



# Emerging Markets Local Currency Bond Fund (PRELX)

As of February 28, 2026

Portfolio Management	Managed Since	Joined Firm
Andrew Keirle	2011	2005

## Investment Objective

The fund seeks to provide high income and capital appreciation.

## General Information

CUSIP	77956H674
Inception Date	May 26, 2011
Benchmark	J.P. Morgan GBI-EM Global Diversified
Expense Information (as of the most recent Prospectus) <sup>(1)</sup>	1.01%(Gross) 0.92%(Net)

<sup>(1)</sup>The Fund operates under a contractual expense limitation that expires on February 29, 2028.

## Market Commentary

In U.S. dollar terms, emerging markets (EM) local bonds gained as yields fell. Most EM currencies outperformed the U.S. dollar in February as U.S. trade policy developments improved the trade backdrop for several countries. Most regions rose, driven by the Middle East and Africa.

Developed market government bonds rallied amid higher-quality asset demand due to artificial intelligence-related risk aversion, elevated U.S.-Iran tensions, and renewed uncertainty over the U.S. trade policy. The U.S. Supreme Court overturned several of President Trump's country-specific tariffs, and, in response, the White House subsequently imposed a broad-based 10% import surcharge for up to 150 days. Against this backdrop, U.S., eurozone, and UK government bond yields fell across most tenors, with the larger moves further out the curve. In the eurozone, the January flash inflation estimate fell below the central bank's target, which was helpful early in the month. In the UK, softening labor market data, a dovish hold by the Bank of England, and a record January budget surplus supported gilt performance. While Japanese government bond yields remained anchored at the front end, longer-dated yields fell amid postelection repositioning after the Liberal Democratic Party secured a supermajority. China held its loan prime rates steady, signaling that the central bank is not in a rush to deliver monetary easing after last month's sector-targeted rate cuts.

In EM currencies, the Argentine peso strengthened amid increased foreign exchange reserves and improved investor confidence following Congress's approval of President Javier Milei's labor-reform package. The Brazilian real also advanced as markets digested a large reduction in the country's average tariff rate. The Philippine peso was helped by comments from the central bank suggesting it is near the end of its easing cycle. In Mexico, the peso gained due to a cautious rate hold decision. The South African rand rose on prospects for an improving fiscal backdrop in the country's budget. By contrast, despite a rate hike at the end of January, the Colombian peso ended the month weaker as a leftist presidential candidate built a significant lead in election polls ahead of the May 31 vote.

## Performance (%) (NAV, total return Performance > 1yr is Annualized)

	1m	3m	YTD	1yr	3yrs	5yrs	10yrs	Since Inception	30-Day SEC Yield	30-Day SEC Yield w/o Waiver <sup>(2)</sup>
Emerging Markets Local Currency Bond Fund (PRELX)	1.35	5.05	3.47	20.35	10.20	2.58	4.21	1.11	5.98	5.95
J.P. Morgan GBI - EM Global Diversified (JPGGD)	1.29	5.04	3.49	20.15	10.37	2.59	4.06	1.31	N/A	N/A

The 1-, 5-, and 10-year annualized returns as of 2025-12-31 were 19.32%, 1.09% and 3.93% for the Fund.

**Past performance is not a guarantee or a reliable indicator of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain the most recent month-end performance, visit [troweprice.com](https://troweprice.com).**

The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any.

<sup>(2)</sup>Excludes the effect of contractual expense limitation arrangements. If the expense waiver was not in effect for the 30-Day period shown, there may not be a difference in the 30-day SEC yields shown above.

The fund(s) may have other share classes available that offer different investment minimums and fees. See the prospectus for details.

**Risks: Interest rates:** A rise in interest rates typically causes the price of a fixed rate debt instrument to fall and its yield to rise. Conversely, a decline in interest rates typically causes the price of a fixed rate debt instrument to rise and the yield to fall. **Emerging markets:** Investments in emerging market countries are subject to greater risk and overall volatility than investments in the U.S. and other developed markets. **Derivatives:** The use of derivatives exposes the fund to additional volatility and potential losses. A derivative involves risks different from, and possibly greater than, the risks associated with investing directly in the assets on which the derivative is based, including liquidity risk, valuation risk, correlation risk, market risk, interest rate risk, leverage risk, counterparty and credit risk, operational risk, management risk, legal risk, and regulatory risk. See the prospectus for more detail on the fund's principal risks.

THIS MATERIAL MUST BE PRECEDED OR ACCOMPANIED BY A PROSPECTUS, OR SUMMARY PROSPECTUS IF AVAILABLE.  
<https://prospectus-express.broadridge.com/summary.asp?doctype=pros&clientid=trowepl&fundid=77956H674>

## Risk Return Characteristics (Five Years ended February 28, 2026)

	Annualized Std. Deviation (%)	Alpha (%)	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error (%)
Emerging Markets Local Currency Bond Fund	9.70	0.03	1.02	0.98	-0.01	-0.09	1.49
J.P. Morgan GBI-EM Global Diversified	9.39	0.00	1.00	1.00	0.00	-0.09	0.00

Past performance is not a guarantee or a reliable indicator of future results. Figures are calculated using monthly data and are net of fees.

Top 10 Issuers (%)	Market	Industry	Fund
Federative Republic of Brazil	Brazil	Sovereign	10.1
United Mexican States	Mexico	Sovereign	9.9
Republic of Indonesia	Indonesia	Sovereign	8.9
Republic of South Africa	South Africa	Sovereign	8.3
Federation of Malaysia	Malaysia	Sovereign	8.1
Kingdom of Thailand	Thailand	Sovereign	5.9
Czech Republic	Czech Republic	Sovereign	5.4
Republic of India	India	Sovereign	5.2
Romania	Romania	Sovereign	5.1
Republic of Poland	Poland	Sovereign	4.8

Top 10 Currency Exposure (%)	Fund
Malaysian ringgit	10.9
Mexican peso	10.5
Indian rupee	10.0
Indonesian rupiah	9.5
Polish zloty	8.4
Thai baht	8.4
Brazilian real	7.9
South African rand	7.5
Offshore Chinese renminbi	5.8
New Romanian leu	4.8

Comprising 71.7% of total net assets.

Source: Financial data and analytics provider FactSet. Copyright 2026 FactSet. All rights reserved.

Portfolio Characteristics	Fund	JPGGD
Weighted Average Maturity	8.11 years	7.77 years
Weighted Average Effective Duration	5.39 years	5.41 years
Weighted Average Coupon	6.43%	5.70%
Yield to Maturity	6.86%	5.83%
Total Assets (all share classes)	\$431,067,590	N/A
Percent of Portfolio in Cash	3.2%	N/A

## Geographical

Geographical Diversification (%)	Fund	Fund vs JPGGD
Asia	33.7	-13.8
Latin America	29.4	4.6
Emerging Europe	21.5	1.4
Middle East & Africa	10.3	2.8
Other	1.9	1.9
Reserves	3.1	3.1

**Credit Quality**

<b>Diversification (%)</b>	Fund	JPGGD
AAA	1.7	0.4
AA	5.4	4.7
A	22.3	35.2
BBB	43.2	43.0
BB	22.0	16.5
B	1.2	0.2
CCC	0.2	0.0
D	0.0	0.0
Not Rated	0.8	0.0
Reserves	3.1	0.0

**Bond Allocation**

<b>(Issue Currency) (%)</b>	Fund	Fund vs JPGGD
Asia	35.3	-12.3
Latin America	28.9	4.2
Emerging Europe	21.3	1.2
Middle East & Africa	9.7	2.2
Other	1.5	1.5
Reserves	3.2	3.2

**Additional Disclosures & Definitions**

**Consider the investment objectives, risks, and charges and expenses carefully before investing. For a prospectus or, if available, a summary prospectus containing this and other information, call 1-800-638-7780 or visit [troweprice.com](http://troweprice.com). Read it carefully.**

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T. Rowe Price uses a custom structure for sector and industry reporting for this product.

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

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"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.

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The fund is a non-USD strategy. When we purchase securities denominated in USD, we hedge the USD exposure with forward contracts. Due to market valuations, the loss on currency forwards caused the allocation to the USD to be negative.

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