	48%	46%	55%	77%	96%	***91%***	***96%***

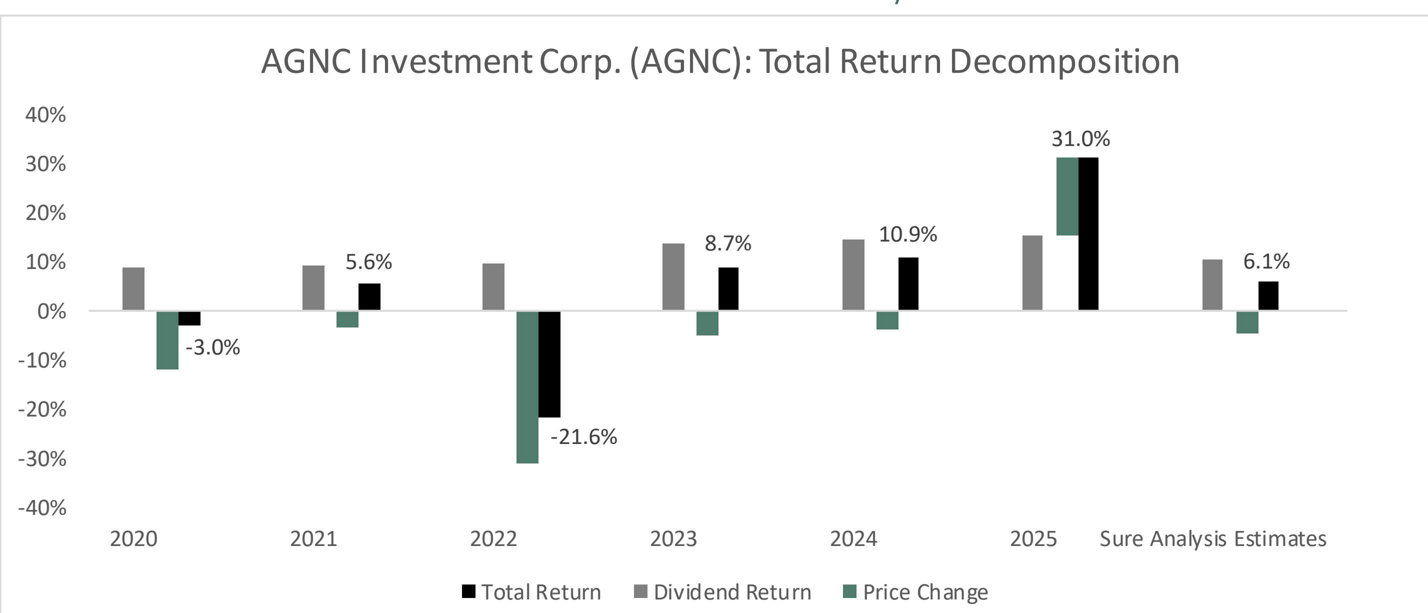
Given that AGNC had its IPO in 2008 – in the midst of the financial crisis – it is hard to get an accurate picture of exactly how it can be expected to perform during this recession. However, the mortgage-backed security industry is very prone to underperform when the housing market experiences a downturn and mortgage foreclosures rise. As a result, it should not be viewed as a safe, defensive stock. Still, its record thus far has been strong for the industry, with industry-leading total economic return (NAV-based) and total stock return (share price-based).

This outperformance has been driven by its highly efficient operating cost structure and the competitive advantage that it enjoys through economies of scale as one of the largest residential mortgage REITs. The trust also strives to guard against downside and enhance shareholder total returns by utilizing a comprehensive risk management framework that is predicated on careful asset selection, disciplined hedging, and diversified funding.

Final Thoughts & Recommendation

AGNC's 13.1% dividend yield, 1.0% annual NSDRI per share contraction prospects, and 6.3% annual valuation multiple downside potential could deliver a 6.1% annual total return through 2031. Consequently, we're reiterating our Sell rating.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	(11)	1,591	1,920	1,082	341	2,414	3,304	1,006	4,876	1,910
D&A Exp.	2	3	25	-	-					
Net Profit	623	771	129	688	(266)	749	(1,190)	155	863	1,670
Net Margin	---	48.5%	6.7%	63.6%	-78.0%	31.0%	-36.0%	15.4%	17.7%	87.4%
Net Margin	1,352	1,260	1,113	1,180	1,747	1,540	1,013	(118)	86	653

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	56,880	70,376	109,241	113,082	81,817	68,149	51,748	71,596	88,015	115,077
Cash & Equiv.	1,282	1,363	1,520	1,282	2,324	1,525	2,334	1,771	1,771	1,742
Goodwill & Int.	554	551	526	526	526	526	526	526	526	526
Total Liabilities	49,524	61,622	99,335	102,041	70,738	57,858	43,878	63,339	78,253	102,684
Long-Term Debt	8,825	4,882	3,100	2,650	177	126	95	80	64	56
Total Equity	7,020	8,270	9,422	10,109	9,590	8,802	6,236	6,623	8,128	10,425
LTD/E Ratio	6.66	6.98	9.83	8.96	5.80	5.56	5.45	7.44	7.94	8.21

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	1.1%	1.2%	0.1%	0.6%	-0.3%	1.0%	-2.0%	0.3%	1.1%	1.6%
Return on Equity	8.1%	9.6%	1.4%	6.6%	-2.4%	7.0%	-13.1%	1.9%	9.6%	15.1%
ROIC	1.1%	1.2%	0.1%	0.6%	-0.3%	1.0%	-2.0%	0.3%	1.1%	1.7%
Shares Out.	331	358	441	546	538	522	575	695.0	900.4	1,073
Revenue/Share	(0.03)	4.44	4.35	2.00	0.62	4.55	6.15	1.62	6.20	1.87
FCF/Share	4.07	3.51	2.52	2.18	3.17	2.91	1.89	(0.19)	0.11	0.64

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.