



Diversified Income Bond

# Seeking high-yield like returns, investment grade risks

**Ken Orchard**

Lead Portfolio Manager

September 2024



#TRPConference

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# Today's Speaker

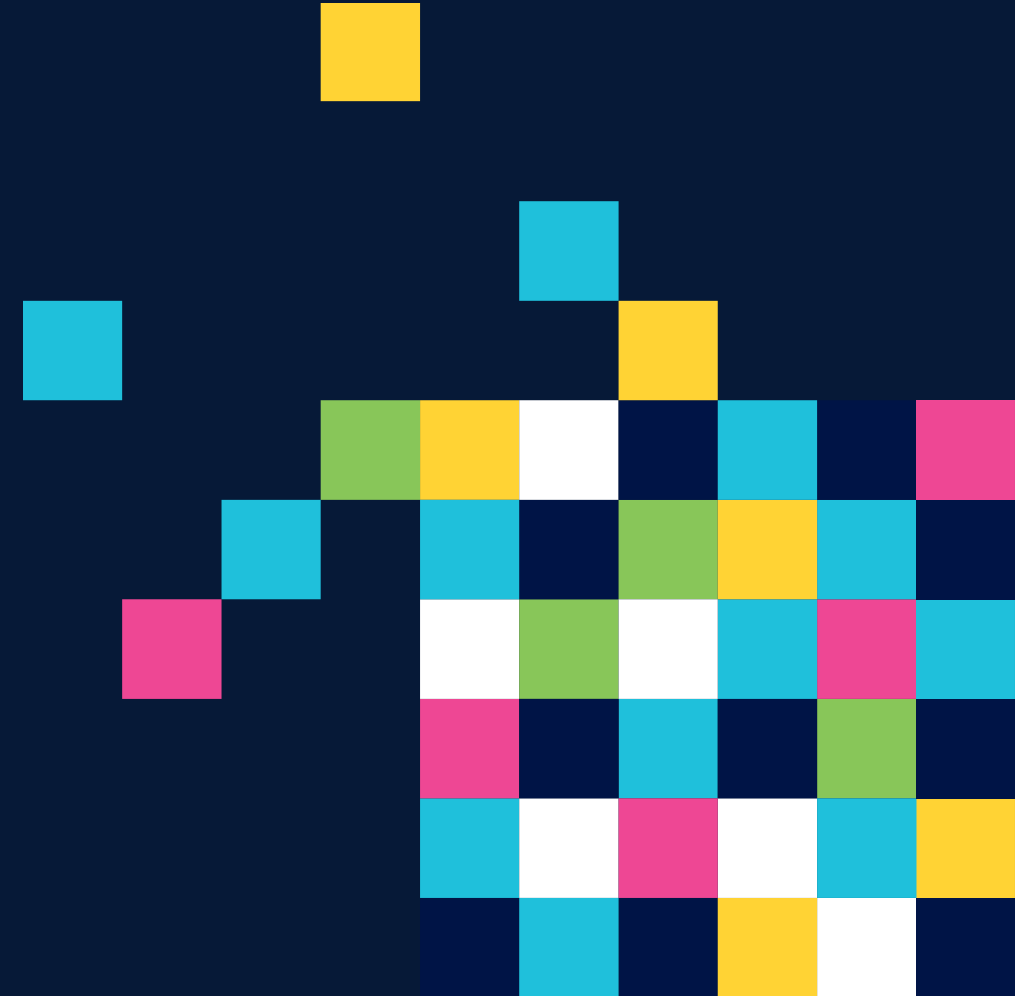


**Kenneth Orchard**  
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Diversified Income Bond





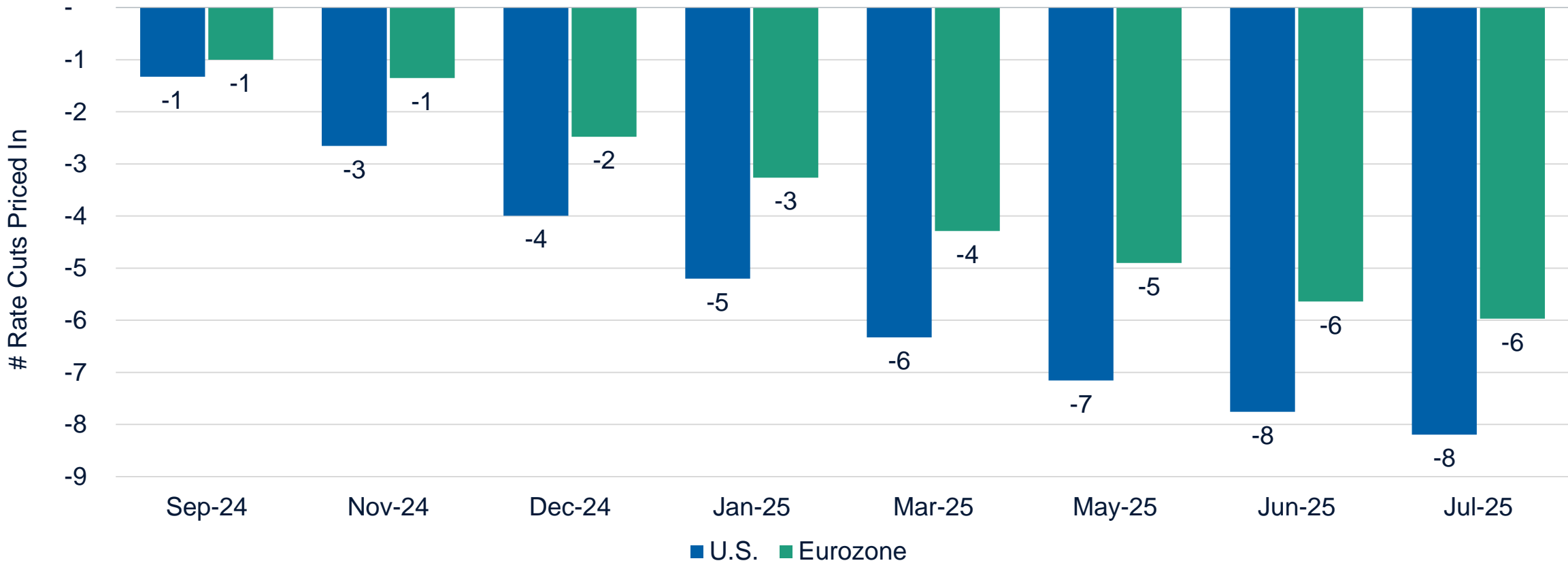
# Why diversify your portfolio now?



# Cash may no longer be king?

As of 4 September 2024

## Market pricing of Central Bank rate cuts

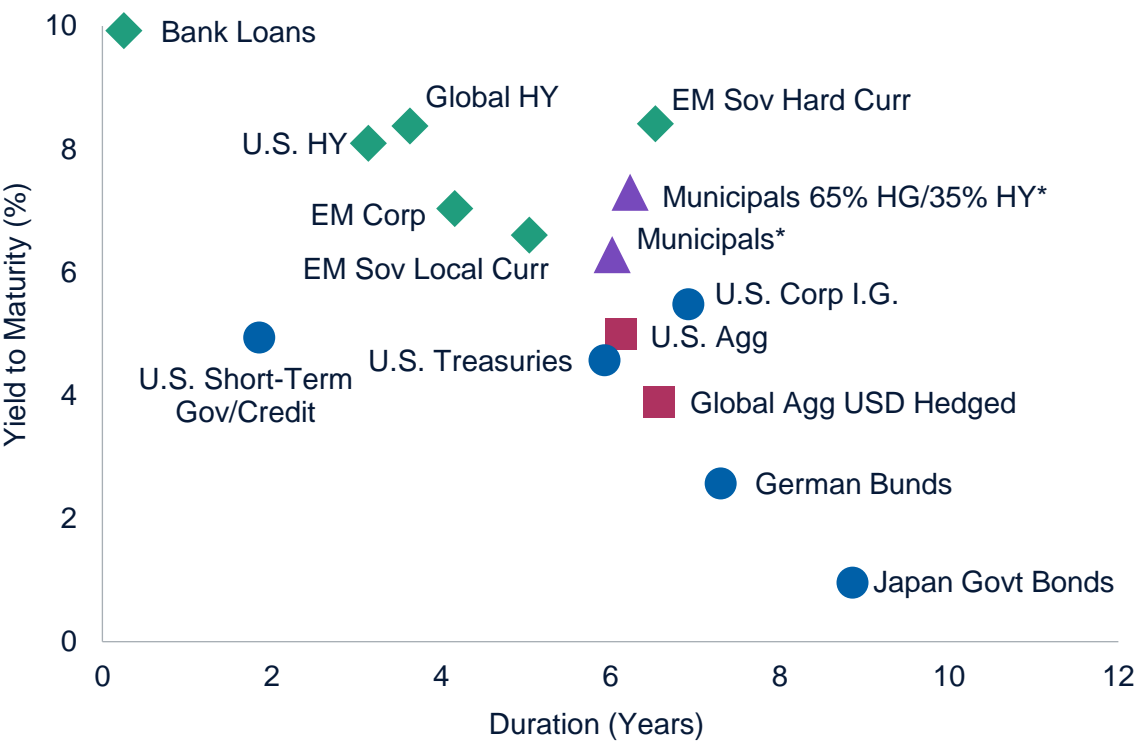


Source: Bloomberg. Please see the Additional Disclosures page for additional legal notices and disclaimers.

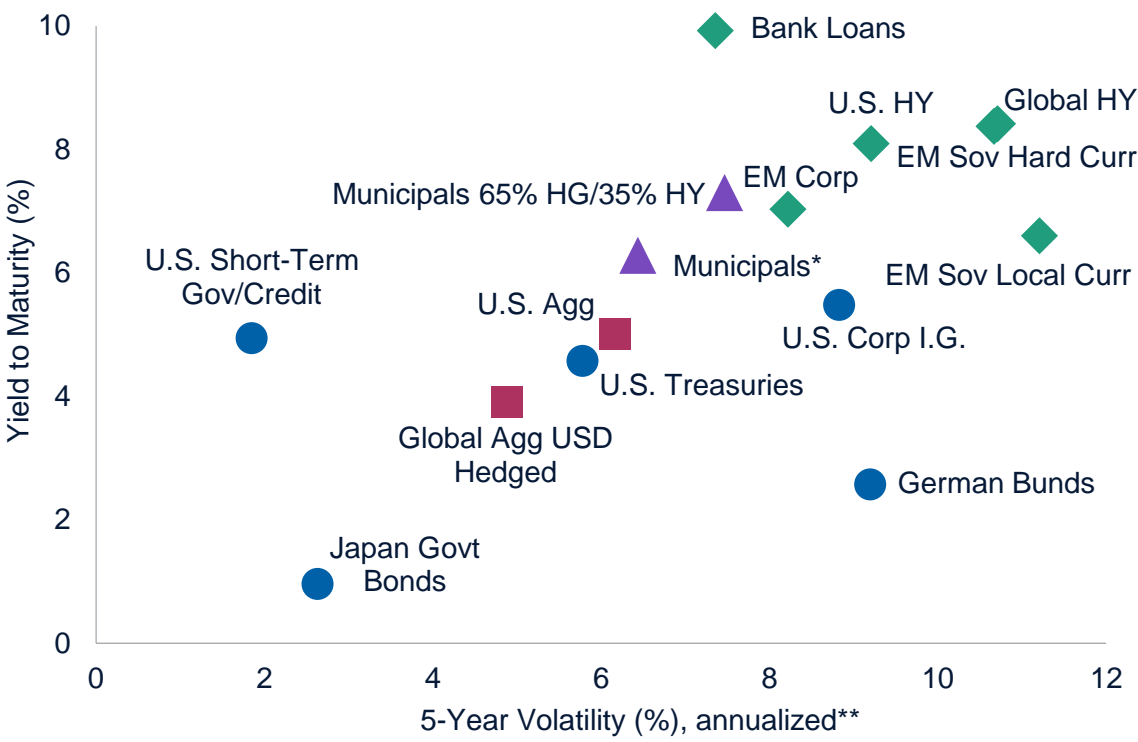
# Sector selection a wide range of income and diversification opportunities

As of 30 June 2024

## Duration and yield



## Volatility and yield



Past performance is not a reliable indicator of future performance.

\*Tax-equivalent yields using a tax rate of 40.8% (highest marginal bracket of 37% + 3.8% net income investment tax).

\*\*Volatility is standard deviation of monthly returns over the 5-year period.

Sources: Bloomberg Finance L.P., T. Rowe Price, and J.P. Morgan Chase. Information has been obtained from sources believed to be reliable, but J.P. Morgan does not warrant its completeness or accuracy. The index is used with permission.

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Indexes used: U.S. Treasuries: Bloomberg U.S. Treasury Index; U.S. Aggregate: Bloomberg U.S. Aggregate; Global Agg USD Hedged: Bloomberg Global Aggregate USD Hedged; U.S. Corp I.G.: Bloomberg U.S. Corp. I.G. Index; U.S. High Yield: Bloomberg U.S. High Yield; EM Sovereign Hard Currency: J.P. Morgan EMBI Global Diversified; EM Corporates: J.P. Morgan CEMBI Broad Diversified; EM Sovereign Local Currency: J.P. Morgan GBI EM GD Index; Japan Government Bond: Bloomberg Asian Pacific Japan; Bunds: Bloomberg Global Treasury Germany; Global High Yield: Bloomberg Global High Yield; U.S. Municipals: Bloomberg Municipal Bond Index Total Return Index Value Unhedged USD; Municipals 65% HG/35% HY Bloomberg 65% High Grade/35% HY Total Return Index Unhedged USD; Bank Loans: JPM Levered Loan Index; US Short-Term Gov/Credit: Bloomberg Short-Term Government/Corporate Total Return Index Value Unhedged USD.

# Active sector selection helps navigate market shifts

As of 30 June 2024 | Figures shown in table are percentages (%)

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 YTD
Global HY 58.90	CMBS 20.40	US TIPs 13.56	EM Hard 18.54	US HY 8.24	HY Muni 13.84	Muni 3.30	US HY 18.91	EM Local 15.21	HY Muni 4.76	Global HY 14.59	US TIPs 10.99	HY Muni 7.77	Bank Loans -0.61	EM Local 14.02	Bank Loans 4.52
US HY 58.18	EM Local 15.68	Muni 10.70	HY Muni 18.14	Global HY 7.42	Muni 9.05	HY Muni 1.81	Global HY 18.27	HY Muni 9.69	ABS 1.77	US IG Corp 14.54	US IG Corp 9.89	US HY 6.00	ABS -4.30	US HY 13.77	HY Muni 4.14
Bank Loans 52.53	Global HY 15.05	US Govt 9.81	EM Local 16.76	Bank Loans 5.41	US IG Corp 7.46	MBS 1.51	Bank Loans 10.36	EM Hard 9.32	US Agency 1.34	EM Hard 14.42	Global Agg 9.20	US TIPs 5.96	US Agency -7.87	Bank Loans 13.72	EM Corp 3.85
EM Corp 34.88	US HY 14.73	HY Muni 9.25	Global HY 16.21	CMBS 0.23	MBS 6.08	EM Corp 1.30	EM Hard 10.19	Global HY 8.28	Muni 1.28	US HY 14.08	CMBS 8.11	Bank Loans 5.42	Muni -8.53	Global HY 13.26	Global HY 3.62
HY Muni 32.73	EM Corp 13.08	EM Hard 8.46	US HY 15.39	ABS -0.27	US Agg 5.97	ABS 1.25	EM Local 9.94	EM Corp 7.96	MBS 0.99	EM Local 13.47	US Govt 8.00	Global HY 4.89	Global HY -10.16	EM Hard 10.45	US HY 3.31
CMBS 28.45	EM Hard 12.04	US IG Corp 8.15	EM Corp 15.02	EM Corp -0.60	EM Hard 5.53	EM Hard 1.23	EM Corp 9.65	US HY 7.59	US Govt 0.86	EM Corp 13.09	US Agg 7.51	Muni 1.52	US HY -10.57	HY Muni 9.21	EM Hard 1.84
EM Hard 28.18	Bank Loans 10.38	US Agg 7.84	US IG Corp 9.82	US Agency -1.38	US Govt 5.05	US Agency 1.01	US IG Corp 6.11	Global Agg 7.39	CMBS 0.78	HY Muni 10.68	EM Corp 7.13	EM Corp 0.91	CMBS -10.91	EM Corp 9.08	ABS 1.66
ABS 24.72	US IG Corp 9.00	US HY 6.96	Bank Loans 9.76	MBS -1.41	EM Corp 4.96	CMBS 0.97	US TIPs 4.68	US IG Corp 6.42	Bank Loans 0.60	US Agg 8.72	EM Hard 5.88	ABS -0.34	MBS -11.81	US IG Corp 8.52	CMBS 1.53
EM Local 21.98	HY Muni 7.80	MBS 6.23	CMBS 9.66	US IG Corp -1.53	CMBS 3.86	US Govt 0.84	CMBS 3.32	Muni 5.45	US Agg 0.01	Bank Loans 8.70	US Agency 5.48	MBS -1.04	US TIPs -11.85	Muni 6.40	US Agency 0.83
US IG Corp 18.68	US Agg 6.54	CMBS 6.02	US TIPs 6.98	US Agg -2.02	US TIPs 3.64	US Agg 0.55	HY Muni 2.99	Bank Loans 4.32	Global Agg -1.20	US TIPs 8.43	Global HY 5.42	US IG Corp -1.04	EM Corp -12.26	Global Agg 5.72	US TIPs 0.70
Muni 12.91	US TIPs 6.31	Global HY 5.73	Muni 6.78	Muni -2.55	US Agency 3.58	Bank Loans 0.10	US Agg 2.65	US Agg 3.54	US TIPs -1.26	CMBS 8.29	Muni 5.21	CMBS -1.16	US Govt -12.46	ABS 5.54	Muni -0.40
US TIPs 11.41	US Govt 5.87	Global Agg 5.64	Global Agg 4.32	Global Agg -2.60	US HY 2.17	US IG Corp -0.68	Global Agg 2.09	CMBS 3.35	EM Corp -1.65	Muni 7.54	US HY 5.19	US Agency -1.32	US Agg -13.01	US Agg 5.53	US IG Corp -0.49
Global Agg 6.93	ABS 5.85	ABS 5.14	US Agg 4.21	US Govt -2.75	ABS 1.88	US TIPs -1.44	ABS 2.03	US TIPs 3.01	Global HY -2.37	US Govt 6.86	HY Muni 4.89	EM Hard -1.51	HY Muni -13.10	CMBS 5.42	US Agg -0.71
US Agg 5.93	Global Agg 5.54	US Agency 4.82	ABS 3.66	HY Muni -5.51	Bank Loans 1.82	Global Agg -3.15	MBS 1.67	MBS 2.47	US HY -2.39	Global Agg 6.84	ABS 4.52	US Agg -1.54	US IG Corp -15.76	US Agency 5.13	US Govt -0.86
MBS 5.89	MBS 5.37	EM Corp 2.31	MBS 2.59	EM Hard -6.58	Global HY 1.67	Global HY -4.25	US Agency 1.39	US Govt 2.31	US IG Corp -2.51	MBS 6.35	MBS 3.87	US Govt -2.32	EM Local -15.85	MBS 5.05	MBS -0.98
US Agency 1.53	US Agency 4.36	Bank Loans 1.50	US Agency 2.16	US TIPs -8.61	Global Agg 0.59	US HY -4.99	US Govt 1.04	US Agency 2.06	EM Hard -4.61	US Agency 5.89	Bank Loans 3.50	Global Agg -4.71	Global Agg -16.25	US Govt 4.05	EM Local -2.78
US Govt -3.57	Muni 2.38	EM Local -1.75	US Govt 1.99	EM Local -8.98	EM Local -5.72	EM Local -14.92	Muni 0.25	ABS 1.55	EM Local -6.21	ABS 4.53	EM Local 2.11	EM Local -9.71	EM Hard -16.45	US TIPs 3.90	Global Agg -3.16

Past performance is not a reliable indicator of future performance.

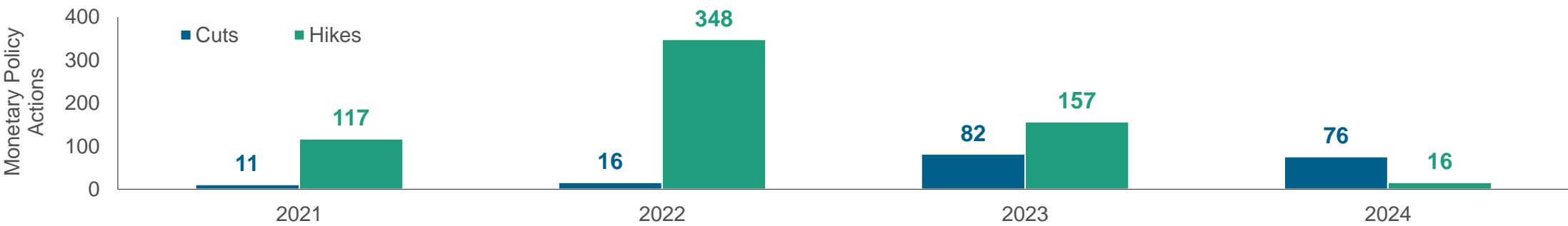
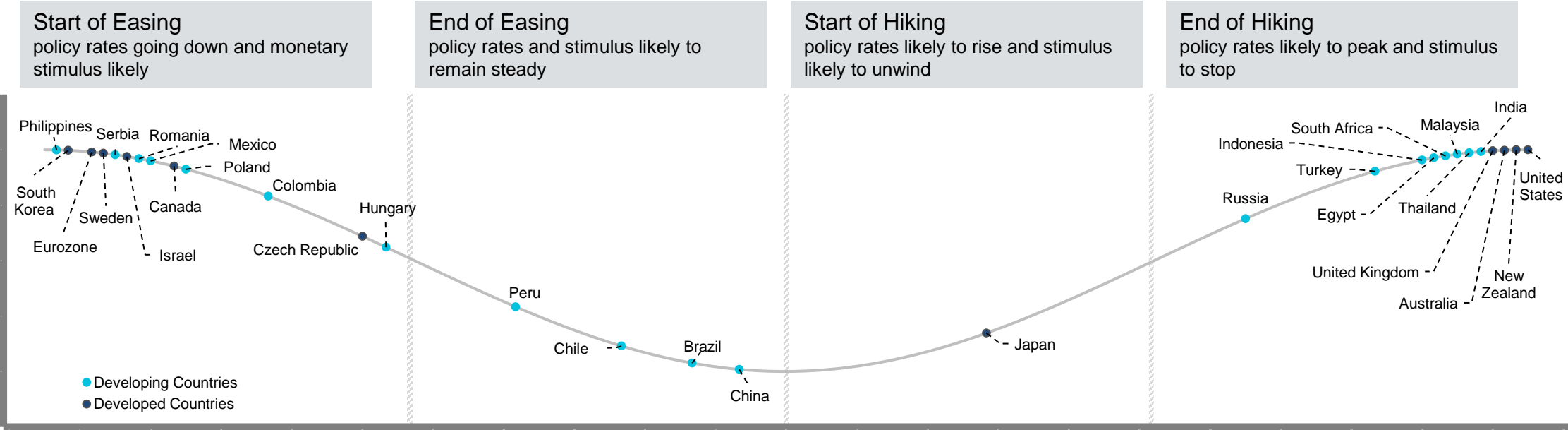
Sources: T. Rowe Price; "MBS" represents the Bloomberg MBS Index; "CMBS" represents the Bloomberg CMBS Index; "Emerging Markets Debt" represents the J.P. Morgan Emerging Markets Bond Global Index; "Global High Yield" represents the J.P. Morgan Global High Yield Index; "I.G. U.S. Corporates" represents the Bloomberg U.S. Corporate Investment Grade Bond Index; "ABS" represents the Bloomberg ABS Index; "Banks Loans" represents the S&P/LSTA Performing Loan Index; "Emerging Markets Local (unhedged)" represents the J.P. Morgan GBI-EM Global Diversified Index; "U.S. Agg." represents the Bloomberg U.S. Aggregate Bond Index. "Emerging Market Corporates" represents the J.P. Morgan CEMBI Broad Diversified Index; "Global Aggregate" represents the Bloomberg Global Aggregate Index; "Municipals" represents Bloomberg Municipal Bond Index Total Return Index Value Unhedged USD; "High Yield Municipals" represents the Bloomberg Municipals High Yield Index. "U.S. Agency" represents the Bloomberg US Agency Index; "U.S. Government" represents the Bloomberg U.S. Treasury Index; "U.S. High Yield" represents the J.P. Morgan Domestic High Yield Index; "U.S. TIPs" represents the Bloomberg U.S. TIPS Index.

Source for Bloomberg index data: Bloomberg Index Services Limited. Please see Additional Disclosures for more information about this Bloomberg information. Information has been obtained from sources believed to be reliable, but J.P. Morgan does not warrant its completeness or accuracy. The index is used with permission. The index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright © 2024, J.P. Morgan Chase & Co. All rights reserved.

# Diversify to capitalise on global monetary policy differences

As of 30 June 2024

## Illustrative Interest Rate Cycle

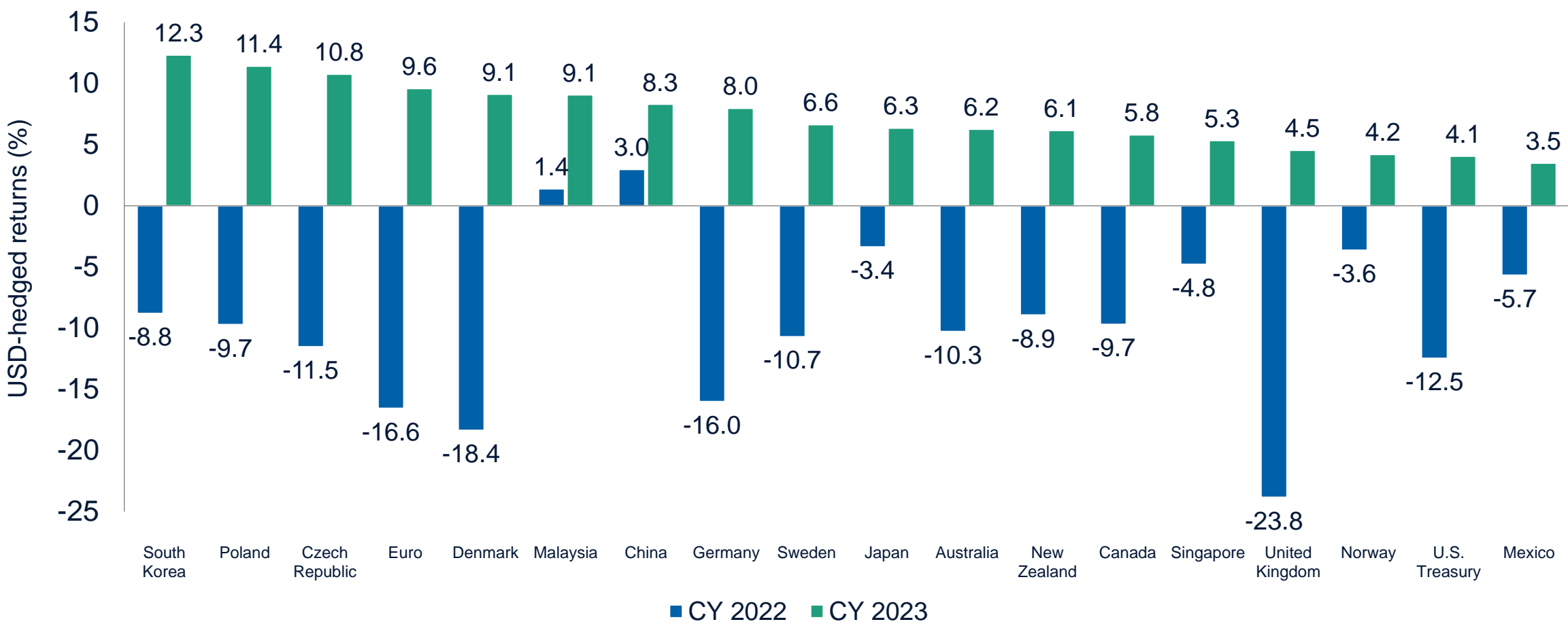


The 'Monetary Policy Actions' charts show the number of rate cuts and rate hikes made by all central banks globally. Country classifications in the chart are in line with IMF groupings as of reporting date. Sources: IMF, CB Rates. Analysis by T. Rowe Price.

# Dispersion presents opportunities for active managers who look for global diversification

As of 31 December 2023

## Government bond total return (USD-hedged) (%)



Past performance is not a reliable indicator of future performance.  
Source: Barclays Live

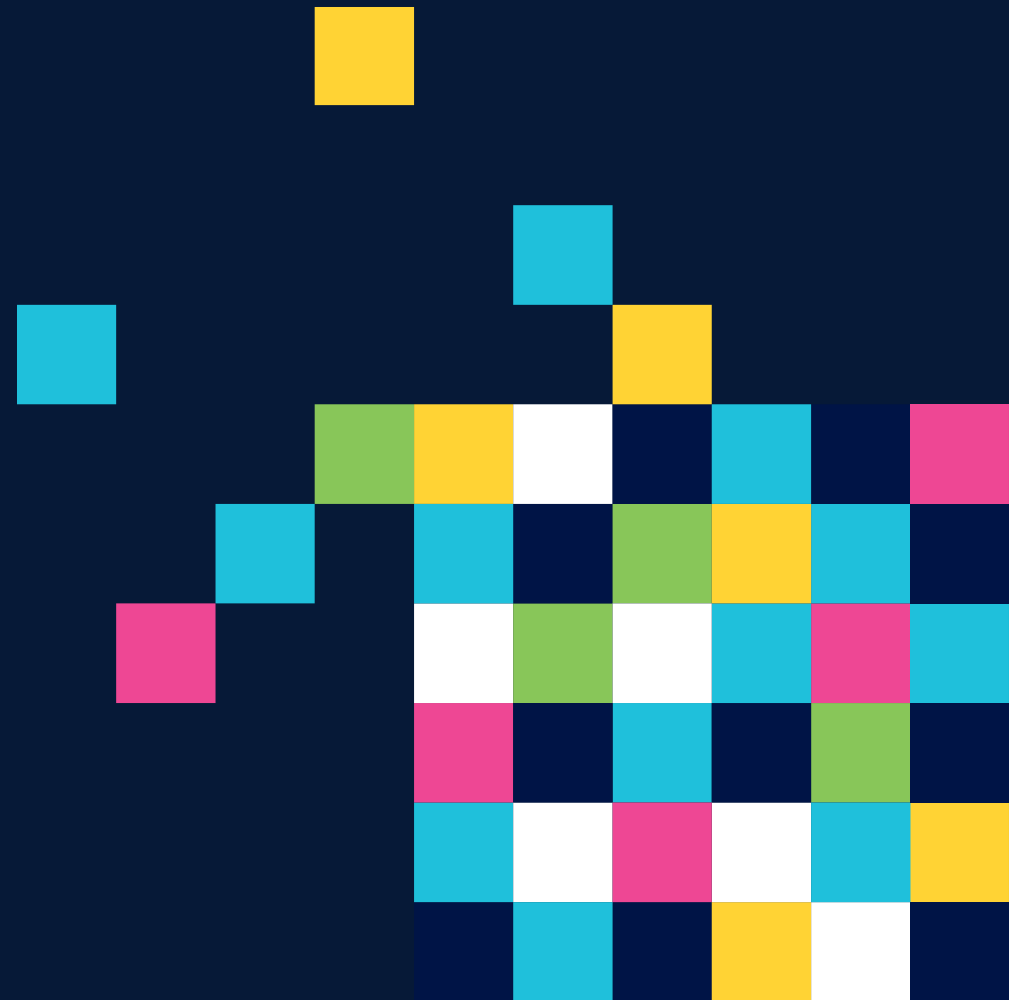




T. Rowe Price Funds SICAV

# Why the Diversified Income Bond?

Seek high yield-like returns with investment-grade levels of risk with our actively managed, "go anywhere" bond strategy. By investing flexibly across the global fixed income universe, we diversify opportunities for attractive income and total returns with a carefully managed risk profile.



# T. Rowe Price Funds SICAV – Diversified Income Bond Fund

## Objective and risks

### Objective

To maximise the value of its shares through both growth in the value of, and income from, its investments.

### Investment process

The fund is actively managed and invests mainly in a diversified portfolio of bonds of all types from issuers around the world, including emerging markets. Although the fund does not have sustainable investment as an objective, the promotion of environmental and/or social characteristics is achieved through the fund's commitment to maintain at least 10% of the value of its portfolio invested in Sustainable Investments, as defined by the SFDR. In addition to the E/S characteristics promoted, the fund also applies the investment manager's proprietary responsible screen (the T. Rowe Price Responsible Exclusion List). The fund may use derivatives for hedging, efficient portfolio management and investment purposes. The fund may also use derivatives to create synthetic short positions in currencies, debt securities, credit indices and equities. For full investment objective and policy details refer to the prospectus. The manager is not constrained by the fund's benchmark.

### Risks – the following risks are materially relevant to the fund (refer to prospectus for further details)

- **ABS and MBS** - Asset-Backed Securities (ABS) and Mortgage-Backed Securities (MBS) may be subject to greater liquidity, credit, default and interest rate risk compared to other bonds. They are often exposed to extension and prepayment risk.
- **Contingent convertible bond** - Contingent Convertible Bonds may be subject to additional risks linked to: capital structure inversion, trigger levels, coupon cancellations, call extensions, yield/valuation, conversions, write downs, industry concentration and liquidity, among others.
- **Credit** - Credit risk arises when an issuer's financial health deteriorates and/or it fails to fulfill its financial obligations to the fund.
- **Currency** - Currency exchange rate movements could reduce investment gains or increase investment losses.
- **Default** - Default risk may occur if the issuers of certain bonds become unable or unwilling to make payments on their bonds.
- **Derivative** - Derivatives may be used to create leverage which could expose the fund to higher volatility and/or losses that are significantly greater than the cost of the derivative.
- **Emerging markets** - Emerging markets are less established than developed markets and therefore involve higher risks.
- **High yield bond** - High yield debt securities are generally subject to greater risk of issuer debt restructuring or default, higher liquidity risk and greater sensitivity to market conditions.
- **Interest rate** - Interest rate risk is the potential for losses in fixed-income investments as a result of unexpected changes in interest rates.
- **Liquidity** - Liquidity risk may result in securities becoming hard to value or trade within a desired timeframe at a fair price.
- **Prepayment and extension** - Mortgage- and asset-backed securities could increase the fund's sensitivity to unexpected changes in interest rates.
- **Real estate** - Real estate and related investments can be hurt by any factor that makes an area or individual property less valuable.
- **Sector concentration** - Sector concentration risk may result in performance being more strongly affected by any business, industry, economic, financial or market conditions affecting a particular sector in which the fund's assets are concentrated.
- **Issuer concentration** - Issuer concentration risk may result in performance being more strongly affected by any business, industry, economic, financial or market conditions affecting those issuers in which the fund's assets are concentrated.
- **Total return swap** - Total return swap contracts may expose the fund to additional risks, including market, counterparty and operational risks as well as risks linked to the use of collateral arrangements.

### General fund risks

- **Counterparty** - Counterparty risk may materialise if an entity with which the fund does business becomes unwilling or unable to meet its obligations to the fund.
- **ESG and sustainability** - ESG and Sustainability risk may result in a material negative impact on the value of an investment and performance of the fund.
- **Geographic concentration** - Geographic concentration risk may result in performance being more strongly affected by any social, political, economic, environmental or market conditions affecting those countries or regions in which the fund's assets are concentrated.
- **Hedging** - Hedging measures involve costs and may work imperfectly, may not be feasible at times, or may fail completely.
- **Investment fund** - Investing in funds involves certain risks an investor would not face if investing in markets directly.
- **Management** - Management risk may result in potential conflicts of interest relating to the obligations of the investment manager.
- **Market** - Market risk may subject the fund to experience losses caused by unexpected changes in a wide variety of factors.
- **Operational** - Operational risk may cause losses as a result of incidents caused by people, systems, and/or processes.

# Seeking attractive income and total returns, while actively managing risk

As of 30 June 2024

## High-yield like performance with investment grade risk



- **1<sup>st</sup> decile performance** in the Morningstar peer group since inception.\*
- **A- credit quality<sup>1</sup>**  
Since inception, the Fund maintained investment-grade quality with average credit rating BBB- or higher.
- Active global interest rate and credit risk management, limited currency risk.

## Globally diversified portfolio



- **230+** fixed income professionals located across the globe are researching and handpicking the opportunities.
- Covering **15** major fixed income sectors (Corporate Governments, and Securitised Credit; Developed and Emerging Markets; Investment Grade and High Yield), **80+** countries and **40+** currencies.

## Flexibility in all market cycles



- **Target 2-5% volatility.\*\***
- **Zero to 8 year** Duration flexibility.

### Past performance is not a reliable indicator of future performance.

<sup>1</sup> Sources for Average Credit Quality: 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. When a rating is available from all three agencies, the median rating is used. If there are two ratings, the lower rating is used and if only one rating is available, that rating is used. If a rating is not available, the security is classified as Not Rated (NR). The rating of the underlying investment vehicle is used to determine the creditworthiness of credit default swaps and sovereign securities. The Fund is not rated by any agency.

\*For the period since inception(15 December 2016 to the end of the end of 30.06.2024

\*\*The target is not a formal objective of the fund. Please refer to the prospectus for the formal investment objective

# Diversified Income Bond – Class Ad (Eur)

## Fixed income universe

### Sector and security selection

15 major fixed income sectors

### Maximum sector range

High Yield Corporate	50% <sup>3</sup>
Developed Investment-Grade Corporate	50%
Securitised Credit	50%
Hard Currency Emerging Market Sovereign	25%
Local Currency Emerging Market Sovereign	25%



### Duration / interest rates

80+ countries

### Duration range

0 to 8 years



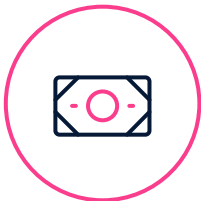
### Currency

40+ countries

### Currency management

Automatically hedged back in base currency

Limited currency overlay



### Past performance is not a reliable indicator of future performance.

The target is not a formal objective of the Fund. Please refer to the prospective for the formal investment objective.

<sup>1</sup> As of 31 December 2023. Given for indication only. Over full economic cycle.

<sup>2</sup> As of 31 July 2024.

<sup>3</sup> Excludes securitised assets.

For Morningstar and Citywire disclosures, Please see the additional disclosures.

### SICAV launch date

15 December 2016

### ISDN (Class Ax USD)

LU1676121723

### ISDN (Class Ad EUR)

LU2767315216

### Current portfolio yield

4.32%<sup>2</sup>

### Average rating

Minimum BBB-

### Target volatility profile

Between 200 bps  
and 500 bps



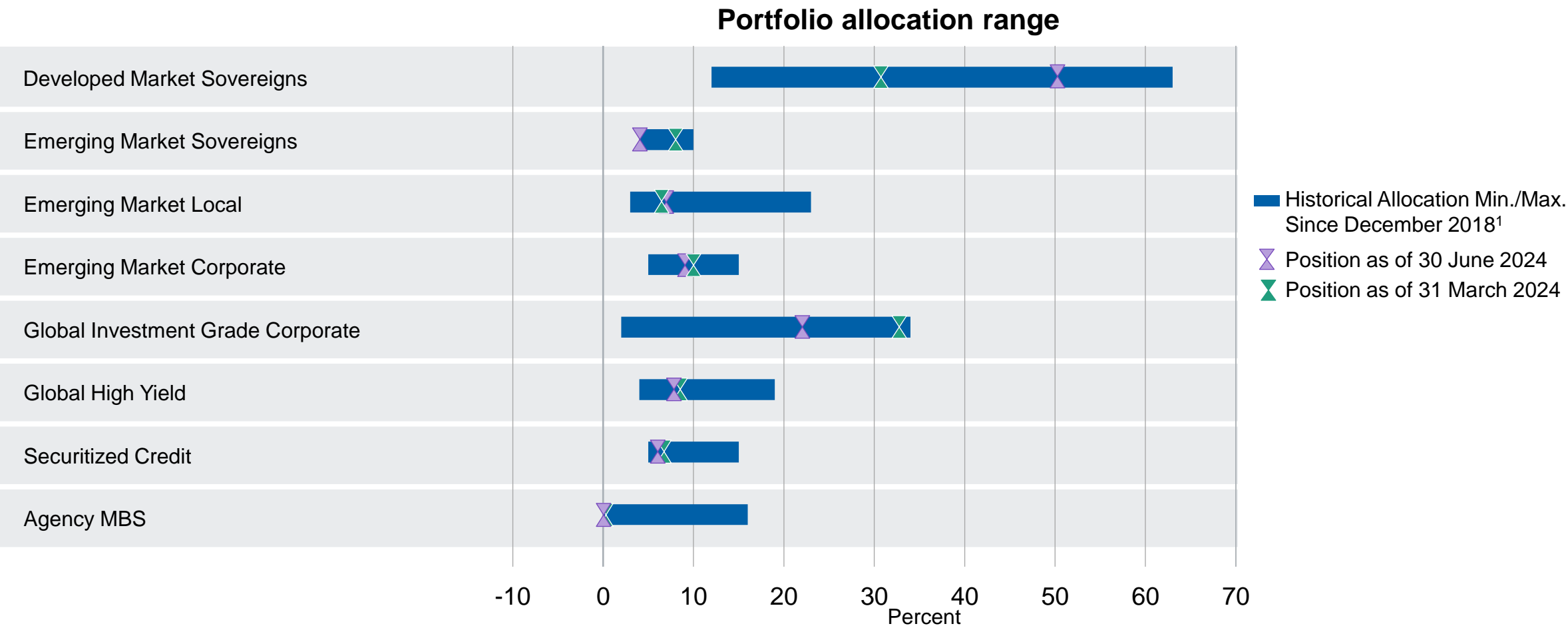
Ken Orchard and Vincent Chung are AA rated by Citywire

All ratings as at 30/06/2024

# Flexible allocation allows for opportunistic or defensive positioning

As of 30 June 2024

## T. Rowe Price Funds SICAV—Diversified Income Bond Fund



<sup>1</sup> The fund's inception date is 15 December 2016. Data begins December 2018 due to limited data availability. Please see the Additional Disclosures page for additional legal notices and disclaimers.

# Portfolio management team

As of 30 June 2024

## Lead Portfolio Managers

Sets sector allocation, risk budget, currency, country/duration, and curve exposures. Fully accountable for security selection working with sector teams, and for the strategy's performance.



**Kenneth Orchard, CFA**  
Lead Portfolio Manager  
Head of International Fixed Income

- 20 years of investment experience




**Vincent Chung, CFA**  
Associate Portfolio Manager


- 11 years of investment experience

## Sector Portfolio Managers


Working with the lead portfolio manager to incorporate the top-down view, sector portfolio managers contribute high-conviction security selection and execution in coordination with their respective credit research and trading teams.




**Ramon de Castro**  
29 years of investment experience  
Mortgage-Backed Securities/ Residential Mortgage-Backed Securities




**Jean-Marc Breaux, CFA**  
18 years of investment experience  
Asset-Backed Securities/Commercial Mortgage-Backed Securities



**Howard Woodward, CFA**  
24 years of investment experience  
Global Investment Grade



**Michael Connelly, CFA**  
23 years of investment experience  
Global High Yield



**Sheldon Chan**  
19 years of investment experience  
Emerging Market Corporates

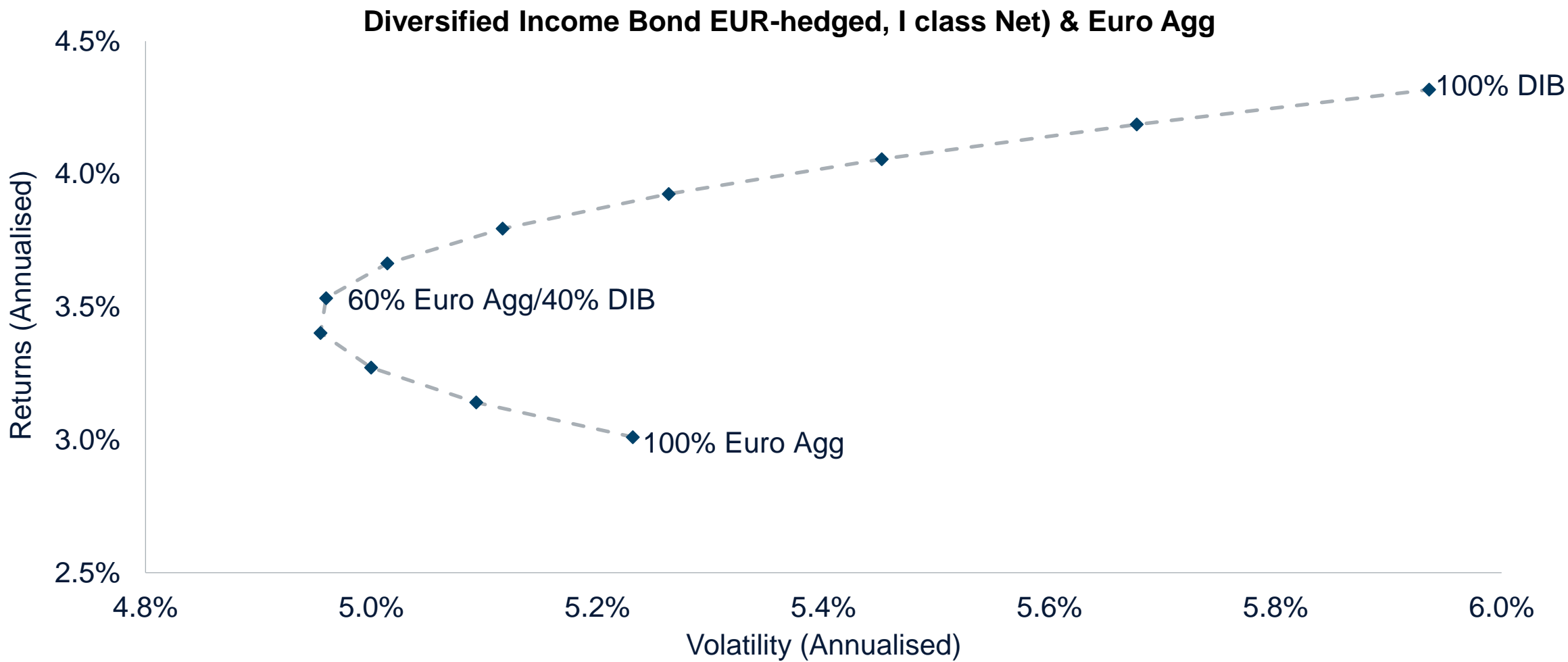
Each sector portfolio manager is supported by a dedicated team of research analysts and traders.

Leveraging the integrated global research teams, our experienced portfolio managers work together to strive to construct an optimal global fixed income portfolio.

The Associate Portfolio Manager is responsible for assisting the Portfolio Manager with the investment process and client service efforts.  
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# Adding Diversified Income Bond to your portfolio can improve your risk / return profile

As of 31 July 2024, from launch



Source: Bloomberg, data as of 1 January 2017 - 31 July 2024.

# With strong performance over short and long-term



As of 31 August 2024 | Figures are calculated in EUR

					Annualised			
	Inception date	Three months	Year-to-date	One year	Three years	Five years	Seven years	Since inception
Class I (EUR) <sup>1</sup>	15 Dec 2016	2.33%	3.55%	9.24%	-1.61%	0.05%	0.64%	1.38%
Bloomberg Global Aggregate Bond EUR Hedged Index		3.49	2.06	5.57	-2.89	-1.50	-0.30	0.01
Morningstar peer group quartile		4 <sup>th</sup>	1 <sup>st</sup>	1 <sup>st</sup>	2 <sup>nd</sup>	1 <sup>st</sup>	1 <sup>st</sup>	1 <sup>st</sup>

Calendar years		2017	2018	2019	2020	2021	2022	2023
Class I (EUR) <sup>1</sup>		5.74%	-3.17%	8.04%	2.64%	0.28%	-14.20%	8.81%
Bloomberg Global Aggregate Bond EUR Hedged Index		1.06	-1.04	5.10	4.24	-2.23	-13.27	4.73



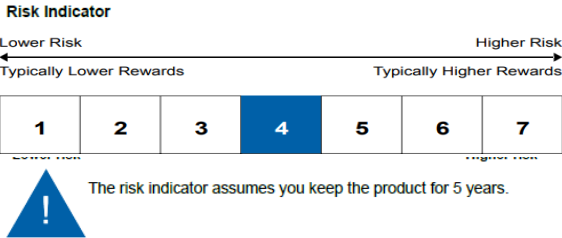
Past performance is not a reliable indicator of future performance.

\* For the period since inception to the end of the calendar year.

^ The since inception performance for the Benchmark is with reference to the inception date of Class I (USD).

<sup>1</sup> Source for performance: T. Rowe Price. Fund performance is calculated using the official NAV with dividends reinvested, if any. The value of the investment will vary and is not guaranteed. It will be affected by changes in the exchange rate between the base currency of the fund and the subscription currency, if different. Sales charges (up to a maximum of 5% for the I Class), taxes, and other locally applied costs have not been deducted, and, if applicable, they will reduce the performance figures. Where the base currency of the fund differs from the share class currency, exchange rate movements may affect returns.

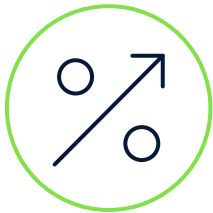
The manager is not constrained by the fund's benchmark, which is used for performance comparison purposes only. Morningstar peer group refers to "Global Bond - USD Hedged" under the Morningstar Category. Please see Additional Disclosures.



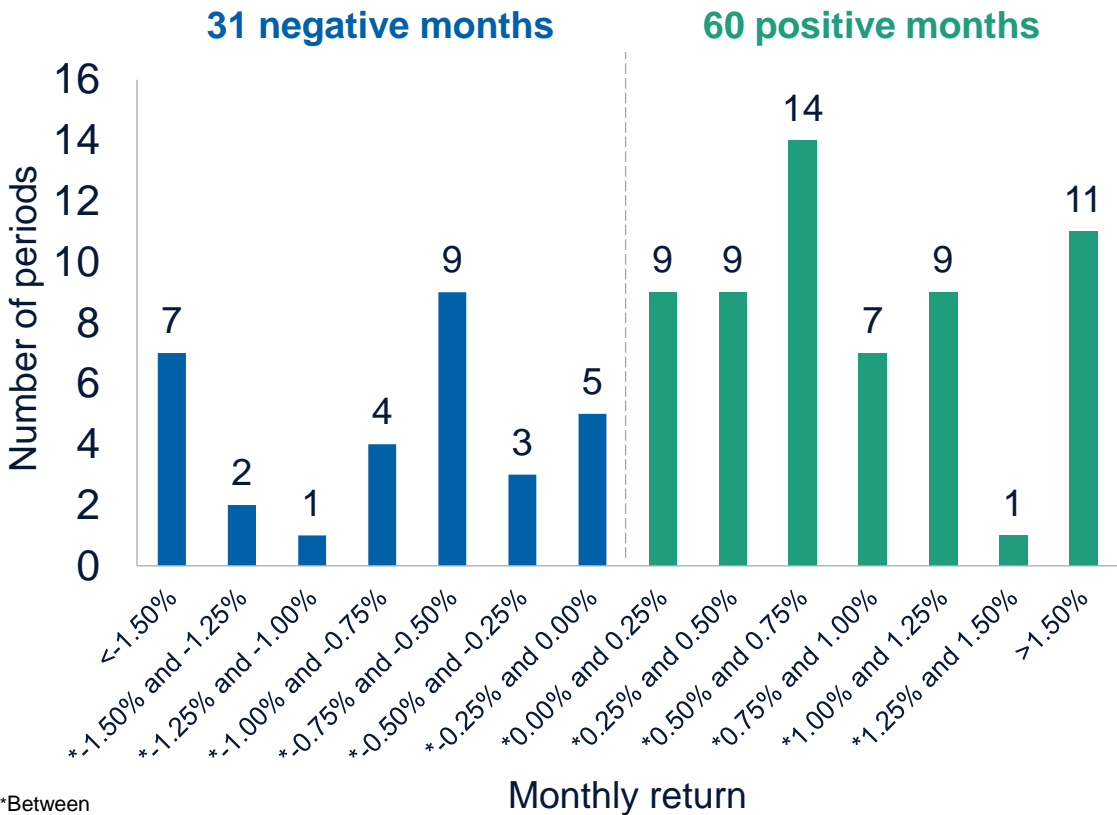


# Consistent performance since inception

As of 31 July 2024



## Distribution of monthly return (absolute)



## Performance pattern

Over the last 91 months

**66% monthly success rate** since inception<sup>1</sup>, with strong track records in risk-on and risk-off environment

**41 months** the Bloomberg Global Aggregate (USD-Hedged) had negative absolute returns

**Of which 17 months** the fund had positive absolute returns

**Past performance is not a reliable indicator of future performance.**

Source for performance: T. Rowe Price. Fund performance is shown in Class A (USD) and is calculated using the official NAV with dividends reinvested, if any. The value of the investment will vary and is not guaranteed. It will be affected by changes in the exchange rate between the base currency of the fund and the subscription currency, if different. Sales charges (up to a maximum of 5% for the A Class), taxes, and other locally applied costs have not been deducted, and, if applicable, they will reduce the performance figures. Where the base currency of the fund differs from the share class currency, exchange rate movements may affect returns.

<sup>1</sup> Fund Inception date is 15 December 2016.

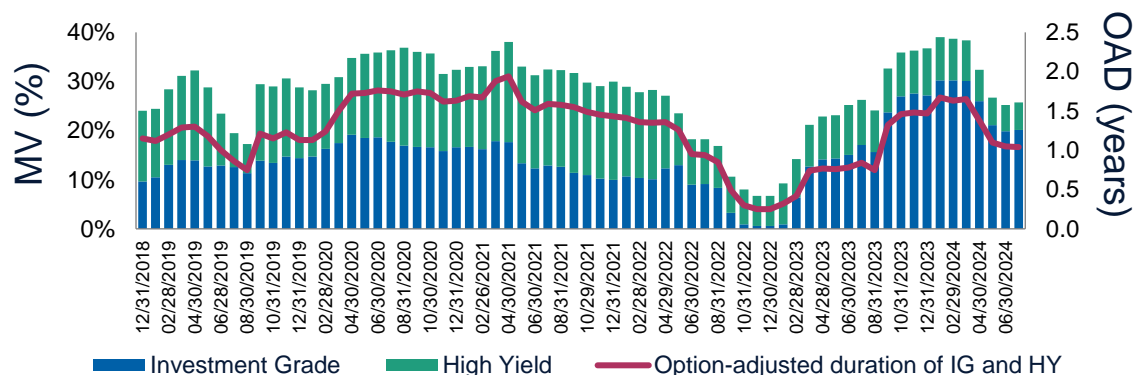
# Unbiased global sector rotation over different investment cycles

As of 31 July 2024

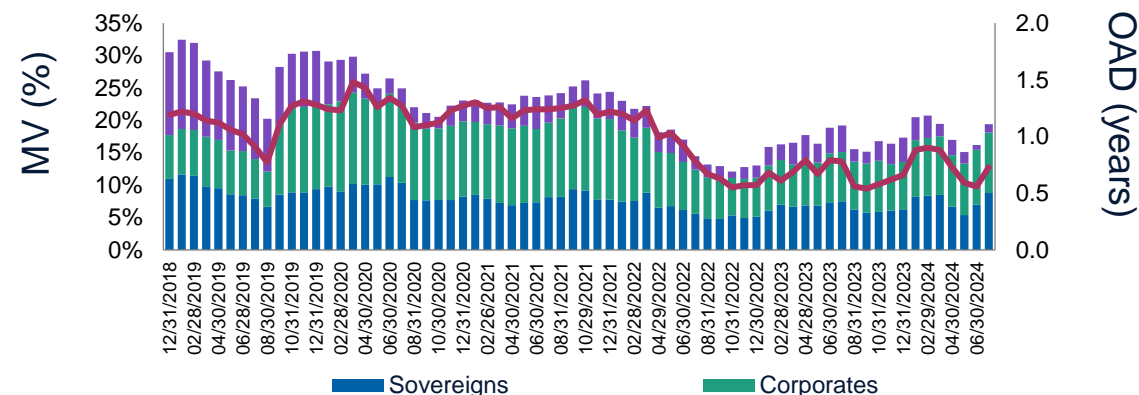


## Historical sector breakdown (market exposure %) and duration contribution (years)

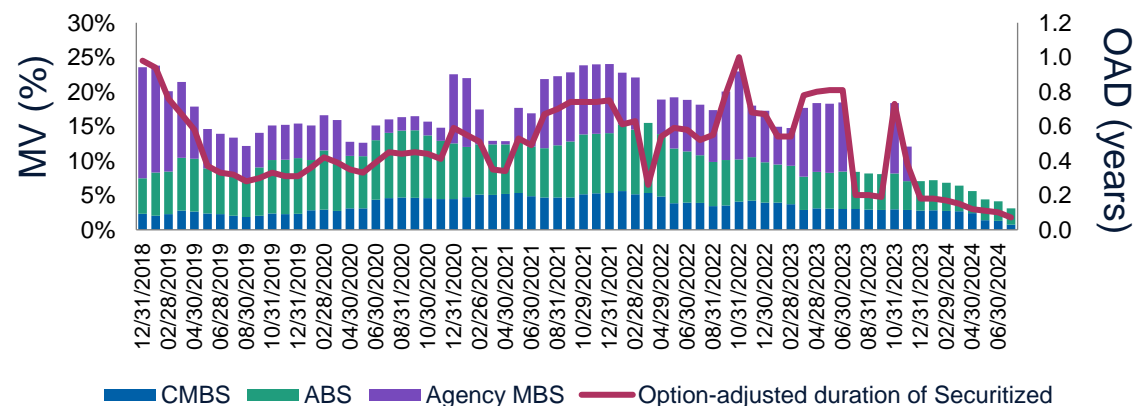
### Investment Grade and High Yield



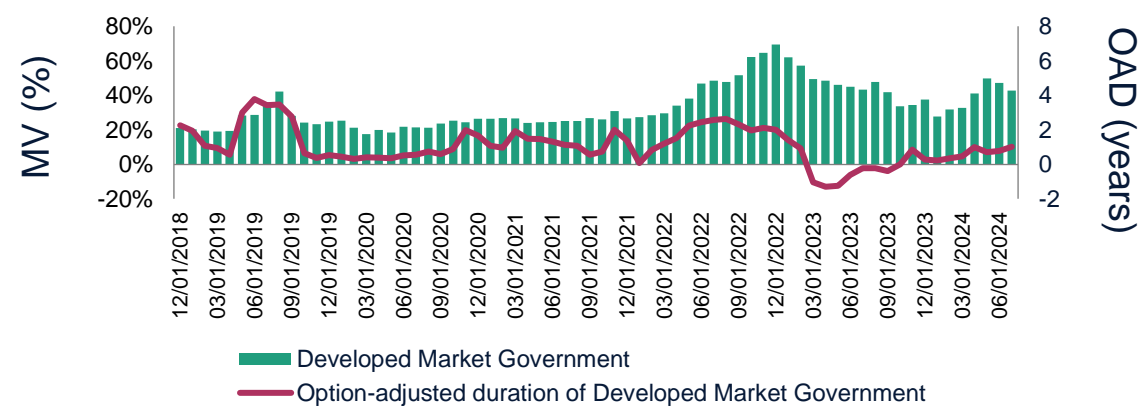
### Emerging Markets



### Securitised Credit



### Others

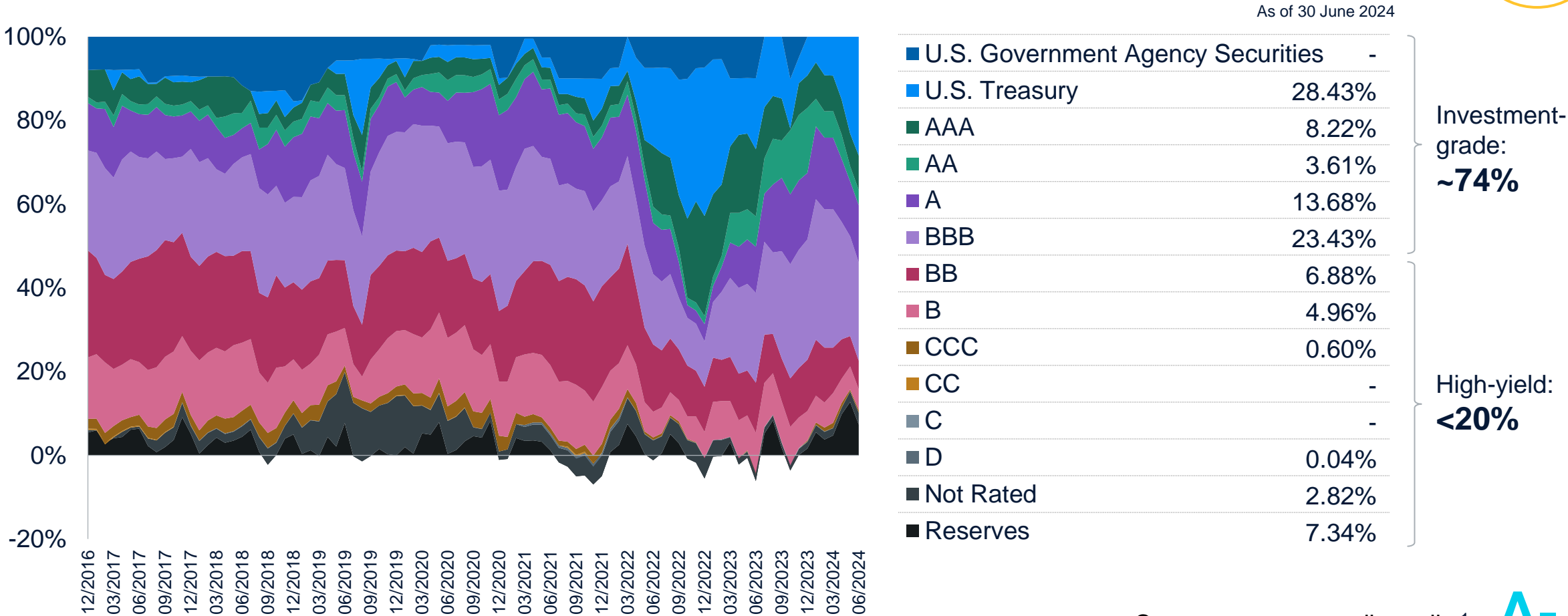


**Past performance is not a reliable indicator of future performance.**

Source: T. Rowe Price. \*Other Securitized includes securitized debt other than CMBSs and ABSs (CLOs, CMOs and OTCs). T. Rowe Price uses a custom structure for diversification reporting on this product.

# Investment-grade credit quality on average

Since inception to 30 June 2024



Past performance is not a reliable indicator of future performance.

Source: T. Rowe Price. Inception date: 15 December 2016

<sup>1</sup> Sources for Average Credit Quality: 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. When a rating is available from all three agencies, the median rating is used. If there are two ratings, the lower rating is used and if only one rating is available, that rating is used. If a rating is not available, the security is classified as Not Rated (NR). The rating of the underlying investment vehicle is used to determine the creditworthiness of credit default swaps and sovereign securities. The Fund is not rated by any agency.

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.

Please see Additional Disclosures page for sourcing information.

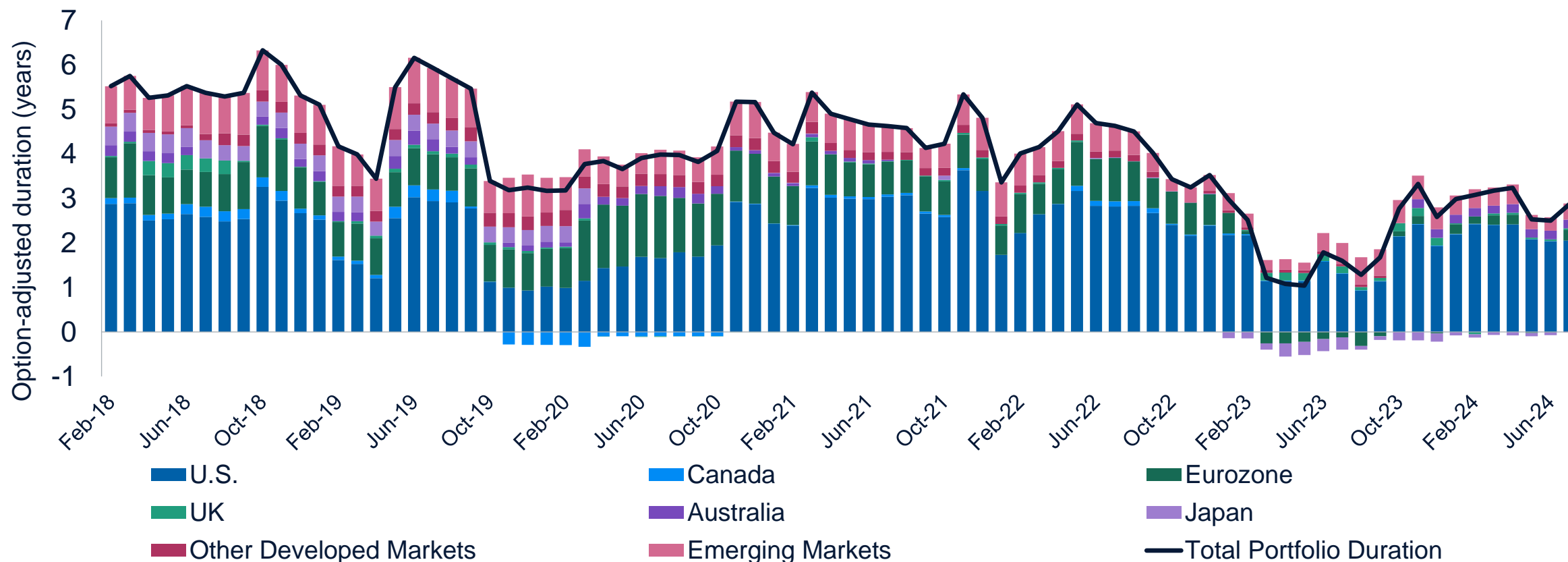
Current average credit quality<sup>1</sup>: **A-**

# Active duration to manage volatile rate exposure

As of 31 July 2023



## Option-adjusted duration contribution by currency



Active global duration management to optimize curve exposures and position defensively in periods of market stress.

Past performance is not a reliable indicator of future performance.

Source: T. Rowe Price

# What Sets Diversified Income Bond 'APART'?

A

Attractive Income Stream

P

Prudent Risk Management

A

Active Duration

R

Real Diversification

T

Total Return



T.RowePrice

Thank You





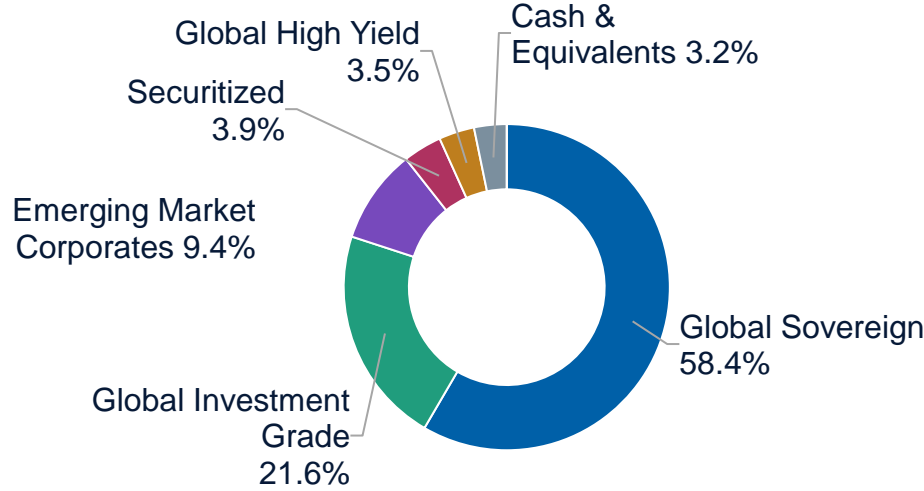
# Appendix

# A portfolio to actively manage your fixed income allocation

As of 30 June 2024

	T. Rowe Price funds SICAV – Diversified Income Bond	Bloomberg Global Aggregate Bond USD Hedged Index <sup>1</sup>
Weighted average quality	A	A
Weighted average duration	2.50 years	2.87 years
Duration times spread	3.36	3.74
Number of holdings	239	280
Yield to Maturity	6.40	6.07
Current yield USD	3.53%	3.58%

## Sector diversification<sup>2</sup>

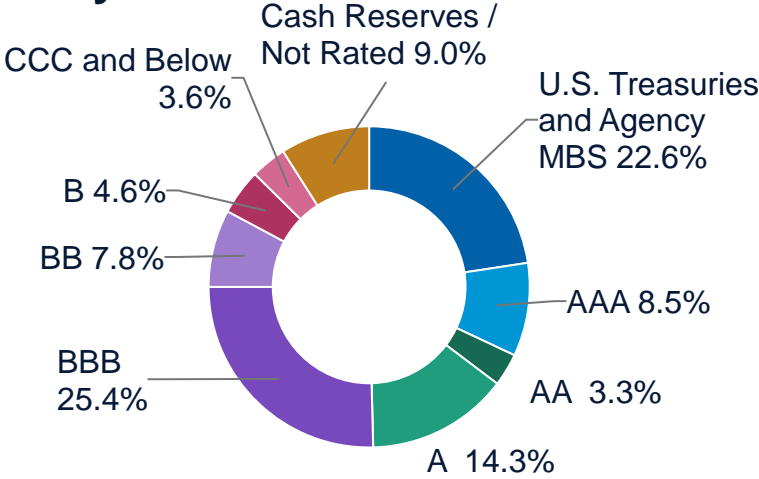


### Past performance is not a reliable indicator of future performance.

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. When a rating is available from all three agencies, the median rating is used. If there are two ratings, the lower rating is used and if only one rating is available, that rating is used. If a rating is not available, the security is classified as Not Rated (NR). The rating of the underlying investment vehicle is used 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. Notional Exposure: Totals may not sum to 100% due to derivatives. T. Rowe Price uses a custom structure for diversification reporting on this product.

<sup>1</sup> Please see the Additional Disclosures page for additional legal notices and disclaimers. <sup>2</sup> Sector weights include derivatives and the sector weights are scaled to sum to 100%, for the purposes of this pie chart.

## Credit quality





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# T. Rowe Price Investment Conference 2025

Date: 25 September 2025

Location: London

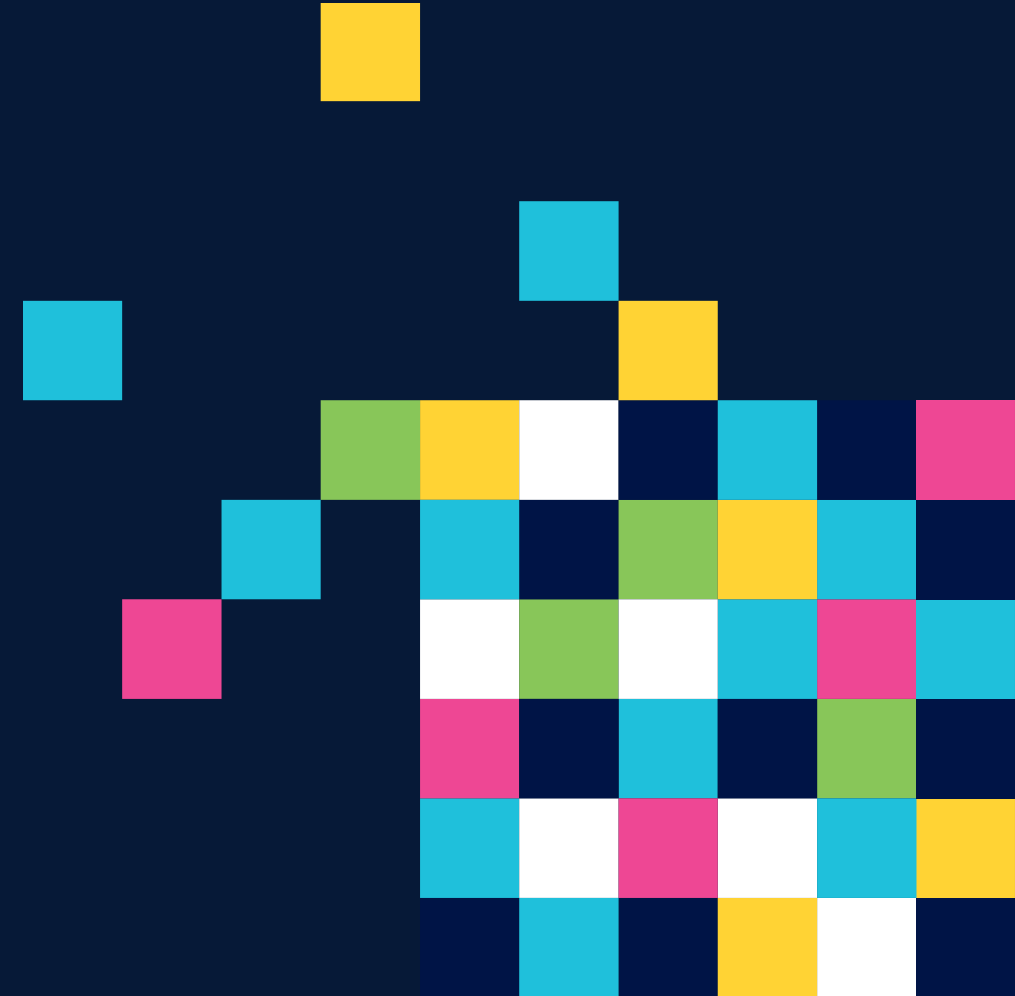
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# Q & A





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Thank You

