T. Rowe Price®
INVEST WITH CONFIDENCE

QUARTERLY REVIEW

Global Multi-Sector Bond Fund

As of June 30, 2020

PORTFOLIO HIGHLIGHTS

The portfolio outperformed the Bloomberg Barclays Global Aggregate Bond USD Hedged Index for the three-month period ended June 30, 2020.

Relative performance drivers:

- Security selection and sector allocations contributed.
- Duration positioning also helped.
- Currencies benefited returns.Additional highlights:

- Even with the recent tightening, credit spreads remain attractive by historical standards. With that in mind, we maintained a structural overweight to credit sectors.
- While the second quarter brought a welcomed recovery in the performance of risk assets, the path forward could prove to be challenging as the marginal benefits of stimulus begin to wane and potential uncertainty arises from an anticipated pickup in coronavirus cases.

FUND INFORMATION

Symbol	PRSNX
CUSIP	74149N106
Inception Date of Fund	December 15, 2008
Benchmark	Bloomberg Barclays Global Agg USD Hdg Index
Expense Information (as of the most recent Prospectus)*	0.71% (Gross) 0.69% (Net)
Fiscal Year End	May 31
12B-1 Fee	–
Total Assets (all share classes)	$1,129,330,600
Percent of Portfolio in Cash	0.0%

*The fund's net expense ratio reflects a permanent waiver of a portion of the T. Rowe Price Associates, Inc. management fee charged to the fund. This waiver is an amount sufficient to fully offset any acquired fund fees and expenses related to investments in other T. Rowe Price mutual funds. T. Rowe Price funds would be required to seek regulatory approval in order to terminate this arrangement.

PERFORMANCE

(NAV, total return)

				Annualized				
	Three Months	Year-to-Date	One Year	Three Years	Five Years	Ten Years	Since Inception 12/15/08	30-Day SEC Yield
Global Multi-Sector Bond Fund	10.28%	0.38%	3.62%	4.39%	4.65%	4.68%	6.40%	3.09%
Bloomberg Barclays Global Aggregate Bond USD Hedged Index	2.42	3.90	6.07	5.14	4.44	4.07	4.47	–
Linked Performance Benchmark*	2.42	3.90	6.07	5.18	4.47	4.22	4.96	–

CALENDAR YEAR PERFORMANCE

(NAV, total return)

	Inception Date	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Global Multi-Sector Bond Fund	Dec 15 2008	10.42%	1.93%	10.90%	0.30%	4.32%	-0.04%	6.84%	6.46%	0.44%	10.37%
Bloomberg Barclays Global Aggregate Bond USD Hedged Index		4.61	5.40	5.72	-0.14	7.59	1.02	3.95	3.04	1.76	8.22
Linked Performance Benchmark*		5.67	5.25	7.18	-0.38	6.94	0.58	4.09	3.69	1.78	8.22

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 1-800-638-7780 or visit troweprice.com. Read it carefully. The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any.
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

Global fixed income rebounded in second quarter
The global fixed income market posted solid returns in the second quarter after rebounding from deep losses in the first quarter. Credit markets outperformed in the second quarter as central banks and governments instituted stimulus programs that both improved liquidity and helped provide a backstop for credit spreads.

Sovereign yields proved mixed across developed markets over the period, with bond-supportive stimulus programs instituted by major central banks and governments contrasting with growing optimism over a sharp economic recovery as lockdown measures were eased. In April, the Federal Reserve promised up to USD 2.3 trillion in loans to smaller businesses and municipalities and announced major asset purchase programs to address market liquidity. With market functions returning to normal and cautious optimism over a gradual reopening of the global economy, yield curves steepened in May. However, the positive momentum reversed course later in the quarter due to increasing coronavirus cases in the U.S. and a downbeat near-term economic outlook by the Fed. To support the economy in the near term, the Fed stands committed to maintain its levels of Treasury and mortgage-backed security purchases, announcing that it would begin buying a broad portfolio of U.S. corporate bonds rather than focusing on buying corporate ETFs.

In Europe, the European Commission announced a EUR 750 billion rescue package, which would see large scale fiscal transfers to hard hit areas such as Spain and Italy. A month later, the European Central Bank upped its emergency purchases by EUR 600 billion to a total of EUR 1.34 trillion and extended the length of the initiative to at least June 2021. Emerging market bonds displayed strong positive returns, meanwhile, supported by the tentative return of risk appetite and the weaker U.S. dollar.

Global investment-grade (IG) and high yield corporate bonds generated robust returns, benefiting from healthy investor demand for yield amid low global rates and the unprecedented level of support from central banks. Spread movements were volatile, though, as increasing coronavirus cases and geopolitical tensions between the U.S. and China put upward pressure on corporate spreads at times. Technical conditions remained supportive. In the U.S., companies took advantage of extremely low rates, generating a record level of new supply that was met with solid demand.

Securitized credit sectors produced solid excess returns but trailed corporates. Performance was bifurcated as bonds at the top of the capital structure retraced nearly all their first-quarter spread widening, but bonds with lower levels of credit enhancement and areas more adversely impacted by the virus continued to struggle with fundamental challenges.

Emerging market (EM) sovereign debt and corporate bonds, in U.S. dollar terms, generated strong returns in the second quarter, benefiting from the same drivers that aided other credit markets. Gains were tempered somewhat by increases in coronavirus infections in select countries. All regions produced positive returns, led by notable advances in Africa and the Middle East. High yield credits outperformed investment grade, but both added to gains. There was increased new supply, largely from investment-grade issuers, which was met with healthy demand.

Credit exposure aided returns

- Credit markets strongly recovered in the second quarter following the worst sell-off since the global financial crisis, which struck at unprecedented speed over the course of just four weeks from late February through early March. The rebound was similarly impressive as accommodative measures by key global central banks provided much-needed liquidity that successfully compressed the large liquidity premiums that had been priced into credit spreads.
- With credit spreads tightening, the portfolio's overweight to global high yield and EM corporate bonds significantly benefited relative performance. High yield and EM corporate bonds benefited from solid demand for yield with sovereign rates falling to low levels after the coronavirus crisis in the first quarter. Oil prices also recovered from historically low levels, which also helped.
- Exposure to securitized credit also contributed, but to a lesser extent than high yield and EM corporate debt. Higher-quality tranches recovered most of their year-to-date spread widening, benefiting from the Fed's Term Asset-Backed Securities Loan Facility (TALF), which launched in June. But investors' concerns over the implications of the coronavirus outbreak on household finances and commercial real estate left spreads for lower-rated tranches well off their lows for the year.

Security selection boosted performance

- Security selection contributed notably across all credit sectors for the quarter.
- Positive security selection within global IG corporates helped offset some of the detraction from being underweight the sector.

Duration positioning was positive

- An overweight duration position in Chile supported relative gains. Dovish messaging from the country's central bank, which indicated that its new expansive monetary policy measures could be maintained for a prolonged period, supported bond prices, as did the return of a more risk-friendly environment.
- Elsewhere, a surprise rate cut in April supported our overweight duration exposure to South Africa.

Currency decisions helped

- An overweight to the Australian dollar added to relative returns. The currency was supported by returning optimism and risk appetite early in the period on hopes that the country could ease lockdown measures. Upbeat data domestically and from China late in the quarter also bolstered the Australian dollar.
- Our Chilean peso overweight, meanwhile, also contributed positively to relative returns, driven by rising commodity prices in May and an overall risk rally in early June.

PORTFOLIO POSITIONING AND ACTIVITY

Even with the recent tightening, credit spreads remain attractive by historical standards. With that in mind, we maintained a structural overweight to credit sectors. We are gradually shifting some risk from global IG and EM corporate into securitized and high yield, which appear attractive on a relative basis. Some higher-quality energy names offered attractive relative value given a near-term constructive view on oil and energy.

Remain underweight duration in the U.S.
We maintained the portfolio's duration underweights in regions with low or negative carry and minimum term premium, such as the eurozone, UK, and Japan. We continue to be underweight U.S. duration as the U.S. Treasury curve has the potential to keep steepening. While short-term yields remain anchored based on the Fed's accommodative measures, long-term yields could rise if the economic recovery continues. However, we maintained a modest amount of U.S. duration via taxable municipal bond purchases as taxable munis looked compelling relative to U.S. investment-grade corporates.

Trimmed USD underweight
While we remain underweight the U.S. dollar (USD) relative to a variety of currencies, we gradually pared back our USD underweight as downward USD momentum began reversing throughout the quarter. We increased EM currency exposures in countries with favorable valuations, such as Mexico, Thailand, and South Africa, to diversify our high-quality duration exposure.

MANAGER'S OUTLOOK

While the second quarter brought a welcomed recovery in the performance of risk assets, the path forward could prove to be challenging as the marginal benefits of stimulus begin to wane and potential uncertainty arises from an anticipated pickup in coronavirus cases. With coronavirus cases rising in some areas that started to reopen, there is an increased likelihood for a second wave of infections at some point this year. The magnitude of the second wave will likely be less profound as medical professionals will be more prepared, and central banks and governments will stand ready to institute additional stimulus measures, if needed. Additionally, we do not anticipate a rapid return to previous gross domestic product levels as the removal of social distancing restrictions is likely to be gradual to prevent new outbreaks.

The economic outlook over the next six months is increasingly uncertain with the possibility of an increasing second coronavirus wave, the upcoming U.S. elections, fiscal "cliffs" as stimulus expires, and high unemployment. However, 2021 looks more promising given the probability of a vaccine and subsiding political uncertainty. Investment-grade credit spreads may be justified based on the 2021 outlook but feel somewhat expensive today, although this can be partly explained by central bank buying. High yield spreads are pricing in expected defaults over the next several months, but uncertainty remains. Economic growth is rebounding with reopenings, but will a second wave cause a reversal? How many jobs and businesses will ultimately not return? How many months or years will it take to return to pre-crisis levels of economic growth? These are the questions that every investor is grappling with today.

Developed market interest rates are likely to remain low for the near to medium term. Countries that successfully handle the virus response are likely to see better growth and higher interest rates. Credit spread levels are pricing in higher default and liquidity premia and will likely continue to do so until there is more clarity on the economic recovery and vaccine development. The U.S. dollar has enjoyed several years of strength, but conditions are ripe for a potential reversal. Interest rate differentials have collapsed, and global growth is expected to pick up while the U.S. may not be exceptional.

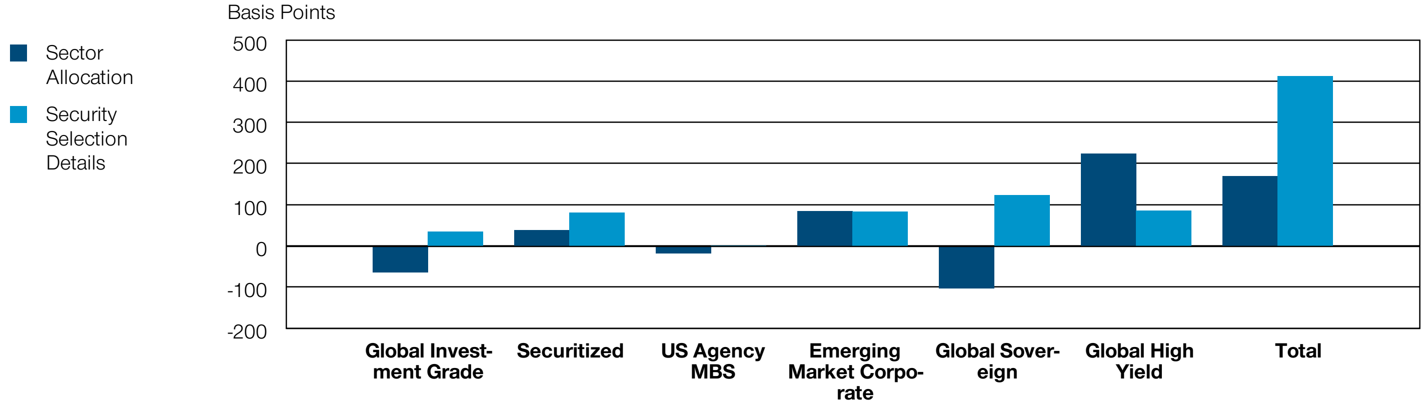
We plan to maintain the current risk positions in the portfolio for now but stand ready to manage risk if volatility increases into late summer.

In summary, we expect bouts of market volatility through year-end with a positive outlook in 2021 as the probability of a vaccine increases, and political uncertainty should subside. We continue to remain constructive on credit as spreads remain wide and central banks continue to provide support. Our investment process and global reach should help us continue to find attractive opportunities and provide the diversification benefits that can add value in this environment and over the long-term.

QUARTERLY ATTRIBUTION

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

(3 months ended June 30, 2020)

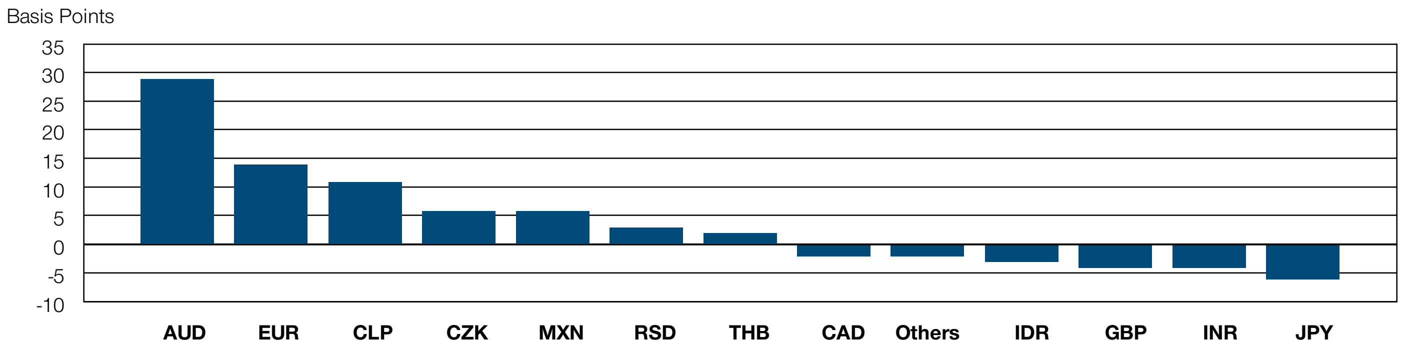


	Global Investment Grade	Securitized	US Agency MBS	Emerging Market Corporate	Global Sovereign	Global High Yield	Total
Sector Allocation	-62	39	-17	85	-101	226	171
Security Selection Details	35	82	1	84	125	87	414

[1]Global Sovereigns includes global developed sovereign, emerging market hard currency sovereign and emerging market local sovereign bonds.

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

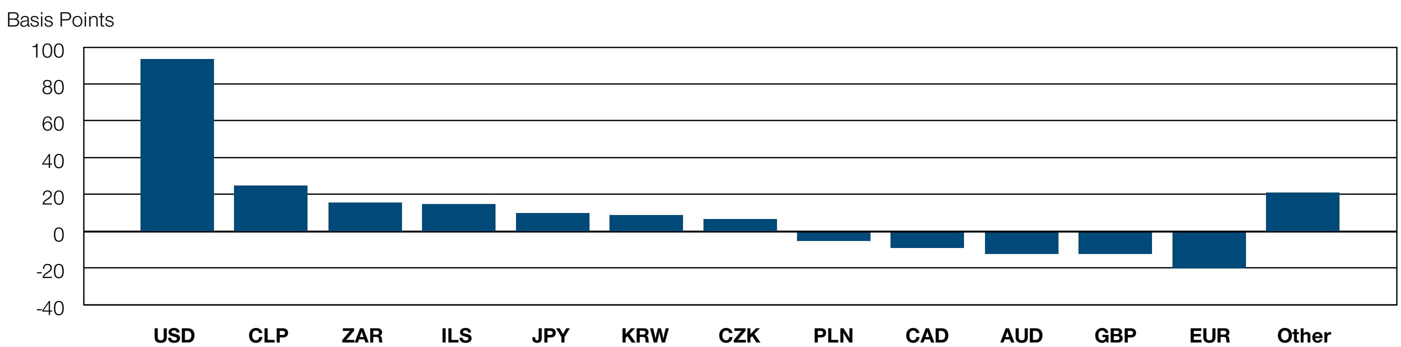
(3 months ended June 30, 2020)



AUD	EUR	CLP	CZK	MXN	RSD	THB	CAD	Others	IDR	GBP	INR	JPY
29	14	11	6	6	3	2	-2	-2	-3	-4	-4	-6

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

(3 months ended June 30, 2020)



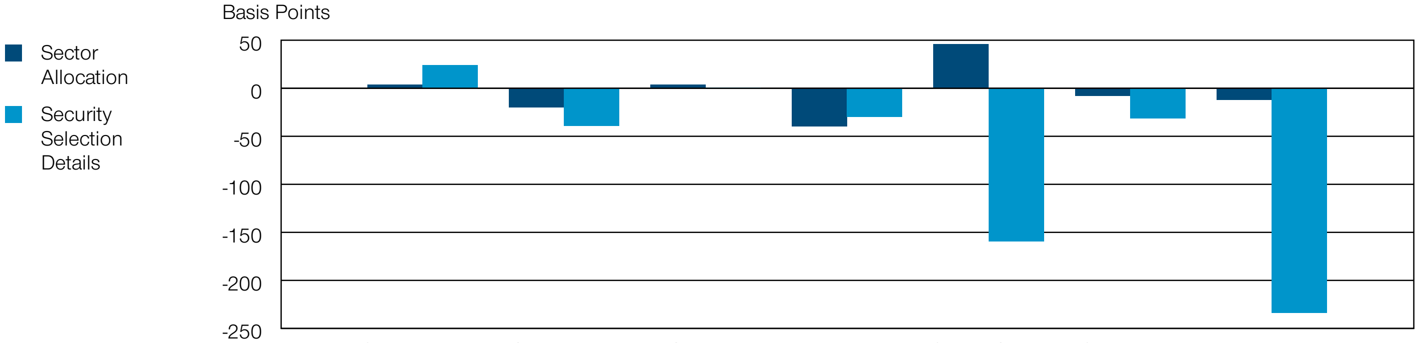
USD	CLP	ZAR	ILS	JPY	KRW	CZK	PLN	CAD	AUD	GBP	EUR	Other
94	25	16	15	10	9	7	-5	-9	-12	-12	-20	21

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. For Sourcing Information, please see Additional Disclosures.

12-MONTH ATTRIBUTION

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

(12 months ended June 30, 2020)

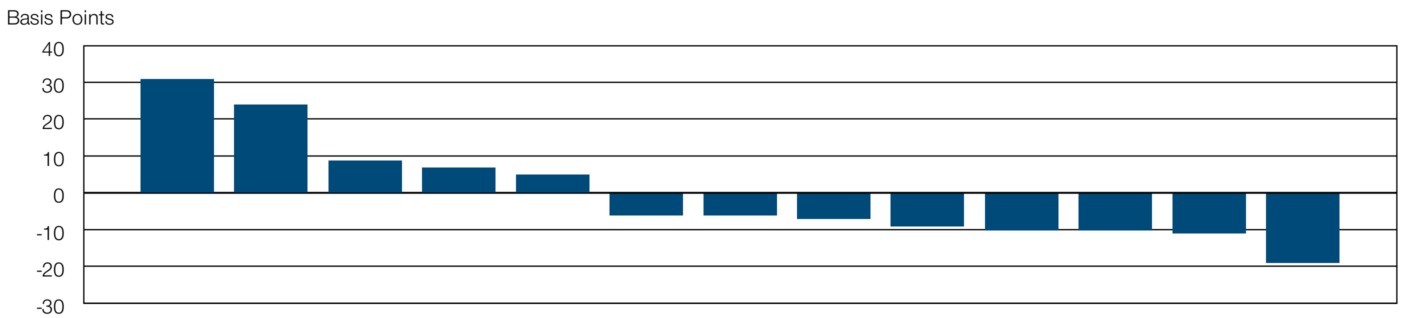


	Global Investment Grade	Securitized	US Agency MBS	Emerging Market Corporate	Global Sovereign	Global High Yield	Total
Sector Allocation	4	-20	4	-40	46	-8	-12
Security Selection Details	24	-39	1	-30	-159	-31	-234

[1]Global Sovereigns includes global developed sovereign, emerging market hard currency sovereign and emerging market local sovereign bonds.

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

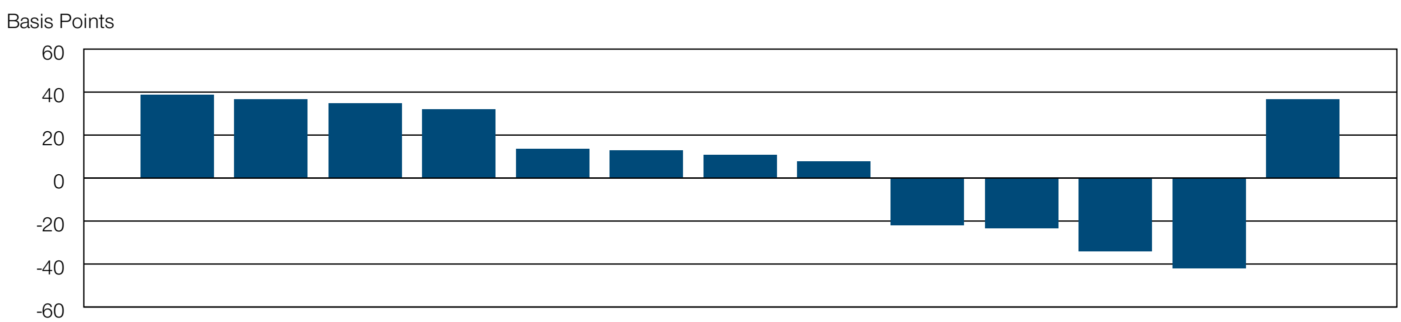
(12 months ended June 30, 2020)



AUD	EGP	EUR	ILS	MXN	CZK	BRL	RON	INR	CAD	Others	CNY	JPY
31	24	9	7	5	-6	-6	-7	-9	-10	-10	-11	-19

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

(12 months ended June 30, 2020)



CLP	USD	CZK	ILS	INR	JPY	BRL	MXN	CAD	PLN	GBP	EUR	Other
39	37	35	32	14	13	11	8	-22	-23	-34	-42	37

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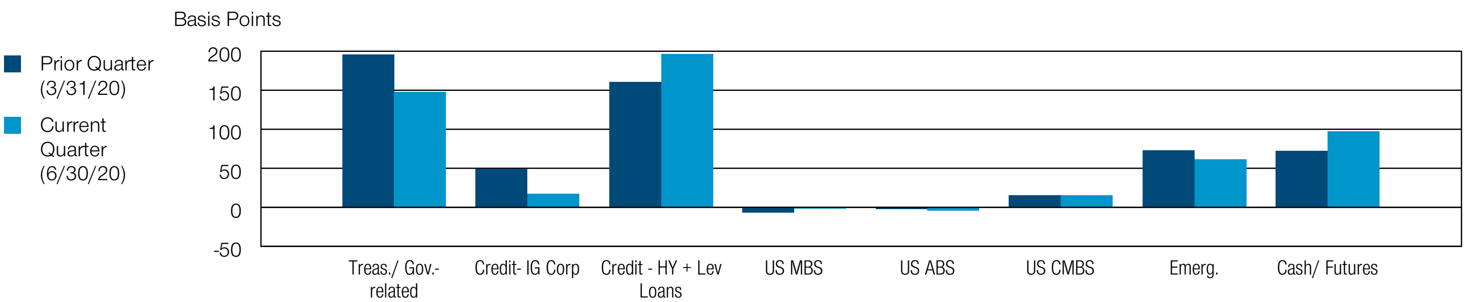
Source: Bloomberg Index Services Limited.
Analysis represents the performance of the portfolio compared to its benchmark as calculated by the Bloomberg attribution model. Performance is attributed to a set of portfolio decisions such as credit quality, duration and yield curve exposures, relative sector 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. For Sourcing Information, please see Additional Disclosures.

RISK ANALYSIS

RISK FACTOR CONTRIBUTION

	Contribution to TEV (Annualized) 3/31/20 (Prior Quarter)	Contribution to TEV (Annualized) 6/30/20 (Current Quarter)
Systematic	484.8 bps	466.8 bps
Foreign Exchange	61.9	47.4
Curve	79.9	57.5
Inflation Linked	3.4	10.2
Swap Spreads	10.0	0.1
Volatility	-0.5	-1.1
Spread Government Related	10.2	0.0
Spread Credit and EMG	305.4	314.6
Spread Securitized	21.0	25.6
Spread Other	-7.4	7.0
Equity	1.0	5.2
Idiosyncratic	3.2	4.1
Credit Default	0.0	2.4
Total	**488.1**	**473.3**

SECTOR CONTRIBUTION TO RISK VERSUS BENCHMARK



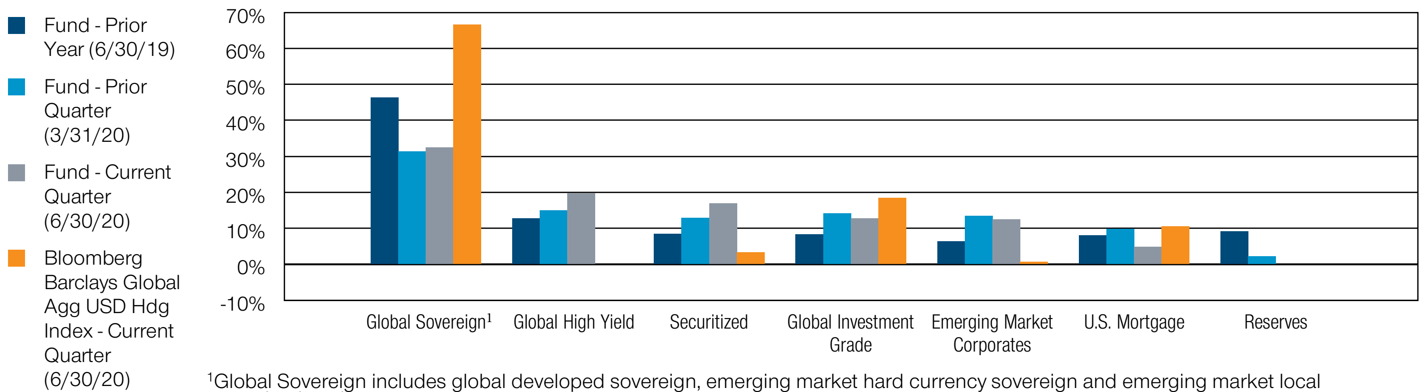
Source: Bloomberg Index Services Limited. Statistics based on monthly data. TEV, or Tracking error volatility, is the standard deviation of the difference between portfolio and benchmark returns. It is the square root of the tracking error variance, or TE variance. The TE variance is the projected variance 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 Bloomber 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. **Past performance is not a reliable indicator of future performance.**

For Sourcing Information, please see Additional Disclosures.

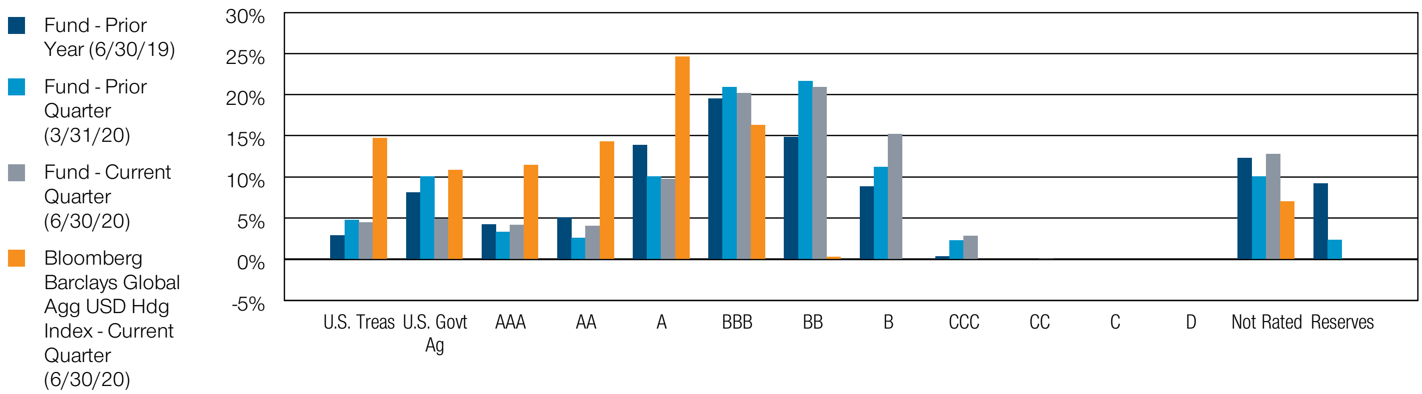
PORTFOLIO POSITIONING

SECTOR DIVERSIFICATION – CHANGES OVER TIME



[1]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
Republic of Chile	2.9%
State of Israel	2.2
Romania	1.9
Republic of Cyprus	1.8
China Development Bank	1.5
Republic of India	1.3
Commonwealth of Australia	1.2
Republic of Indonesia	1.1
Republic of France	1.1
T-Mobile US	0.9

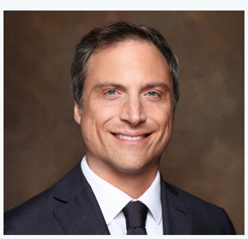
For Sourcing Information, please see Additional Disclosures.

PORTFOLIO POSITIONING, CONTINUED.

FX EXPOSURE

Currency	Currency Code	Net %	Bonds %	Cash %	Forwards %
Argentinian peso	ARS	0.00	0.00	0.00	0.00
Australian dollar	AUD	2.00	1.22	0.00	0.78
Brazilian real	BRL	0.00	0.78	0.00	-0.78
Canadian dollar	CAD	0.75	0.23	0.00	0.52
Chilean peso	CLP	0.51	2.88	0.00	-2.37
Offshore Chinese renminbi	CNH	-0.96	0.00	0.00	-0.96
Chinese renminbi	CNY	2.96	2.44	0.52	0.00
Czech koruna	CZK	1.03	0.00	0.00	1.03
Euro	EUR	0.05	13.92	-0.42	-13.45
British pound sterling	GBP	0.01	0.22	0.00	-0.21
Indonesian rupiah	IDR	0.01	1.92	0.04	-1.95
Israeli shekel	ILS	-0.01	1.65	0.00	-1.66
Indian rupee	INR	-0.01	1.70	0.11	-1.82
Japanese yen	JPY	1.00	0.00	0.00	1.00
Korean won	KRW	-0.03	0.00	-0.01	-0.02
Mexican peso	MXN	1.50	0.00	0.00	1.50
Malaysian ringgit	MYR	0.61	0.60	0.00	0.01
Polish zloty	PLN	0.01	0.00	0.00	0.01
New Romanian leu	RON	0.00	0.00	0.00	0.00
Serbia dinar	RSD	1.01	0.00	1.01	0.00
Singapore dollar	SGD	0.00	0.36	0.00	-0.36
Thai baht	THB	1.02	0.00	0.00	1.02
U.S. dollar	USD	88.30	69.85	1.02	17.43
South African rand	ZAR	0.24	0.59	0.00	-0.35
Total		**100.00**	**98.36**	**2.27**	**-0.63**

PORTFOLIO MANAGEMENT



Portfolio Manager:
Kenneth Orchard

Managed Fund Since:
2018

Joined Firm:
2010

For Sourcing Information, please see Additional Disclosures.

Additional Disclosures

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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.

Sources for credit quality: Moody’s Investors Service; if Moody’s does not rate a security, then Standard & Poor’s (S&P) is used as a secondary source. When available, T. Rowe Price will use Fitch for securities that are not rated by Moody’s or S&P. T. Rowe Price does not evaluate these ratings, but simply assigns them to the appropriate credit quality category as determined by the rating agency. T. Rowe Price uses the rating of the underlying investment vehicle for credit default swaps.

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 Barclays.

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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