QUARTERLY REVIEW

International Bond Fund (RPIBX)

As of March 31, 2026

Portfolio Highlights

The portfolio delivered negative absolute performance but performed in line with the Bloomberg Global Aggregate ex USD Bond Indexfor the three months ended March 31, 2026.

Relative performance drivers:

- Sector allocation and security selection were detrimental.
- Currency management detracted, driven by positioning among Asian currencies.
- Duration positioning in Europe contributed.

Additional highlights:

- We shifted to an overweight to the euro on a positive fundamental view and the Canadian dollar due to stronger commodity prices, funded by the U.S. and Australian dollars.
- Policymakers are likely to maintain a wait-and-see approach, particularly given the added uncertainty from global trade dynamics and rising energy prices tied to geopolitical risks.

Fund Information

CUSIP	77956H104
Inception Date of Fund	September 10, 1986
Benchmark	Bloomberg Global Agg ex USD Index
Expense Information (as of the most recent Prospectus)[1]	0.92%(Gross) 0.67%(Net)
Total Assets (all share classes)	$892,646,449
Percent of Portfolio in Cash[2]	4.2%

[1]The Fund operates under a contractual expense limitation that expires on February 28, 2027.
[2]Percent of Portfolio in Cash includes T-Bills, Cash & Cash Equivalents, etc

Performance (%) (NAV, total return performance > 1 year is annualized)

	3m	1yr	3yrs	5yrs	10yrs	15yrs	30-Day SEC Yield	30-Day SEC Yield w/o Waiver[3]
International Bond Fund	-1.92	4.72	2.24	-3.01	-0.16	-0.04	2.78	2.53
Bloomberg Global Aggregate ex USD Bond Index	-1.87	4.18	1.62	-2.90	-0.42	-0.15	N/A	N/A

Calendar Year Performance (%) (NAV, total return)

	Inception Date	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
International Bond Fund	Sep 10 1986	2.20	11.15	-2.94	6.66	11.50	-7.19	-20.30	7.09	-5.12	10.12
Bloomberg Global Aggregate ex USD Bond Index		1.49	10.51	-2.15	5.09	10.11	-7.05	-18.70	5.72	-4.22	8.85

Past performance is not a guarantee or a reliable indicator of future results. 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.
The Fund’s total return figures reflect the reinvestment of dividends and capital gains, if any.
[3]Excludes the effect of contractual expense limitation arrangements. If the expense waiver was not in effect for the 30-Day period shown, there may not be a difference in the 30-day SEC yields shown above.
The fund(s) may have other share classes available that offer different investment minimums and fees. See the prospectus for details.
Risks: Interest rates: A rise in interest rates typically causes the price of a fixed rate debt instrument to fall and its yield to rise. Conversely, a decline in interest rates typically causes the price of a fixed rate debt instrument to rise and the yield to fall. **Emerging markets:** Investments in emerging market countries are subject to greater risk and overall volatility than investments in the U.S. and other developed markets. **Derivatives:** The use of derivatives exposes the fund to additional volatility and potential losses and the fund may not achieve the purpose of using the derivative. A derivative involves risks different from, and possibly greater than, the risks associated with investing directly in the reference or assets on which the derivative is based, including liquidity risk, valuation risk, correlation risk, market risk, interest rate risk, leverage risk, counterparty and credit risk, operational risk, management risk, legal risk, and regulatory risk. See the prospectus for more detail on the fund's principal risks.

Performance Review

Geopolitical Conflict Triggered Inflation Concerns in International Bond Markets

The non-U.S. fixed income market, as measured by the Bloomberg Global Aggregate ex USD Bond Index, produced negative returns in U.S. dollar terms as geopolitical concerns sent energy prices higher, impacting global inflation expectations. Credit spreads widened for most credit sectors, which drove negative excess returns for the index.

Early in the period, sovereign bonds were supported by easing inflation trends and stable central bank policy, particularly in the eurozone where inflation had moved toward target levels. However, the market backdrop shifted materially as the escalation of the Iran conflict drove a surge in energy prices and broad repricing of inflation expectations. The Federal Reserve maintained its federal funds rate target in the 3.50% to 3.75% range throughout the quarter, noting the need to monitor how geopolitical events and energy prices flow through to underlying inflation and economic growth. The European Central Bank (ECB) held the deposit facility rate at 2.00% at its February meeting, with the bank describing the economic environment as resilient and its approach as data dependent. However, by the end of the period, markets shifted to pricing in one to two rate hikes by the ECB by midyear. The Bank of England unanimously voted to keep the Bank Rate at 3.75% in March as the conflict in the Middle East caused a sharp rise in global energy and commodity prices, pushing up household fuel and utility costs and raising business expenses. The Bank of Japan held its policy rate at 0.75% at the March meeting but acknowledged that higher oil prices created a complex combination of inflationary upward pressure and downward pressure on economic activity, creating an uncertain path for further normalization. Emerging markets debt was positive through the first two months of the quarter before giving way to a pronounced reversal in March, resulting in negative full-quarter returns. The Reserve Bank of Australia raised its cash rate in February and March amid renewed inflationary pressures. The U.S. dollar weakened early in the quarter but strengthened sharply in March as geopolitical risk drove safe-haven demand.

Relative Performance

Sector Allocation and Security Selection Had a Negative Impact

Corporate bonds fell during the first quarter given investor concerns over the scale and duration of the conflict in Iran and the associated impacts on global macroeconomic conditions. Against this backdrop, the portfolio’s overweight allocation to corporate bonds held back relative results. Specifically, selection among U.S.-dollar-denominated corporates weighed, driven by holdings in Brazilian sugar and ethanol producer Raízen. Our position in Raízen, a sugar and ethanol producer, sold off sharply, driven less by underlying solvency concerns and more by a breakdown in corporate governance. While the company remained a going concern, actions by minority shareholders contributed to a rapid collapse in bond prices as they sought to extract value through a potential restructuring. This dynamic led to an extraordinary downgrade cycle-with bonds moving from BBB to CCC in a matter of days-pushing the company into distressed territory and raising significant uncertainty around the treatment of creditors and the stability of its capital structure.

Currency Management Detracted

Among currencies, our long position in the Egyptian pound held back results as the Iran conflict triggered a surge in energy prices and risk-off sentiment-driving capital outflows and worsening Egypt’s already fragile external position as a large energy importer with high debt servicing needs. Our overweight position in the Japanese yen and South Korean won dragged on performance due to concerns over the impact of the rising cost of imported energy.

On the other side of the ledger, exposure to the Brazilian real had a positive impact amid a higher level of carry and less susceptibility to higher oil prices due to positive energy trade balances. An underweight position in the Swiss franc and Australian dollar also bolstered relative results. Out-of-benchmark exposure to the Nigerian naira contributed to relative results as the currency benefited from higher oil prices.

Duration Management Was Helpful

The portfolio’s interest rate management had a positive impact as we entered the period with an overall duration underweight. Our underweight duration position in several developed markets, such as Poland, Europe, and Japan, as well as our inflation-linked exposure in Europe lifted results as yields rose over the period amid rising energy prices and the impact on inflation expectations.

Conversely, our underweight to China hurt relative results amid a flight to higher-quality markets. An overweight to duration in South Korea and the UK also had a negative impact due to rising yields.

Portfolio Positioning And Activity

Sector Positioning

Overall, we trimmed our credit risk over the period, reducing exposure to investment-grade and high yield corporate debt as the geopolitical conflict carried into the end of the quarter. However, we increased exposure to emerging markets corporate debt in January given their lower-duration risk, more resilient characteristics, and greater spread pickup relative to U.S. corporates, although we trimmed our position at the end of the period. We also increased exposure to positions in high-quality Swedish and Canadian securitized debt due to attractive carry.

Duration Management

Total portfolio duration increased over the quarter. In the eurozone, after adding duration in January, we trimmed our duration stance toward the end of the period, primarily through Italy, Spain, and France, due to rising energy prices and a shift to more hawkish rhetoric. Elsewhere in Europe, we opened an overweight to UK gilts as we believe too many interest rate hikes had been priced in. We moderated duration in Japan on higher wage growth, elevated energy prices, and a more hawkish Bank of Japan. We reduced our underweight duration position in the U.S., given its lower exposure to rising energy costs compared with the euro area and Japan, noting that U.S. duration also underpins pricing for USD-denominated emerging market bonds and therefore affects our broader duration exposure. In Asia, we trimmed our overweight to South Korea and closed our position in Thailand in favor of an overweight stance in Singapore at the end of January as we believe the country will hold up better in a broader regional sell-off.

Among emerging markets, we opened an overweight to Mexico amid market weakness as valuations improved. We increased duration in Brazil at the end of January on expectations that the central bank would begin its easing cycle, which ultimately happened in March. We trimmed our position in Colombia due to increased political risk heading into the country’s May elections. In the Czech Republic, we trimmed our position after a period of outperformance. In Hungary, we closed our overweight position amid heightened uncertainties around the April election and fiscal adjustment plans.

Currencies

We shifted to an overweight to the euro on a positive fundamental view and the Canadian dollar due to stronger commodity prices, funded by the U.S. and Australian dollars. In other developed markets, we moved to a neutral stance in the British pound. We added to the New Zealand dollar due to positive momentum and value. While we increased our overweight to the Japanese yen in February by adding into dislocation, we trimmed exposure at the end of the period. We added to our position in the South Korean won amid expectations that central bank intervention could limit depreciation in the near term.

Among emerging markets currencies, we increased our exposure to Latin America, such as the Mexican peso, Brazilian real, Colombian peso, and Peruvian sol, adding into market weakness. In Europe, we added to the Romanian leu due to expectations for tight monetary policy through the first half of the year and an improving current account balance. In Asia, we trimmed exposure to the Indonesian rupiah due to increased volatility and negative momentum.

Manager's Outlook

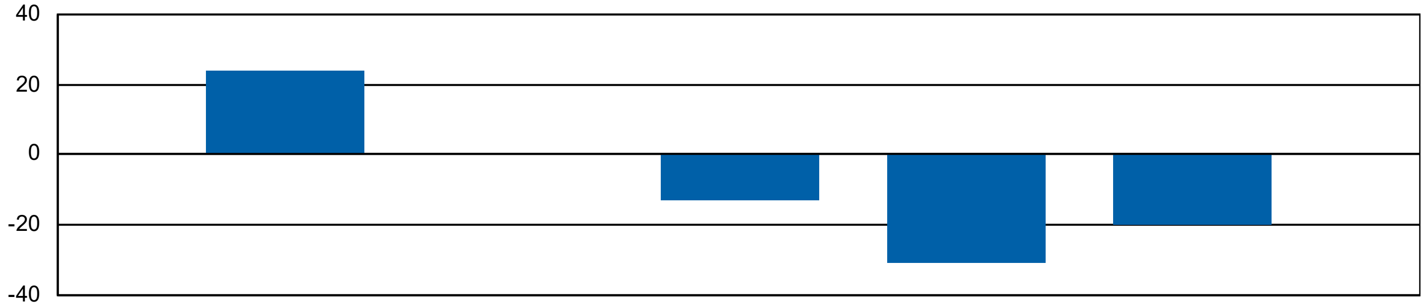
With the escalation of the war in Iran and the resulting energy price shock, the near-term outlook for inflation and growth is more clouded. We still believe there are longer-term tailwinds for global economic growth and will remain flexible while markets continue to contend with shifting sentiment surrounding a resolution to the conflict. Developed market sovereign yields climbed as the quarter ended, and we may see them retrace lower on growth concerns if the conflict proves more prolonged. However, over the longer term, we expect upward pressure on major developed market yields from fiscal spending and structural growth dynamics.

Central banks with single inflation mandates, rather than dual mandates like the Fed, have rapidly seen forecasts change from rate cuts/holds to rate hikes later this year. While policy paths may diverge, inflation in many regions continues to run above target despite some moderation, and labor markets have generally remained resilient. Against this backdrop, policymakers are likely to maintain a wait-and-see approach, particularly given the added uncertainty from global trade dynamics and rising energy prices tied to geopolitical risks.
On the growth side, fiscal policy is playing an increasingly important role across regions. In Europe, modest fiscal expansion may steepen curves, while the UK’s relatively disciplined stance could be supportive for gilts. At the same time, increased defense spending tied to geopolitical tensions could contribute to higher sovereign issuance. Growth momentum in Japan appears firm, supported by improving business and consumer sentiment alongside a continued pro-growth policy orientation.

Emerging markets enter this period from a position of relative strength with solid fundamentals, steady growth, moderating inflation, and improving balance sheets, which we believe should help cushion the impact of external shocks.
Corporate credit spreads widened amid the deterioration in the risk environment, though fundamentals have remained resilient. Our overall view on credit remains broadly constructive, and we do not see a need for a material shift in credit risk exposure in the near term, though we will remain tactical as valuations evolve. We also see inflation-linked securities as a useful near-term hedge against potential spikes in oil prices and rate volatility.

Attribution

Contribution To Allocation Effect: Fund vs. Bloomberg Global Agg ex USD Index (3 months ended March 31, 2026) (bps)



Country/Duration	Residual	Currency	Sector/ Security	Total
24	0	-13	-31	-20

Contribution To Allocation Effect: Fund vs. Bloomberg Global Agg ex USD Index (12 months ended March 31, 2026) (bps)

Country/Duration	Sector/ Security	Residual	Currency	Total
92	18	0	-24	86

Past performance is not a guarantee or a reliable indicator of future results.
T. Rowe Price's Proprietary Performance Attribution Model is used to explain ("attribute") the period outperformance (or underperformance) of a portfolio relative to its benchmark. The system attributes the outperformance (or underperformance) to a set of portfolio decisions such as currency and country weightings and specific security selections. The portfolio return is calculated by a daily compounding of returns from changes in present value, additional interest accruals, and trading activities. Figures are shown gross of fees. Returns would be lower as a result of the deduction of such fees. 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.

Portfolio Positioning

Credit Quality Diversification — Changes Over Time vs. Bloomberg Global Agg ex USD Index (%)

	Fund 3/31/25	Fund 12/31/25	Fund 3/31/26	Benchmark 3/31/26
U.S. Govt Ag	0.0	0.0	0.0	0.0
AAA	11.6	12.4	22.7	21.0
AA	14.6	10.1	11.1	18.3
A	34.0	30.1	28.9	48.1
BBB	22.8	24.2	22.1	12.0
BB	8.4	6.8	8.0	0.0
B	1.6	1.9	1.9	0.0
CCC	0.3	0.2	0.2	0.0
C	0.0	0.1	0.2	0.0
Not Rated	1.1	1.2	1.2	0.5
Reserves	5.5	13.1	3.8	0.0

Sector Diversification: Fund vs. Bloomberg Global Agg ex USD Index

	% of Fund	% of Benchmark	Over/Underweight (%)
Other	3.4	0.0	3.4
Government	69.5	68.8	0.7
Agency/Supranationals	0.4	16.1	-15.7
Corporate	18.2	11.2	7.0
Financials	7.8	5.0	2.9
Utilities	1.7	1.1	0.5
Industrials	8.7	5.1	3.6
Collateralised	0.6	3.9	-3.3
Sub Investment Grade	3.8	0.0	3.8
Emerging Market Corporate	1.1	0.0	1.1
High Yield Issuer	2.7	0.0	2.7
Derivatives	0.3	0.0	0.3
Options	0.2	0.0	0.2
Swaps	0.1	0.0	0.1
Reserves	3.8	0.0	3.8
Total	**100.0**	**100.0**	**N/A**

Bond Allocation Issue Currency — Changes Over Time vs. Bloomberg Global Agg ex USD Index (%)

	Fund 3/31/25	Fund 12/31/25	Fund 3/31/26	Benchmark 3/31/26
North America	8.7	9.0	7.7	5.1
Latin America	6.5	4.4	5.5	0.9
Europe	52.1	52.2	54.4	53.0
Middle East & Africa	1.5	1.0	1.0	0.3
Asia ex-Japan	17.2	13.9	14.0	26.3
Japan	8.4	6.5	13.6	14.4
Reserves	5.5	13.2	4.2	0.0

Portfolio Positioning, Continued

Currency Exposure

	% of Fund	% of Bloomberg Global Agg ex USD Index	Over/Underweight (%)
U.S. dollar	-4.3	0.0	-4.3
Australian dollar	1.7	2.7	-1.0
Canadian dollar	5.6	5.1	0.5
Mexican peso	1.7	0.7	1.0
New Zealand dollar	1.3	0.3	1.0
Dollar Bloc	6.0	8.8	-2.8
euro	43.0	42.3	0.8
British pound sterling	7.1	7.2	-0.1
Czech koruna	0.2	0.3	0.0
Danish krone	0.4	0.4	0.0
Hungarian forint	0.1	0.1	0.0
Norwegian krone	0.2	0.2	0.0
Polish zloty	0.6	0.6	0.0
Swedish krona	0.7	0.7	0.0
Swiss franc	-1.7	1.0	-2.7
European Bloc	50.6	52.8	-2.1
Japanese yen	16.5	14.3	2.1
Korean won	1.8	1.8	0.0
Malaysian ringgit	0.8	0.8	0.0
Singapore dollar	0.4	0.4	0.0
Thai baht	0.7	0.7	0.0
Far East Bloc	20.1	18.0	2.1
Brazilian real	1.2	0.0	1.2
CFA franc bceao	0.4	0.0	0.4
Chilean peso	0.9	0.1	0.7
Chinese renminbi	3.4	18.9	-15.5
Colombian peso	0.5	0.0	0.5
Egyptian pound	0.8	0.0	0.8
Indian rupee	<0.1	0.0	0.0
Indonesian rupiah	0.2	0.7	-0.5
Israeli shekel	0.3	0.3	0.0
New Romanian leu	0.7	0.2	0.5
Nigerian naira	0.5	0.0	0.5
Offshore Chinese renminbi	13.1	0.0	13.1
Peruvian nuevo sol	0.6	0.1	0.5
Sri Lanka rupee	0.2	0.0	0.2
Turkish lira	0.4	0.0	0.4
Emerging Markets Bloc	23.3	20.4	2.8
Total	**100.0**	**100.0**	**0.0**

Market Performance

Global Government Bond Market Returns (Local Currency)
(3 months ended March 31, 2026) (%)

Mexico	0.82
Canada	0.33
United States	-0.04
Sweden	-0.04
Malaysia	-0.17
Germany	-0.29
Australia	-0.50
Denmark	-0.51
Singapore	-0.53
New Zealand	-0.54
Euro	-0.62
Norway	-0.74
Czech Republic	-1.00
Japan	-1.64
Poland	-1.76
United Kingdom	-2.04
South Korea	-4.31

Currency Returns (Spot Price Returns vs. USD)
(3 months ended March 31, 2026) (%)

Australia	2.79
Malaysia	0.25
Mexico	-0.13
Singapore	-0.26
New Zealand	-0.73
Japan	-1.48
Canada	-1.75
Germany	-1.85
Denmark	-1.89
United Kingdom	-1.93
Sweden	-3.14
Czech Republic	-3.34
Poland	-3.41
South Korea	-5.74

Past performance is not a guarantee or a reliable indicator of future performance.
Source: Bloomberg Index Services Ltd.

Holdings

Top 10 Issuers

Issuer	Market	Industry	% of Fund
Japan	Japan	Sovereign	13.3
Republic of France	France	Sovereign	4.8
United Kingdom of Great Britain and N. Ireland	United Kingdom	Sovereign	4.2
Republic of Italy	Italy	Sovereign/Transportation	3.7
Republic of Indonesia	Indonesia	Sovereign	3.5
Canada	Canada	Sovereign	3.5
People's Republic of China	China	Sovereign	3.4
Republic of Singapore	Singapore	Sovereign	2.8
Federative Republic of Brazil	Brazil	Sovereign	2.3
Kingdom of Spain	Spain	Sovereign	2.1

Source: Financial data and analytics provider FactSet.

Portfolio Management

	Managed Since	Joined Firm
Kenneth Orchard	2015	2010
Andrew Keirle	2023	2005

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. Read it carefully.

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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. 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.

Reserves include T-Bills, Cash & Cash Equivalents, etc.

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.

The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the portfolio, and no assumptions should be made that investments in the securities identified and discussed were or will be profitable.

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.

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

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The fund is a non-USD strategy. When we purchase securities denominated in USD, we hedge the USD exposure with forward contracts. Due to market valuations, the loss on currency forwards caused the allocation to the USD to be negative.

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