T. Rowe Price®
INVEST WITH CONFIDENCE

QUARTERLY REVIEW

T. Rowe Price Dynamic Global Bond Fund - I Class

As of 30 September 2021

PORTFOLIO HIGHLIGHTS

The portfolio underperformed for the three-month period ended September 30, 2021.

Relative performance drivers:

- Country/duration positioning contributed positively thanks to gains from our short duration bias and exposures to inflation-linked securities.
- Active currency selection detracted, however, owing to our short U.S. dollar bias, which we largely closed in the final month of the period.
- Sector allocation and security selection had a broadly neutral impact with gains from our individual positioning in European high yield and emerging market external debt offset by losses from our defensive risk hedges.

Additional highlights:

- We expect developed market bond yields to go higher driven by elevated inflation and central banks moving toward removing accommodative policies. As a result, we express short duration stances in select high-quality countries.
- A key risk factor going forward is the prospect of liquidity conditions tightening as central banks respond to inflation and governments begin to withdraw pandemic fiscal support.

FUND INFORMATION

APIR	ETL0398AU
Inception Date of Fund	18 February 2014
Benchmark	Bloomberg AusBond Bank Bill Index (AUD)
Total Assets	$754,954,780 AUD
Percent of Portfolio in Cash	9.90%

PERFORMANCE

(NAV, total return in base currency)

			Annualized		
	Three Months	One Year	Three Years	Five Years	Since Inception
T. Rowe Price Dynamic Global Bond Fund - I Class (Net - AUD)	-0.10%	3.63%	3.49%	2.24%	3.66%
Bloomberg AusBond Bank Bill Index (AUD)	0.01	0.04	0.79	1.20	1.61

CALENDAR YEAR PERFORMANCE

(NAV, total return in base currency)

	2015	2016	2017	2018	2019	2020
T. Rowe Price Dynamic Global Bond Fund - I Class (Net - AUD)	8.19%	6.44%	-0.35%	1.40%	-0.48%	8.43%
Bloomberg AusBond Bank Bill Index (AUD)	2.33	2.07	1.75	1.92	1.50	0.37

Past performance is not a reliable indicator of future performance.

Source for fund 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. Gross of fees performance is the net return with fees and expenses added back. 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.

The Fund is subject to risks of fixed income investing, including interest rate risk and credit risk.

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 Fund and no assumptions should be made that the securities identified and discussed were or will be profitable.

PERFORMANCE REVIEW

Inflation concerns fuel late-quarter bond sell-off

Bond markets were mixed over the period. Initially, developed government bond curves flattened, driven by the rapid spread of the coronavirus delta variant fueling concerns that the global recovery could stall. These fears subsided during August, allowing yields to rise modestly. Then in the final month of the quarter, inflation concerns and hawkish signals from some major central banks fueled a global bond sell-off with yield curves across most developed government bond markets steepening. The Federal Reserve was the catalyst for the moves, after signaling that it would likely start tapering bond purchases this November. Furthermore, the Fed's updated economic projections showed a growing number of officials expect an interest rate hike in 2022. Among other developed markets, there were signs of central banks looking to dial back on support and move toward tighter policy. This included the Bank of Canada, which sounded optimistic about the growth outlook, and the Bank of England, which signaled that it may need to raise interest rates sooner than expected in response to inflation pressures. By contrast some banks remained dovish, such as Sweden's Riksbank and the European Central Bank (ECB). Although the ECB did announce a modest deceleration of purchases in September under its Pandemic Emergency Purchase Program, President Christine Lagarde stressed that this was not equivalent to tapering. In the emerging markets sphere, the late rise in Treasury yields and a stronger dollar put domestic government bonds under pressure, resulting in broad losses.

With respect to the portfolio, our short duration bias and focused exposure on inflation-linked bonds had a notable positive impact. In particular, our position in U.S. inflation-linked bonds and swaps was a dominant performer as inflation continued to surprise on the upside. Our short duration stances in Canada and the UK also added gains, particularly in September, when yields rose materially in these markets. In emerging markets, a short position in domestic Poland had a strong positive impact as bonds were weighed down by inflation pressures. By contrast, long exposures to local currency government bonds in Chile and Brazil detracted on political concerns.

U.S. dollar strengthened across the board

Concerns of a possible slowdown in the global economy led to broad-based U.S. dollar appreciation over the quarter. In developed markets, the Australian dollar was one of the biggest decliners as large parts of the country remained under restrictions due to the coronavirus. The British pound also came under pressure as supply issues and energy price rises fueled concerns about the outlook for growth. Similar to developed markets, almost all emerging market currencies weakened against the U.S. dollar over the quarter as global growth fears triggered investors to retreat from risk. The Chilean peso and Brazilian real were among the worst affected currencies with losses of more than 8% as political concerns weighed.

Within the portfolio, the overall impact from our active currency management was negative due to losses from our short U.S. dollar bias, although it's important to note that this was largely closed in the final month of the quarter. Most notably, long positions in the Australian dollar, British pound, Serbian dinar, and Romanian leu detracted amid a broad-based dollar rally. These were partially offset by gains from a tactical long position in the Turkish lira and select short risk positions in the Taiwanese dollar, South Korean won, and Israeli shekel.

Credit spreads mixed

Credit spreads were mixed over the quarter. While strong technicals helped investment grade hold broadly steady, high yield ended moderately wider due largely to moves in the final month of the quarter when inflation concerns fueled a pickup in volatility across most risk markets.

In terms of the portfolio, we benefited from security selection within European high yield and emerging market hard currency debt. However, these gains were offset by losses from risk hedging positions expressed in equity and credit markets.

PORTFOLIO POSITIONING AND ACTIVITY

With expectations for robust growth and elevated inflation, we kicked off the quarter with overall duration at the lower end of our range. This was driven largely by short duration positions in high-quality markets where we saw the most potential for inflation to be structural, such as the U.S. and the UK. Throughout the quarter, we largely maintained this bias for higher interest rates in select developed markets, although we did make some changes to the positioning. Specifically, in the U.S., in July, we added new option structures and trimmed the outright short duration posture in seeking to help manage downside risks should core bonds continue to rally, because at that time the coronavirus delta variant was spreading rapidly, fueling concerns that the global recovery could stall. Toward the end of the quarter, our thesis for inflation started to play out and we added to our short duration stances in Canada and Australia. In other moves, a key theme in the portfolio over the quarter was the significant reduction in our short U.S. dollar bias as we saw potential for the currency to be supported near-term by global growth slowing and the possible return of U.S. economic exceptionalism.

Country/duration positioning

- Within developed markets, we held short duration stances at the end of September in high-quality countries where we see potential for inflation to remain elevated with prices potentially more stickier and less transitory than markets anticipate. This included the U.S., the UK, Canada, and Australia. In the eurozone, we expressed a steepening bias in Germany as the next coalition government is likely to increase spending, which could weigh on longer-term bund yields, in our view. Elsewhere in the region, the long duration position in Cyprus was retained and a new short duration stance was opened in Italy on the basis of expensive valuations and medium-term fiscal concerns.

- Among other high-quality markets, a new long duration stance in New Zealand was opened as we felt valuations were attractive with the market pricing in the central bank's hawkishness. Elsewhere, we continued to hold a sizable long position in China on expectations for growth to slow, which could drive the central bank to shift toward easing monetary policy while most other major central banks move toward tightening and removing some accommodation. Throughout, our positive bias toward select Asian countries remained largely in place, as did our long positions in Sweden and Israel as we believe these high-quality markets are lower-risk government bond allocations in the current environment.

- To reflect our view that price pressures could remain elevated over the coming months, we held allocations to select inflation-linked bonds and swaps at the end of September. This included in the U.S., the UK, Canada, and Germany.

- In emerging markets, our positive bias remained in place as we found the steepness of curves attractive in select countries that have responded to inflation pressures by hiking interest rates. At the end of September, long exposures were held in the local currency government bond markets of Mexico, Brazil, Indonesia, India, the Philippines, Serbia, Romania, Russia, South Africa, and Turkey.

- To help mitigate some of the risk associated with our "return-seeking" positions, we maintained a short duration position in Poland throughout as price pressures remained elevated.

Currency selection

- In the currency sphere, the short U.S. bias was largely closed in the final month of the period. Although we felt over the long term the case for weakness remained in place, we saw potential for the dollar to be supported near-term by global growth decelerating and the possibility of U.S. economic exceptionalism returning. Accordingly, we closed long positions in the Australian dollar and Canadian dollar, initiated new short positions in the Mexican peso and the South African rand, and increased the size of the short position in the Israeli shekel.

- A positive bias toward select Eastern European currencies such as the Romanian leu and the Czech koruna, was largely retained during the quarter. This was driven by our expectations for central banks in this region to respond to inflation pressures by hiking interest rates, which is likely to be currency supportive, in our view. Throughout, we held long exposures in a small number of higher-risk idiosyncratic currencies that we believe continue to offer long-term value potential and benefit from high carry characteristics. At the end of September, this included the Egyptian pound.

Sector allocation and security selection

- Within sectors, we reduced the portfolio's exposure to credit markets during the quarter. This was done through adding some new defensive short positions in U.S. investment grade and U.S. high yield using synthetic credit instruments, including using option instrument structures in seeking to help manage costs more efficiently. Throughout, we continued to isolate credit selection from market beta as a potential source of alpha. Accordingly, we held long positions at the end of September in select corporate, securitized, and hard currency emerging market debt identified as attractive by our bottom-up research process.

- Put option structures on U.S. equities—which we hold as a potential defensive hedge in the portfolio against a rapid correction in equity markets—were adjusted over the period.

MANAGER'S OUTLOOK

The quarter was characterized by slowing global growth and shifting central bank focus with some taking a more hawkish stance toward inflation while others remained dovish despite consistently high prints. We believe that the market will continue to discriminate between how central banks respond to inflationary pressures. This environment is likely to create increased interest rate volatility and a dispersion in opportunities, in our view. Accordingly, we retain a bias for higher interest rates in select countries where we see potential for more structural inflation, such as the U.S. and UK. By contrast, we express long duration stances in countries where we believe there's attractive relative value and further progress in the monetary policy tightening cycle, such as New Zealand, Russia, Brazil, and Mexico.

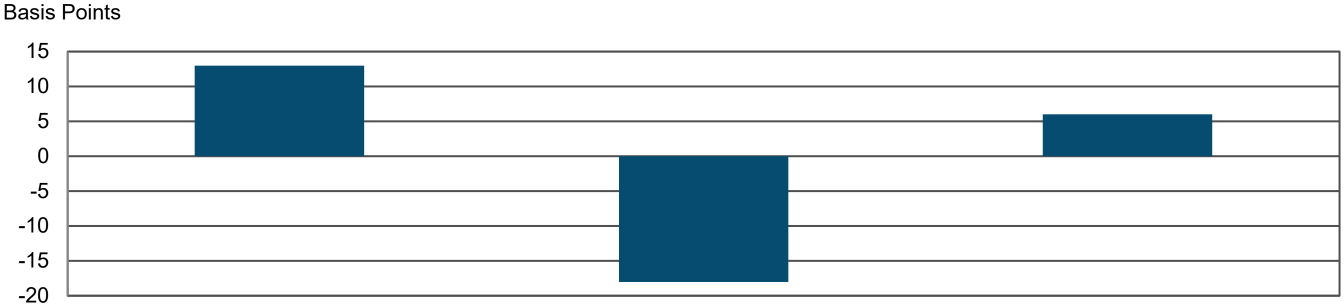
In terms of risk markets, such as credit and equity, we are cautious on the outlook. Strong technicals are balanced by tight valuations and the likelihood that both monetary policy and fiscal stimulus are both likely to be less supportive going forward. As a result, we further trimmed the portfolio's exposure to credit markets through adding new defensive hedging positions using synthetic credit instruments.

Over the next few weeks and months, we see potential for further bouts of volatility. A key risk factor is the prospect of liquidity conditions tightening as central banks respond to inflation and governments begin to withdraw pandemic fiscal support. This comes at a time when China's economy is slowing, and several countries are experiencing an energy price crisis. Against this backdrop, we believe the environment calls for a tactical approach, so our ability to be flexible and adapt quickly to changes in market conditions will be important. We will continue to follow our investment process and maintain a portfolio that aims to strike the right balance between specific risk-seeking positions and more risk-defensive positions.

ATTRIBUTION

CONTRIBUTION TO EXCESS RETURN

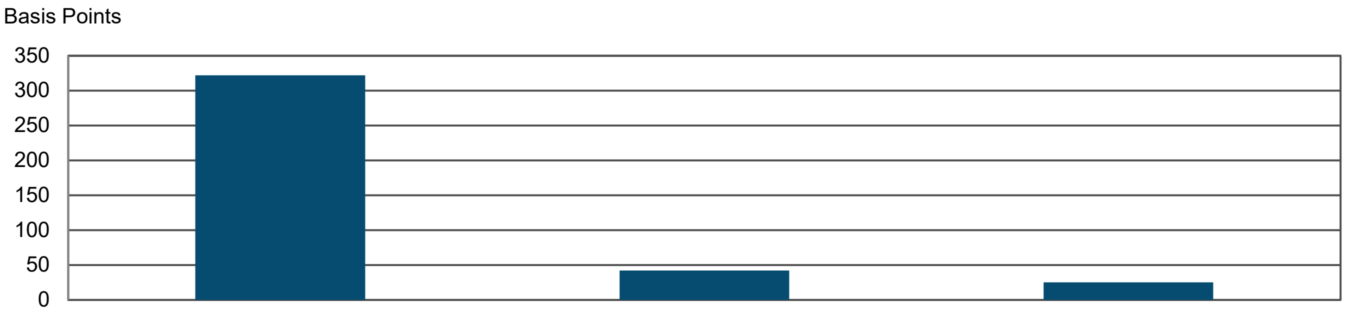
(3 months ended 30 September 2021)



Country/Duration	Currency	Sector/Security
13	-18	6

CONTRIBUTION TO EXCESS RETURN

(12 months ended 30 September 2021)



Country/Duration	Currency	Sector/Security
322	42	25

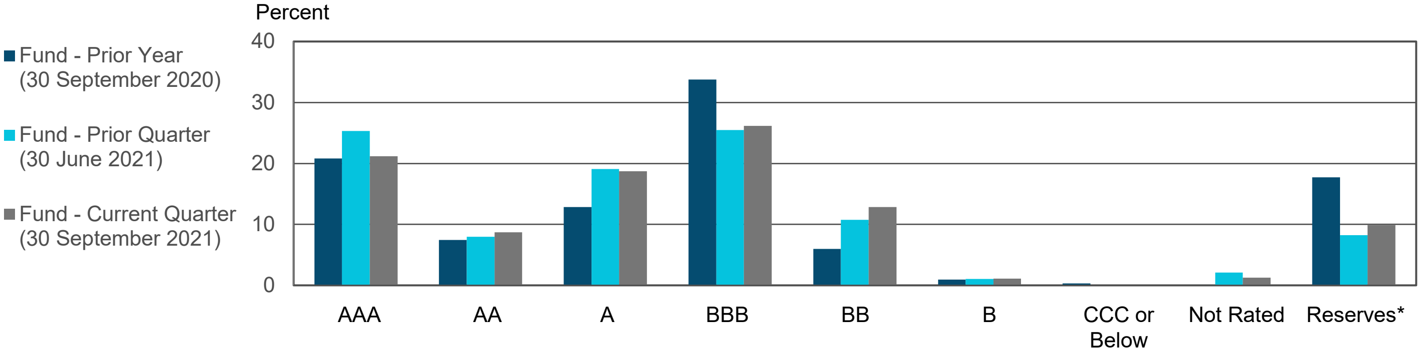
Past performance is not a reliable indicator of future performance.

Source: T. Rowe Price.

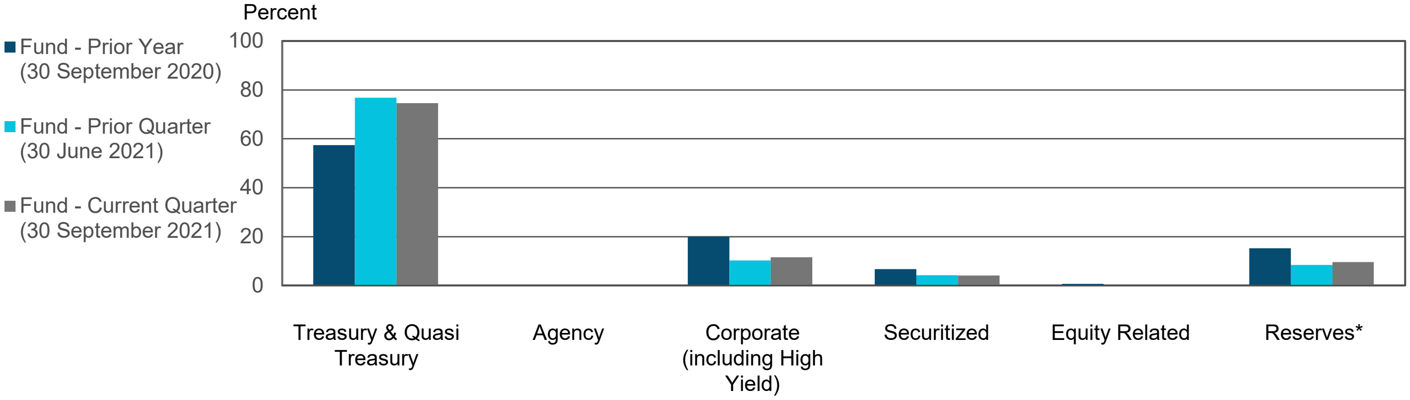
T. Rowe Price Proprietary Performance Attribution Model is used to separate (attribute) the period outperformance (or underperformance) of a portfolio relative to its benchmark. The system attributes the outperformance (or underperformance) to a set of portfolio decisions such as currency and country weightings and specific security selections. The portfolio return is calculated by a daily compounding of returns from changes in present value, additional interest accruals, and trading activities. Figures are shown gross of fees. Performance for each security is obtained in the currency in which it is issued and, if necessary, is converted using an exchange rate determined by an independent third party.

PORTFOLIO POSITONING

CREDIT QUALITY DIVERSIFICATION—CHANGES OVER TIME



SECTOR DIVERSIFICATION—CHANGES OVER TIME



*This number includes the impact of net unsettled trades.

CONTRIBUTION TO DURATION

Country	(Fund) Years
Dollar Bloc	
Israel	0.26
New Zealand	0.13
Australia	-0.25
Canada	-0.53
Europe Bloc	
Eurozone	0.64
Sweden	0.14
United Kingdom	-0.69
Wider Europe Bloc	
Romania	0.12
Poland	-0.70
Asia Bloc	
Japan	0.63
China	0.39
South Korea	0.28
Hong Kong SAR	0.11
Malaysia	0.10
Emerging Markets Bloc	
Thailand	0.24
Mexico	0.22
Brazil	0.19
Serbia	0.18
South Africa	0.16
Indonesia	0.15
Russia	0.15
Chile	0.12
India	0.10
Philippines	0.09
Turkey	0.07

CURRENCY EXPOSURE

Currency	% of Fund
Dollar Bloc	
Australian dollar	99.95
United States dollar	0.29
Canadian dollar	-0.02
Mexican peso	-1.99
Israeli shekel	-4.05
Europe Bloc	
British pound sterling	2.50
Serbia dinar	1.88
Czech koruna	1.46
New Romanian leu	1.37
Norwegian krone	0.99
Russian ruble	0.99
Polish zloty	0.30
Swedish krona	-0.02
euro	-0.13
Asia Bloc	
Chinese renminbi	4.07
Indonesian rupiah	1.02
Indian rupee	0.04
Malaysian ringgit	0.04
Philippine peso	0.03
Thai baht	-0.01
Japanese yen	-0.02
Korean won	-0.93
New Taiwan dollar	-2.96
Offshore Chinese renminbi	-4.01
Middle East/ Africa Bloc	
Egyptian pound	0.98
Turkish lira	0.48
South African rand	-1.50
Latin America Bloc	
Chilean peso	-0.16
Brazilian real	-0.60

MARKET PERFORMANCE

GLOBAL GOVERNMENT BOND MARKET RETURNS (LOCAL CURRENCY)

(3 months ended 30 September 2021)

Country	
Malaysia	0.38%
Australia	0.33
Italy	0.12
United States	0.09
Japan	0.08
Euro Area	0.04
France	-0.09
Germany	-0.11
Singapore	-0.13
Denmark	-0.17
Sweden	-0.23
South Korea	-0.24
Mexico	-0.40
Canada	-0.47
Norway	-0.88
Poland	-1.00
New Zealand	-1.16
Czech Republic	-1.54
United Kingdom	-1.91

CURRENCY RETURNS (SPOT PRICE RETURNS VS. AUD)

(3 months ended 30 September 2021)

Currency	
Euro	0.19%
Danish krone	0.16
United Kingdom sterling	0.09
Swedish krona	0.05
Japanese yen	0.04
Polish zloty	0.01
United States dollar	-0.04
Norwegian krone	-0.05
New Zealand dollar	-0.06
Singapore dollar	-0.06
Canadian dollar	-0.06
Czech koruna	-0.13
South Korean won	-0.14
Malaysian ringgit	-0.47
Mexican peso	-1.24

Past performance is not a reliable indicator of future performance.

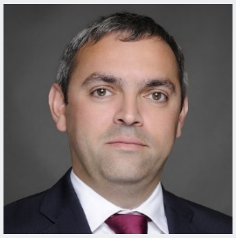
Source for Bloomberg index data: Bloomberg Index Services Ltd.

HOLDINGS

TOP 10 ISSUERS

Issuer	% of Fund
Federal Republic of Germany	17.5%
Japan	7.5
Federative Republic of Brazil	4.8
People's Republic of China	4.0
United Kingdom of Great Britain and Northern Ireland	4.0
Republic of the Philippines	4.0
Republic of Korea	3.6
Republic of Chile	3.1
Republic Of Serbia	2.7
Republic of Indonesia	2.6

PORTFOLIO MANAGEMENT



Portfolio Manager:
Arif Husain

Managed Fund Since:
2014

Joined Firm:
2013

ADDITIONAL DISCLOSURES

T. Rowe Price uses a custom structure for diversification reporting for this product.

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

Certain numbers in this report may not equal stated totals due to rounding. Unless otherwise stated, all data is as of the report production date.

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

Credit ratings for the securities held in the T. Rowe Price Dynamic Global Bond Fund are provided by Moody’s, Standard & Poor’s and Fitch and are converted to the Standard & Poor’s nomenclature. If the rating agencies differ, the highest rating is applied to the security. If a rating is not available, the security is classified as Not Rated (NR). T. Rowe Price uses the rating of the underlying investment vehicle to determine the creditworthiness of credit default swaps and sovereign securities. The T. Rowe Price Dynamic Global Bond Fund is not rated by any agency.

Source for Bloomberg data: “Bloomberg®” and the Bloomberg Indices are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited (“BISL”), the administrator of the index (collectively, “Bloomberg”) and have been licensed for use for certain purposes by T. Rowe Price. Bloomberg is not affiliated with T. Rowe Price, and Bloomberg does not approve, endorse, review, or recommend this Product. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to this product.

IMPORTANT INFORMATION

Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298 AFSL 240975) is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Stock Exchange (ASX:EQT). Equity Trustees and T. Rowe Price Australia Limited ("TRPAU") (ABN 13 620 668 895 and AFSL: 503741) are, respectively, the Responsible Entity and Investment Manager of the T. Rowe Price Australian Unit Trusts. Available in Australia for Wholesale Clients only and in New Zealand for Wholesale Investors only.

A Target Market Determination for each T. Rowe Price Australian Unit Trust (or class of units in a Trust) is available here (www.eqt.com.au/insto [eqt.com.au]). A Target Market Determination is a document which is required to be made available from 5 October 2021. It describes who the financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where Equity Trustees Limited, the responsible entity of the T. Rowe Price Australian Unit Trusts may need to review the Target Market Determination for the financial product.

Past performance is not a reliable indicator of future performance. The price of any fund may go up or down. Investment involves risk including a possible loss to the principal amount invested. For general information purposes only, does not take into account the investment objectives, financial situation or needs of any particular investor. For further details, please refer to each Fund's Product Disclosure Statement and Reference Guide which are available from Equity Trustees (www.eqt.com.au/insto) or TRPAU (www.troweprice.com.au)/(www.troweprice.nz).

Information and opinions presented have been obtained or derived from sources believed to be reliable and current; however, we cannot guarantee the sources' accuracy or completeness. There is no guarantee that any forecasts made will come to pass. The views contained herein are as of the date noted on the material and are subject to change without notice; these views may differ from those of other T. Rowe Price group companies and/or associates. Under no circumstances should the material, in whole or in part, be copied or redistributed without consent from T. Rowe Price.

202110-1862151