



## PORTFOLIO UPDATE

# Institutional Emerging Markets Bond Fund

As of August 31, 2024



**Portfolio Manager:**  
Samy Muaddi

**Managed Fund Since:**  
2021

**Joined Firm:**  
2006

## MARKET COMMENTARY

Emerging markets (EM) debt advanced in a volatile August as cooling inflation data led the U.S. Federal Reserve to indicate it would begin to cut interest rates soon. Investment-grade countries modestly outperformed high yield issuers for the month. All regions rose over the period, driven by gains in Africa.

The J.P. Morgan Global Manufacturing Purchasing Managers' Index (PMI) fell amid moderation in global growth, driven by weakness in China and the U.S. In the U.S., Fed Chair Jerome Powell signaled an imminent start to interest rate cuts as the Fed shifts its focus to the labor market. In Europe, the European Central Bank held rates steady, while the Bank of England and Sweden's Riksbank delivered a rate cut. The Bank of Japan's deputy governor indicated the bank would continue to raise interest rates if inflation stayed on course, while also closely monitoring financial market conditions. In China, economic data were mixed as manufacturing PMI fell and housing continued to weaken, while non-manufacturing PMI, the consumer price index, and loan growth increased.

In the EM space, central banks in Peru and Kenya reduced their reference rates amid easing inflation, while Mexico, Romania, and the Philippines opted to cut rates despite inflationary pressures. Following the removal of Prime Minister Srettha Thavisin, Thailand's central bank left its key interest rate unchanged for a fifth straight meeting as it awaits the economic stimulus policies of the country's new prime minister. Among credit rating agency moves, Fitch and S&P Global downgraded Kenya after the government walked back measures intended to raise revenues following large-scale social protests. Fitch also lowered its credit rating on Israel due to the risks from an escalating regional war in the Middle East.

## INVESTMENT OBJECTIVE

The fund seeks to provide high income and capital appreciation.

## FUND INFORMATION

Symbol	TREBX
CUSIP	74144Q401
Inception Date of Fund	November 30, 2006
Benchmark	J.P. Morgan EMBI Global Diversified
Expense Information (as of the most recent Prospectus)	0.70%
Fiscal Year End	December 31
12B-1 Fee	-

## PERFORMANCE

(NAV, total return)

	One Month	Three Months	Year-to-Date	One Year	Annualized				30-Day SEC Yield
					Three Years	Five Years	Ten Years	Fifteen Years	
Institutional Emerging Markets Bond Fund	2.00%	4.34%	6.24%	14.50%	-1.60%	0.85%	2.86%	4.87%	5.86%
J.P. Morgan Emerging Markets Bond Index Global Diversified	2.32	4.87	6.67	13.42	-1.70	0.41	2.90	5.05	-

The 1-, 5-, and 10-year annualized returns as of 6/30/24 were 10.73%, -0.22% and 2.50% 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](http://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 and may result in higher short-term volatility.

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

**RISK RETURN CHARACTERISTICS**

(Five Years ended August 31, 2024)

	Annualized Std. Deviation	Alpha	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error
Institutional Emerging Markets Bond Fund	13.12%	0.81%	1.13	0.97	0.16	-0.11	2.68%
J.P. Morgan EMBI Global Diversified	11.47	0.00	1.00	1.00	0.00	-0.17	0.00

**Past performance is not a reliable indicator of future performance.** Figures are calculated using monthly data and are net of fees.**TOTAL INDEX RETURNS BY COUNTRY (USD)  
(TOP 5/BOTTOM 5)**

One Month ended August 31, 2024	% Return
Ukraine	10.03%
Ethiopia	8.93
Ecuador	7.01
Suriname	4.49
El Salvador	4.28
Ghana	-0.29
Gabon	-1.63
Maldives	-3.14
Sri Lanka	-3.63
Lebanon	-3.70

**NET CURRENCY EXPOSURE (TOP 10)**

	% of Fund
U.S. dollar	100.1%
Chinese renminbi	1.0
Indian rupee	0.5
Mexican peso	0.3
Turkish lira	0.2
South African rand	0.0
Polish zloty	0.0
Brazilian real	0.0
Malaysian ringgit	0.0
Indonesian rupiah	0.0

**PORTFOLIO CHARACTERISTICS**

	Institutional Emerging Markets Bond Fund	J.P. Morgan EM-BI Global Diversified
Number of Holdings	300	974
Weighted Average Maturity	10.21 years	11.23 years
Weighted Average Effective Duration	7.20 years	6.71 years
Weighted Average Coupon	5.61%	5.45%
Yield to Maturity	6.49%	7.89%
Percent of Portfolio in Cash	3.1%	-
Total Assets (all share classes)	363,209,944	-

**COUNTRY DISTRIBUTION (Top and Bottom Five Over/Underweights vs Index)**

	Top Five Overweights					Bottom Five Underweights				
	India	Cote d'Ivoire	Mexico	Brazil	Panama	Poland	Saudi Arabia	China	Hungary	United Arab Emirates
Institutional Emerging Markets Bond Fund	3.7%	2.6%	6.9%	4.7%	4.2%	1.1%	2.8%	1.0%	0.0%	0.9%
J.P. Morgan EMBI Global Diversified	0.6	0.6	4.9	3.2	2.7	3.0	5.1	3.7	2.8	4.3
<b>Over/Underweight</b>	<b>3.1</b>	<b>2.0</b>	<b>1.9</b>	<b>1.5</b>	<b>1.5</b>	<b>-1.9</b>	<b>-2.3</b>	<b>-2.7</b>	<b>-2.8</b>	<b>-3.4</b>

**GEOGRAPHICAL DIVERSIFICATION**

	Latin America	Middle East & Africa	Asia	Emerging Europe	Other	Reserves
Institutional Emerging Markets Bond Fund	39.8%	28.6%	16.2%	11.6%	0.7%	3.1%
J.P. Morgan EMBI Global Diversified	33.6	33.4	16.4	16.6	0.0	0.0
<b>Over/Underweight</b>	<b>6.2</b>	<b>-4.8</b>	<b>-0.2</b>	<b>-5.0</b>	<b>0.7</b>	<b>3.1</b>

**CREDIT QUALITY DIVERSIFICATION**

	AAA	AA	A	BBB	BB	B	CCC	CC	C	D	Not Rated	Reserves
Institutional Emerging Markets Bond Fund	0.3%	2.7%	7.6%	32.7%	28.4%	16.5%	3.2%	2.2%	0.0%	1.8%	1.5%	3.1%
J.P. Morgan EMBI Global Diversified	0.0	7.3	16.3	33.3	19.4	16.6	3.8	2.3	0.1	0.6	0.4	0.0
<b>Over/Underweight</b>	<b>0.3</b>	<b>-4.6</b>	<b>-8.7</b>	<b>-0.6</b>	<b>9.0</b>	<b>-0.1</b>	<b>-0.5</b>	<b>0.0</b>	<b>-0.1</b>	<b>1.2</b>	<b>1.1</b>	<b>3.1</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://troweprice.com). Read it carefully.**

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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. A rating of "AAA" represents the highest-rated securities, and a rating of "D" represents the lowest-rated securities. If the rating agencies differ, the highest rating is applied to the security. If a rating is not available, the security is classified as Not Rated (NR). T. Rowe Price uses the rating of the underlying investment vehicle to determine the creditworthiness of credit default swaps and sovereign securities. The Fund is not rated by any agency. U.S. Government Agency securities, if any, may include conventional pass-through securities and collateralized mortgage obligations. This category may include rated and unrated securities. "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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