



# T. Rowe Price

## PORTFOLIO UPDATE

# International Bond Fund - Advisor Class

As of March 31, 2024

| Portfolio Manager: | Managed Fund Since: | Joined Firm: |
|--------------------|---------------------|--------------|
| Kenneth Orchard    | 2015                | 2010         |
| Andrew Keirle      | 2023                | 2005         |

## INVESTMENT OBJECTIVE

The fund seeks to provide current income and capital appreciation.

## FUND INFORMATION

|  |                                   |
|--|-----------------------------------|
| Symbol   | PAIBX                             |
| CUSIP  | 77956H831                         |
| Inception Date of Fund                                 | March 31, 2000                    |
| Benchmark  | Bloomberg Global Agg ex USD Index |
| Expense Information (as of the most recent Prospectus) | 1.15%                             |
| Fiscal Year End  | December 31                       |
| 12B-1 Fee  | 0.25%                             |

## MARKET COMMENTARY

International fixed income markets, as measured by the Bloomberg Global Aggregate ex USD Index hedged to U.S. dollars, rebounded in March and posted positive absolute returns. Sovereign yields retreated across several countries after rising last month.

Eurozone and UK sovereign yields fell over the period. The European Central Bank (ECB) left policy rates on hold at its March meeting amid competing recession and inflation concerns. ECB President Christine Lagarde indicated officials may be in a position to ease policy in June, while the governing council cut its inflation forecasts and projected inflation to reach its 2% target in 2025. Additionally, several ECB policymakers suggested an April interest rate hike should not be ruled out. In the UK, the Bank of England (BoE) appeared surprisingly dovish following softer inflation data with the BoE voting 8 to 1 to keep rates on hold. The lone dissenter favored a rate cut. Yield movements in Japan were more muted, but rates at the very short end of the curve rose notably. Large Japanese companies agreed to labor union demands for higher wages, which played into the Bank of Japan's (BoJ) decision to deliver its first interest rate hike in 17 years. The move marked the end of the BoJ's experiment with negative interest rate policy that began in 2016. The BoJ also ended its yield-curve control program.

Broad credit spreads, as measured by the option-adjusted spread for the Bloomberg Global Aggregate ex USD Index, oscillated over the month but ended slightly tighter, leading to marginally positive excess returns. Market sentiment remained broadly supportive with investors anticipating the beginning of a global interest rate-cutting cycle.

## PERFORMANCE

(NAV, total return)

|  | One Month | Three Months | One Year | Annualized  |            |           |               | 30-Day SEC Yield |
|--|-----------|--------------|----------|-------------|------------|-----------|---------------|------------------|
|  |           |              |          | Three Years | Five Years | Ten Years | Fifteen Years |                  |
| International Bond Fund - Advisor Class      | 0.20%     | -3.48%       | 0.20%    | -7.59%      | -2.83%     | -1.62%    | 0.54%         | 2.65%            |
| Bloomberg Global Aggregate ex USD Bond Index | 0.24      | -3.21        | -0.71    | -6.53       | -2.49      | -1.38     | 0.78          | –                |

**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.

This fund involves a high-risk approach to income from foreign bonds, and its share price could fluctuate significantly. The fund is subject to the risks unique to international investing, including unfavorable changes in currency values, as well as credit risk and interest rate risk. To the extent the Fund invests in emerging markets, the international investing risks are heightened.

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

THIS MATERIAL MUST BE PRECEDED OR ACCOMPANIED BY A PROSPECTUS, OR SUMMARY PROSPECTUS IF AVAILABLE.

**RISK RETURN CHARACTERISTICS**

(Five Years ended March 31, 2024)

|   | Annualized<br>Std.<br>Deviation | Alpha | Beta | R-Squared | Information<br>Ratio | Sharpe<br>Ratio | Tracking<br>Error |
|---|---------------------------------|-------|------|-----------|----------------------|-----------------|-------------------|
| International Bond Fund - Advisor Class | 10.12%                          | 0.29% | 1.12 | 0.97      | -0.16                | -0.48           | 2.12%             |
| Bloomberg Global Agg ex USD Index       | 8.89                            | 0.00  | 1.00 | 1.00      | 0.00                 | -0.51           | 0.00              |

**Past performance is not a reliable indicator of future performance.** Figures are calculated using monthly data and are net of fees.**TOP 10 ISSUERS**

Comprising 44.3% of total net assets.

|  | Country        | Industry                       | % of Fund |
|--|----------------|--------------------------------|-----------|
| Japan  | Japan          | Sovereign                      | 15.3%     |
| Federal Republic of Germany                    | Germany        | Government Guarantee/Sovereign | 5.2       |
| People's Republic of China                     | China          | Sovereign                      | 4.6       |
| Republic of Italy                              | Italy          | Sovereign/Transportation       | 3.3       |
| Federation of Malaysia                         | Malaysia       | Sovereign                      | 3.2       |
| Canada   | Canada         | Sovereign                      | 3.2       |
| Republic of Indonesia                          | Indonesia      | Sovereign                      | 2.8       |
| United Kingdom of Great Britain and N. Ireland | United Kingdom | Sovereign                      | 2.4       |
| Republic of France                             | France         | Sovereign                      | 2.3       |
| Commonwealth of Australia                      | Australia      | Sovereign                      | 2.0       |

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

**NET CURRENCY EXPOSURE (TOP 10)**

|                        | % of Fund |
|------------------------|-----------|
| euro                   | 38.7%     |
| Japanese yen           | 17.6      |
| British pound sterling | 7.3       |
| Canadian dollar        | 5.7       |
| Chinese renminbi       | 5.2       |
| Korean won             | 3.1       |
| Australian dollar      | 3.0       |
| Mexican peso           | 2.6       |
| Hungarian forint       | 2.3       |
| Chilean peso           | 1.3       |

**PORTFOLIO CHARACTERISTICS**

|                                     | International<br>Bond Fund -<br>Advisor Class | Bloomberg Glob-<br>al Agg ex USD<br>Index |
|-------------------------------------|---|---|
| Weighted Average Maturity           | 8.63 years                                    | 8.54 years                                |
| Weighted Average Effective Duration | 7.00 years                                    | 6.99 years                                |
| Weighted Average Coupon             | 2.77%   | 2.30%                                     |
| Yield to Maturity                   | 4.30%   | 2.79%                                     |
| Percent of Portfolio in Cash        | 2.9%  | –   |
| Total Assets (all share classes)    | 946,923,584                                   | –   |

**SECTOR DIVERSIFICATION**

|   | Sub Invest-<br>ment<br>Grade | Corporate  | Collateral-<br>ised | Agency/Su<br>pranation-<br>als | Govern-<br>ment | Reserves   |
|---|------------------------------|------------|---------------------|--------------------------------|-----------------|------------|
| International Bond Fund - Advisor Class | 5.1%                         | 19.5%      | 0.1%                | 0.1%                           | 72.6%           | 2.9%       |
| Bloomberg Global Agg ex USD Index       | 0.0                          | 11.0       | 3.9                 | 15.5                           | 69.6            | 0.0        |
| <b>Over/Underweight</b>                 | <b>5.1</b>                   | <b>8.5</b> | <b>-3.8</b>         | <b>-15.4</b>                   | <b>3.0</b>      | <b>2.9</b> |

**BOND ALLOCATION (ISSUE CURRENCY)**

|   | Europe      | Asia ex-Japan | Japan       | North America | Latin America | Middle East & Africa | Reserves   |
|---|-------------|---------------|-------------|---------------|---------------|----------------------|------------|
| International Bond Fund - Advisor Class | 50.5%       | 19.3%         | 15.3%       | 7.0%          | 4.7%          | 0.4%                 | 2.9%       |
| Bloomberg Global Agg ex USD Index       | 51.2        | 24.1          | 18.5        | 5.0           | 1.0           | 0.2                  | 0.0        |
| <b>Over/Underweight</b>                 | <b>-0.8</b> | <b>-4.8</b>   | <b>-3.2</b> | <b>2.0</b>    | <b>3.7</b>    | <b>0.2</b>           | <b>2.9</b> |

**CREDIT QUALITY DIVERSIFICATION**

|   | AAA         | AA           | A            | BBB         | BB         | B          | CCC        | C          | Not Rated   | Reserves   |
|---|-------------|--------------|--------------|-------------|------------|------------|------------|------------|-------------|------------|
| International Bond Fund - Advisor Class | 19.1%       | 9.3%         | 34.5%        | 25.4%       | 6.6%       | 1.5%       | 0.3%       | 0.1%       | 0.3%        | 2.9%       |
| Bloomberg Global Agg ex USD Index       | 20.1        | 21.3         | 45.2         | 13.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.5         | 0.0        |
| <b>Over/Underweight</b>                 | <b>-1.0</b> | <b>-11.9</b> | <b>-10.7</b> | <b>12.4</b> | <b>6.6</b> | <b>1.5</b> | <b>0.3</b> | <b>0.1</b> | <b>-0.2</b> | <b>2.9</b> |

**Definitions**

Weighted Average Effective Duration is a calculation that seeks to measure the price sensitivity of a bond Fund to changes in interest rates. In general, the longer the average duration, the greater the Fund's sensitivity to interest rates.

**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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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 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.

Credit ratings for the securities held in the Fund are provided by Moody's, Standard & Poor's and Fitch and are converted to the Standard & Poor's nomenclature.

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