



# T. Rowe Price

## PORTFOLIO UPDATE

# Emerging Europe Fund

As of March 31, 2024



**Portfolio Manager:**

Ulle Adamson

**Managed Fund Since:**

2015

**Joined Firm:**

2002

## 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 the emerging market countries of Europe.

## FUND INFORMATION

Symbol	TREMX
CUSIP	77956H815
Inception Date of Fund	August 31, 2000
Benchmark	MSCI Emerging Markets Europe Index Net
Expense Information (as of the most recent Prospectus)*	3.47% (Gross) 1.41% (Net)
Fiscal Year End	October 31
12B-1 Fee	—

\*The Fund operates under a contractual expense limitation that expires on February 28, 2026.

## PERFORMANCE

(NAV, total return)

	One Month	Three Months	One Year	Annualized			
				Three Years	Five Years	Ten Years	Fifteen Years
Emerging Europe Fund	-0.21%	11.11%	53.61%	-30.66%	-18.03%	-10.25%	-1.67%
MSCI Emerging Markets Europe Index Net	-0.27	5.78	35.30	-23.51	-13.48	-7.80	-0.91

**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 fund has limited geographic focus and is expected to exhibit greater volatility than a more diversified fund.

**Investors should note that the Fund's short-term performance is highly unusual and unlikely to be sustained.**

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

Emerging European equities had a strong start to the year, outperforming both the broader emerging markets universe and their developed peers in the first quarter of 2024.

Türkiye led the region amid a generally positive corporate earnings season. The policy changes that were introduced last year also continued to support stocks in this market. Investors remain encouraged by the adoption of more orthodox economic and monetary policies by the government of President Recep Tayyip Erdogan since his re-election in May 2023. Sentiment was further boosted by data showing that GDP growth accelerated to 1.0% on a quarter-on-quarter basis in the fourth quarter of 2023 although inflation remained stubbornly high. The country's central bank raised interest rates twice over the review period to 50% while the lira depreciated versus the U.S. dollar. On the political front, President Erdogan's AK Party came second to the main opposition part, the CHP, in the municipal elections held on 31 March, including in the country's biggest cities, Istanbul and Ankara.

Elsewhere, Poland delivered a more modest but still positive return. Since the end of 2023, the country has been run by a pro-EU coalition government. In February 2024, the European Commission President Ursula von der Leyen announced that Poland will gain access to as much as EUR €137 billion in EU funds as a result of the new government implementing reforms to restore judicial independence. The Hungarian market posted modest gains over the review period despite a weak macroeconomic backdrop. Investors were encouraged by the National Bank of Hungary's bid to tackle inflation by cutting its policy rate by 175 basis points over the course of the quarter to 8.25%.

The equity market in Greece was also buoyant, mirroring the broader gains in global stocks. As they did throughout 2023, banking names continued to outperform at a sector level on the back of better-than-expected quarterly results and updates. The country's GDP grew by 0.2% quarter-on-quarter in the final quarter of 2023 and is forecast to accelerate over the year and into 2025, driven in part by private consumption growth.

**RISK RETURN CHARACTERISTICS**

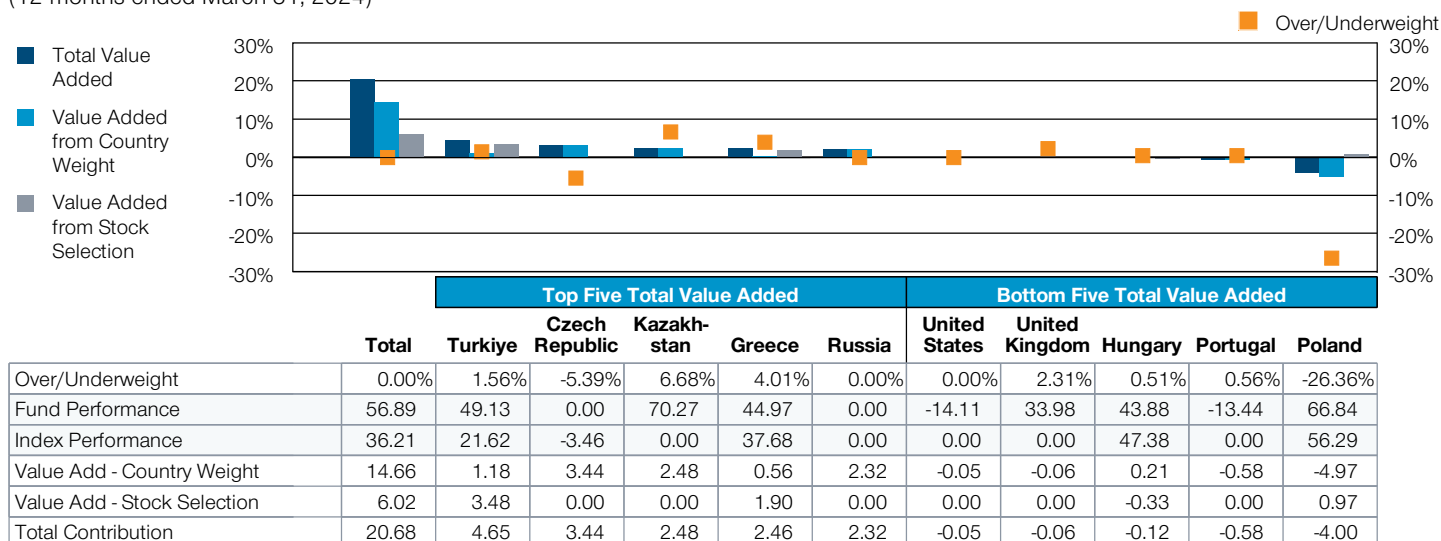
(Five Years ended March 31, 2024)

	Active Share* (as of 3/31/24)	Annualized Std. Deviation	Alpha	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error
Emerging Europe Fund	60.9%	44.93%	0.90%	1.12	0.92	-0.34	-0.44	13.49%
MSCI Emerging Markets Europe Index Net	–	38.53	0.00	1.00	1.00	0.00	-0.40	0.00

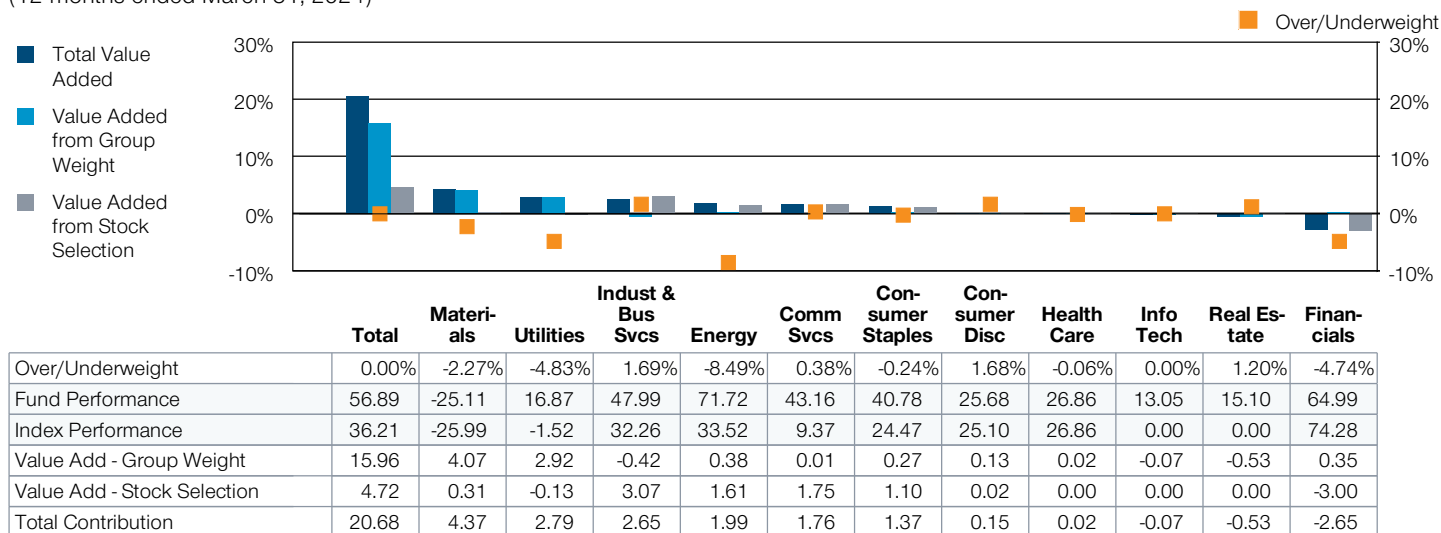
\* Active Share is a snapshot in time as of the indicated date.

**Past performance is not a reliable indicator of future performance.** Figures are calculated using monthly data and are net of fees.**COUNTRY ATTRIBUTION DATA VS. MSCI EMERGING MARKETS EUROPE INDEX (TOP AND BOTTOM 5 BY TOTAL VALUE ADDED)**

(12 months ended March 31, 2024)

**SECTOR ATTRIBUTION DATA VS. MSCI EMERGING MARKETS EUROPE INDEX**

(12 months ended March 31, 2024)



**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 56.0% of total net assets.

	Country	Industry	% of Fund
National Bank of Greece	Greece	Banks	13.2%
OTP Bank	Hungary	Banks	7.7
Koc Holding	Türkiye	Industrial Conglomerates	6.2
D-Market Elektronik Hizmetler Ve Ticaret	Türkiye	Broadline Retail	6.1
BİM Birlesik Magazalar	Türkiye	Consumer Staples Distribution & Retail	5.3
Halyk Savings Bank of Kazakhstan	Kazakhstan	Banks	4.2
Powszechny Zakład Ubezpieczeń	Poland	Insurance	3.7
Eurobank Ergasias Services & Holdings	Greece	Banks	3.5
Inpost	Poland	Air Freight & Logistics	3.5
Türk Hava Yolları AO	Türkiye	Passenger Airlines	2.6

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

## PORTFOLIO CHARACTERISTICS

	Emerging Europe Fund	MSCI Emerging Markets Europe Index Net
Number of Issuers	42	47
Investment Weighted Median Market Cap (mm)	\$7,168	\$7,882
Price to Earnings (Current Fiscal Year)*° †	6.0X	8.2X
Price to Book (trailing)°	1.4X	1.6X
Projected Earnings Growth Rate (3 - 5 Years)*° †	12.6%	12.6%
Return on Equity (Current Fiscal Year)° †	26.8%	20.4%
Top 20 Issuers as Percent of Total	76.3%	65.5%
Total Assets (all share classes)	55,579,265	–
Percent of Portfolio in Cash	16.0%	–

°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

	Türkiye	Greece	Poland	Hungary	Kazakhstan	Lithuania	Georgia	Portugal	United Kingdom	Czech Republic
Emerging Europe Fund	27.1%	24.3%	11.6%	10.0%	6.7%	1.8%	1.7%	0.6%	0.5%	0.0%
MSCI Emerging Markets Europe Index Net	26.9	20.3	38.0	9.5	0.0	0.0	0.0	0.0	0.0	5.4
<b>Over/Underweight</b>	<b>0.2</b>	<b>4.0</b>	<b>-26.4</b>	<b>0.5</b>	<b>6.7</b>	<b>1.8</b>	<b>1.7</b>	<b>0.6</b>	<b>0.5</b>	<b>-5.4</b>

## SECTOR DIVERSIFICATION

	Financials	Indust & Bus Svcs	Cons Disc	Cons Stpls	Comm Svcs	Energy	Health Care	Materials	Real Estate	Utilities
Emerging Europe Fund	40.4%	13.2%	12.3%	5.8%	4.3%	2.5%	1.9%	1.8%	1.2%	0.6%
MSCI Emerging Markets Europe Index Net	45.3	11.6	10.6	6.1	3.9	11.0	1.9	4.1	0.0	5.4
<b>Over/Underweight</b>	<b>-4.9</b>	<b>1.6</b>	<b>1.6</b>	<b>-0.3</b>	<b>0.4</b>	<b>-8.5</b>	<b>-0.1</b>	<b>-2.3</b>	<b>1.2</b>	<b>-4.8</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.**

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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.

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.

Closed to all purchases for new and existing investors.

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.

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