



# T. Rowe Price

## PORTFOLIO UPDATE

# International Equity Index Fund

As of March 31, 2024



**Portfolio Manager:**  
Neil Smith

**Managed Fund Since:**  
2007

**Joined Firm:**  
1994

## INVESTMENT OBJECTIVE

The fund seeks to provide long-term capital growth.

## FUND INFORMATION

|  |                     |
|--|---------------------|
| Symbol   | PIEQX               |
| CUSIP  | 77958A107           |
| Inception Date of Fund                                 | November 30, 2000   |
| Benchmark  | MSCI EAFE Index Net |
| Expense Information (as of the most recent Prospectus) | 0.26%               |
| Fiscal Year End  | October 31          |
| 12B-1 Fee  | —                   |

## PERFORMANCE

(NAV, total return)

|                                 | One Month | Three Months | One Year | Annualized  |            |           |               |
|---------------------------------|-----------|--------------|----------|-------------|------------|-----------|---------------|
|                                 |           |              |          | Three Years | Five Years | Ten Years | Fifteen Years |
| International Equity Index Fund | 3.25%     | 5.77%        | 14.89%   | 4.65%       | 7.37%      | 4.79%     | 8.36%         |
| MSCI EAFE Index Net             | 3.29      | 5.78         | 15.32    | 4.78        | 7.33       | 4.80      | 8.41          |

**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.

The FTSE Developed Ex North America Index is an unmanaged index that is based on the market capitalization of over 1,000 predominantly large companies listed in 20 countries.

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

International stocks rose in March as investors bet on interest rate cuts by major central banks in the coming months. The U.S. dollar rose against the euro, British pound, Japanese yen and Swiss franc but weakened against the Canadian dollar as the relatively strong U.S. economy and hawkish comments by a Federal Reserve official added to speculation that the central bank was in no rush to loosen policy. Most developed European stock markets gained. The Stoxx Europe 600 ended March at a record high and recorded its second straight quarterly gain amid optimism about potential rate cuts and stronger economic growth. The European Central Bank left its deposit rate at a record 4% on March 7 and President Christine Lagarde noted that policymakers are not "sufficiently confident" to lower borrowing costs. Nevertheless, evidence of slowing inflation in Europe raised expectations for rate cuts starting in June. UK stocks advanced. The Bank of England held interest rates at a 16-year high of 5.25%. However, two hawkish policymakers dropped their demands for rate hikes, which led traders to bet on a rate cut as early as June. Developed Asian markets were mixed. Australian and Singaporean stocks recorded gains, but Hong Kong stocks fell amid disappointing earnings in China-facing companies and concerns about China's continuing property crisis. Japanese stocks gained. The Nikkei 225 surpassed the psychologically key 40,000 level for the first time as yen weakness, corporate governance reforms, and strong earnings continued to sustain the country's stock rally that began in early 2023. The Bank of Japan (BOJ) raised borrowing costs for the first time since 2007, ending an era of negative interest rates, as the central bank neared its 2% inflation goal. The BOJ also dismantled its yield curve control program but also pledged to keep buying long-term government bonds as needed. Emerging markets stocks rose. Chinese stocks rose slightly amid evidence that the economy was recovering, though disappointing corporate earnings and the property sector downturn weighed on sentiment. All 11 sectors in the MSCI EAFE Index advanced. Energy stocks performed the best, while consumer staples added the least.

**RISK RETURN CHARACTERISTICS**

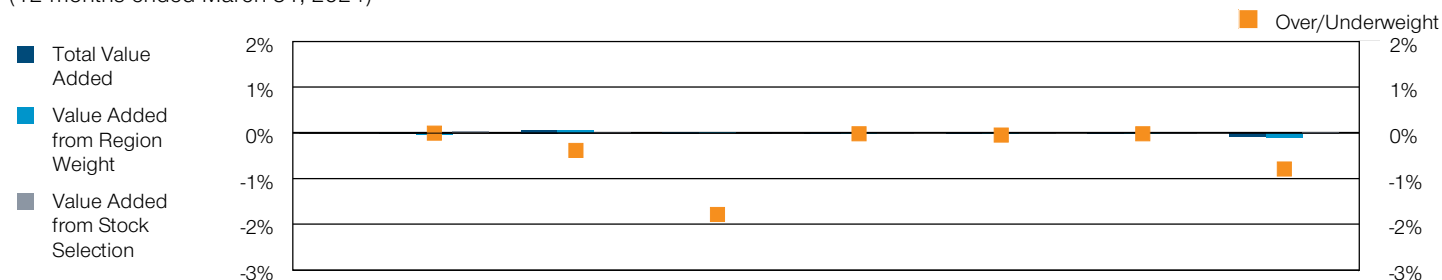
(Five Years ended March 31, 2024)

|                                 | Active Share*<br>(as of<br>3/31/24) | Annualized<br>Std.<br>Deviation | Alpha | Beta | R-Squared | Information<br>Ratio | Sharpe<br>Ratio | Tracking<br>Error |
|---------------------------------|-------------------------------------|---------------------------------|-------|------|-----------|----------------------|-----------------|-------------------|
| International Equity Index Fund | 3.0%                                | 18.31%                          | 0.00% | 1.02 | 0.98      | 0.02                 | 0.29            | 2.56%             |
| MSCI EAFE Index Net             | –                                   | 17.77                           | 0.00  | 1.00 | 1.00      | 0.00                 | 0.29            | 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.**REGION ATTRIBUTION DATA VS. MSCI EAFE INDEX**

(12 months ended March 31, 2024)



|                             | Total | Pacific ex Japan | Developed Europe | Latin America | EM EMEA | United States | Japan  |
|-----------------------------|-------|------------------|------------------|---------------|---------|---------------|--------|
| Over/Underweight            | 0.00% | -0.38%           | -1.77%           | -0.01%        | -0.03%  | 0.00%         | -0.77% |
| Fund Performance            | 15.90 | 2.61             | 14.87            | 39.54         | 22.99   | 3.52          | 26.34  |
| Index Performance           | 15.90 | 2.49             | 14.86            | 39.95         | 22.86   | 7.36          | 26.20  |
| Value Add - Region Weight   | -0.04 | 0.06             | 0.02             | 0.00          | 0.00    | -0.01         | -0.09  |
| Value Add - Stock Selection | 0.04  | 0.01             | 0.01             | 0.00          | 0.00    | -0.01         | 0.03   |
| Total Contribution          | 0.00  | 0.08             | 0.03             | 0.00          | 0.00    | -0.01         | -0.06  |

**SECTOR ATTRIBUTION DATA VS. MSCI EAFE INDEX**

(12 months ended March 31, 2024)



|                             | Total | Consumer Staples | Health Care | Energy | Utilities | Comm Svcs | Real Estate | Materials | Consumer Disc | Financials | Info Tech | Indust & Bus Svcs |
|-----------------------------|-------|------------------|-------------|--------|-----------|-----------|-------------|-----------|---------------|------------|-----------|-------------------|
| Over/Underweight            | 0.00% | -0.25%           | -0.34%      | -0.09% | -0.13%    | -0.13%    | -0.12%      | -0.23%    | -0.38%        | -0.52%     | -0.26%    | -0.52%            |
| Fund Performance            | 15.90 | -5.58            | 9.16        | 15.41  | 3.38      | 6.97      | 13.77       | 10.48     | 16.27         | 26.93      | 31.66     | 23.63             |
| Index Performance           | 15.90 | -5.55            | 9.15        | 15.21  | 3.43      | 7.04      | 13.61       | 10.66     | 16.20         | 26.84      | 31.54     | 23.63             |
| Value Add - Group Weight    | -0.02 | 0.06             | 0.02        | 0.01   | 0.01      | 0.01      | 0.00        | 0.02      | -0.01         | -0.03      | -0.04     | -0.04             |
| Value Add - Stock Selection | 0.02  | 0.00             | 0.00        | 0.01   | 0.00      | 0.00      | 0.00        | -0.02     | 0.01          | 0.01       | 0.01      | 0.00              |
| Total Contribution          | 0.00  | 0.06             | 0.02        | 0.02   | 0.01      | 0.01      | 0.01        | 0.00      | 0.00          | -0.02      | -0.03     | -0.04             |

**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 15.0% of total net assets.

|                                  | Country        | Industry                         | % of Fund |
|----------------------------------|----------------|----------------------------------|-----------|
| Novo Nordisk                     | Denmark        | Pharmaceuticals                  | 2.4%      |
| ASML Holding                     | Netherlands    | Semicons & Semicon Equip         | 2.2       |
| Nestle                           | Switzerland    | Food Products                    | 1.6       |
| Toyota Motor                     | Japan          | Automobiles                      | 1.5       |
| LVMH Moët Hennessy Louis Vuitton | France         | Textiles, Apparel & Luxury Goods | 1.4       |
| Shell                            | United Kingdom | Oil, Gas & Consumable Fuels      | 1.2       |
| AstraZeneca                      | United Kingdom | Pharmaceuticals                  | 1.2       |
| SAP                              | Germany        | Software                         | 1.2       |
| Novartis                         | Switzerland    | Pharmaceuticals                  | 1.2       |
| Roche Holding                    | Switzerland    | Pharmaceuticals                  | 1.1       |

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

## PORTFOLIO CHARACTERISTICS

|  | International Equity Index Fund | MSCI EAFE Index Net |
|--|---------------------------------|---------------------|
| Number of Issuers                                | 761                             | 756                 |
| Investment Weighted Median Market Cap (mm)       | \$61,286                        | \$59,408            |
| Price to Earnings (Current Fiscal Year)*° †      | 16.6X                           | 16.6X               |
| Price to Book (trailing)°                        | 2.4X                            | 2.4X                |
| Projected Earnings Growth Rate (3 - 5 Years)*° † | 7.8%                            | 7.8%                |
| Return on Equity (Current Fiscal Year)° †        | 14.7%                           | 14.7%               |
| Top 20 Issuers as Percent of Total               | 22.8%                           | 23.3%               |
| Total Assets (all share classes)                 | 968,608,615                     | –                   |
| Percent of Portfolio in Cash                     | 2.2%                            | –                   |

°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

|                                 | Europe      | Japan       | Pacific Ex Japan | North America | Middle East & Africa | Latin America | Reserves   |
|---------------------------------|-------------|-------------|------------------|---------------|----------------------|---------------|------------|
| International Equity Index Fund | 63.3%       | 22.8%       | 10.2%            | 0.9%          | 0.7%                 | 0.1%          | 2.2%       |
| MSCI EAFE Index Net             | 65.0        | 23.6        | 10.5             | 0.0           | 0.7                  | 0.1           | 0.0        |
| <b>Over/Underweight</b>         | <b>-1.8</b> | <b>-0.8</b> | <b>-0.4</b>      | <b>0.8</b>    | <b>0.0</b>           | <b>0.0</b>    | <b>2.2</b> |

## SECTOR DIVERSIFICATION

|                                 | Financials  | Indust & Bus Svcs | Health Care | Cons Disc   | Info Tech   | Cons Stpls  | Materials   | Energy      | Comm Svcs   | Utilities   | Other      |
|---------------------------------|-------------|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------|
| International Equity Index Fund | 18.8%       | 16.3%             | 12.3%       | 12.0%       | 9.1%        | 8.2%        | 6.8%        | 4.0%        | 3.9%        | 3.0%        | 3.2%       |
| MSCI EAFE Index Net             | 19.3        | 16.8              | 12.7        | 12.5        | 9.4         | 8.6         | 7.2         | 4.1         | 4.0         | 3.1         | 2.3        |
| <b>Over/Underweight</b>         | <b>-0.5</b> | <b>-0.5</b>       | <b>-0.3</b> | <b>-0.5</b> | <b>-0.3</b> | <b>-0.3</b> | <b>-0.4</b> | <b>-0.1</b> | <b>-0.1</b> | <b>-0.1</b> | <b>0.8</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](http://troweprice.com). Read it carefully.**

Source for MSCI data: MSCI. MSCI and its affiliates and third party sources and providers (collectively, "MSCI") makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed, or produced by MSCI. Historical MSCI data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. None of the MSCI data is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such.

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.

The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of Morgan Stanley Capital International Inc, ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by T. Rowe Price. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any or such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

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.

This material has been prepared for informational purposes only. The views and opinions stated in this commentary are those of the portfolio managers listed as of the date indicated. These views and opinions are subject to change based on market or other conditions and may differ from those of other T. Rowe Price associates. Actual market and investment results may differ materially from expectations.

© 2024 T. Rowe Price. All Rights Reserved. T. ROWE PRICE, INVEST WITH CONFIDENCE, and the Bighorn Sheep design are, collectively and/or apart, trademarks of T. Rowe Price Group, Inc.

T. Rowe Price Investment Services, Inc., Distributor.

2016-US-29064 202404-3473570