Global Multi-Sector Bond Fund – Multi-Class

As of December 31, 2023

PORTFOLIO HIGHLIGHTS

The portfolio outperformed the Bloomberg Global Aggregate Bond USD Hedged Index for the three-month period ended December 31, 2023.

Relative performance drivers:

- The portfolio's out-of-benchmark allocation to global high yield corporates, while underweighting global sovereigns, significantly boosted relative returns for the period.
- Against the backdrop of a weaker U.S. dollar, the portfolio's long exposures in the Australian dollar, Hungarian forint, Japanese yen, and the Mexican peso all lifted performance.
- Underweight duration exposure in areas such as Japan, China, the eurozone, Canada, and the UK, detracted from relative performance as sovereign bonds rallied.

Additional highlights:

- With our constructive view on credit as recession fears receded, the portfolio maintained its sizable allocation in global investment-grade and high yield corporate bonds over the quarter. We believe credit may continue to see solid demand as investors are attracted to relatively high yields.
- The central bank pivot seen over the past few months is significant and has caused a material easing in financial conditions; as a result, we believe the likelihood of a recession in 2024 has significantly decreased.

FUND INFORMATION

Symbol	PRSNX
CUSIP	74149N106
Inception Date of Fund	December 15, 2008
Benchmark	Bloomberg Global Agg USD Hdg Index
Expense Information (as of the most recent Prospectus)*	0.71% (Gross) 0.65% (Net)
Fiscal Year End	May 31
12B-1 Fee	–
Total Assets (all share classes)	$1,401,251,584
Percent of Portfolio in Cash	4.2%

*The Fund operates under a contractual expense limitation that expires on September 30, 2025.
Please refer to the detailed Fund Information section, at the end of the report, for additional expense information and available share classes.

PERFORMANCE

(NAV, total return)

	Inception Date	Three Months	One Year	Three Years (Annualized)	Five Years (Annualized)	Ten Years (Annualized)	Fifteen Years (Annualized)	30-Day SEC Yield	30-Day SEC Yield w/o Waiver°
Global Multi-Sector Bond Fund	Dec 15 2008	7.48%	12.18%	-1.67%	2.56%	3.06%	4.83%	5.03%	5.01%
Global Multi-Sector Bond Fund - Advisor Class	Dec 15 2008	7.40	11.86	-1.95	2.26	2.78	4.59	4.76	4.00
Global Multi-Sector Bond Fund - I Class	Mar 23 2016	7.52	12.36	-1.52	2.72	3.18	4.91	5.19	5.14
Bloomberg Global Aggregate Bond USD Hedged Index		5.99	7.15	-2.11	1.40	2.41	2.98	–	–
Linked Performance Benchmark*		5.99	7.15	-2.11	1.40	2.39	3.36	–	–

CALENDAR YEAR PERFORMANCE

(NAV, total return)

	Inception Date	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Global Multi-Sector Bond Fund	Dec 15 2008	4.32%	-0.04%	6.84%	6.46%	0.44%	10.37%	8.14%	0.40%	-15.60%	12.18%
Global Multi-Sector Bond Fund - Advisor Class	Dec 15 2008	4.12	-0.24	6.58	6.16	0.14	10.02	7.83	0.18	-15.88	11.86
Global Multi-Sector Bond Fund - I Class	Mar 23 2016	4.32	-0.04	6.97	6.61	0.59	10.53	8.32	0.55	-15.45	12.36
Bloomberg Global Aggregate Bond USD Hedged Index		7.59	1.02	3.95	3.04	1.76	8.22	5.58	-1.39	-11.22	7.15
Linked Performance Benchmark*		6.94	0.58	4.09	3.69	1.78	8.22	5.58	-1.39	-11.22	7.15

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. 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 1-877-804-2315 or visit troweprice.com. Read it carefully. The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any. The T. Rowe Price Fund shares the portfolio of an existing fund (the original share class of the fund referred to as the "investor class"). The total return figures for the I Class shares have been calculated using the performance data of the investor class up to the inception date of the I Class (3/23/16) and the actual performance results of the I Class since that date. Because the I Classes are expected to have lower expenses than the Investor Classes, the I Class performance, had it existed over the periods shown, would have been higher.
°Excludes the effect of contractual expense limitation arrangements.
The fund is subject to the risks of fixed income investing, including interest rate risk and credit risk. Any investments in foreign markets are also subject to political risk and currency risk.
*Effective October 1, 2018, the benchmark for the Fund changed to the Bloomberg Barclays Global Aggregate Bond USD Hedged Index. Prior to this change, the benchmark was the Bloomberg Barclays Multiverse Index USD Hedged. Prior to February 1, 2017, the benchmark was the Barclays Global Aggregate ex Treasury Bond USD Hedged Index. The changes were made because the firm viewed the new benchmark to be a better representation of the investment strategy of the Fund. Historical benchmark representations have not been restated.
The fund(s) may have other share classes available that offer different investment minimums and fees. See the prospectus for details. For Sourcing Information, please see Additional Disclosures.

PERFORMANCE REVIEW

Falling Yields Support Global Fixed Income Total Returns
The broad global fixed income market, as measured by the Bloomberg Global Aggregate Index USD-hedged, generated positive absolute returns as global sovereign yields plunged in November and December. Excess returns were also positive as credit spreads tightened across most sectors.

The fourth quarter saw a major rally across most asset classes as disinflationary trends continued and markets subsequently priced in significant rate cuts for 2024. Having spiked over the third quarter, and grinding higher in October, U.S. Treasury yields dropped in November following downside inflation surprises and signals from policymakers that rates had peaked. Falling inflation data and resilient growth painted a soft-landing picture in the U.S. Risk assets were buoyed in this environment as credit spreads tightened to their lowest level since January 2022. Yields were lower across the curve for most major sovereigns as investors digested the end of the “higher-for-longer” narrative that had dominated policymaker commentary in the third quarter. The dovish tones also weighed on the U.S. dollar.

Sector Allocations Drove Performance

The portfolio’s out-of-benchmark allocation to global high yield corporates, while underweighting global sovereigns, significantly boosted relative returns for the period as falling sovereign yields and tightening credit spreads supported performance. Overweighting investment-grade corporate bonds also helped. Corporate bonds across the quality spectrum saw strong demand as investors turned more sanguine on risk amid shifting narratives the Federal Reserve and major global central banks. High yield fundamentals remained resilient. While the default rate ticked up slightly in the fourth quarter, it remained relatively low across all regions.

While sovereign debt largely performed well amid falling yields, spread product outperformed government debt on a relative basis as credit spreads tightened.

Currency Management Contributed
Currency exposures were positive in the fourth quarter. The U.S. dollar broadly weakened in the fourth quarter as expectations for 2024 Fed rate cuts weighed on the currency. Against this backdrop, the portfolio’s long exposures in the Australian dollar, Hungarian forint, Japanese yen, and the Mexican peso all lifted performance. However, a short position in the Polish zloty held earlier in the period, weighed on relative performance.

Duration Exposures Were Mixed but Detracted Overall
Underweight duration exposure in areas such as Japan, China, the eurozone, Canada, and the UK, detracted from relative performance as sovereign bonds rallied in November and December. The 10-year Treasury yield briefly breached 5%, a level last seen in 2007, in mid-October. But it descended sharply from there, dropping to 3.88% at quarter-end after the Fed dialed back its hawkishness and signaled that it could deliver more rate cuts in the new year than previously expected. Most global sovereign yields outside the U.S. followed a similar trajectory as global market participants increasingly expected easing monetary policy in 2024.

On the positive side, an overweight duration stance Brazil aided the portfolio as Brazil’s central bank cut its Selic rate twice during the period and sovereign yields fell. A duration overweight in New Zealand was also helpful.

PORTFOLIO POSITIONING AND ACTIVITY

Sector Positioning
With our constructive view on credit as recession fears receded, the portfolio maintained its sizable allocation in global investment-grade and high yield corporate bonds over the quarter. We believe credit may continue to see solid demand as investors are attracted to relatively high yields, and easing central bank policy could help support credit. We tactically managed the portfolio’s allocation to agency mortgage-backed securities (MBS) over the quarter based on changing valuations. Our exposure moved above 10% in October when MBS spreads widened to attractive levels. However, we quickly began reducing our exposure and eliminated our MBS position by quarter-end after a strong run of performance for the sector.

Duration Management
Total portfolio duration decreased over the quarter, mostly by trimming in the U.S. and the eurozone. The portfolio added U.S. duration in October after U.S. Treasuries sold off meaningfully and we believed real yields were approaching fair value. However, after the November and December rally we notably cut the portfolio’s U.S. duration exposure in December and ended the quarter with an underweight posture relative to the index. We added duration moderately in Malaysia, Japan, and New Zealand. By the end of the quarter, we believed a bias for steepening yield curves is appropriate in the near term with inflation trending lower, growth moving sideways, and the declining likelihood of a global recession.

Currencies
In currencies, we increased the portfolio’s short position in the U.S. dollar in November with the Federal Reserve at or near the end of its rate hiking cycle. With less support for the U.S. dollar and the Federal Reserve positioning for rate cuts in 2024, we initiated long positions in the Korean won, Canadian dollar, Australian dollar, and Brazilian real. Additionally, we closed a short position in the Polish zloty. We also initiated a long position in the Mexican peso. We added to the peso on attractive valuations and a healthy fundamental and technical backdrop.

MANAGER'S OUTLOOK

The central bank pivot seen over the past few months is significant and has caused a material easing in financial conditions; as a result, we believe the likelihood of a recession in 2024 has been significantly decreased. In the U.S., for example, some economic data may have cooled, but we have not seen a significant deterioration that would suggest an imminent recession. Job growth remains positive while unemployment remains historically low.

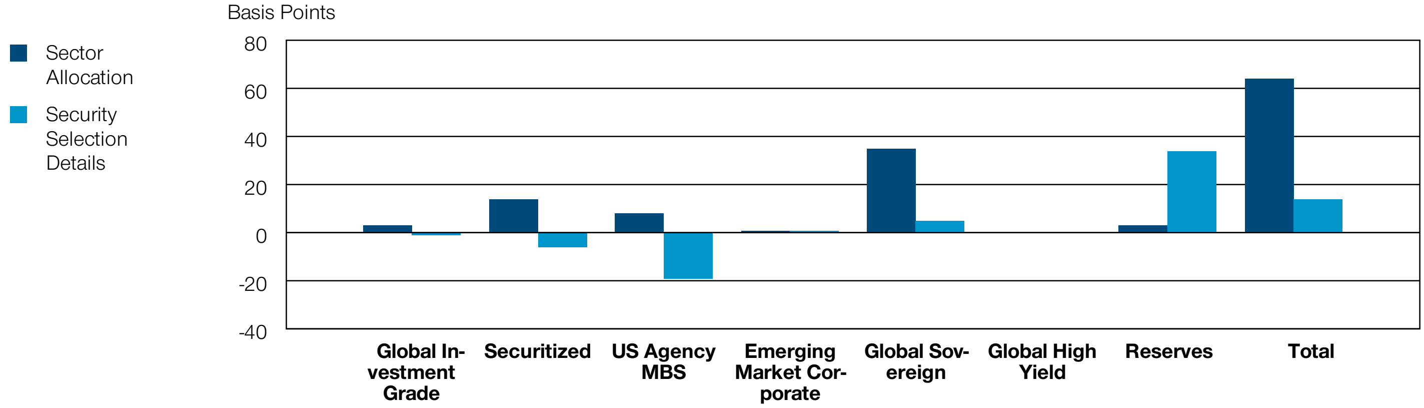
At the time of writing, the market has priced in 150 basis points of rate cuts from the Federal Reserve over the next year, but we do not believe the Fed will make as many rate cuts as the market expects. Unless there is a sudden unexpected change in data, we expect the Fed to take the path laid out recently in the central bank’s updated economic projections, which implied three rate cuts in 2024. Market consensus seems to believe that longer-term rates can continue to rally, but we believe the macro backdrop and outlook could keep downward movement in long-term yields restrained. Yields may come down going forward as central bank policy normalizes, but movement in rates may be smaller if central banks become more predictable after the recent unprecedented rate-hiking regimes to combat high inflation.

We remain constructively positioned in credit with a supportive macro outlook and easing financial conditions, but credit spreads have tightened significantly over the past few months. Credit has generated solid excess returns in 2023, and we believe 2024 could be a tougher environment for spreads.

QUARTERLY ATTRIBUTION

USD SECTOR ALLOCATION AND SECURITY SELECTION DETAILS: FUND VS. BLOOMBERG GLOBAL AGG USD HDG INDEX

(3 months ended December 31, 2023)

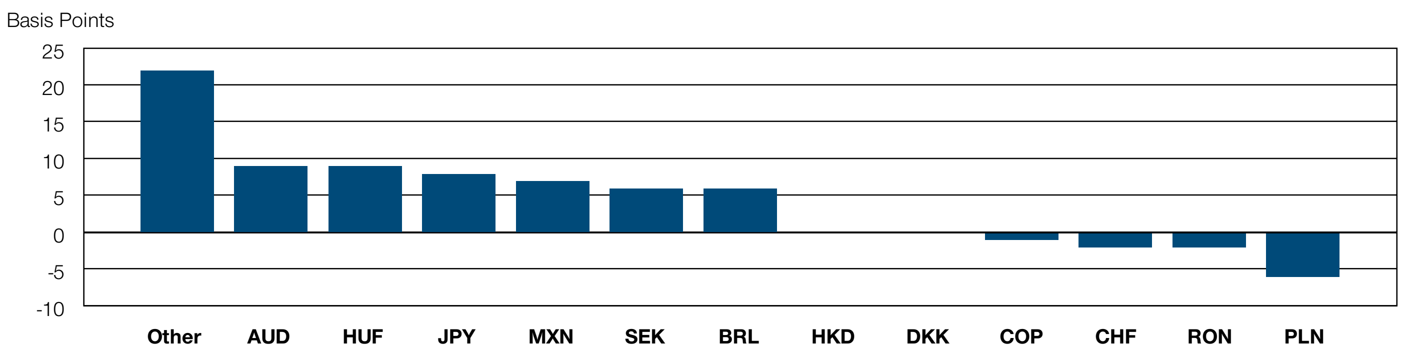


	Global Investment Grade	Securitized	US Agency MBS	Emerging Market Corporate	Global Sovereign	Global High Yield	Reserves	Total
Sector Allocation	3	14	8	1	35	0	3	64
Security Selection Details	-1	-6	-19	1	5	0	34	14

Global Sovereign includes global developed sovereign, emerging market hard currency sovereign and emerging market local sovereign bonds.

FX DETAILS: FUND VS. BLOOMBERG GLOBAL AGG USD HDG INDEX

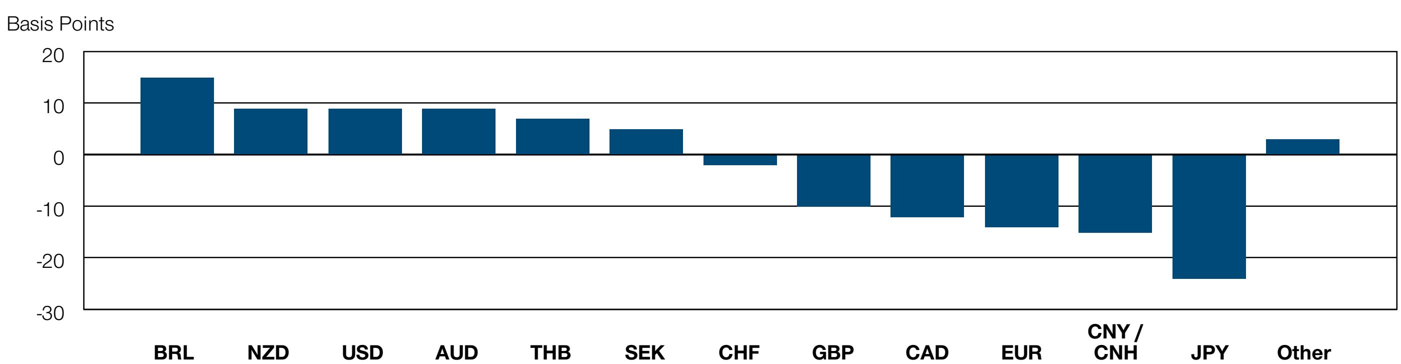
(3 months ended December 31, 2023)



Other	AUD	HUF	JPY	MXN	SEK	BRL	HKD	DKK	COP	CHF	RON	PLN
22	9	9	8	7	6	6	0	0	-1	-2	-2	-6

INTEREST RATE DETAILS: FUND VS. BLOOMBERG GLOBAL AGG USD HDG INDEX

(3 months ended December 31, 2023)



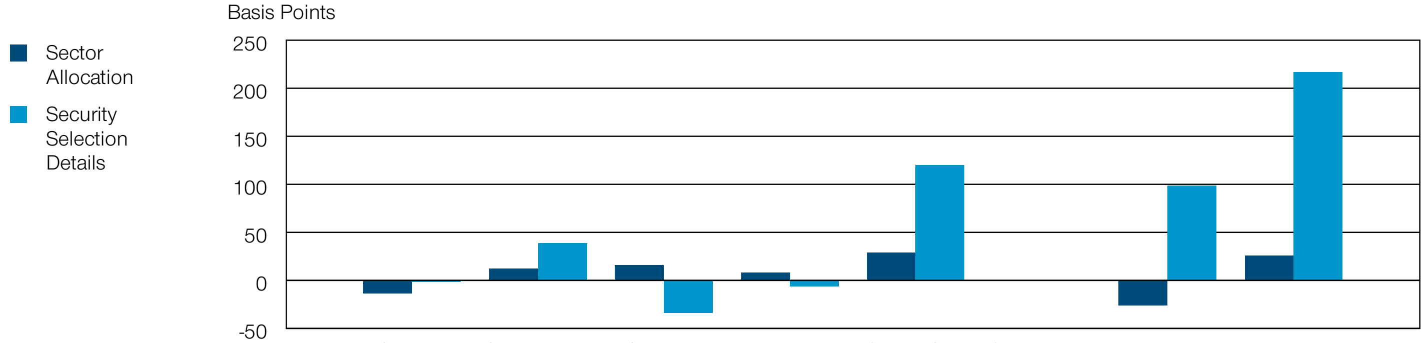
BRL	NZD	USD	AUD	THB	SEK	CHF	GBP	CAD	EUR	CNY / CNH	JPY	Other
15	9	9	9	7	5	-2	-10	-12	-14	-15	-24	3

Past performance is not a reliable indicator of future performance.
Source: Bloomberg Index Services Limited.
Analysis represents the performance of the portfolio compared to its benchmark as calculated by the Bloomberg attribution model. Performance is attributed to a set of portfolio decisions such as credit quality, duration and yield curve exposures, relative sector weightings, and security selection. Performance for each security is obtained in the local currency and, if necessary, is converted to U.S. dollars using an exchange rate determined by an independent third party. Figures are shown gross of fees. Returns would have been lower as a result of the deduction of such fees.

12-MONTH ATTRIBUTION

USD SECTOR ALLOCATION AND SECURITY SELECTION DETAILS: FUND VS. BLOOMBERG GLOBAL AGG USD HDG INDEX

(12 months ended December 31, 2023)

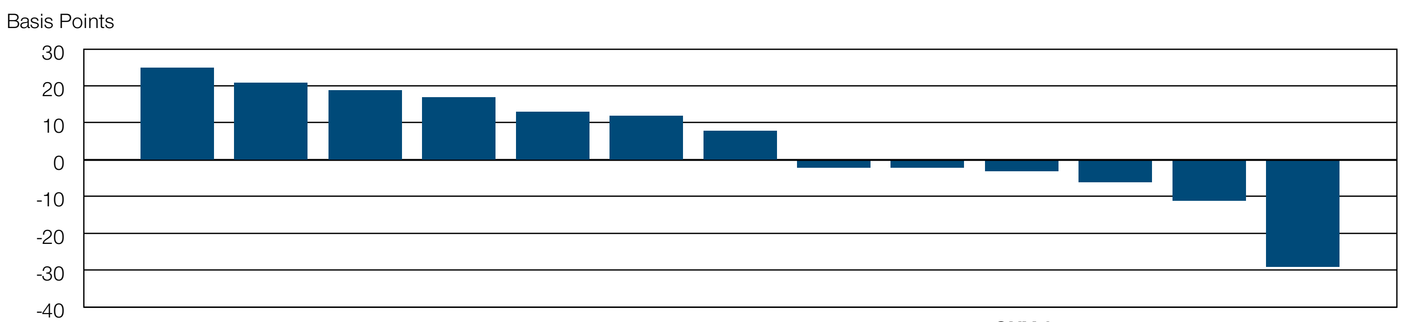


	Global Investment Grade	Securitized	US Agency MBS	Emerging Market Corporate	Global Sovereign	Global High Yield	Reserves	Total
Sector Allocation	-13	12	16	8	29	0	-26	26
Security Selection Details	-1	39	-34	-6	120	0	99	217

Global Sovereign includes global developed sovereign, emerging market hard currency sovereign and emerging market local sovereign bonds.

FX DETAILS: FUND VS. BLOOMBERG GLOBAL AGG USD HDG INDEX

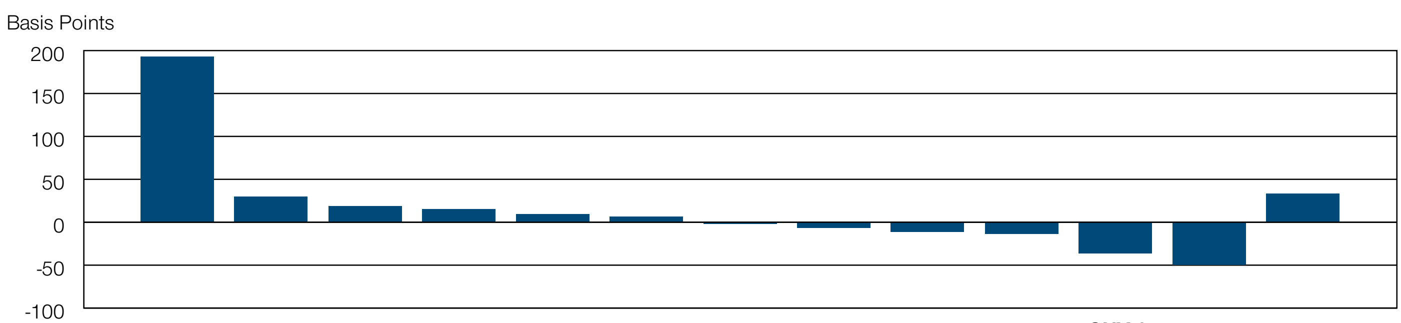
(12 months ended December 31, 2023)



Other	HUF	BRL	COP	AUD	MXN	SEK	PHP	MYR	CNY / CNH	CLP	PLN	JPY
25	21	19	17	13	12	8	-2	-2	-3	-6	-11	-29

INTEREST RATE DETAILS: FUND VS. BLOOMBERG GLOBAL AGG USD HDG INDEX

(12 months ended December 31, 2023)



USD	BRL	AUD	COP	EUR	GBP	LKR	CHF	PLN	CAD	CNY / CNH	JPY	Other
194	30	19	16	10	7	-2	-6	-11	-13	-36	-50	34

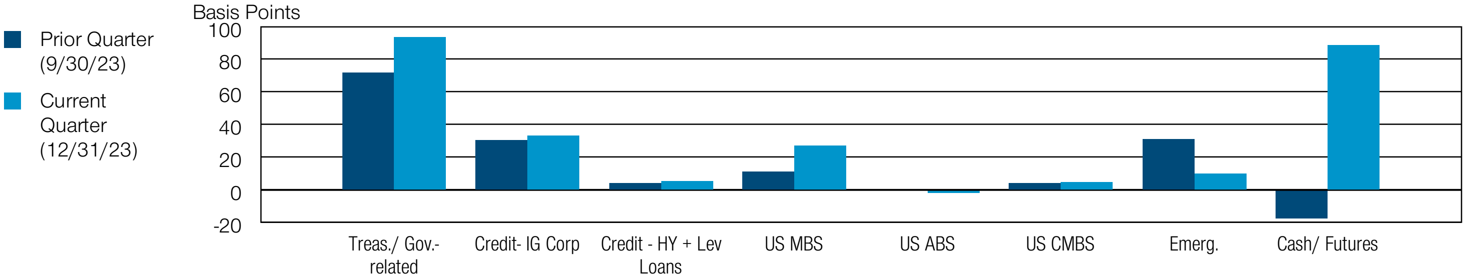
Past performance is not a reliable indicator of future performance.
Source: Bloomberg Index Services Limited.
Analysis represents the performance of the portfolio compared to its benchmark as calculated by the Bloomberg attribution model. Performance is attributed to a set of portfolio decisions such as credit quality, duration and yield curve exposures, relative sector weightings, and security selection. Performance for each security is obtained in the local currency and, if necessary, is converted to U.S. dollars using an exchange rate determined by an independent third party. Figures are shown gross of fees. Returns would have been lower as a result of the deduction of such fees.

RISK ANALYSIS

RISK FACTOR CONTRIBUTION

	Contribution to TEV (Annualized) 9/30/23 (Prior Quarter)	Contribution to TEV (Annualized) 12/31/23 (Current Quarter)
Systematic	116.7 bps	253.1 bps
Foreign Exchange	14.3	83.4
Curve	37.1	101.0
Inflation Linked	11.9	13.6
Swap Spreads	2.6	-1.4
Volatility	-0.1	0.2
Spread Government Related	-1.6	-2.5
Spread Credit and EMG	48.0	49.1
Spread Securitized	3.3	7.8
Spread Other	-1.0	1.3
Equity	2.0	0.6
Idiosyncratic	6.9	2.3
Credit Default	12.6	7.6
Total	**136.2**	**262.9**

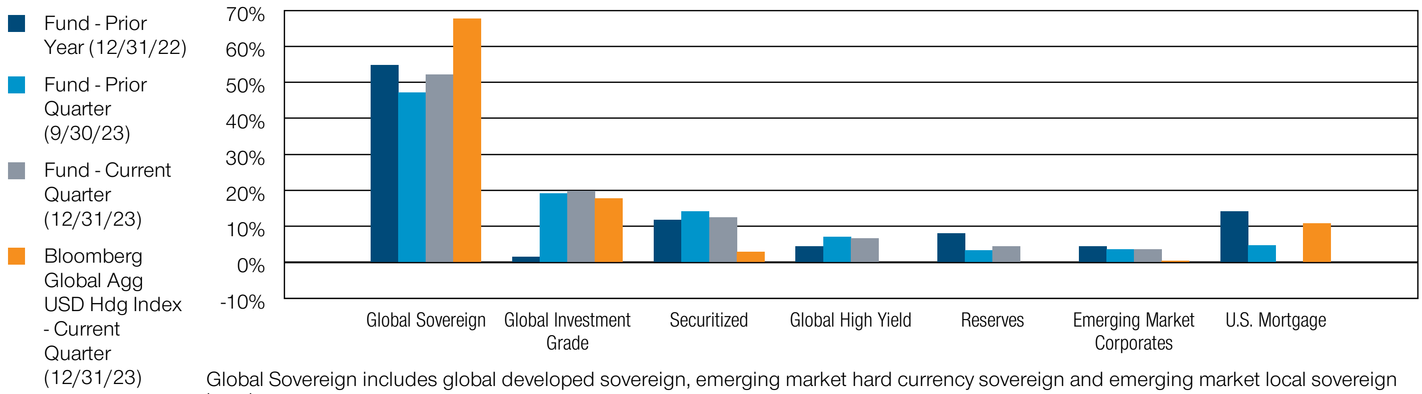
SECTOR CONTRIBUTION TO RISK VERSUS BENCHMARK



Past performance is not a reliable indicator of future performance.
Source: Bloomberg Index Services Limited. Statistics based on monthly data. TEV, or tracking error volatility, is the standard deviation of the difference between portfolio and benchmark returns. It is the square root of the tracking error variance, or TE variance. The TE variance is the projected variance of the difference between portfolio and benchmark returns. It is estimated from historical return data and from portfolio and benchmark characteristics. It can be decomposed into three sources: Systematic, Idiosyncratic and Default. Systematic (Market) Risk is the risk due to the effect of all systematic factors of the Bloomberg risk model. Idiosyncratic (nonsystematic) risk is the risk not explained by the combination of all systematic or default factors. It represents risk due to non-default events that affect only the individual issuer or bond.
The contribution to TEV is the contribution, in basis points, of a risk factor to total TEV. This measure includes the effect of correlation. The risk factors included in this analysis and shown above are credit spreads, currency, and interest rate duration. This material is provided for informational purposes only and is not intended to be investment advice or a recommendation to take any particular investment actions.

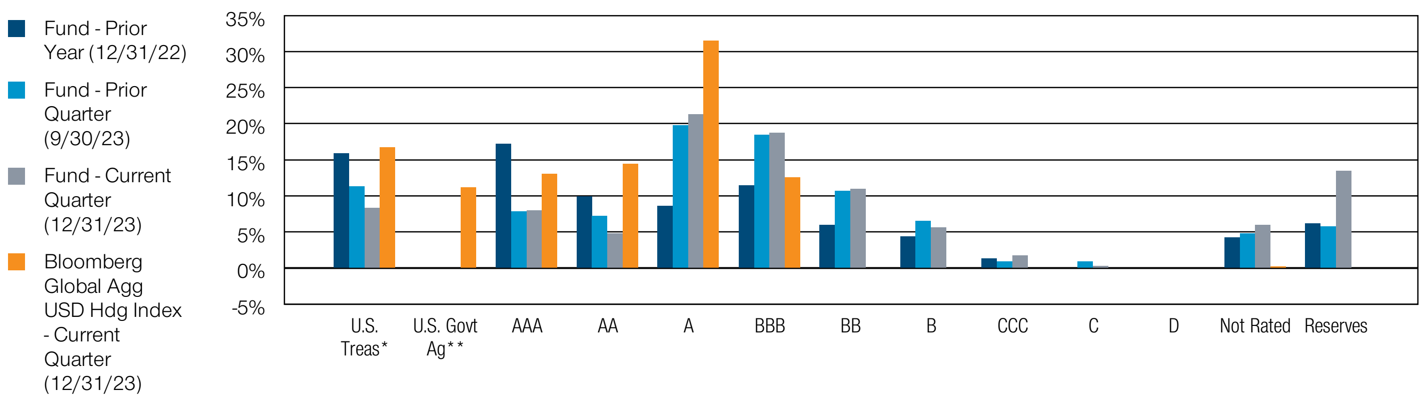
PORTFOLIO POSITIONING

SECTOR DIVERSIFICATION – CHANGES OVER TIME



Global Sovereign includes global developed sovereign, emerging market hard currency sovereign and emerging market local sovereign bonds.

CREDIT QUALITY DIVERSIFICATION – CHANGES OVER TIME



*U.S. Treasury securities are issued by the U.S. Treasury and are backed by the full faith and credit of the U.S. government. The ratings of U.S. Treasury securities are derived from the ratings on the U.S. government.
**U.S. government agency securities are issued or guaranteed by a U.S. government agency, and may include conventional pass-through securities and collateralized mortgage obligations; unlike Treasuries, government agency securities are not issued directly by the U.S. government and are generally unrated but may have credit support from the U.S. Treasury (e.g., FHLMC and FNMA issues) or a direct government guarantee (e.g., GNMA issues). Therefore, this category may include rated and unrated securities.

TOP ISSUERS

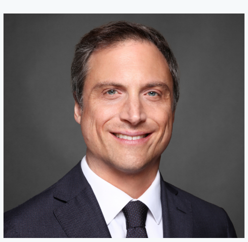
Issuer	% of Fund
Federation of Malaysia	4.5%
Japan	3.9
Kingdom of Thailand	1.5
Republic of Indonesia	1.4
Sovereign in right of New Zealand	1.0
Republic of Bulgaria	1.0
Democratic Socialist Republic of Sri Lanka	0.9
Republic of Albania	0.8
Kingdom of Sweden	0.8
LeasePlan Corp	0.7

PORTFOLIO POSITIONING, CONTINUED.

FX EXPOSURE

Currency	Currency Code	Net %	Bonds %	Cash %	Forwards %
Argentine Peso	ARS	0.00	0.00	0.00	0.00
Australian Dollar	AUD	1.57	0.00	0.00	1.57
Brazilian Real	BRL	1.50	0.00	0.00	1.50
Canadian Dollar	CAD	2.01	0.20	0.00	1.81
Colombian Peso	COP	-0.11	0.00	0.00	-0.11
Chilean Peso	CLP	1.46	0.00	0.00	1.46
Offshore Deliverable CNY	CNH	-0.46	0.00	0.00	-0.46
China Renminbi	CNY	0.48	0.35	0.13	0.00
Czech Koruna	CZK	0.47	0.34	0.00	0.13
Danish Krone	DKK	0.00	0.00	0.00	0.00
Egyptian Pound	EGP	0.00	0.00	0.00	0.00
Euro	EUR	0.23	11.26	0.01	-11.04
British Pound	GBP	0.00	1.47	-0.01	-1.46
New Ghana Cedi	GHS	0.00	0.00	0.00	0.00
Hungarian Forint	HUF	1.49	0.00	0.00	1.49
Indonesian Rupiah	IDR	0.03	1.38	0.00	-1.35
Israeli Shekel	ILS	0.00	0.05	0.00	-0.05
Indian Rupee	INR	0.00	0.00	0.06	-0.06
Japanese Yen	JPY	1.67	3.86	0.00	-2.19
South Korean Won	KRW	2.01	0.00	0.00	2.01
Mexican Peso	MXN	1.51	0.25	0.00	1.26
Malaysian Ringgit	MYR	1.53	4.48	0.00	-2.95
Norwegian Krone	NOK	-0.11	0.00	0.00	-0.11
New Zealand Dollar	NZD	0.10	1.03	0.00	-0.93
Philippines Peso	PHP	0.00	0.00	0.00	0.00
Polish Zloty	PLN	-0.14	0.00	0.00	-0.14
New Romanian Leu	RON	0.00	0.00	0.00	0.00
Serbian Dinar	RSD	0.00	0.00	0.00	0.00
Russian Ruble	RUB	0.00	0.00	0.00	0.00
Singapore Dollar	SGD	0.00	0.00	0.00	0.00
Sri Lankan rupee	LKR	0.97	0.92	0.05	0.00
Swedish Krona	SEK	1.02	0.77	0.00	0.25
Swiss Franc	CHF	-0.25	0.00	0.00	-0.25
Thai Baht	THB	0.02	1.46	0.00	-1.44
US Dollar	USD	81.44	53.67	13.88	9.06
S. African Rand	ZAR	1.52	0.00	0.00	1.52
Total		**99.96**	**81.49**	**14.12**	**-0.48**

PORTFOLIO MANAGEMENT



Portfolio Manager:
Kenneth Orchard

Managed Fund Since:
2018

Joined Firm:
2010

FUND INFORMATION

	Global Multi-Sector Bond Fund	Global Multi-Sector Bond Fund - Advisor Class	Global Multi-Sector Bond Fund - I Class
Symbol	PRSNX	PRSAX	PGMSX
Expense Information	0.71% (Gross) 0.65% (Net)	1.46% (Gross) 0.93% (Net)	0.55% (Gross) 0.49% (Net)
Fiscal Year End Date	5/31/23	5/31/23	5/31/23
12B-1 Fee	–	0.25%	–

The expense ratios shown are as of the most recent prospectus. The stated expense ratio for the Advisor Class includes the applicable 12b-1 fee. The fund operates under a contractual expense limitation that expires on 9/30/25. The Advisor Class operates under a contractual expense limitation that expires on 9/30/25. The I Class is subject to a contractual operating expense limitation that expires on 9/30/25.

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 1-877-804-2315 or visit troweprice.com. Read it carefully.

The manager’s views and portfolio holdings are historical and subject to change. This material should not be deemed a recommendation to buy or sell any of the securities mentioned. The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the Fund and no assumptions should be made that the securities identified and discussed were or will be profitable.
The Top Issuers excludes U.S. Treasuries, institutional funds, agencies and securitized products.
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.

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.
Sources for Issue Currency: T. Rowe Price and Bloomberg Index Services Ltd.
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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202009-1341133