



## PORTFOLIO UPDATE

# European Stock Fund

As of February 29, 2024



**Portfolio Manager:**  
Tobias Mueller

**Managed Fund Since:**  
2020

**Joined Firm:**  
2011

## INVESTMENT OBJECTIVE

The fund seeks long-term growth of capital through investments primarily in the common stocks of companies located (or with primary operations) in Europe.

## FUND INFORMATION

Symbol	PRESX
CUSIP	77956H401
Inception Date of Fund	February 28, 1990
Benchmark	MSCI Europe Index Net
Expense Information (as of the most recent Prospectus)	1.03%
Fiscal Year End	October 31
12B-1 Fee	—

## PERFORMANCE

(NAV, total return)

	One Month	Three Months	Year-to-Date	One Year	Annualized			
					Three Years	Five Years	Ten Years	Fifteen Years
European Stock Fund	2.28%	6.18%	1.29%	12.18%	2.61%	6.91%	3.29%	9.57%
MSCI Europe Index Net	1.56	6.51	1.44	12.60	5.97	7.30	3.95	8.84

The 1-, 5-, and 10-year annualized returns as of 12/31/23 were 19.01%, 8.83% and 3.57% for the fund. **Performance data quoted represents past performance and is not a reliable indicator of future performance. 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://www.troweprice.com).** The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any.

Share prices are subject to market risk, including loss of the money you invest. In addition, there are risks associated with unfavorable currency exchange rates and political or economic uncertainty abroad.

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

## MARKET COMMENTARY

European shares rose to an all-time high in February in euro terms. Stocks rallied at first on expectations that the European Central Bank (ECB) would lower borrowing costs soon this year but then lost momentum as sticky inflation data prompted a reassessment of the magnitude and timing of cuts. The U.S. dollar strengthened against a basket of index currencies, curbing gains for dollar-based investors.

Germany's DAX Index and France's CAC 40 also scaled new peaks, boosted mainly by upbeat earnings from automakers. The UK's FTSE 100, however, ended flat amid concerns that the Bank of England (BoE) may keep interest rates higher for longer.

Growth stocks in the MSCI Europe Index outperformed value names, with large caps rising more than mid- and small-cap peers.

ECB and BoE policymakers successfully dampened market expectations of imminent rate cuts. At the ECB, they continued to argue that talk of lowering borrowing costs was premature due to persistently high inflation. BoE officials clung to a similar stance, with Governor Andrew Bailey saying more evidence was needed of inflation falling to the 2% target and staying there.

Both headline and core inflation in the eurozone slowed less than forecast in February, while the economy unexpectedly avoided a recession in the final three months of 2023.

In the UK, inflation held steady at 4.0% in January, while other recent data indicated that the economy appeared to be emerging from a recession in the second half of 2023.

**RISK RETURN CHARACTERISTICS**

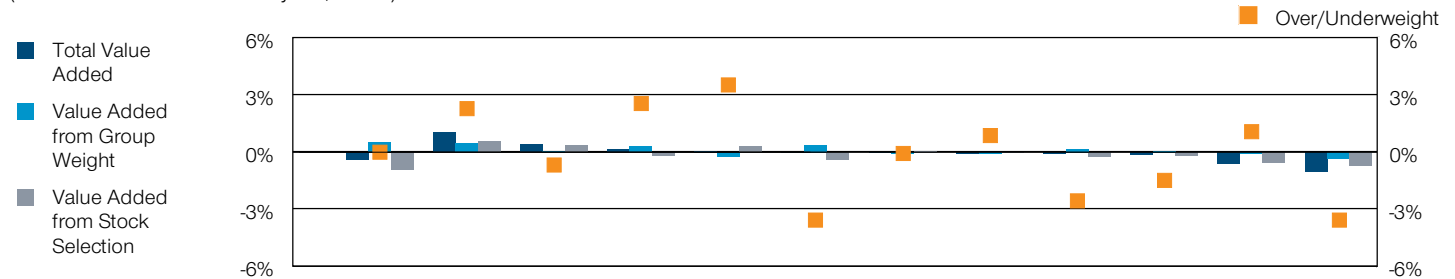
(Five Years ended February 29, 2024)

	Active Share* (as of 2/29/24)	Annualized Std. Deviation	Alpha	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error
European Stock Fund	68.6%	19.67%	-0.23%	0.99	0.94	-0.08	0.25	4.69%
MSCI Europe Index Net	–	19.25	0.00	1.00	1.00	0.00	0.27	0.00

\* Active Share is a snapshot in time as of the indicated date.

**Past performance is not a reliable indicator of future performance.** Figures are calculated using monthly data and are net of fees.**SECTOR ATTRIBUTION DATA VS. MSCI EUROPE INDEX**

(12 months ended February 29, 2024)



	Total	Info Tech	Utilities	Health Care	Comm Svcs	Consumer Staples	Real Estate	Energy	Materials	Consumer Disc	Financials	Indust & Bus Svcs
Over/Underweight	0.00%	2.30%	-0.66%	2.57%	3.54%	-3.58%	-0.08%	0.86%	-2.55%	-1.46%	1.09%	-3.56%
Fund Performance	12.86	49.97	11.29	15.26	10.21	-3.81	-10.13	2.21	1.16	11.07	10.76	18.80
Index Performance	13.27	40.91	2.57	15.30	5.42	-0.89	4.42	2.12	6.74	13.42	13.20	24.38
Value Add - Group Weight	0.54	0.46	0.08	0.31	-0.22	0.37	-0.10	-0.07	0.17	0.06	-0.07	-0.33
Value Add - Stock Selection	-0.95	0.58	0.33	-0.17	0.29	-0.37	0.06	-0.01	-0.25	-0.18	-0.52	-0.70
Total Contribution	-0.41	1.04	0.41	0.14	0.07	0.00	-0.04	-0.07	-0.07	-0.12	-0.60	-1.02

**Past performance is not a reliable indicator of future performance.** All numbers are percentages. Analysis represents the total performance of the portfolio as calculated by the FactSet attribution model and is inclusive of other assets. Non-equity positions are excluded from structure shown. Returns will not match official T. Rowe Price performance because FactSet uses different exchange rate sources and does not capture intra-day trading. Performance for each security is obtained in the local currency and, if necessary, is converted to USD using an exchange rate determined by an independent third party. Figures are shown with gross dividends reinvested. Sources: Financial data and analytics provider FactSet. Copyright 2024 FactSet. All Rights Reserved. MSCI/S&P GICS Sectors; Analysis by T. Rowe Price. T. Rowe Price uses the current MSCI/S&P Global Industry Classification Standard (GICS) for sector and industry reporting. Figures are shown gross of fees. Returns would be lower as a result of the deduction of such fees. Performance returns are in USD.

## TOP 10 ISSUERS

Comprising 33.2% of total net assets.

	Country	Industry	% of Fund
ASML Holding	Netherlands	Semicons & Semicon Equip	5.5%
Novo Nordisk	Denmark	Pharmaceuticals	5.4
SAP	Germany	Software	3.4
AstraZeneca	United Kingdom	Pharmaceuticals	3.2
LVMH Moët Hennessy Louis Vuitton	France	Textiles, Apparel & Luxury Goods	3.1
Siemens	Germany	Industrial Conglomerates	3.0
TotalEnergies	France	Oil, Gas & Consumable Fuels	2.7
Unilever	United Kingdom	Personal Care Products	2.5
Deutsche Telekom	Germany	Diversified Telecom Services	2.3
BP	United Kingdom	Oil, Gas & Consumable Fuels	2.1

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

## PORTFOLIO CHARACTERISTICS

	European Stock Fund	MSCI Europe Index Net
Number of Issuers	67	412
Investment Weighted Median Market Cap (mm)	\$54,941	\$68,768
Price to Earnings (Current Fiscal Year)*° †	17.9X	16.4X
Price to Book (trailing)°	2.9X	3.1X
Projected Earnings Growth Rate (3 - 5 Years)*° †	10.9%	8.5%
Return on Equity (Current Fiscal Year)° †	17.8%	17.7%
Top 20 Issuers as Percent of Total	50.3%	33.8%
Total Assets (all share classes)	961,168,770	–
Percent of Portfolio in Cash	1.4%	–

°Statistics are based on investment-weighted median.

\*I/B/E/S © 2024 Refinitiv. All rights reserved.

†These statistics are based on the Fund's underlying holdings and are not a projection of future portfolio performance. Actual results may vary.

## GEOGRAPHICAL DIVERSIFICATION

	United Kingdom	Germany	France	Netherlands	Switzerland	Denmark	Sweden	Italy	Finland	Spain	Other
European Stock Fund	18.4%	16.5%	15.3%	12.0%	6.5%	6.1%	6.0%	5.1%	3.6%	3.3%	5.9%
MSCI Europe Index Net	22.0	13.3	18.6	7.8	14.7	5.5	4.9	4.1	1.6	3.9	3.6
<b>Over/Underweight</b>	<b>-3.6</b>	<b>3.1</b>	<b>-3.3</b>	<b>4.2</b>	<b>-8.2</b>	<b>0.6</b>	<b>1.1</b>	<b>1.0</b>	<b>2.0</b>	<b>-0.6</b>	<b>2.3</b>

## SECTOR DIVERSIFICATION

	Financials	Health Care	Indust & Bus Svcs	Info Tech	Cons Disc	Cons Stpls	Comm Svcs	Energy	Materials	Utilities	Real Estate
European Stock Fund	19.1%	18.0%	12.9%	10.5%	9.9%	7.3%	6.6%	6.2%	4.2%	3.1%	0.7%
MSCI Europe Index Net	18.0	15.4	16.5	8.2	11.3	10.9	3.1	5.3	6.8	3.8	0.8
<b>Over/Underweight</b>	<b>1.1</b>	<b>2.6</b>	<b>-3.6</b>	<b>2.3</b>	<b>-1.4</b>	<b>-3.6</b>	<b>3.5</b>	<b>0.9</b>	<b>-2.6</b>	<b>-0.7</b>	<b>-0.1</b>

## Definitions

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 to tracking error, which measures the standard deviation of the difference in a manager's returns versus the Benchmark 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.

## Additional Disclosures

**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](https://www.troweprice.com). Read it carefully.**

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Unless otherwise noted, index returns are shown with gross dividends reinvested.

Fund Assets, holdings-based analytics (excluding portfolio turnover), and portfolio attribution are calculated using T. Rowe Price's internal Investment Book of Records (IBOR). Due to timing and accounting methodology differences, IBOR data may differ from the Accounting Book of Records (ABOR) data provided by the Fund's accountant.

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

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

"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.

This material should not be deemed a recommendation to buy or sell any of the securities mentioned.

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