



T. ROWE PRICE

Global Investment Grade Corporate Bond Strategy

As of 31 August 2020



Portfolio Manager:

Steven Boothe, CFA

Managed Strategy

Since:

2015

Joined Firm:

1999

INVESTMENT OBJECTIVE

The Global Investment Grade Corporate Bond Composite seeks capital appreciation primarily through investment in fixed income securities, floating rate bank loans and floating rate debt securities rated below investment grade (BB or below) by S&P, Moody's or another nationally recognized securities rating organization (NRSRO).

PERFORMANCE

	One Month	Three Months	Year-to-Date	One Year	Annualised		
					Three Years	Five Years	Since Inception 30 Jun 15
Global Investment Grade Corporate Bond Composite (Gross of Fees – USD)	-0.60%	5.03%	2.90%	3.65%	5.15%	6.00%	5.85%
Bloomberg Barclays Global Aggregate Corporates Bond USD Hedged Index	-0.76	3.68	5.37	5.69	5.81	5.74	5.59
Value Added (Gross of Fees) ¹	0.16	1.35	-2.47	-2.04	-0.66	0.26	0.26

Past performance is not a reliable indicator of future performance.

Gross performance returns are presented before management and all other fees, where applicable, but after trading expenses. Gross performance returns reflect the reinvestment of dividends and are net of all non-reclaimable withholding taxes on dividends, interest income, and capital gains. Returns shown would be lower when reduced by the advisory fees and any other expenses incurred in the management of an investment advisory account.

¹ The value added is shown as Global Investment Grade Corporate Bond Composite (Gross of Fees) minus the benchmark in the previous row.

MARKET COMMENTARY

We continue to prefer the relative value and fundamentals displayed in developed markets. In light of this, we are weighted towards U.S. investment grade names, as opposed to Asian or continental European credit. This positioning is based on the understanding that the asset class has become part of the U.S. Federal Reserve's policy toolkit and therefore could provide liquidity in the future. Additionally, we view Asia as ahead of other regions in terms of a recovery in spreads.

We believe we may have passed the peak of the health crisis seen in the second quarter; however, the rest of the year remains full of uncertainties. As we enter this phase, while some areas of the market will outperform, it is unlikely that the broad-based rally in risk assets will continue. With this in mind, we have begun to take a more cautious approach, while relying on our fundamental research to uncover unique opportunities.

This material is provided for informational purposes only and is not intended to be investment advice or a recommendation to take any particular investment action. The views and portfolio holdings contained herein are as of date noted on the material and are subject to change without further notice. The specific securities identified and described do not necessarily represent all of the securities purchased, sold, or recommended for the Portfolio and no assumptions should be made that the securities identified and discussed were or will be profitable.

REP. PORTFOLIO TOP 10 ISSUERS

Issuer	Industry	% of Rep. Portfolio
Perrigo	Consumer Non Cyclical	2.45
Bank of America	Banking	2.12
Wells Fargo	Banking	2.07
Comcast	Communications	1.96
Woodside Petroleum	Energy	1.90
Danske Bank	Banking	1.88
Sabine Pass LNG LP	Energy	1.85
Energy Transfer	Energy	1.79
Natwest	Banking	1.69
State of Qatar	Sovereign	1.56

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

PORTFOLIO CHARACTERISTICS

	Rep. Portfolio	Bloomberg Barclays Global Aggregate Corporates Bond USD Hedged Index
Weighted Average Coupon	3.25%	3.36%
Weighted Average Maturity	8.09 Years	9.78 Years
Weighted Average Effective Duration	7.91 Years	7.27 Years
Yield to Maturity	2.14%	1.62%
Average Credit Quality	BBB+	A3/BAA1
Number of Holdings	217	13,568

CREDIT QUALITY DIVERSIFICATION

	US Treasury	AAA	AA	A	BBB	BB	B	Not Rated
Rep. Portfolio	1.2%	0.4%	3.1%	28.5%	55.0%	8.8%	0.5%	1.2%
Bloomberg Barclays Global Aggregate Corporates Bond USD Hedged Index	0.0	1.1	8.3	39.5	50.4	0.1	0.0	0.6
Over/Underweight	1.2	-0.8	-5.2	-11.0	4.7	8.7	0.5	0.6

INDUSTRY DIVERSIFICATION

	Banking	Energy	REITs	Non Corpo- rate	Securit- ized	Health- care/ Pharma- ceuticals	Tele-com	Cyclicals	Finance	Electric Utility	Others
Rep. Portfolio	23.1	13.7	9.4	8.5	6.6	4.9	4.2	3.8	3.7	2.9	19.3
Bloomberg Barclays Global Aggregate Corporates Bond USD Hedged Index	24.3	6.7	2.6	0.0	0.0	7.8	5.5	4.0	2.2	6.5	40.4
Over/Underweight	-1.2	7.0	6.7	8.5	6.6	-2.9	-1.3	-0.2	1.5	-3.6	-21.1

ADDITIONAL DISCLOSURES

Portfolio Construction: There is no guarantee that the investment will remain within the anticipated ranges of exposure.

Weighted Average Maturity is an average of the maturities of the underlying bonds, with each bond's maturity weighted by the percentage of Composite assets it represents. Weighted Average Effective Duration is a calculation that seeks to measure the price sensitivity of the Composite to changes in interest rates. In general, the longer the average maturity or duration, the greater the Composite's sensitivity to interest rates. Duration is a better indicator of price sensitivity because it takes into account the time value of cash flows.

Source for Bloomberg Barclays index data: Bloomberg Index Services Ltd. Copyright 2020, Bloomberg Index Services Ltd. Used with permission.

Source for Industry Diversification: T. Rowe Price. T. Rowe Price uses a custom structure for sector and industry reporting on this product.

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

Sources for Credit Quality Diversification: Credit Quality Ratings are obtained using Bloomberg Barclays methodology using ratings derived from Moody's Investors Service(Moody's), Standard & Poor's (S&P), and Fitch Ratings (Fitch). When ratings from all 3 agencies are available, the median rating is used. When ratings are available from 2 of the agencies, the lower rating is used. When 1 rating is available, that rating is used. 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.

"Other" includes any categories not explicitly mentioned.

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.

The representative portfolio is an account in the composite we believe most closely reflects current portfolio management style for the strategy. Performance is not a consideration in the selection of the representative portfolio. The characteristics of the representative portfolio shown may differ from those of other accounts in the strategy. Please see the GIPS® Disclosure page for additional information on the composite.

GIPS® DISCLOSURES**Global Investment Grade Corporate Bond Composite**

Period Ended 31 December 2019

Figures Shown in U.S. Dollar

	2015 ²	2016	2017	2018	2019
Gross Annual Returns (%)	1.12	8.01	6.92	-0.76	12.51
Net Annual Returns (%) ¹	0.97	7.69	6.60	-1.06	12.18
Bloomberg Barclays Global Aggregate Corporates Bond USD Hedged Index (%)	0.50	6.22	5.70	-1.00	12.51
Composite 3-Yr St. Dev.	N/A	N/A	N/A	3.21	2.74
Bloomberg Barclays Global Aggregate Corporates Bond USD Hedged Index 3-Yr St. Dev.	3.47	3.43	3.28	2.92	2.82
Composite Dispersion	N/A	N/A	N/A	N/A	N/A
Comp. Assets (Millions)	20.0	21.7	170.3	185.2	48.6
# of Accts. in Comp.	1	1	3	3	1
Total Firm Assets (Billions)	772.4	817.2	1,000.2	972.7	1,218.2 ³

¹ Reflects deduction of highest applicable fee schedule without benefit of breakpoints. Investment return and principal value will vary. Past performance is not a reliable indicator of future performance. Monthly composite performance is available upon request. **See below for further information related to net of fee calculations.**

² June 30, 2015 through December 31, 2015.

³ Preliminary - subject to adjustment.

T. Rowe Price (TRP) has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). TRP has been independently verified for the 23-year period ended June 30, 2019 by KPMG LLP. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

TRP is a U.S. investment management firm with various investment advisers registered with the U.S. Securities and Exchange Commission, the U.K. Financial Conduct Authority, and other regulatory bodies in various countries and holds itself out as such to potential clients for GIPS purposes. TRP further defines itself under GIPS as a discretionary investment manager providing services primarily to institutional clients with regard to various mandates, which include U.S., international, and global strategies but excluding the services of the Private Asset Management group. The minimum asset level for equity portfolios to be included in composites is \$5 million and prior to January 2002 the minimum was \$1 million. The minimum asset level for fixed income and asset allocation portfolios to be included in composites is \$10 million; prior to October 2004 the minimum was \$5 million; and prior to January 2002 the minimum was \$1 million. Valuations are computed and performance reported in U.S. dollars.

Gross performance returns are presented before management and all other fees, where applicable, but after trading expenses. Net of fees performance reflects the deduction of the highest applicable management fee that would be charged based on the fee schedule contained within this material, without the benefit of breakpoints. Gross and net performance returns reflect the reinvestment of dividends and are net of nonreclaimable withholding taxes on dividends, interest income, and capital gains. Effective June 30, 2013, portfolio valuation and assets under management are calculated based on the closing price of the security in its respective market. Previously portfolios holding international securities may have been adjusted for after-market events. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Dispersion is measured by the standard deviation across asset-weighted portfolio returns represented within a composite for the full year. Dispersion is not calculated for the composites in which there are five or fewer portfolios.

The strategy utilizes on a regular basis a variety of derivative instruments such as (but not limited to) currency forwards, fixed income futures, interest rate swaps, credit default swaps, synthetic indices, and options on all mentioned instruments, primarily to hedge certain market risks associated with the strategy's objective, to express directional opportunities on specific markets and to facilitate liquidity management.

Benchmarks are taken from published sources and may have different calculation methodologies, pricing times, and foreign exchange sources from the composite.

Composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash inflow or outflow greater than or equal to 15% of portfolio assets. The temporary removal of such an account occurs at the beginning of the measurement period in which the significant cash flow occurs and the account re-enters the composite on the last day of the current month after the cash flow. Additional information regarding the treatment of significant cash flows is available upon request.

The firm's list of composite descriptions and/or a presentation that adheres to the GIPS® standards are available upon request.

FEE SCHEDULE

Global Investment Grade Corporate Bond Composite. The Global Investment Grade Corporate Bond Composite seeks capital appreciation primarily through investment in fixed income securities, floating rate bank loans and floating rate debt securities rated below investment grade (BB or below) by S&P, Moody's or another nationally recognized securities rating organization (NRSRO). (Created May 2014)

First 50 million (USD)	30 basis points
Next 50 million (USD)	25 basis points
Above 100 million (USD)	22.5 basis points on all assets ¹
Above 200 million (USD)	20 basis points on all assets ¹
Minimum separate account size 50 million (USD)	

¹ A transitional credit is applied to the fee schedule as assets approach or fall below the breakpoint.

IMPORTANT INFORMATION

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