T. Rowe Price

AUSTRALIAN UNIT TRUST PORTFOLIO UPDATE

T. Rowe Price Global Equity Fund – S Class

As of 31 March 2024

Portfolio Manager:
R. Scott Berg

Joined Firm:
2002

Investment Experience:
21 Years

INVESTMENT OBJECTIVE

The Fund's objective is to provide long-term capital appreciation by investing primarily in a portfolio of securities of companies which are traded, listed or due to be listed, on recognised exchanges and/or markets throughout the world. The portfolio may include investments in the securities of companies traded, listed or due to be listed, on recognised exchanges and/or markets, of developing countries.

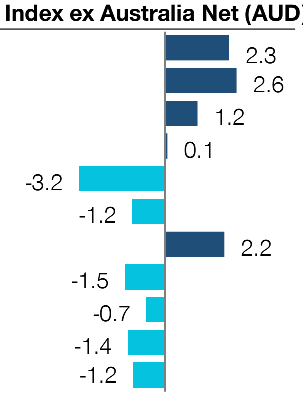
TOP 10 HOLDINGS (%)

	Country	Industry	% of Fund
Microsoft	United States	Software	4.6%
NVIDIA	United States	Semiconductors & Semiconductor Equipment	3.9
Amazon.com	United States	Broadline Retail	3.2
Apple	United States	Technology Hardware, Storage & Peripherals	3.1
Alphabet	United States	Interactive Media & Services	2.2
Roper Technologies	United States	Industrial Conglomerates	1.7
Meta Platforms	United States	Interactive Media & Services	1.7
Eli Lilly and Co	United States	Pharmaceuticals	1.6
Charles Schwab	United States	Capital Markets	1.3
Taiwan Semiconductor Manufacturing	Taiwan	Semiconductors & Semiconductor Equipment	1.3

SECTOR EXPOSURE (%)

	% of Fund
Information Technology	26.3%
Financials	18.4
Industrials & Business Services	12.2
Health Care	11.2
Consumer Discretionary	7.8
Communication Services	6.4
Materials	6.1
Consumer Staples	5.0
Energy	3.9
Utilities	1.1
Real Estate	0.9

Fund vs. MSCI AC World Index ex Australia Net (AUD)



PERFORMANCE

	One Month	Three Months	Six Months	Year-To-Date	One Year	Annualized Three Years	Annualized Five Years	Annualized Since Share Class Inception 22 Jan 2019
T. Rowe Price Global Equity Fund – S Class (Net – AUD)*	2.66%	14.99%	18.27%	14.99%	26.52%	5.28%	11.87%	13.59%
MSCI All Country World Index ex Australia (unhedged) Net (AUD)**	2.94	13.31	18.92	13.31	26.70	12.65	12.88	13.90
Value Added (Net)***	-0.28	1.68	-0.65	1.68	-0.18	-7.37	-1.01	-0.31

Past performance is not a reliable indicator of future performance.
Source for performance: T. Rowe Price.
*Net-of-fees performance is based on end-of-month redemption prices after the deduction of fees and expenses and the reinvestment of all distributions.
Figures include changes in principal value. Investment return and principal value will vary, and an account may be worth more or less at termination than at inception. For further details, please refer to the Fund's Product Disclosure Statement and Reference Guide which are available from Equity Trustees or TRPAU.
**Index returns shown with reinvestment of dividends after the deduction of withholding taxes.
***The Value Added is shown as the Fund (Net) minus its Index.

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COUNTRY DIVERSIFICATION (TOP 10)

	% of Fund	MSCI AC World Index ex Australia Net (AUD)
United States	59.6%	64.7%
Germany	3.7	2.1
India	3.6	1.8
Vietnam	3.3	0.0
United Kingdom	3.3	3.4
Indonesia	3.1	0.2
Japan	3.1	5.6
Canada	2.5	2.8
China	2.3	2.6
Philippines	2.1	0.1

PORTFOLIO CHARACTERISTICS

	Fund	MSCI AC World Index ex Australia Net (AUD)
Number of Issuers	196	2,704
Top 20 Issuers as Percent of Total	34.5%	26.7%
Percent of Portfolio in Cash	0.7%	–
Portfolio Turnover (12 Months)	56.0%	–
Active Share	65.7%	–

MARKET REVIEW

In Australian dollar terms, global equities delivered solid gains in March as central banks' continued signaling for potential interest rate cuts in 2024 and exuberance toward artificial intelligence (AI)-driven demand helped buoy stocks.

U.S. stocks rose in March, capping a strong quarter for equities that lifted several broad indexes to all-time highs. Investors remained optimistic about the corporate profit potential stemming from advances in AI. Investors were also encouraged by the outcome of the Federal Reserve's mid-March monetary policy meeting. Although the central bank kept short-term interest rates steady, policymakers maintained their year-end 2023 "dot plot" projections for three quarter-point interest rate cuts by the end of 2024 despite recent upticks in inflation readings. Signs of an uptick in inflation as well as cooling labor market and consumer data were not able to derail general investor optimism.

Developed European stocks also rose. The European Central Bank (ECB) left its key deposit rate unchanged at a record 4.0% but hinted that it could start reducing it in June. The central bank revised its inflation and economic growth forecasts lower and indicated that discussion on dialing back restrictive policy later in the year had begun. Headline and core inflation, which excludes volatile food and energy prices, continued to slow in February, although by less than expected. Wage pressures—which the ECB monitors closely—continued to abate. In the UK, annual consumer price growth decelerated to 3.4% in February, the lowest inflation rate in more than two years. The economy showed signs that it may be recovering from a recession that occurred in the second half of 2023.

Developed Asian markets produced solid returns. Japanese stocks continued to make gains in March, largely due to yen weakness. The Bank of Japan (BoJ) made a much-anticipated policy shift and exited its negative interest rate policy. The central bank announced that it will set a policy rate target of 0.0% to 0.1%, up from -0.1%, following reports of major companies agreeing to robust pay increases in annual wage talks. The BoJ also ended its yield curve control program. However, Governor Kazuo Ueda affirmed that financial conditions would remain accommodative as inflation expectations were still below the 2% target.

Emerging market stocks broadly gained ground over the period. Emerging Asian markets were among the best performers as Chinese markets stabilized, though A shares were modestly negative, and strong gains in South Korea and Taiwan helped lift returns for the region. Latin American markets were also broadly positive with the exception of Brazil, which lost ground. Emerging European shares were more mixed and underperformed other regions.

Sector performance in the MSCI All Country World Index ex Australia Net was positive. Energy, materials, and utilities were the strongest performers, while consumer discretionary and real estate lagged the most but still produced positive returns.

FUND REVIEW

The fund underperformed the MSCI All Country World Index ex Australia Net for the one-month period ended March 31, 2024. Li Auto was the largest relative detractor for the month as shares of the Chinese electric vehicle (EV) maker were pressured by a slower-than-expected ramp up of its new Li MEGA multipurpose vehicle. Despite near-term challenges, we think Li Auto is well-positioned to benefit from China's rapidly growing EV market and has solid management team, a strong product cycle in the near and medium term, and profitability and valuation that is competitive versus peers. At the sector level, stock selection in consumer discretionary hurt relative returns the most, with our positions in Li Auto, Jollibee Foods, and MercadoLibre being particularly weak. Conversely, materials names aided relative results, especially our positions in Southern Copper, Ero Copper, and Wheaton Precious Metals.

OUTLOOK

Over the first quarter, we continued to see global equities ride a wave of optimism, even as expectations for central bank rate cuts have come down from the initial six interest rate cuts that were priced in at the beginning of the year. Much of the market's buoyancy can be attributed to enthusiasm for artificial intelligence (AI) due to the far-reaching and accelerating effects generative AI is having on businesses and economics. These effects are real and are supercharging the demand and growth landscape across industries and countries far beyond just the technology-focused areas of the market. However, it remains to be seen how long these effects will last and where they will be truly permanent. Equity performance has also been top heavy, with certain members of the "Magnificent Seven" seeing an outsized benefit from the AI wave compared with the rest of the market. We are certainly optimistic about AI's effects on companies that can truly harness it but remain thoughtfully skeptical about the broad-based gains that we have seen as a result and are making sure that we are investing where we think we have a true insight into long-term durable growth. We are also continuing to manage our Magnificent Seven exposure as though it were its own sector and being thoughtful about where we are taking bets.

As we have said previously, we think we are in a new normal as it relates to inflation and rates and believe the market may not be fully pricing in this reality. U.S. Federal Reserve officials maintained their previous projection at their most recent meeting of three cuts to the benchmark federal funds rate by the end of the year, which we think is plausible. Nonetheless, we expect nominal and real rates to remain higher than they were in the post-global financial crisis era. U.S. corporate earnings have been better than broadly anticipated, but we have a relatively subdued earnings outlook moving forward due to a more challenging environment marked by lower global growth, higher rates on debt, higher taxes and labor costs, heightened supply chain uncertainties, and higher costs from decarbonization efforts. The upcoming presidential election cycle will also raise concerns about the future of U.S. domestic and foreign policy in what has become a much more fragmented world, but at least both party candidates are known entities.

Overall, we think uncertainty and volatility are here to stay for the foreseeable future as both the economic and geopolitical landscape become more complex and less stable. While China appears to have stopped getting worse, tensions with the West and the continued evolution of the country's relationships with Russia and Iran are a moving target. We also still have war on the ground in Europe and a destabilizing Middle East. That being said, we are incredibly encouraged by developments in Japan and emerging markets like Vietnam and Indonesia and have been adding names in these regions to the portfolio. We think we have competitive insights and a strong bench of names from our global research platform analysts and portfolio management team in these regions that can help deliver alpha in the portfolio. From a sector perspective, we have also been adding to and repositioning our energy and materials holdings to take advantage of a macro where commodity prices and demand are likely to remain strong.

As we look out into the global investment landscape, we are encouraged by the breadth and depth of opportunities we are seeing in a changing world. We think this is an environment where our diversified portfolio, strong global research platform, and insights focused on finding truly durable growth companies with a long-term investment horizon can help us deliver alpha for clients.

CONTACT US

For more information about the Fund, please contact our Relationship Management team on 02 8667 5700 or visit www.troweprice.com

FUND INFORMATION

Minimum Investment Amount	$50,000 AUD
APIR	ETL7238AU
ARSN	121 250 691
ISIN	AU60ETL72385
Inception Date	22 January 2019
Benchmark	MSCI All Country World Index ex Australia (unhedged) Net (AUD)
Management Fees and Costs^	1.20% p.a.
Distribution	Annually
Buy/Sell	Buy +0.20% / Sell -0.10%

^The Management Fee for the T. Rowe Price Global Equity Fund - S Class is 1.20% p.a. and the Indirect Cost is 0.00% p.a. Full details of other fees and charges are available within the Fund's Product Disclosure Statement and Reference Guide.

ADDITIONAL DISCLOSURES

Unless indicated otherwise the source of all data is T. Rowe Price.

Active Share is a holdings-based measure of active management representing the percentage of a portfolio's holdings that differ from those in its benchmark. Compared with tracking error, which measures the standard deviation of the difference in a manager's returns versus the index returns, Active Share allows investors to get a clearer understanding of what a manager is doing to drive performance, rather than drawing conclusions from observed returns. The greater the difference between the asset composition of a product and its benchmark, the greater the active share is.

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Source for Sector Diversification: T. Rowe Price uses the current MSCI/S&P Global Industry Classification Standard (GICS) for sector and industry reporting.

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