T. Rowe Price®

SEMIANNUAL REPORT

June 30, 2023

	T. ROWE PRICE
RPIDX	Dynamic Credit Fund
RPELX	Dynamic Credit Fund–I Class

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INVEST WITH CONFIDENCE®

Dear Shareholder

Most major global stock and bond indexes produced positive returns during the first half of your fund's fiscal year, the six-month period ended June 30, 2023. Despite turmoil in the banking sector and a protracted debt ceiling standoff, markets were resilient as growth remained positive in the major economies and corporate earnings results came in stronger than expected.

For the six-month period, the technology-oriented Nasdaq Composite Index gained more than 30%, the strongest result of the major benchmarks, as tech companies benefited from investor enthusiasm for artificial intelligence applications. Growth stocks outperformed value shares, and developed market stocks generally outpaced their emerging market counterparts. Currency movements were mixed over the period, although a weaker dollar versus major European currencies was beneficial for U.S. investors in European securities.

Within the S&P 500 Index, the information technology, communication services, and consumer discretionary sectors were all lifted by the tech rally and recorded significant gains. Conversely, the defensive utilities sector had the weakest returns in the growth-focused environment, and the energy sector also lost ground amid declining oil prices. The financials sector partly recovered from the failure of three large regional banks during the period but still finished with modest losses.

Cheaper oil contributed to slowing inflation, although core inflation readings—which exclude volatile food and energy prices—remained stubbornly high. In response, the Federal Reserve raised its short-term lending benchmark rate to a target range of 5.00% to 5.25% by early May, the highest level since 2007. The Fed held rates steady at its June meeting, but policymakers indicated that two more rate hikes could come by the end of the year.

In the fixed income market, returns were generally positive across most sectors as investors benefited from the higher interest rates that have become available over the past year. Investment-grade corporate bonds were supported by generally solid balance sheets and were among the strongest performers.

Global economies and markets showed surprising resilience in recent months, but, moving into the second half of 2023, we believe investors could face potential challenges. The impact of the Fed's rate hikes has yet to be fully felt in the economy, and while the regional banking turmoil appears to have been contained by the swift actions of regulators, it could weigh on credit conditions. Moreover, market consensus still seems to point to a coming recession, although hopes have emerged that such a downturn could be more modest.

We believe this environment makes skilled active management a critical tool for identifying risks and opportunities, and our investment teams will continue to use fundamental research to identify securities that can add value to your portfolio over the long term.

You may notice that this report no longer contains the commentary on your fund's performance and positioning that we previously included in the semiannual shareholder letters. The Securities and Exchange Commission (SEC) adopted new rules in January that will require fund reports to transition to a new format known as a Tailored Shareholder Report. This change will require a much more concise summary of performance rather than the level of detail we have provided historically while also aiming to be more visually engaging. As we prepare to make changes to the annual reports to meet the new report regulatory requirements by mid-2024, we felt the time was right to discontinue the optional six-month semiannual fund letter to focus on the changes to come.

While semiannual fund letters will no longer be produced, you may continue to access current fund information as well as insights and perspectives from our investment team on our personal investing website.

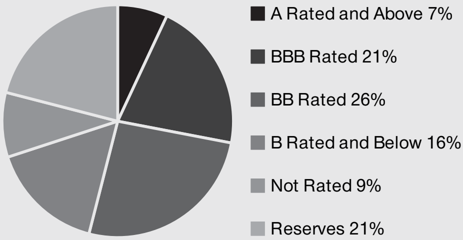
Thank you for your continued confidence in T. Rowe Price.

Sincerely,

Robert Sharps
CEO and President

CREDIT QUALITY DIVERSIFICATION

Dynamic Credit Fund



Based on net assets as of 6/30/23.

Sources: 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. T. Rowe Price uses the rating of the underlying investment vehicle to determine the creditworthiness of credit default swaps. The fund is not rated by any agency.

FUND EXPENSE EXAMPLE

As a mutual fund shareholder, you may incur two types of costs: (1) transaction costs, such as redemption fees or sales loads, and (2) ongoing costs, including management fees, distribution and service (12b-1) fees, and other fund expenses. The following example is intended to help you understand your ongoing costs (in dollars) of investing in the fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of $1,000 invested at the beginning of the most recent six-month period and held for the entire period.

Please note that the fund has two share classes: The original share class (Investor Class) charges no distribution and service (12b-1) fee, and the I Class shares are also available to institutionally oriented clients and impose no 12b-1 or administrative fee payment. Each share class is presented separately in the table.

Actual Expenses
The first line of the following table (Actual) provides information about actual account values and expenses based on the fund's actual returns. You may use the information on this line, together with your account balance, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number on the first line under the heading "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes
The information on the second line of the table (Hypothetical) is based on hypothetical account values and expenses derived from the fund's actual expense ratio and an assumed 5% per year rate of return before expenses (not the fund's actual return). You may compare the ongoing costs of investing in the fund with other funds by contrasting this 5% hypothetical example and the 5% hypothetical examples that appear in the shareholder reports of the other funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Note: T. Rowe Price charges an annual account service fee of $20, generally for accounts with less than $10,000. The fee is waived for any investor whose T. Rowe Price mutual fund accounts total $50,000 or more; accounts electing to receive electronic delivery of account statements, transaction confirmations, prospectuses, and shareholder reports; or accounts of an investor who is a T. Rowe Price Personal Services or Enhanced Personal Services client (enrollment in these programs generally requires T. Rowe Price assets of at least $250,000). This fee is not included in the accompanying table. If you are subject to the fee, keep it in mind when you are estimating the ongoing expenses of investing in the fund and when comparing the expenses of this fund with other funds.

You should also be aware that the expenses shown in the table highlight only your ongoing costs and do not reflect any transaction costs, such as redemption fees or sales loads. Therefore, the second line of the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. To the extent a fund charges transaction costs, however, the total cost of owning that fund is higher.

FUND EXPENSE EXAMPLE (CONTINUED)

DYNAMIC CREDIT FUND

	Beginning Account Value 1/1/23	Ending Account Value 6/30/23	Expenses Paid During Period* 1/1/23 to 6/30/23
Investor Class			
Actual	$1,000.00	$997.40	$3.17
Hypothetical (assumes 5% return before expenses)	1,000.00	1,021.62	3.21
I Class			
Actual	1,000.00	998.80	2.82
Hypothetical (assumes 5% return before expenses)	1,000.00	1,021.97	2.86

* Expenses are equal to the fund's annualized expense ratio for the 6-month period, multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (181), and divided by the days in the year (365) to reflect the half-year period. The annualized expense ratio of the Investor Class was 0.64%, and the I Class was 0.57%.

(Unaudited)

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

Investor Class

	6 Months Ended 6/30/23	Year Ended 12/31/22	12/31/21	12/31/20	1/10/19[1] Through 12/31/19
NET ASSET VALUE					
Beginning of period	$ 9.02	$ 9.83	$ 9.75	$ 10.20	$ 10.00
Investment activities					
Net investment income[2][3]	0.26	0.41	0.37	0.48	0.44
Net realized and unrealized gain/loss	(0.28)	(0.42)	0.24	(0.23)	0.21
Total from investment activities	(0.02)	(0.01)	0.61	0.25	0.65
Distributions					
Net investment income	(0.26)	(0.35)	(0.34)	(0.38)	(0.41)
Net realized gain	—	(0.45)	(0.19)	(0.32)	(0.04)
Total distributions	(0.26)	(0.80)	(0.53)	(0.70)	(0.45)
NET ASSET VALUE					
End of period	**$ 8.74**	**$ 9.02**	**$ 9.83**	**$ 9.75**	**$ 10.20**

(Unaudited)

FINANCIAL HIGHLIGHTS For a share outstanding throughout each period

Investor Class

	6 Months Ended 6/30/23	Year Ended 12/31/22	12/31/21	12/31/20	1/10/19[1] Through 12/31/19
Ratios/Supplemental Data					
Total return[3][4]	**(0.26)%**	**0.02%**	**6.21%**	**2.67%**	**6.64%**
Ratios to average net assets:[3]					
Gross expenses before waivers/ payments by Price Associates	1.49%[5]	1.53%	1.30%	1.38%	1.56%[5]
Net expenses after waivers/ payments by Price Associates	0.64%[5]	0.63%	0.65%	0.64%	0.64%[5]
Net investment income	5.93%[5]	4.40%	3.61%	4.97%	4.44%[5]
Portfolio turnover rate	85.8%	217.6%	252.1%	301.7%	311.5%
Net assets, end of period (in thousands)	$33,174	$29,716	$38,760	$26,423	$27,976

[1] Inception date
[2] Per share amounts calculated using average shares outstanding method.
[3] See Note 6 for details of expense-related arrangements with Price Associates.
[4] Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable. Total return is not annualized for periods less than one year.
[5] Annualized

The accompanying notes are an integral part of these financial statements.

(Unaudited)

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

I Class

	6 Months Ended 6/30/23	Year Ended 12/31/22	12/31/21	12/31/20	1/10/19[1] Through 12/31/19
NET ASSET VALUE					
Beginning of period	$ 9.01	$ 9.83	$ 9.74	$ 10.21	$ 10.00
Investment activities					
Net investment income[2][3]	0.27	0.42	0.36	0.48	0.44
Net realized and unrealized gain/loss	(0.28)	(0.43)	0.26	(0.25)	0.22
Total from investment activities	(0.01)	(0.01)	0.62	0.23	0.66
Distributions					
Net investment income	(0.26)	(0.36)	(0.34)	(0.38)	(0.41)
Net realized gain	—	(0.45)	(0.19)	(0.32)	(0.04)
Total distributions	(0.26)	(0.81)	(0.53)	(0.70)	(0.45)
NET ASSET VALUE					
End of period	**$ 8.74**	**$ 9.01**	**$ 9.83**	**$ 9.74**	**$ 10.21**

(Unaudited)

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

I Class

	6 Months Ended 6/30/23	Year Ended 12/31/22	12/31/21	12/31/20	1/10/19[1] Through 12/31/19
Ratios/Supplemental Data					
Total return[3][4]	**(0.12)%**	**(0.01)%**	**6.36%**	**2.50%**	**6.77%**
Ratios to average net assets:[3]					
Gross expenses before waivers/ payments by Price Associates	1.44%[5]	1.48%	1.06%	1.30%	1.62%[5]
Net expenses after waivers/ payments by Price Associates	0.57%[5]	0.56%	0.60%	0.61%	0.61%[5]
Net investment income	6.06%[5]	4.48%	3.51%	5.01%	4.48%[5]
Portfolio turnover rate	85.8%	217.6%	252.1%	301.7%	311.5%
Net assets, end of period (in thousands)	$6,290	$5,646	$1,943	$24,169	$5,841

(1) Inception date
(2) Per share amounts calculated using average shares outstanding method.
(3) See Note 6 for details of expense-related arrangements with Price Associates.
(4) Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable. Total return is not annualized for periods less than one year.
(5) Annualized

The accompanying notes are an integral part of these financial statements.

PORTFOLIO OF INVESTMENTS‡	Par/Shares	$ Value
(Cost and value in $000s)		
ANGOLA 0.5%		
Government Bonds 0.5%		
Republic of Angola, 8.00%, 11/26/29 (USD)	215,000	183
Total Angola (Cost $179)		**183**
ARGENTINA 0.8%		
Common Stocks 0.8%		
Arcos Dorados Holdings, Class A (USD)	32,223	330
Total Argentina (Cost $293)		**330**
AUSTRIA 2.1%		
Corporate Bonds 2.1%		
Benteler International, 9.375%, 5/15/28 (1)	260,000	287
Benteler International, 10.50%, 5/15/28 (USD) (1)	555,000	556
Total Austria (Cost $841)		**843**
BRAZIL 1.2%		
Corporate Bonds 1.2%		
Globo Comunicacao e Participacoes, 4.875%, 1/22/30 (USD) (1)(2)	620,000	494
Total Brazil (Cost $601)		**494**
CANADA 0.7%		
Asset-Backed Securities 0.4%		
Cologix Canadian Issuer, Series 2022-1CAN, Class A2, 4.94%, 1/25/52 (1)	250,000	171
		171
Bank Loans 0.3% (3)		
Jones Deslauriers Insurance Management, FRN, 3M CAD CDOR + 4.25%, 9.293%, 3/27/28 (4)	137,208	100
		100
Total Canada (Cost $303)		**271**

(Cost and value in $000s)	Par/Shares	$ Value
CHINA 0.8%		
Convertible Bonds 0.7%		
PDD Holdings, Zero Coupon, 12/1/25 (USD) (2)	275,000	267
		267
Corporate Bonds 0.1%		
Kaisa Group Holdings, 11.95%, 10/22/22 (USD) (5)(6)	985,000	65
		65
Total China (Cost $541)		**332**
COLOMBIA 0.8%		
Corporate Bonds 0.7%		
Aris Mining, 6.875%, 8/9/26 (USD) (1)	380,000	280
		280
Private Investment Company 0.1%		
Bona Fide Investments Feeder LLC, Acquisition date: 6/1/22, Cost $6 (USD) (5)(7)	†	7
Bona Fide Investments Feeder LLC, Acquisition date: 6/7/23, Cost $16 (USD) (5)(7)	†	15
		22
Total Colombia (Cost $398)		**302**
COSTA RICA 1.3%		
Corporate Bonds 1.3%		
Liberty Costa Rica Senior Secured Finance, 10.875%, 1/15/31 (USD) (1)	515,000	510
Total Costa Rica (Cost $515)		**510**
ECUADOR 0.6%		
Government Bonds 0.6%		
Republic of Ecuador, STEP, 5.50%, 7/31/30 (USD) (1)	495,000	241
Total Ecuador (Cost $257)		**241**
FRANCE 2.5%		
Corporate Bonds 2.5%		
Electricite de France, VR, 9.125% (USD) (1)(8)(9)	490,000	504
IPD 3, 8.00%, 6/15/28 (1)	275,000	306

	Par/Shares	$ Value
(Cost and value in $000s)		
Societe Generale, VR, 8.00% (USD) (8)(9)	200,000	188
Total France (Cost $974)		**998**
GHANA 0.7%		
Corporate Bonds 0.7%		
Kosmos Energy, 7.125%, 4/4/26 (USD)	305,000	269
Total Ghana (Cost $275)		**269**
IRELAND 0.4%		
Corporate Bonds 0.4%		
Avolon Holdings Funding, 6.375%, 5/4/28 (USD) (1)	170,000	168
Total Ireland (Cost $168)		**168**
ISRAEL 0.6%		
Common Stocks 0.6%		
Global-e Online (USD) (5)	5,470	224
Total Israel (Cost $195)		**224**
IVORY COAST 0.7%		
Government Bonds 0.7%		
Republic of Ivory Coast, 5.875%, 10/17/31 (EUR)	295,000	270
Total Ivory Coast (Cost $262)		**270**
MAURITIUS 0.5%		
Corporate Bonds 0.5%		
Axian Telecom, 7.375%, 2/16/27 (USD) (1)	200,000	184
Total Mauritius (Cost $200)		**184**
MEXICO 5.3%		
Corporate Bonds 2.4%		
Axtel, 6.375%, 11/14/24 (USD) (1)	420,000	428
Petroleos Mexicanos, 6.70%, 2/16/32 (USD)	700,000	533
		961

	Par/Shares	$ Value
(Cost and value in $000s)		
Government Bonds 2.9%		
Mexican Bonos, Series M, 7.75%, 11/13/42	21,390,000	1,122
		1,122
Total Mexico (Cost $2,090)		**2,083**
PERU 0.5%		
Corporate Bonds 0.5%		
Consorcio Transmantaro, 5.20%, 4/11/38 (USD) (1)	200,000	186
Total Peru (Cost $200)		**186**
SRI LANKA 0.5%		
Government Bonds 0.5%		
Republic of Sri Lanka, 6.85%, 11/3/25 (USD) (5)(6)	410,000	195
Total Sri Lanka (Cost $173)		**195**
SURINAME 0.6%		
Government Bonds 0.6%		
Republic of Suriname, 9.25%, 10/26/26 (USD) (2)(5)(6)	285,000	242
Total Suriname (Cost $203)		**242**
UNITED STATES 59.0%		
Asset-Backed Securities 11.2%		
Amur Equipment Finance Receivables X, Series 2022-1A, Class E, 5.02%, 12/20/28 (1)	385,000	340
Applebee's Funding, Series 2023-1A, Class A2, 7.824%, 3/5/53 (1)	610,000	600
Blackbird Capital Aircraft Lease Securitization, Series 2016-1A, Class A, STEP, 4.213%, 12/16/41 (1)	322,188	296
Elara HGV Timeshare Issuer, Series 2019-A, Class C, 3.45%, 1/25/34 (1)	50,368	46
ExteNet, Series 2019-1A, Class B, 4.14%, 7/26/49 (1)	240,000	229
FOCUS Brands Funding, Series 2018-1, Class A2, 5.184%, 10/30/48 (1)	692,375	654
Hardee's Funding, Series 2018-1A, Class A2II, 4.959%, 6/20/48 (1)	161,925	151
HPS Loan Management, Series 11A-17, Class CR, CLO, FRN, 3M USD LIBOR + 1.95%, 7.274%, 5/6/30 (1)	640,000	608
Octane Receivables Trust, Series 2023-1A, Class E, 9.25%, 8/20/30 (1)	255,000	236

	Par/Shares	$ Value
(Cost and value in $000s)		
Progress Residential Trust, Series 2020-SFR3, Class F, 2.796%, 10/17/27 (1)	130,000	117
Santander Bank Auto Credit-Linked Notes, Series 2022-A, Class B, 5.281%, 5/15/32 (1)	170,975	168
Santander Bank Auto Credit-Linked Notes, Series 2022-B, Class D, 6.793%, 8/16/32 (1)	212,430	211
Santander Bank Auto Credit-Linked Notes, Series 2023-A, Class E, 10.068%, 6/15/33 (1)	250,000	249
Sierra Timeshare Receivables Funding, Series 2018-3A, Class D, 5.20%, 9/20/35 (1)	107,312	102
Sierra Timeshare Receivables Funding, Series 2021-1A, Class D, 3.17%, 11/20/37 (1)	223,082	203
Stonepeak ABS, Series 2021-1A, Class B, 3.821%, 2/28/33 (1)	240,214	203
		4,413
Bank Loans 6.7% (3)		
Asurion, FRN, 1M TSFR + 4.25%, 9.452%, 8/19/28	560,406	532
Asurion, FRN, 1M USD LIBOR + 5.25%, 10.452%, 1/31/28	185,904	158
Diamond, FRN, 3M USD LIBOR + 2.75%, 8.057%, 9/29/28	265,950	265
Heartland Dental, FRN, 3M USD LIBOR + 3.75%, 8.952%, 4/30/25	619,206	609
Tacala Investment, FRN, 1M USD LIBOR + 7.50%, 12.654%, 2/5/27	346,294	340
William Morris Endeavor Entertainment, FRN, 3M USD LIBOR + 2.75%, 7.95%, 5/18/25	747,868	745
		2,649
Common Stocks 0.9%		
Altera Infrastructure, Acquisition Date: 1/19/23, Cost $13 (4)(5)(7)	639	16
NVR (5)	50	318
		334
Corporate Bonds 19.0%		
At Home Group, 4.875%, 7/15/28 (1)	210,000	110
Capstone Borrower, 8.00%, 6/15/30 (1)	325,000	321
Carnival, 4.00%, 8/1/28 (1)	430,000	381
Comstock Resources, 5.875%, 1/15/30 (1)	205,000	177
CSC Holdings, 6.50%, 2/1/29 (1)	305,000	246
DISH Network, 11.75%, 11/15/27 (1)	775,000	757
GrafTech Global Enterprises, 9.875%, 12/15/28 (1)	420,000	417
Hightower Holding, 6.75%, 4/15/29 (1)	230,000	198
iHeartCommunications, 4.75%, 1/15/28 (1)(2)	470,000	352
LCPR Senior Secured Financing, 5.125%, 7/15/29 (1)	400,000	333
Neptune Bidco U.S., 9.29%, 4/15/29 (1)	720,000	658
Ovintiv, 6.25%, 7/15/33	195,000	192
Ovintiv, 7.10%, 7/15/53	295,000	301
Pacific Gas & Electric, 6.75%, 1/15/53	795,000	782

(Cost and value in $000s)	Par/Shares	$ Value
Sabre GLBL, 9.25%, 4/15/25 (1)	2,000	2
Stagwell Global, 5.625%, 8/15/29 (1)	395,000	340
Talen Energy Supply, 8.625%, 6/1/30 (1)	310,000	321
Teekay Offshore Partners, EC, 8.50%, 10/15/23 (1)(4)(5)	155,000	—
Townsquare Media, 6.875%, 2/1/26 (1)(2)	520,000	498
Venture Global Calcasieu Pass, 3.875%, 8/15/29 (1)	165,000	144
Venture Global Calcasieu Pass, 4.125%, 8/15/31 (1)	135,000	116
Venture Global LNG, 8.375%, 6/1/31 (1)	610,000	611
Vistra, VR, 7.00% (1)(8)(9)	100,000	87
Vistra, VR, 8.00% (1)(8)(9)	170,000	158
		7,502
Municipal Securities 4.9%		
Colorado HFA, Covenant Living Community, Series B, 4.48%, 12/1/40	235,000	196
Illinois, Build America, Series 4, GO, 7.10%, 7/1/35	150,000	162
Michigan Tobacco Settlement Fin. Auth., Series B, Zero Coupon, 6/1/46	25,000	3
Port Beaumont Navigation Dist., Series B, 6.00%, 1/1/25 (1)	210,000	197
Puerto Rico Commonwealth, GO, VR, 11/1/43 (10)	968,891	488
Puerto Rico Commonwealth, Restructured, Series A, GO, Zero Coupon, 7/1/24	6,837	7
Puerto Rico Commonwealth, Restructured, Series A, GO, Zero Coupon, 7/1/33	53,960	33
Puerto Rico Commonwealth, Restructured, Series A-1, GO, 4.00%, 7/1/33	41,930	40
Puerto Rico Commonwealth, Restructured, Series A-1, GO, 4.00%, 7/1/35	37,689	35
Puerto Rico Commonwealth, Restructured, Series A-1, GO, 4.00%, 7/1/37	32,347	29
Puerto Rico Commonwealth, Restructured, Series A-1, GO, 4.00%, 7/1/41	43,980	38
Puerto Rico Commonwealth, Restructured, Series A-1, GO, 4.00%, 7/1/46	45,738	39
Puerto Rico Commonwealth, Restructured, Series A-1, GO, 5.25%, 7/1/23	23,414	23
Puerto Rico Commonwealth, Restructured, Series A-1, GO, 5.375%, 7/1/25	46,698	48
Puerto Rico Commonwealth, Restructured, Series A-1, GO, 5.625%, 7/1/27	46,276	49
Puerto Rico Commonwealth, Restructured, Series A-1, GO, 5.625%, 7/1/29	45,524	49
Puerto Rico Commonwealth, Restructured, Series A-1, GO, 5.75%, 7/1/31	44,217	48
Puerto Rico Electric Power Auth., Build America, 5.95%, 7/1/30 (5)(11)	40,000	15

	Par/Shares	$ Value
(Cost and value in $000s)		
Puerto Rico Electric Power Auth., Build America, 6.05%, 7/1/32 (5)(11)	150,000	56
Tobacco Settlement Fin., Series A-1, 6.706%, 6/1/46	255,000	241
Tobacco Settlement Fin. Auth., Series B, 4.875%, 6/1/49	105,000	95
Tobacco Settlement Fin. Auth., Series B, Zero Coupon, 6/1/47	460,000	43
		1,934
Non-U.S. Government Mortgage-Backed Securities 16.3%		
BAMLL Commercial Mortgage Securities Trust, Series 2021-JACX, Class D, ARM, 1M USD LIBOR + 2.75%, 7.943%, 9/15/38 (1)	395,000	330
BAMLL Commercial Mortgage Securities Trust, Series 2021-JACX, Class E, ARM, 1M USD LIBOR + 3.75%, 8.943%, 9/15/38 (1)	100,000	80
Barclays Commercial Mortgage Trust, Series 2019-BWAY, Class E, ARM, 1M TSFR + 2.964%, 8.111%, 11/15/34 (1)	120,000	40
BFLD, Series 2019-DPLO, Class F, ARM, 1M TSFR + 2.654%, 7.801%, 10/15/34 (1)	83,000	80
BX Commercial Mortgage Trust, Series 2019-IMC, Class E, ARM, 1M USD LIBOR + 2.15%, 7.343%, 4/15/34 (1)	150,000	146
BX Trust, Series 2021-VIEW, Class F, ARM, 1M USD LIBOR + 3.93%, 9.123%, 6/15/36 (1)	145,000	128
CAFL, Series 2021-RTL1, Class A1, CMO, STEP, 2.239%, 3/28/29 (1)	100,000	91
CAFL, Series 2021-RTL1, Class A2, CMO, STEP, 3.104%, 3/28/29 (1)	620,000	542
Cantor Commercial Real Estate Lending, Series 2019-CF1, Class 65C, ARM, 4.123%, 5/15/52 (1)	115,000	93
Cantor Commercial Real Estate Lending, Series 2019-CF1, Class 65D, ARM, 4.66%, 5/15/52 (1)	70,000	49
Commercial Mortgage Trust, Series 2014-CR19, Class AM, 4.08%, 8/10/47	145,000	139
Commercial Mortgage Trust, Series 2014-CR19, Class E, ARM, 4.353%, 8/10/47 (1)	165,000	132
Commercial Mortgage Trust, Series 2017-PANW, Class D, ARM, 4.343%, 10/10/29 (1)	305,000	273
Connecticut Avenue Securities Trust, Series 2022-R04, Class 1M2, CMO, ARM, SOFR30A + 3.10%, 8.167%, 3/25/42 (1)	45,000	45
Credit Suisse Mortgage Trust, Series 2020-TMIC, Class C, ARM, 1M USD LIBOR + 7.25%, 12.443%, 12/15/35 (1)	100,000	99
Finance of America HECM Buyout, Series 2022-HB1, Class M3, ARM, 5.084%, 2/25/32 (1)	390,000	338
Great Wolf Trust, Series 2019-WOLF, Class F, ARM, 1M TSFR + 3.245%, 8.392%, 12/15/36 (1)	170,000	162
Imperial Fund Mortgage Trust, Series 2023-NQM1, Class M1, CMO, ARM, 8.262%, 2/25/68 (1)	450,000	452
JPMorgan Mortgage Trust, Series 2022-LTV1, Class A2, CMO, ARM, 3.52%, 7/25/52 (1)	90,097	74

	Par/Shares	$ Value
(Cost and value in $000s)		
LSTAR Commercial Mortgage Trust, Series 2017-5, Class D, ARM, 4.83%, 3/10/50 (1)	220,000	149
Oceanview Mortgage Loan Trust, Series 2020-1, Class A3, CMO, ARM, 3.285%, 5/28/50 (1)	115,000	90
Structured Agency Credit Risk Debt Notes, Series 2021-DNA7, Class M2, CMO, ARM, SOFR30A + 1.80%, 6.867%, 11/25/41 (1)	295,000	284
Structured Agency Credit Risk Debt Notes, Series 2022-DNA2, Class M2, CMO, ARM, SOFR30A + 3.75%, 8.817%, 2/25/42 (1)	560,000	563
Structured Agency Credit Risk Debt Notes, Series 2022-DNA3, Class M1B, CMO, ARM, SOFR30A + 2.90%, 7.967%, 4/25/42 (1)	145,000	145
Verus Securitization Trust, Series 2021-2, Class M1, CMO, ARM, 2.187%, 2/25/66 (1)	150,000	102
Verus Securitization Trust, Series 2021-3, Class A1, CMO, ARM, 1.046%, 6/25/66 (1)	334,618	279
Verus Securitization Trust, Series 2021-6, Class A1, CMO, ARM, 1.63%, 10/25/66 (1)	266,959	219
Verus Securitization Trust, Series 2022-4, Class A2, CMO, ARM, 4.74%, 4/25/67 (1)	251,967	236
Verus Securitization Trust, Series 2023-1, Class A3, CMO, STEP, 6.90%, 12/25/67 (1)	481,023	479
Verus Securitization Trust, Series 2023-INV1, Class M1, CMO, ARM, 7.632%, 2/25/68 (1)	600,000	598
		6,437
Total United States (Cost $24,364)		**23,269**
SHORT-TERM INVESTMENTS 7.0%		
Money Market Funds 3.1%		
T. Rowe Price Government Reserve Fund, 5.13% (12)(13)	1,210,916	1,211
		1,211
U.S. Treasury Obligations 3.9%		
U.S. Treasury Bills, 4.950%, 7/13/23	1,575,000	1,573
		1,573
Total Short-Term Investments (Cost $2,783)		**2,784**
SECURITIES LENDING COLLATERAL 3.5%		
INVESTMENTS IN A POOLED ACCOUNT THROUGH SECURITIES LENDING PROGRAM WITH JPMORGAN CHASE BANK 0.5%		
Money Market Funds 0.5%		
T. Rowe Price Government Reserve Fund, 5.13% (12)(13)	199,168	199
Total Investments in a Pooled Account through Securities Lending Program with JPMorgan Chase Bank		**199**

	Par/Shares	$ Value
(Cost and value in $000s)		
INVESTMENTS IN A POOLED ACCOUNT THROUGH SECURITIES LENDING PROGRAM WITH STATE STREET BANK AND TRUST COMPANY 3.0%		
Money Market Funds 3.0%		
T. Rowe Price Government Reserve Fund, 5.13% (12)(13)	1,168,695	1,169
Total Investments in a Pooled Account through Securities Lending Program with State Street Bank and Trust Company		**1,169**
Total Securities Lending Collateral (Cost $1,368)		**1,368**

(Amounts in 000s, except for contracts)

OPTIONS PURCHASED 0.3%

OTC Options Purchased 0.3%

Counterparty	Description	Contracts	Notional Amount	$ Value
Bank of America	30 Year Interest Rate Swap, 7/10/53 Pay Fixed 2.66% Annually, Receive Variable 5.09% (SOFR) Annually, 7/6/23 @ 2.66%* (5)	1	640	63
Bank of America	USD / JPY Put, 7/6/23 @ JPY127.00 (5)	1	1,775	—
Barclays Bank	S&P 500 Index, Put, 8/18/23 @ $3,950.00 (5)	12	5,340	8
Goldman Sachs	Credit Default Protection Bought (Relevant Credit: Markit CDX. NA.IG-S40, 5 Year Index, 6/20/28), Pay 5.00% Quarterly, Receive upon credit default, 8/16/23 @ 1.00%* (5)	1	1,970	4

(Amounts in 000s, except for contracts)

Counterparty	Description	Contracts	Notional Amount	$ Value
JPMorgan Chase	Credit Default Protection Bought (Relevant Credit: Markit CDX. NA.IG-S40, 5 Year Index, 6/20/28), Pay 1.00% Quarterly, Receive upon credit default, 7/19/23 @ 0.80%* (5)	1	39,500	4
JPMorgan Chase	Credit Default Protection Bought (Relevant Credit: Markit CDX. NA.IG-S40, 5 Year Index, 6/20/28), Pay 1.00% Quarterly, Receive upon credit default, 8/16/23 @ 0.83%* (5)	1	19,724	7
Morgan Stanley	Euro STOXX 50 Index, Put, 9/15/23 @ 3,850.00 (EUR) (5)	114	5,015	17
UBS Investment Bank	USD / GBP Call, 1/31/24 @ GBP1.20 (5)	1	1,970	20
Total Options Purchased (Cost $244)				**123**
Total Investments in Securities				
90.9% of Net Assets (Cost $37,427)				**$ 35,869**

‡ Country classifications are generally based on MSCI categories or another unaffiliated third party data provider; Par/Shares and Notional Amount are denominated in the currency of the country presented unless otherwise noted.

† Investment fund is not unitized.

* Exercise Spread

(1) Security was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be resold in transactions exempt from registration only to qualified institutional buyers. Total value of such securities at period-end amounts to $21,450 and represents 54.4% of net assets.

(2)	See Note 4. All or a portion of this security is on loan at June 30, 2023.
(3)	Bank loan positions may involve multiple underlying tranches. In those instances, the position presented reflects the aggregate of those respective underlying tranches and the rate presented reflects the weighted average rate of the settled positions.
(4)	See Note 2. Level 3 in fair value hierarchy.
(5)	Non-income producing
(6)	Security is in default or has failed to make a scheduled interest and/or principal payment.
(7)	Security cannot be offered for public resale without first being registered under the Securities Act of 1933 and related rules ("restricted security"). Acquisition date represents the day on which an enforceable right to acquire such security is obtained and is presented along with related cost in the security description. The fund may have registration rights for certain restricted securities. Any costs related to such registration are generally borne by the issuer. The aggregate value of restricted securities (excluding 144A holdings) at period end amounts to $38 and represents 0.1% of net assets.
(8)	Security is a fix-to-float security, which carries a fixed coupon until a certain date, upon which it switches to a floating rate. Reference rate and spread are provided if the rate is currently floating.
(9)	Perpetual security with no stated maturity date.
(10)	Contingent value instrument that only pays out if a portion of the territory's Sales and Use Tax outperforms the projections in the Oversight Board’s Certified Fiscal Plan.
(11)	Issuer is currently in a bankruptcy reorganization proceeding; the amount and timing of future distributions is uncertain.
(12)	Seven-day yield
(13)	Affiliated Companies
1M TSFR	One month term SOFR (Secured overnight financing rate)
1M USD LIBOR	One month USD LIBOR (London interbank offered rate)
3M CAD CDOR	Three month CAD CDOR (Canadian Dollar offered rate)
3M EURIBOR	Three month EURIBOR (Euro interbank offered rate)
3M NDBB	Three month NZD bank bill
3M USD LIBOR	Three month USD LIBOR (London interbank offered rate)
ARM	Adjustable Rate Mortgage (ARM); rate shown is effective rate at period-end. The rates for certain ARMs are not based on a published reference rate and spread but may be determined using a formula based on the rates of the underlying loans.
AUD	Australian Dollar
BRL	Brazilian Real
CAD	Canadian Dollar
CHF	Swiss Franc
CLO	Collateralized Loan Obligation
CLP	Chilean Peso
CMO	Collateralized Mortgage Obligation
CNH	Offshore China Renminbi

EC	Escrow CUSIP; represents a beneficial interest in a residual pool of assets; the amount and timing of future distributions, if any, is uncertain; when presented, interest rate and maturity date are those of the original security.
EUR	Euro
FRN	Floating Rate Note
GBP	British Pound
GO	General Obligation
HFA	Health Facility Authority
ILS	Israeli Shekel
INR	Indian Rupee
JPY	Japanese Yen
MXIBTIIE	Mexican Interbank 28 day interest rate
MXN	Mexican Peso
NOK	Norwegian Krone
NZD	New Zealand Dollar
OTC	Over-the-counter
PLN	Polish Zloty
SOFR	Secured overnight financing rate
SOFR30A	30-day Average SOFR (Secured overnight financing rate)
STEP	Stepped coupon bond for which the coupon rate of interest adjusts on specified date(s); rate shown is effective rate at period-end.
USD	U.S. Dollar
VR	Variable Rate; rate shown is effective rate at period-end. The rates for certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent and based on current market conditions.
ZAR	South African Rand

(Amounts in 000s, except for contracts)

OPTIONS WRITTEN (0.1)%

OTC Options Written (0.1)%

Counterparty	Description	Contracts	Notional Amount	$ Value
Morgan Stanley	Euro STOXX 50 Index, Put, 9/15/23 @ 4,375.00 (EUR)	29	1,276	(25)
Total Options Written (Premiums $(63))			**$**	**(25)**

(Amounts in 000s)

Description	Notional Amount	$ Value	Upfront Payments/ $ (Receipts)**	Unrealized $ Gain/(Loss)
SWAPS (2.7)%				
BILATERAL SWAPS (3.2)%				
Credit Default Swaps, Protection Bought (2.0)%				
Egypt 0.1%				
Citibank, Protection Bought (Relevant Credit: Arab Republic of Egypt), Pay 1.00% Quarterly, Receive upon credit default, 12/20/24 (USD)	290	50	26	24
Total Egypt			**26**	**24**
United States (2.1)%				
Bank of America, Protection Bought (Relevant Credit: Markit CDX.NA.HY-S37, 5 Year Index), Pay 5.00% Quarterly, Receive upon credit default, 12/21/26	1,350	(159)	(130)	(29)
Citibank, Protection Bought (Relevant Credit: Avis Budget Car Rental), Pay 5.00% Quarterly, Receive upon credit default, 12/20/27	750	(58)	19	(77)
Citibank, Protection Bought (Relevant Credit: Avis Budget Group), Pay 5.00% Quarterly, Receive upon credit default, 12/20/27	325	(26)	(13)	(13)
Goldman Sachs, Protection Bought (Relevant Credit: Markit CDX.NA.HY-S37, 5 Year Index), Pay 5.00% Quarterly, Receive upon credit default, 12/20/26	4,850	(573)	(94)	(479)
Goldman Sachs, Protection Bought (Relevant Credit: Post Holdings), Pay 5.00% Quarterly, Receive upon credit default, 12/20/27	161	(24)	(18)	(6)
Total United States			**(236)**	**(604)**
Total Bilateral Credit Default Swaps, Protection Bought			**(210)**	**(580)**
Credit Default Swaps, Protection Sold (1.0)%				
United Kingdom 0.0%				
Barclays Bank, Protection Sold (Relevant Credit: Jaguar Land Rover Automotive, B1*), Receive 5.00% Quarterly, Pay upon credit default, 6/20/25 (EUR)	210	10	(15)	25
Total United Kingdom			**(15)**	**25**

(Amounts in 000s)

Description	Notional Amount	$ Value	Upfront Payments/ $ (Receipts)**	Unrealized $ Gain/(Loss)
United States (1.0)%				
JPMorgan Chase, Protection Sold (Relevant Credit: Carnival , B3*), Receive 1.00% Quarterly, Pay upon credit default, 6/20/29	1,100	(198)	(376)	178
Morgan Stanley, Protection Sold (Relevant Credit: Carnival , B3*), Receive 1.00% Quarterly, Pay upon credit default, 6/20/29	1,100	(198)	(382)	184
Total United States			**(758)**	**362**
Total Bilateral Credit Default Swaps, Protection Sold			**(773)**	**387**
Total Return Swaps (0.2)%				
United States (0.2)%				
Goldman Sachs, Pay Underlying Reference: Markit iBoxx EUR Liquid High Yield Index Quarterly, Receive Variable 3.572% (3M EURIBOR + (0.00)%) at Maturity, 9/20/23 (EUR)	1,637	11	—	11
JPMorgan Chase, Pay Underlying Reference: Apple at Maturity, Receive Variable 4.505% (SOFR + (0.55)%) at Maturity, 9/20/23	1,411	(12)	(24)	12
JPMorgan Chase, Pay Underlying Reference: Blackstone Group Monthly, Receive Variable 4.477% (SOFR + (0.25)%) Monthly, 1/18/24	312	—	—	—
JPMorgan Chase, Pay Underlying Reference: Carnival at Maturity, Receive Variable 4.305% (SOFR + (0.75)%) at Maturity, 9/20/23	1,922	(61)	(18)	(43)
JPMorgan Chase, Pay Underlying Reference: Goodyear Tire & Rubber at Maturity, Receive Variable 4.255% (SOFR + (0.80)%) at Maturity, 9/20/23	646	(12)	(15)	3
JPMorgan Chase, Pay Underlying Reference: Halliburton at Maturity, Receive Variable 4.555% (SOFR + (0.50)%) at Maturity, 9/20/23	414	—	(3)	3
JPMorgan Chase, Pay Underlying Reference: Macy's Retail Holdings at Maturity, Receive Variable 4.435% (SOFR + (0.62)%) at Maturity, 9/20/23	1,357	(21)	(26)	5

(Amounts in 000s)

Description	Notional Amount	$ Value	Upfront Payments/ $ (Receipts)**	Unrealized $ Gain/(Loss)
JPMorgan Chase, Pay Underlying Reference: MPT Operating Partnership at Maturity, Receive Variable 4.405% (SOFR + (0.65)%) at Maturity, 9/20/23	667	(6)	(16)	10
Morgan Stanley, Pay Underlying Reference: Goldman Sachs Group Monthly, Receive Variable 4.527% (SOFR + (0.20)%) Monthly, 1/18/24	273	14	—	14
Total United States			**(102)**	**15**
Total Bilateral Total Return Swaps			**(102)**	**15**
Total Bilateral Swaps			**(1,085)**	**(178)**

Description	Notional Amount	$ Value	Initial $ Value	Unrealized $ Gain/(Loss)
CENTRALLY CLEARED SWAPS 0.5%				
Credit Default Swaps, Protection Bought 0.0%				
Canada (0.2)%				
Protection Bought (Relevant Credit: Bombardier), Pay 5.00% Quarterly, Receive upon credit default, 6/20/28 (USD)	1,515	(68)	(58)	(10)
Total Canada				**(10)**
Colombia 0.1%				
Protection Bought (Relevant Credit: Republic of Colombia), Pay 1.00% Quarterly, Receive upon credit default, 6/20/28 (USD)	417	24	37	(13)
Total Colombia				**(13)**
Foreign/Europe 0.1%				
Protection Bought (Relevant Credit: Markit iTraxx Europe Subordinated Financials-S39, 5 Year Index), Pay 1.00% Quarterly, Receive upon credit default, 6/20/28	1,775	51	93	(42)
Total Foreign/Europe				**(42)**
Luxembourg 0.3%				
Protection Bought (Relevant Credit: Altice Finco), Pay 5.00% Quarterly, Receive upon credit default, 12/20/27	740	142	90	52
Total Luxembourg				**52**

(Amounts in 000s)

Description	Notional Amount	$ Value	Initial $ Value	Unrealized $ Gain/(Loss)
United States (0.3)%				
Protection Bought (Relevant Credit: American Axle & Manufacturing), Pay 5.00% Quarterly, Receive upon credit default, 12/20/27	1,050	(16)	(4)	(12)
Protection Bought (Relevant Credit: Apache), Pay 1.00% Quarterly, Receive upon credit default, 6/20/27	700	13	35	(22)
Protection Bought (Relevant Credit: Citigroup), Pay 1.00% Quarterly, Receive upon credit default, 12/20/27	720	(8)	1	(9)
Protection Bought (Relevant Credit: ConocoPhillips), Pay 1.00% Quarterly, Receive upon credit default, 6/20/27	635	(15)	(11)	(4)
Protection Bought (Relevant Credit: Delta Air Lines), Pay 5.00% Quarterly, Receive upon credit default, 6/21/27	335	(42)	(6)	(36)
Protection Bought (Relevant Credit: Iron Mountain), Pay 5.00% Quarterly, Receive upon credit default, 12/20/27	485	(63)	(59)	(4)
Protection Bought (Relevant Credit: Marriott International), Pay 1.00% Quarterly, Receive upon credit default, 12/20/26	1,650	(28)	(1)	(27)
Protection Bought (Relevant Credit: Murphy Oil), Pay 1.00% Quarterly, Receive upon credit default, 12/20/27	745	30	49	(19)
Protection Bought (Relevant Credit: Tesla), Pay 1.00% Quarterly, Receive upon credit default, 6/20/26	640	—	25	(25)
Total United States				**(158)**
Total Centrally Cleared Credit Default Swaps, Protection Bought				**(171)**
Credit Default Swaps, Protection Sold 1.2%				
Foreign/Europe 0.2%				
Protection Sold (Relevant Credit: Markit iTraxx Crossover-S39, 5 Year Index), Receive 5.00% Quarterly, Pay upon credit default, 6/20/28	1,847	83	55	28
Total Foreign/Europe				**28**
United States 1.0%				
Protection Sold (Relevant Credit: DISH DBS, B3*), Receive 5.00% Quarterly, Pay upon credit default, 6/20/26	215	(75)	(41)	(34)

(Amounts in 000s)

Description	Notional Amount	$ Value	Initial $ Value	Unrealized $ Gain/(Loss)
Protection Sold (Relevant Credit: FedEx, Baa2*), Receive 1.00% Quarterly, Pay upon credit default, 6/21/27	240	5	3	2
Protection Sold (Relevant Credit: Goodyear Tire & Rubber, B2*), Receive 5.00% Quarterly, Pay upon credit default, 6/21/27	925	64	33	31
Protection Sold (Relevant Credit: Macy's, Ba2*), Receive 1.00% Quarterly, Pay upon credit default, 6/21/27	1,585	(112)	(163)	51
Protection Sold (Relevant Credit: Markit CDX.NA.HY-S37, 5 Year Index), Receive 5.00% Quarterly, Pay upon credit default, 12/20/26	7,130	357	(107)	464
Protection Sold (Relevant Credit: Markit CDX.NA.HY-S39, 5 Year Index), Receive 5.00% Quarterly, Pay upon credit default, 12/20/27	2,645	88	(5)	93
Protection Sold (Relevant Credit: Markit CDX.NA.HY-S40, 5 Year Index), Receive 5.00% Quarterly, Pay upon credit default, 6/20/28	1,780	53	12	41
Protection Sold (Relevant Credit: Markit CDX.NA.IG-S39, 5 Year Index), Receive 1.00% Quarterly, Pay upon credit default, 12/20/27	814	12	5	7
Protection Sold (Relevant Credit: MetLife, A3*), Receive 1.00% Quarterly, Pay upon credit default, 6/20/28	165	(1)	(3)	2
Total United States				**657**
Total Centrally Cleared Credit Default Swaps, Protection Sold				**685**
Interest Rate Swaps (0.7)%				
Mexico (0.1)%				
20 Year Interest Rate Swap, Pay Fixed 8.425% 28 Days, Receive Variable 11.502% (MXIBTIIE) 28 Days, 4/15/43	17,475	(22)	—	(22)
Total Mexico				**(22)**
New Zealand (0.6)%				
2 Year Interest Rate Swap, Receive Fixed 5.003% Semi-Annually, Pay Variable 5.625% (3M NDBB) Quarterly, 5/9/25	15,490	(97)	—	(97)
2 Year Interest Rate Swap, Receive Fixed 5.115% Semi-Annually, Pay Variable 5.520% (3M NDBB) Quarterly, 4/11/25	11,250	(58)	—	(58)

(Amounts in 000s)

Description	Notional Amount	$ Value	Initial $ Value	Unrealized $ Gain/(Loss)
2 Year Interest Rate Swap, Receive Fixed 5.185% Semi-Annually, Pay Variable 5.680% (3M NDBB) Quarterly, 6/2/25	8,000	(31)	—	(31)
2 Year Interest Rate Swap, Receive Fixed 5.196% Semi-Annually, Pay Variable 5.680% (3M NDBB) Quarterly, 6/2/25	14,000	(52)	—	(52)
Total New Zealand				**(238)**
United States (0.0)%				
5 Year Interest Rate Swap, Receive Fixed 3.340% Annually, Pay Variable 5.060% (SOFR) Annually, 4/6/28	1,575	(48)	—	(48)
10 Year Interest Rate Swap, Pay Fixed 3.350% Annually, Receive Variable 4.878% (SOFR) Annually, 2/8/33	705	16	—	16
10 Year Interest Rate Swap, Pay Fixed 3.740% Annually, Receive Variable 4.926% (SOFR) Annually, 3/3/33	219	(2)	—	(2)
30 Year Interest Rate Swap, Pay Fixed 2.982% Annually, Receive Variable 5.060% (SOFR) Annually, 4/7/53	426	19	—	19
30 Year Interest Rate Swap, Pay Fixed 3.301% Annually, Receive Variable 4.926% (SOFR) Annually, 3/3/53	474	(7)	—	(7)
Total United States				**(22)**
Total Centrally Cleared Interest Rate Swaps				**(282)**
Total Centrally Cleared Swaps				**232**
Net payments (receipts) of variation margin to date				**(196)**
Variation margin receivable (payable) on centrally cleared swaps				**$ 36**

* Credit ratings as of June 30, 2023. Ratings shown are from Moody's Investors Service and if Moody's does not rate a security, then Standard & Poor's (S&P) is used. Fitch is used for securities that are not rated by either Moody's or S&P.

** Includes interest purchased or sold but not yet collected of $(101).

(Amounts in 000s)

FORWARD CURRENCY EXCHANGE CONTRACTS

Counterparty	Settlement	Receive		Deliver		Unrealized Gain/(Loss)
Bank of America	7/7/23	USD	1,248	INR	103,215	$ (10)
Bank of America	7/14/23	USD	802	MXN	14,748	(57)
Bank of America	7/21/23	CAD	1,050	USD	790	3
Bank of America	7/21/23	JPY	135,920	USD	980	(35)
Bank of America	7/21/23	NZD	630	USD	395	(8)
Bank of America	8/11/23	CLP	299,835	USD	368	4
Bank of America	8/25/23	GBP	419	USD	525	7
Barclays Bank	7/21/23	JPY	137,610	USD	995	(38)
Barclays Bank	7/21/23	NZD	185	USD	116	(2)
Barclays Bank	8/11/23	USD	365	CLP	299,835	(7)
Barclays Bank	8/25/23	GBP	476	USD	595	10
Barclays Bank	8/25/23	USD	22	EUR	20	—
BNP Paribas	7/7/23	USD	74	INR	6,125	(1)
BNP Paribas	7/14/23	MXN	14,748	USD	804	55
BNP Paribas	7/14/23	USD	1,103	MXN	19,615	(40)
BNP Paribas	7/21/23	USD	351	CAD	475	(7)
BNP Paribas	8/18/23	USD	368	PLN	1,545	(11)
BNP Paribas	8/25/23	GBP	470	USD	589	8
BNP Paribas	8/25/23	USD	1,105	EUR	1,010	—
BNP Paribas	8/25/23	USD	787	GBP	630	(13)
BNY Mellon	7/14/23	USD	373	ZAR	7,090	(3)
Canadian Imperial Bank of Commerce	7/21/23	USD	906	AUD	1,365	(3)
Canadian Imperial Bank of Commerce	7/21/23	USD	582	NOK	6,335	(8)
Citibank	7/20/23	ILS	2,180	USD	614	(25)
Citibank	7/20/23	USD	585	ILS	2,180	(3)
Citibank	7/21/23	AUD	985	USD	667	(11)
Citibank	7/21/23	USD	377	AUD	570	(3)
Citibank	7/21/23	USD	373	NZD	610	(2)
Citibank	8/18/23	PLN	1,545	USD	370	9
HSBC Bank	8/25/23	USD	718	GBP	575	(12)
JPMorgan Chase	7/7/23	USD	84	INR	6,885	—
JPMorgan Chase	7/14/23	MXN	838	USD	49	—
JPMorgan Chase	7/21/23	NOK	6,335	USD	587	4
JPMorgan Chase	7/21/23	USD	179	CHF	160	—
JPMorgan Chase	8/25/23	GBP	387	USD	486	5
JPMorgan Chase	8/25/23	USD	6	GBP	5	—
Morgan Stanley	7/21/23	NZD	154	USD	94	—
Morgan Stanley	7/21/23	USD	191	CHF	170	1
RBC Dominion Securities	7/14/23	MXN	3,755	USD	219	—
RBC Dominion Securities	7/14/23	USD	391	CNH	2,745	13
RBC Dominion Securities	7/21/23	AUD	950	USD	642	(9)

(Amounts in 000s)

FORWARD CURRENCY EXCHANGE CONTRACTS (CONTINUED)

Counterparty	Settlement	Receive		Deliver		Unrealized Gain/(Loss)
RBC Dominion Securities	7/21/23	CAD	965	USD	724	$ 5
RBC Dominion Securities	7/21/23	USD	276	CAD	369	(3)
RBC Dominion Securities	8/25/23	USD	784	GBP	630	(17)
RBC Dominion Securities	10/13/23	USD	215	MXN	3,755	—
Standard Chartered	7/14/23	ZAR	7,090	USD	382	(6)
Standard Chartered	7/21/23	USD	1,950	JPY	273,530	48
Standard Chartered	7/21/23	USD	82	NZD	135	(1)
Standard Chartered	8/25/23	USD	411	GBP	330	(9)
Standard Chartered	9/5/23	BRL	2,875	USD	582	11
State Street	7/14/23	MXN	11,517	USD	671	—
State Street	7/14/23	USD	782	CNH	5,465	30
State Street	7/21/23	CHF	330	USD	372	(2)
State Street	8/25/23	EUR	266	USD	286	5
State Street	8/25/23	GBP	419	USD	525	6
State Street	8/25/23	USD	30	EUR	28	—
State Street	10/13/23	USD	402	MXN	7,010	—
State Street	10/13/23	USD	258	MXN	4,506	—
UBS Investment Bank	7/7/23	INR	116,225	USD	1,416	—
UBS Investment Bank	7/14/23	CNH	4,010	USD	565	(13)
UBS Investment Bank	8/25/23	USD	298	EUR	275	(3)
UBS Investment Bank	10/6/23	USD	1,411	INR	116,225	—
Wells Fargo	7/21/23	USD	368	CAD	500	(10)
Net unrealized gain (loss) on open forward currency exchange contracts						$ (148)

FUTURES CONTRACTS

($000s)

	Expiration Date	Notional Amount		Value and Unrealized Gain (Loss)
Long, 235 Three month SOFR Futures contracts	3/24	55,601	$	(168)
Short, 235 Three month SOFR Futures contracts	3/25	(56,385)		270
Long, 8 Euro BUND contracts	9/23	1,167		1
Short, 50 Mini ten year JGB contracts	9/23	(5,145)		(22)
Short, 3 NASDAQ 100 E-Mini contracts	9/23	(920)		(32)
Long, 28 Government of Korea ten year bond contracts	9/23	2,358		(5)
Short, 4 S&P 500 E-Mini Index contracts	9/23	(898)		(24)
Long, 28 U.S. Treasury Notes five year contracts	9/23	2,999		(57)
Long, 38 U.S. Treasury Notes ten year contracts	9/23	4,266		(65)
Short, 1 Ultra U.S. Treasury Bonds contracts	9/23	(136)		1
Long, 89 Ultra U.S. Treasury Notes ten year contracts	9/23	10,541		(51)
Net payments (receipts) of variation margin to date				**202**
Variation margin receivable (payable) on open futures contracts			**$**	**50**

AFFILIATED COMPANIES

($000s)

The fund may invest in certain securities that are considered affiliated companies. As defined by the 1940 Act, an affiliated company is one in which the fund owns 5% or more of the outstanding voting securities, or a company that is under common ownership or control. The following securities were considered affiliated companies for all or some portion of the six months ended June 30, 2023. Net realized gain (loss), investment income, change in net unrealized gain/loss, and purchase and sales cost reflect all activity for the period then ended.

Affiliate	Net Realized Gain (Loss)	Change in Net Unrealized Gain/Loss	Investment Income
T. Rowe Price Government Reserve Fund, 5.13%	$ —	$ —	$ 34++
Totals	$ —#	$ —	$ 34+

Supplementary Investment Schedule

Affiliate	Value 12/31/22	Purchase Cost	Sales Cost	Value 06/30/23
T. Rowe Price Government Reserve Fund, 5.13%	$ 2,776	¤	¤	$ 2,579
Total				$ 2,579^

\# Capital gain distributions from underlying Price funds represented $0 of the net realized gain (loss).

++ Excludes earnings on securities lending collateral, which are subject to rebates and fees as described in Note 4.

\+ Investment income comprised $34 of dividend income and $0 of interest income.

¤ Purchase and sale information not shown for cash management funds.

^ The cost basis of investments in affiliated companies was $2,579.

June 30, 2023 (Unaudited)

STATEMENT OF ASSETS AND LIABILITIES

($000s, except shares and per share amounts)

Assets	
Investments in securities, at value (cost $37,427)	$ 35,869
Cash deposits on centrally cleared swaps	2,530
Receivable for investment securities sold	1,374
Restricted cash pledged for bilateral derivatives	1,366
Cash deposits on futures contracts	810
Unrealized gain on bilateral swaps	469
Cash	243
Unrealized gain on forward currency exchange contracts	224
Interest receivable	120
Receivable for shares sold	62
Variation margin receivable on futures contracts	50
Bilateral swap premiums paid	45
Variation margin receivable on centrally cleared swaps	36
Foreign currency (cost $34)	34
Due from affiliates	15
Other assets	31
Total assets	43,278
Liabilities	
Obligation to return securities lending collateral	1,368
Bilateral swap premiums received	1,130
Unrealized loss on bilateral swaps	647
Unrealized loss on forward currency exchange contracts	372
Payable for shares redeemed	95
Options written (premiums $63)	25
Investment management fees payable	16
Other liabilities	161
Total liabilities	3,814
NET ASSETS	**$ 39,464**

STATEMENT OF ASSETS AND LIABILITIES

($000s, except shares and per share amounts)

Net Assets Consist of:		
Total distributable earnings (loss)	$	(5,065)
Paid-in capital applicable to 4,515,492 shares of $0.01 par value capital stock outstanding; 18,000,000,000 shares of the Corporation authorized		44,529
NET ASSETS	**$**	**39,464**
NET ASSET VALUE PER SHARE		
Investor Class		
(Net assets: $33,174; Shares outstanding: 3,795,704)	**$**	**8.74**
I Class		
(Net assets: $6,290; Shares outstanding: 719,788)	**$**	**8.74**

The accompanying notes are an integral part of these financial statements.

(Unaudited)

STATEMENT OF OPERATIONS

($000s)

			6 Months Ended 6/30/23
Investment Income (Loss)			
Income			
Interest		$	1,165
Dividend			38
Securities lending			4
Total income			1,207
Expenses			
Investment management			93
Shareholder servicing			
Investor Class	$ 11		
I Class	1		12
Prospectus and shareholder reports			
Investor Class			4
Custody and accounting			104
Registration			25
Legal and audit			25
Miscellaneous			11
Waived / paid by Price Associates			(157)
Total expenses			117
Net investment income			1,090

(Unaudited)

STATEMENT OF OPERATIONS

($000s)

	6 Months Ended 6/30/23
Realized and Unrealized Gain / Loss	
Net realized gain (loss)	
Securities	(380)
Futures	(656)
Swaps	177
Options written	198
Forward currency exchange contracts	(348)
Foreign currency transactions	16
Net realized loss	(993)
Change in net unrealized gain / loss	
Securities	695
Futures	(254)
Swaps	(684)
Options written	38
Forward currency exchange contracts	(45)
Other assets and liabilities denominated in foreign currencies	10
Change in net unrealized gain / loss	(240)
Net realized and unrealized gain / loss	(1,233)
DECREASE IN NET ASSETS FROM OPERATIONS	**$ (143)**

The accompanying notes are an integral part of these financial statements.

(Unaudited)

STATEMENT OF CHANGES IN NET ASSETS

($000s)

		6 Months Ended 6/30/23		Year Ended 12/31/22
Increase (Decrease) in Net Assets				
Operations				
Net investment income	$	1,090	$	1,587
Net realized loss		(993)		(781)
Change in net unrealized gain / loss		(240)		(1,028)
Decrease in net assets from operations		(143)		(222)
Distributions to shareholders				
Net earnings				
Investor Class		(904)		(2,621)
I Class		(168)		(423)
Decrease in net assets from distributions		(1,072)		(3,044)
Capital share transactions*				
Shares sold				
Investor Class		8,607		21,159
I Class		4,830		8,896
Distributions reinvested				
Investor Class		263		637
I Class		162		420
Shares redeemed				
Investor Class		(4,399)		(27,916)
I Class		(4,146)		(5,271)
Increase (decrease) in net assets from capital share transactions		5,317		(2,075)

(Unaudited)

STATEMENT OF CHANGES IN NET ASSETS

($000s)

	6 Months Ended 6/30/23	Year Ended 12/31/22
Net Assets		
Increase (decrease) during period	4,102	(5,341)
Beginning of period	35,362	40,703
End of period	**$ 39,464**	**$ 35,362**
*Share information (000s)		
Shares sold		
Investor Class	964	2,261
I Class	540	942
Distributions reinvested		
Investor Class	30	70
I Class	18	46
Shares redeemed		
Investor Class	(493)	(2,977)
I Class	(464)	(560)
Increase (decrease) in shares outstanding	595	(218)

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

T. Rowe Price International Funds, Inc. (the corporation) is registered under the Investment Company Act of 1940 (the 1940 Act). The Dynamic Credit Fund (the fund) is a diversified, open-end management investment company established by the corporation. The fund seeks total return through a combination of income and capital appreciation. The fund has two classes of shares: the Dynamic Credit Fund (Investor Class) and the Dynamic Credit Fund–I Class (I Class). I Class shares require a $500,000 initial investment minimum, although the minimum generally is waived or reduced for financial intermediaries, eligible retirement plans, and certain other accounts. Each class has exclusive voting rights on matters related solely to that class; separate voting rights on matters that relate to both classes; and, in all other respects, the same rights and obligations as the other class.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation The fund is an investment company and follows accounting and reporting guidance in the Financial Accounting Standards Board (FASB) *Accounting Standards Codification* Topic 946 (ASC 946). The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), including, but not limited to, ASC 946. GAAP requires the use of estimates made by management. Management believes that estimates and valuations are appropriate; however, actual results may differ from those estimates, and the valuations reflected in the accompanying financial statements may differ from the value ultimately realized upon sale or maturity.

Investment Transactions, Investment Income, and Distributions Investment transactions are accounted for on the trade date basis. Income and expenses are recorded on the accrual basis. Realized gains and losses are reported on the identified cost basis. Premiums and discounts on debt securities are amortized for financial reporting purposes. Paydown gains and losses are recorded as an adjustment to interest income. Income tax-related interest and penalties, if incurred, are recorded as income tax expense. Dividends received from other investment companies are reflected as dividend income; capital gain distributions are reflected as realized gain/loss. Dividend income and capital gain distributions are recorded on the ex-dividend date. Earnings on investments recognized as partnerships for federal income tax purposes reflect the tax character of such earnings. Non-cash dividends, if any, are recorded at the fair market value of the asset received. Proceeds from litigation payments, if any, are included in either net realized gain (loss) or change in net unrealized gain/loss from securities. Distributions to shareholders are recorded on the ex-dividend date. Income distributions, if any, are declared by each class daily and paid monthly. A capital gain distribution, if any, may also be declared and paid by the fund annually.

Currency Translation Assets, including investments, and liabilities denominated in foreign currencies are translated into U.S. dollar values each day at the prevailing exchange rate, using the mean of the bid and asked prices of such currencies against U.S. dollars as provided by an outside pricing service. Purchases and sales of securities, income, and expenses are translated into U.S. dollars at the prevailing exchange rate on the respective date of such transaction. The effect of changes in foreign currency exchange rates on realized and unrealized security gains and losses is not bifurcated from the portion attributable to changes in market prices.

Class Accounting Shareholder servicing, prospectus, and shareholder report expenses incurred by each class are charged directly to the class to which they relate. Expenses common to all classes and investment income are allocated to the classes based upon the relative daily net assets of each class's settled shares; realized and unrealized gains and losses are allocated based upon the relative daily net assets of each class's outstanding shares.

Capital Transactions Each investor's interest in the net assets of the fund is represented by fund shares. The fund's net asset value (NAV) per share is computed at the close of the New York Stock Exchange (NYSE), normally 4 p.m. ET, each day the NYSE is open for business. However, the NAV per share may be calculated at a time other than the normal close of the NYSE if trading on the NYSE is restricted, if the NYSE closes earlier, or as may be permitted by the SEC. Purchases and redemptions of fund shares are transacted at the next-computed NAV per share, after receipt of the transaction order by T. Rowe Price Associates, Inc., or its agents.

New Accounting Guidance In June 2022, the FASB issued Accounting Standards Update (ASU), ASU 2022-03, Fair Value Measurement (Topic 820) – Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions, which clarifies that a contractual restriction on the sale of an equity security is not considered part of the unit of account of the equity security and, therefore, is not considered in measuring fair value. The amendments under this ASU are effective for fiscal years beginning after December 15, 2023; however, the fund opted to early adopt, as permitted, effective December 1, 2022. Adoption of the guidance did not have a material impact on the fund's financial statements.

The FASB issued Accounting Standards Update (ASU), ASU 2020–04, Reference Rate Reform (Topic 848) – Facilitation of the Effects of Reference Rate Reform on Financial Reporting in March 2020 and ASU 2021-01 in January 2021 which provided further amendments and clarifications to Topic 848. These ASUs provide optional, temporary relief with respect to the financial reporting of contracts subject to certain types of modifications due to the planned discontinuation of the London Interbank Offered Rate (LIBOR), and other interbank-offered based reference rates, through December 31, 2022. In December 2022, FASB issued ASU 2022-06 which defers the sunset date of Topic 848 from December 31, 2022 to December 31, 2024, after which entities will no longer be permitted to apply the relief in Topic 848. Management intends to rely upon the relief provided under Topic 848, which is not expected to have a material impact on the fund's financial statements.

Indemnification In the normal course of business, the fund may provide indemnification in connection with its officers and directors, service providers, and/or private company investments. The fund’s maximum exposure under these arrangements is unknown; however, the risk of material loss is currently considered to be remote.

NOTE 2 - VALUATION

Fair Value The fund’s financial instruments are valued at the close of the NYSE and are reported at fair value, which GAAP defines as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fund’s Board of Directors (the Board) has designated T. Rowe Price Associates, Inc. as the fund’s valuation designee (Valuation Designee). Subject to oversight by the Board, the Valuation Designee performs the following functions in performing fair value determinations: assesses and manages valuation risks; establishes and applies fair value methodologies; tests fair value methodologies; and evaluates pricing vendors and pricing agents. The duties and responsibilities of the Valuation Designee are performed by its Valuation Committee. The Valuation Designee provides periodic reporting to the Board on valuation matters.

Various valuation techniques and inputs are used to determine the fair value of financial instruments. GAAP establishes the following fair value hierarchy that categorizes the inputs used to measure fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical financial instruments that the fund can access at the reporting date

Level 2 – inputs other than Level 1 quoted prices that are observable, either directly or indirectly (including, but not limited to, quoted prices for similar financial instruments in active markets, quoted prices for identical or similar financial instruments in inactive markets, interest rates and yield curves, implied volatilities, and credit spreads)

Level 3 – unobservable inputs (including the Valuation Designee's assumptions in determining fair value)

Observable inputs are developed using market data, such as publicly available information about actual events or transactions, and reflect the assumptions that market participants would use to price the financial instrument. Unobservable inputs are those for which market data are not available and are developed using the best information available about the assumptions that market participants would use to price the financial instrument. GAAP requires valuation techniques to maximize the use of relevant observable inputs and minimize the use of unobservable inputs. When multiple inputs are used to derive fair value, the financial instrument is assigned to the level within the fair value hierarchy based on the lowest-level input that is significant to the fair value of the financial instrument. Input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level but rather the degree of judgment used in determining those values.

Valuation Techniques Debt securities generally are traded in the over-the-counter (OTC) market and are valued at prices furnished by independent pricing services or by broker dealers who make markets in such securities. When valuing securities, the independent pricing services consider factors such as, but not limited to, the yield or price of bonds of comparable quality, coupon, maturity, and type, as well as prices quoted by dealers who make markets in such securities.

Equity securities, including exchange-traded funds, listed or regularly traded on a securities exchange or in the over-the-counter (OTC) market are valued at the last quoted sale price or, for certain markets, the official closing price at the time the valuations are made. OTC Bulletin Board securities are valued at the mean of the closing bid and asked prices. A security that is listed or traded on more than one exchange is valued at the quotation on the exchange determined to be the primary market for such security. Listed securities not traded on a particular day are valued at the mean of the closing bid and asked prices for domestic securities and the last quoted sale or closing price for international securities.

The last quoted prices of non-U.S. equity securities may be adjusted to reflect the fair value of such securities at the close of the NYSE, if the Valuation Designee determines that developments between the close of a foreign market and the close of the NYSE will affect the value of some or all of the fund's portfolio securities. Each business day, the Valuation Designee uses information from outside pricing services to evaluate the quoted prices of portfolio securities and, if appropriate, decide whether it is necessary to adjust quoted prices to reflect fair value by reviewing a variety of factors, including developments in foreign markets, the performance of U.S. securities markets, and the performance of instruments trading in U.S. markets that represent foreign securities and baskets of foreign securities. The Valuation Designee uses outside pricing services to provide it with quoted prices and information to evaluate or adjust those prices. The Valuation Designee cannot predict how often it will use quoted prices and how often it will determine it necessary to adjust those prices to reflect fair value.

Investments in mutual funds are valued at the mutual fund's closing NAV per share on the day of valuation. Investments in private investment companies are valued at the investee's NAV per share as of the valuation date, if available. If the investee's NAV is not available as of the valuation date or is not calculated in accordance with GAAP, the Valuation Designee may adjust the investee's NAV to reflect fair value at the valuation date. Listed options, and OTC options with a listed equivalent, are valued at the mean of the closing bid and asked prices and exchange-traded options on futures contracts are valued at closing settlement prices. Futures contracts are valued at closing settlement prices. Forward currency exchange contracts are valued using the prevailing forward exchange rate. Swaps are valued at prices furnished by an independent pricing service or independent swap dealers. Assets and liabilities other than financial instruments, including short-term receivables and payables, are carried at cost, or estimated realizable value, if less, which approximates fair value.

Investments for which market quotations are not readily available or deemed unreliable are valued at fair value as determined in good faith by the Valuation Designee. The Valuation Designee has adopted methodologies for determining the fair value of investments for which market quotations are not readily available or deemed unreliable, including the use of other pricing sources. Factors used in determining fair value vary by type of investment and may include market or investment specific considerations. The Valuation Designee typically will afford greatest weight to actual prices in arm's length transactions, to the extent they represent orderly transactions between market participants, transaction information can be reliably obtained, and prices are deemed representative of fair value. However, the Valuation Designee may also consider other valuation methods such as market-based valuation multiples; a discount or premium from market value of a similar, freely traded security of the same issuer; discounted cash flows; yield to maturity; or some combination. Fair value determinations are reviewed on a regular basis. Because any fair value determination involves a significant amount of judgment, there is a degree of subjectivity inherent in such pricing decisions. Fair value prices determined by the Valuation Designee could differ from those of other market participants, and it is possible that the fair value determined for a security may be materially different from the value that could be realized upon the sale of that security.

Valuation Inputs The following table summarizes the fund's financial instruments, based on the inputs used to determine their fair values on June 30, 2023 (for further detail by category, please refer to the accompanying Portfolio of Investments):

($000s)	Level 1	Level 2	Level 3	Total Value
Assets				
Fixed Income Securities[1]	$ —	$ 15,475	$ —	$ 15,475
Bank Loans	—	2,649	100	2,749
Common Stocks	872	—	16	888
Corporate Bonds	—	12,460	—	12,460
Private Investment Company[2]	—	—	—	22
Short-Term Investments	1,211	1,573	—	2,784
Securities Lending Collateral	1,368	—	—	1,368
Options Purchased	—	123	—	123
Total Securities	3,451	32,280	116	35,869
Swaps*	—	891	—	891
Forward Currency Exchange Contracts	—	224	—	224
Futures Contracts*	272	—	—	272
Total	$ 3,723	$ 33,395	$ 116	$ 37,256
Liabilities				
Options Written	$ —	$ 25	$ —	$ 25
Swaps*	—	1,922	—	1,922
Forward Currency Exchange Contracts	—	372	—	372
Futures Contracts*	424	—	—	424
Total	$ 424	$ 2,319	$ —	$ 2,743

[1] Includes Asset-Backed Securities, Convertible Bonds, Government Bonds, Municipal Securities and Non-U.S. Government Mortgage-Backed Securities.

[2] In accordance with Subtopic 820-10, certain investments that are measured at fair value using the net asset value per unit (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Portfolio of Investments.

* The fair value presented includes cumulative gain (loss) on open futures contracts and centrally cleared swaps; however, the net value reflected on the accompanying Portfolio of Investments is only the unsettled variation margin receivable (payable) at that date.

NOTE 3 - DERIVATIVE INSTRUMENTS

During the six months ended June 30, 2023, the fund invested in derivative instruments. As defined by GAAP, a derivative is a financial instrument whose value is derived from an underlying security price, foreign exchange rate, interest rate, index of prices or rates, or other variable; it requires little or no initial investment and permits or requires net settlement. The fund invests in derivatives only if the expected risks and rewards are consistent with its investment objectives, policies, and overall risk profile, as described in its prospectus and Statement of Additional Information. The fund may use derivatives for a variety of purposes and may use them to establish both long and short positions within the fund's portfolio. Potential uses include to hedge against declines in principal value, increase yield, invest in an asset with greater efficiency and at a lower cost than is possible through direct investment, to enhance return, or to adjust portfolio duration and credit exposure. The risks associated with the use of derivatives are different from, and potentially much greater than, the risks associated with investing directly in the instruments on which the derivatives are based.

The fund values its derivatives at fair value and recognizes changes in fair value currently in its results of operations. Accordingly, the fund does not follow hedge accounting, even for derivatives employed as economic hedges. Generally, the fund accounts for its derivatives on a gross basis. It does not offset the fair value of derivative liabilities against the fair value of derivative assets on its financial statements, nor does it offset the fair value of derivative instruments against the right to reclaim or obligation to return collateral. The following table summarizes the fair value of the fund's derivative instruments held as of June 30, 2023, and the related location on the accompanying Statement of Assets and Liabilities, presented by primary underlying risk exposure:

($000s)	Location on Statement of Assets and Liabilities	Fair Value*
Assets		
Interest rate derivatives	Centrally Cleared Swaps, Futures, Securities^	$ 370
Foreign exchange derivatives	Forwards, Securities^	244
Credit derivatives	Bilateral Swaps and Premiums, Centrally Cleared Swaps, Securities^	857
Equity derivatives	Bilateral Swaps and Premiums, Securities^	39
Total		$ 1,510
Liabilities		
Interest rate derivatives	Centrally Cleared Swaps, Futures	$ 685
Foreign exchange derivatives	Forwards	372
Credit derivatives	Bilateral Swaps and Premiums, Centrally Cleared Swaps	1,605
Equity derivatives	Futures, Options Written	81
Total		$ 2,743

* The fair value presented includes cumulative gain (loss) on open futures contracts and centrally cleared swaps; however, the value reflected on the accompanying Statement of Assets and Liabilities is only the unsettled variation margin receivable (payable) at that date.

^ Options purchased are reported as securities and are reflected in the accompanying Portfolio of Investments.

Additionally, the amount of gains and losses on derivative instruments recognized in fund earnings during the six months ended June 30, 2023, and the related location on the accompanying Statement of Operations is summarized in the following table by primary underlying risk exposure:

($000s)	Location of Gain (Loss) on Statement of Operations					
	Securities^	Options Written	Futures	Forward Currency Exchange Contracts	Swaps	Total
Realized Gain (Loss)						
Interest rate derivatives	$ 32	$ 39	$ (458)	$ —	$ (125)	$ (512)
Foreign exchange derivatives	—	—	—	(348)	—	(348)
Credit derivatives	—	—	—	—	334	334
Equity derivatives	(197)	159	(198)	—	(32)	(268)
Total	$ (165)	$ 198	$ (656)	$ (348)	$ 177	$ (794)
Change in Unrealized Gain (Loss)						
Interest rate derivatives	$ (42)	$ —	$ (172)	$ —	$ (297)	$ (511)
Foreign exchange derivatives	(29)	—	—	(45)	—	(74)
Credit derivatives	(32)	—	—	—	(402)	(434)
Equity derivatives	(81)	38	(82)	—	15	(110)
Total	$ (184)	$ 38	$ (254)	$ (45)	$ (684)	$ (1,129)

^Options purchased are reported as securities.

Counterparty Risk and Collateral The fund invests in derivatives in various markets, which expose it to differing levels of counterparty risk. Counterparty risk on exchange-traded and centrally cleared derivative contracts, such as futures, exchange-traded options, and centrally cleared swaps, is minimal because the clearinghouse provides protection against counterparty defaults. For futures and centrally cleared swaps, the fund is required to deposit collateral in an amount specified by the clearinghouse and the clearing firm (margin requirement), and the margin requirement must be maintained over the life of the contract. Each clearinghouse and clearing firm, in its sole discretion, may adjust the margin requirements applicable to the fund.

Derivatives, such as non-cleared bilateral swaps, forward currency exchange contracts, and OTC options, that are transacted and settle directly with a counterparty (bilateral derivatives) may expose the fund to greater counterparty risk. To mitigate this risk, the fund has entered into master netting arrangements (MNAs) with certain counterparties that permit net settlement under specified conditions and, for certain counterparties, also require the exchange of collateral to cover mark-to-market exposure. MNAs may be in the form of International Swaps and Derivatives Association master agreements (ISDAs) or foreign exchange letter agreements (FX letters).

MNAs provide the ability to offset amounts the fund owes a counterparty against amounts the counterparty owes the fund (net settlement). Both ISDAs and FX letters generally allow termination of transactions and net settlement upon the occurrence of contractually specified events, such as failure to pay or bankruptcy. In addition, ISDAs specify other events, the occurrence of which would allow one of the parties to terminate. For example, a downgrade in credit rating of a counterparty below a specified rating would allow the fund to terminate, while a decline in the fund's net assets of more than a specified percentage would allow the counterparty to terminate. Upon termination, all transactions with that counterparty would be liquidated and a net termination amount settled. ISDAs typically include collateral agreements whereas FX letters do not. Collateral requirements are determined daily based on the net aggregate unrealized gain or loss on all bilateral derivatives with a counterparty, subject to minimum transfer amounts that typically range from $100,000 to $250,000. Any additional collateral required due to changes in security values is typically transferred the next business day.

Collateral may be in the form of cash or debt securities issued by the U.S. government or related agencies, although other securities may be used depending on the terms outlined in the applicable MNA. Cash posted by the fund is reflected as cash deposits in the accompanying financial statements and generally is restricted from withdrawal by the fund; securities posted by the fund are so noted in the accompanying Portfolio of Investments; both remain in the fund's assets. Collateral pledged by counterparties is not included in the fund's assets because the fund does not obtain effective control over those assets. For bilateral derivatives, collateral posted by the fund is held in a segregated account at the fund's custodian. While typically not sold in the same manner as equity or fixed income securities, exchange-traded or centrally cleared derivatives may be closed out only on the exchange or clearinghouse where the contracts were cleared, and OTC and bilateral derivatives may be unwound with counterparties or transactions assigned to other counterparties to allow the fund to exit the transaction. This ability is subject to the liquidity of underlying positions. As of June 30, 2023, securities valued at $3,340,000 had been posted by the fund for exchange-traded and/or centrally cleared derivatives.

The following table summarizes the fund's OTC and bilateral derivatives at the reporting date by loss exposure to each counterparty after consideration of collateral, if any.

($000s)	Gross Value on Statements of Assets and Liabilities		Net amount due (to)/from Counterparty or Exchange	Collateral Pledged (Received) by Fund	Loss Exposure, After Collateral* (not less than $0)
Counterparty	**Assets**	**Liabilities**			
Bank of America	$ 77	$ (269)	$ (192)	$ —	$ —
Barclays Bank	28	(47)	(19)	—	—
BNP Paribas	63	(72)	(9)	—	—
BNY Mellon	—	(3)	(3)	—	—
Canadian Imperial Bank of Commerce	—	(11)	(11)	—	—
Citibank	59	(128)	(69)	—	—
Goldman Sachs	15	(597)	(582)	400	—
HSBC Bank	—	(12)	(12)	—	—
JPMorgan Chase	20	(310)	(290)	580	290
Morgan Stanley	32	(223)	(191)	386	195
RBC Dominion Securities	18	(29)	(11)	—	—
Standard Chartered	59	(16)	43	—	43
State Street	41	(2)	39	—	39
UBS Investment Bank	20	(16)	4	—	4
Wells Fargo	—	(10)	(10)	—	—
Total	$ 432	$ (1,745)			

*In situations such as counterparty default or bankruptcy, the fund may have further rights of offset against amounts due to or from the counterparty under other agreements.

Forward Currency Exchange Contracts The fund is subject to foreign currency exchange rate risk in the normal course of pursuing its investment objectives. It may use forward currency exchange contracts (forwards) primarily to protect its non-U.S. dollar-denominated securities from adverse currency movements or to increase exposure to a particular foreign currency, to shift the fund's foreign currency exposure from one country to another, or to enhance the fund's return. A forward involves an obligation to purchase or sell a fixed amount of a specific currency on a future date at a price set at the time of the contract. Although certain forwards may be settled by exchanging only the net gain or loss on the contract, most forwards are settled with the exchange of the underlying currencies in accordance with the specified terms. Forwards are valued at the unrealized gain or loss on the contract, which reflects the net amount the fund either is entitled to receive or obligated to deliver, as measured by the difference between the forward exchange rates at the date of entry into the contract and the forward rates at the reporting date. Appreciated forwards are reflected as assets and depreciated forwards are reflected as liabilities on the accompanying Statement of Assets and Liabilities. Risks related to the use of forwards include the possible failure of counterparties to meet the terms of the agreements; that anticipated currency movements will not occur, thereby reducing the fund's total return; and the potential for losses in excess of the fund's initial investment. During the six months ended June 30, 2023, the volume of the fund's activity in forwards, based on underlying notional amounts, was generally between 12% and 19% of net assets.

Futures Contracts The fund is subject to interest rate risk and equity price risk in the normal course of pursuing its investment objectives and uses futures contracts to help manage such risks. The fund may enter into futures contracts to manage exposure to interest rate and yield curve movements, security prices, foreign currencies, credit quality, and mortgage prepayments; as an efficient means of adjusting exposure to all or part of a target market; to enhance income; as a cash management tool; or to adjust portfolio duration and credit exposure. A futures contract provides for the future sale by one party and purchase by another of a specified amount of a specific underlying financial instrument at an agreed-upon price, date, time, and place. The fund currently invests only in exchange-traded futures, which generally are standardized as to maturity date, underlying financial instrument, and other contract terms. Payments are made or received by the fund each day to settle daily fluctuations in the value of the contract (variation margin), which reflect changes in the value of the underlying financial instrument. Variation margin is recorded as unrealized gain or loss until the contract is closed. The value of a futures contract included in net assets is the amount of unsettled variation margin; net variation margin receivable is reflected as an asset and net variation margin payable is reflected as a liability on the accompanying Statement of Assets and Liabilities. Risks related to the use of futures contracts include possible illiquidity of the futures markets, contract prices that can be highly volatile and imperfectly correlated to movements in hedged security values and/or interest rates, and potential losses in excess of the fund's initial investment. During the six months ended June 30, 2023, the volume of the fund's activity in futures, based on underlying notional amounts, was generally between 39% and 64% of net assets.

Options The fund is subject to interest rate risk, foreign currency exchange rate risk, credit risk and equity price risk in the normal course of pursuing its investment objectives and uses options to help manage such risks. The fund may use options to manage exposure to security prices, interest rates, foreign currencies, and credit quality; as an efficient means of adjusting exposure to all or a part of a target market; to enhance income; as a cash management tool; or to adjust credit exposure. Options are included in net assets at fair value, options purchased are included in Investments in Securities, and options written are separately reflected as a liability on the accompanying Statement of Assets and Liabilities. Premiums on unexercised, expired options are recorded as realized gains or losses; premiums on exercised options are recorded as an adjustment to the proceeds from the sale or cost of the purchase. The difference between the premium and the amount received or paid in a closing transaction is also treated as realized gain or loss. In return for a premium paid, call and put options give the holder the right, but not the obligation, to purchase or sell, respectively, a security at a specified exercise price. In return for a premium paid, currency options give the holder the right, but not the obligation, to buy and sell currency at a specified exchange rate; although certain currency options may be settled by exchanging only the net gain or loss on the contract. In return for a premium paid, call and put options on futures give the holder the right, but not the obligation, to purchase or sell, respectively, a position in a particular futures contract at a specified exercise price. In return for a premium paid, call and put index options give the holder the right, but not the obligation, to receive cash equal to the difference between the value of the reference index on the exercise date and the exercise price of the option. In return for a premium paid, options on swaps give the holder the right, but not the obligation, to enter a specified swap contract on predefined terms. The exercise price of an option on a credit default swap is stated in terms of a specified spread that represents the cost of credit protection on the reference asset, including both the upfront premium to open the position and future periodic payments. The exercise price of an interest rate swap is stated in terms of a fixed interest rate; generally, there is no upfront payment to open the position. Risks related to the use of options include possible illiquidity of the options markets; trading restrictions imposed by an exchange or counterparty; possible failure of counterparties to meet the terms of the agreements; movements in the underlying asset values, interest rates, currency values and credit ratings; and, for options written, the potential for losses to exceed any premium received by the fund. During the six months ended June 30, 2023, the volume of the fund's activity in options, based on underlying notional amounts, was generally between 3% and 157% of net assets.

Swaps The fund is subject to interest rate risk, credit risk and equity price risk in the normal course of pursuing its investment objectives and uses swap contracts to help manage such risks. The fund may use swaps in an effort to manage both long and short exposure to changes in interest rates, inflation rates, and credit quality; to adjust overall exposure to certain markets; to enhance total return or protect the value of portfolio securities; to serve as a cash management tool; or to adjust portfolio duration and credit exposure. Swap agreements can be settled either directly with the counterparty (bilateral swap) or through a central clearinghouse (centrally cleared swap). Fluctuations in the fair value of a contract are reflected in unrealized gain or loss and are reclassified to realized gain or loss upon contract termination or cash settlement. Net periodic receipts or payments required by a contract increase or decrease, respectively, the value of the contract until the contractual payment date, at which time such amounts are reclassified from unrealized to realized gain or loss. For bilateral swaps, cash payments are made or received by the fund on a periodic basis in accordance with contract terms; unrealized gain on contracts and premiums paid are reflected as assets and unrealized loss on contracts and premiums received are reflected as liabilities on the accompanying Statement of Assets and Liabilities. For bilateral swaps, premiums paid or received are amortized over the life of the swap and are recognized as realized gain or loss in the Statement of Operations. For centrally cleared swaps, payments are made or received by the fund each day to settle the daily fluctuation in the value of the contract (variation margin). Accordingly, the value of a centrally cleared swap included in net assets is the unsettled variation margin; net variation margin receivable is reflected as an asset and net variation margin payable is reflected as a liability on the accompanying Statement of Assets and Liabilities.

Interest rate swaps are agreements to exchange cash flows based on the difference between specified interest rates applied to a notional principal amount for a specified period of time. Risks related to the use of interest rate swaps include the potential for unanticipated movements in interest or currency rates, the possible failure of a counterparty to perform in accordance with the terms of the swap agreements, potential government regulation that could adversely affect the fund's swap investments, and potential losses in excess of the fund's initial investment.

Credit default swaps are agreements where one party (the protection buyer) agrees to make periodic payments to another party (the protection seller) in exchange for protection against specified credit events, such as certain defaults and bankruptcies related to an underlying credit instrument, or issuer or index of such instruments. Upon occurrence of a specified credit event, the protection seller is required to pay the buyer the difference between the notional amount of the swap and the value of the underlying credit, either in the form of a net cash settlement or by paying the gross notional amount and accepting delivery of the relevant underlying credit. For credit default swaps where the underlying credit is an index, a specified credit event may affect all or individual underlying securities included in the index and will be settled based upon the relative weighting of the affected underlying security(ies) within the index. Generally, the payment risk for the seller of protection is inversely related to the current market price or credit rating of the underlying credit or the market value of the contract relative to the notional amount, which are indicators of the markets' valuation of credit quality. As of June 30, 2023, the notional amount of protection sold by the fund totaled $19,943,000 (50.5% of net assets), which reflects the maximum potential amount the fund could be required to pay under such contracts. Risks related to the use of credit default swaps include the possible inability of the fund to accurately assess the current and future creditworthiness of underlying issuers, the possible failure of a counterparty to perform in accordance with the terms of the swap agreements, potential government regulation that could adversely affect the fund's swap investments, and potential losses in excess of the fund's initial investment.

Total return swaps are agreements in which one party makes payments based on a set rate, either fixed or variable, while the other party makes payments based on the return of an underlying asset (reference asset), such as an index, equity security, fixed income security or commodity-based exchange-traded fund, which includes both the income it generates and any change in its value. Risks related to the use of total return swaps include the potential for unfavorable changes in the reference asset, the possible failure of a counterparty to perform in accordance with the terms of the swap agreements, potential government regulation that could adversely affect the fund's swap investments, and potential losses in excess of the fund's initial investment.

During the six months ended June 30, 2023, the volume of the fund's activity in swaps, based on underlying notional amounts, was generally between 133% and 209% of net assets.

NOTE 4 - OTHER INVESTMENT TRANSACTIONS

Consistent with its investment objective, the fund engages in the following practices to manage exposure to certain risks and/or to enhance performance. The investment objective, policies, program, and risk factors of the fund are described more fully in the fund's prospectus and Statement of Additional Information.

Emerging and Frontier Markets The fund invests, either directly or through investments in other T. Rowe Price funds, in securities of companies located in, issued by governments of, or denominated in or linked to the currencies of emerging and frontier market countries. Emerging markets, and to a greater extent frontier markets, tend to have economic structures that are less diverse and mature, less developed legal and regulatory regimes, and political systems that are less stable, than those of developed countries. These markets may be subject to greater political, economic, and social uncertainty and differing accounting standards and regulatory environments that may potentially impact the fund's ability to buy or sell certain securities or repatriate proceeds to U.S. dollars. Emerging markets securities exchanges are more likely to experience delays with the clearing and settling of trades, as well as the custody of holdings by local banks, agents, and depositories. Such securities are often subject to greater price volatility, less liquidity, and higher rates of inflation than U.S. securities. Investing in frontier markets is typically significantly riskier than investing in other countries, including emerging markets.

Noninvestment-Grade Debt The fund invests, either directly or through its investment in other T. Rowe Price funds, in noninvestment-grade debt, including "high yield" or "junk" bonds or leveraged loans. Noninvestment-grade debt issuers are more likely to suffer an adverse change in financial condition that would result in the inability to meet a financial obligation. The noninvestment-grade debt market may experience sudden and sharp price swings due to a variety of factors that may decrease the ability of issuers to make principal and interest payments and adversely affect the liquidity or value, or both, of such securities. Accordingly, securities issued by such companies carry a higher risk of default and should be considered speculative.

Restricted Securities The fund invests in securities that are subject to legal or contractual restrictions on resale. Prompt sale of such securities at an acceptable price may be difficult and may involve substantial delays and additional costs.

Collateralized Loan Obligations The fund invests in collateralized loan obligations (CLOs) which are entities backed by a diversified pool of syndicated bank loans. The cash flows of the CLO can be split into multiple segments, called "tranches" or "classes", which will vary in risk profile and yield. The riskiest segments, which are the subordinate or "equity" tranches, bear the greatest risk of loss from defaults in the underlying assets of the CLO and serve to protect the other, more senior, tranches. Senior tranches will typically have higher credit ratings and lower yields than the securities underlying the CLO. Despite the protection from the more junior tranches, senior tranches can experience substantial losses.

Mortgage-Backed Securities The fund invests in mortgage-backed securities (MBS or pass-through certificates) that represent an interest in a pool of specific underlying mortgage loans and entitle the fund to the periodic payments of principal and interest from those mortgages. MBS may be issued by government agencies or corporations, or private issuers. Most MBS issued by government agencies are guaranteed; however, the degree of protection differs based on the issuer. MBS are sensitive to changes in economic conditions that affect the rate of prepayments and defaults on the underlying mortgages; accordingly, the value, income, and related cash flows from MBS may be more volatile than other debt instruments.

Bank Loans The fund invests in bank loans, which represent an interest in amounts owed by a borrower to a syndicate of lenders. Bank loans are generally noninvestment grade and often involve borrowers whose financial condition is highly leveraged. The fund may invest in fixed and floating rate loans, which may include senior floating rate loans; secured and unsecured loans, second lien or more junior loans; and bridge loans or bridge facilities. Certain bank loans may be revolvers which are a form of senior bank debt, where the borrower can draw down the credit of the revolver when it needs cash and repays the credit when the borrower has excess cash. Certain loans may be "covenant-lite" loans, which means the loans contain fewer maintenance covenants than other loans (in some cases, none) and do not include terms which allow the lender to monitor the performance of the borrower and declare a default if certain criteria are breached. As a result of these risks, the fund's exposure to losses may be increased.

Bank loans may be in the form of either assignments or participations. A loan assignment transfers all legal, beneficial, and economic rights to the buyer, and transfer typically requires consent of both the borrower and agent. In contrast, a loan participation generally entitles the buyer to receive the cash flows from principal, interest, and any fee payments on a portion of a loan; however, the seller continues to hold legal title to that portion of the loan. As a result, the buyer of a loan participation generally has no direct recourse against the borrower and is exposed to credit risk of both the borrower and seller of the participation.

Bank loans often have extended settlement periods, generally may be repaid at any time at the option of the borrower, and may require additional principal to be funded at the borrowers' discretion at a later date (e.g. unfunded commitments and revolving debt instruments). Until settlement, the fund maintains liquid assets sufficient to settle its unfunded loan commitments. The fund reflects both the funded portion of a bank loan as well as its unfunded commitment in the Portfolio of Investments. However, if a credit agreement provides no initial funding of a tranche, and funding of the full commitment at a future date(s) is at the borrower's discretion and considered uncertain, a loan is reflected in the Portfolio of Investments only if, and only to the extent that, the fund has actually settled a funding commitment.

Securities Lending The fund may lend its securities to approved borrowers to earn additional income. Its securities lending activities are administered by a lending agent in accordance with a securities lending agreement. Security loans generally do not have stated maturity dates, and the fund may recall a security at any time. The fund receives collateral in the form of cash or U.S. government securities. Collateral is maintained over the life of the loan in an amount not less than the value of loaned securities; any additional collateral required due to changes in security values is delivered to the fund the next business day. Cash collateral is invested in accordance with investment guidelines approved by fund management. Additionally, the lending agent indemnifies the fund against losses resulting from borrower default. Although risk is mitigated by the collateral and indemnification, the fund could experience a delay in recovering its securities and a possible loss of income or value if the borrower fails to return the securities, collateral investments decline in value, and the lending agent fails to perform. Securities lending revenue consists of earnings on invested collateral and borrowing fees, net of any rebates to the borrower, compensation to the lending agent, and other administrative costs. In accordance with GAAP, investments made with cash collateral are reflected in the accompanying financial statements, but collateral received in the form of securities is not. At June 30, 2023, the value of loaned securities was $1,342,000; the value of cash collateral and related investments was $1,368,000.

Other Purchases and sales of portfolio securities other than short-term and U.S. government securities aggregated $29,662,000 and $26,048,000, respectively, for the six months ended June 30, 2023.

NOTE 5 - FEDERAL INCOME TAXES

Generally, no provision for federal income taxes is required since the fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code and distribute to shareholders all of its taxable income and gains. Distributions determined in accordance with federal income tax regulations may differ in amount or character from net investment income and realized gains for financial reporting purposes. Financial reporting records are adjusted for permanent book/tax differences to reflect tax character but are not adjusted for temporary differences. The amount and character of tax-basis distributions and composition of net assets are finalized at fiscal year-end; accordingly, tax-basis balances have not been determined as of the date of this report.

The fund intends to retain realized gains to the extent of available capital loss carryforwards. Net realized capital losses may be carried forward indefinitely to offset future realized capital gains. As of December 31, 2022, the fund had $1,630,000 of available capital loss carryforwards.

At June 30, 2023, the cost of investments (including derivatives, if any) for federal income tax purposes was $36,259,000. Net unrealized loss aggregated $1,751,000 at period-end, of which $2,300,000 related to appreciated investments and $4,051,000 related to depreciated investments.

NOTE 6 - RELATED PARTY TRANSACTIONS

The fund is managed by T. Rowe Price Associates, Inc. (Price Associates), a wholly owned subsidiary of T. Rowe Price Group, Inc. (Price Group). The investment management agreement between the fund and Price Associates provides for an annual investment management fee, which is computed daily and paid monthly. The fee consists of an individual fund fee, equal to 0.22% of the fund's average daily net assets, and a group fee. The group fee rate is calculated based on the combined net assets of certain mutual funds sponsored by Price Associates (the group) applied to a graduated fee schedule, with rates ranging from 0.48% for the first $1 billion of assets to 0.260% for assets in excess of $845 billion. The fund's group fee is determined by applying the group fee rate to the fund's average daily net assets. At June 30, 2023, the effective annual group fee rate was 0.29%.

The Investor Class is subject to a contractual expense limitation through the expense limitation date indicated in the table below. During the limitation period, Price Associates is required to waive its management fee or pay any expenses (excluding interest; expenses related to borrowings, taxes, and brokerage; non-recurring, extraordinary expenses; and acquired fund fees and expenses) that would otherwise cause the class's ratio of annualized total expenses to average net assets (net expense ratio) to exceed its expense limitation. The class is required to repay Price Associates for expenses previously waived/paid to the extent the class's net assets grow or expenses decline sufficiently to allow repayment without causing the class's net expense ratio (after the repayment is taken into account) to exceed the lesser of: (1) the expense limitation in place at the time such amounts were waived; or (2) the class's current expense limitation. However, no repayment will be made more than three years after the date of a payment or waiver.

The I Class is also subject to an operating expense limitation (I Class Limit) pursuant to which Price Associates is contractually required to pay all operating expenses of the I Class, excluding management fees; interest; expenses related to borrowings, taxes, and brokerage; non-recurring, extraordinary expenses; and acquired fund fees and expenses, to the extent such operating expenses, on an annualized basis, exceed the I Class Limit. This agreement will continue through the expense limitation date indicated in the table below, and may be renewed, revised, or revoked only with approval of the fund's Board. The I Class is required to repay Price Associates for expenses previously paid to the extent the class's net assets grow or expenses decline sufficiently to allow repayment without causing the class's operating expenses (after the repayment is taken into account) to exceed the lesser of: (1) the I Class Limit in place at the time such amounts were paid; or (2) the current I Class Limit. However, no repayment will be made more than three years after the date of a payment or waiver.

Pursuant to these agreements, expenses were waived/paid by and/or repaid to Price Associates during the six months ended June 30, 2023 as indicated in the table below. Including these amounts, expenses previously waived/paid by Price Associates in the amount of $921,000 remain subject to repayment by the fund at June 30, 2023. Any repayment of expenses previously waived/paid by Price Associates during the period would be included in the net investment income and expense ratios presented on the accompanying Financial Highlights.

	Investor Class	**I Class**
Expense limitation/I Class Limit	0.63%	0.05%
Expense limitation date	04/30/25	04/30/25
(Waived)/repaid during the period ($000s)	$(132)	$(25)

In addition, the fund has entered into service agreements with Price Associates and a wholly owned subsidiary of Price Associates, each an affiliate of the fund (collectively, Price). Price Associates provides certain accounting and administrative services to the fund. T. Rowe Price Services, Inc. provides shareholder and administrative services in its capacity as the fund's transfer and dividend-disbursing agent. For the six months ended June 30, 2023, expenses incurred pursuant to these service agreements were $60,000 for Price Associates and $8,000 for T. Rowe Price Services, Inc. All amounts due to and due from Price, exclusive of investment management fees payable, are presented net on the accompanying Statement of Assets and Liabilities.

The fund may invest its cash reserves in certain open-end management investment companies managed by Price Associates and considered affiliates of the fund: the T. Rowe Price Government Reserve Fund or the T. Rowe Price Treasury Reserve Fund, organized as money market funds (together, the Price Reserve Funds). The Price Reserve Funds are offered as short-term investment options to mutual funds, trusts, and other accounts managed by Price Associates or its affiliates and are not available for direct purchase by members of the public. Cash collateral from securities lending, if any, is invested in the T. Rowe Price Government Reserve Fund. The Price Reserve Funds pay no investment management fees.

As of June 30, 2023, T. Rowe Price Group, Inc., or its wholly owned subsidiaries, owned 2,475,000 shares of the Investor Class, representing 65% of the Investor Class's net assets.

The fund may participate in securities purchase and sale transactions with other funds or accounts advised by Price Associates (cross trades), in accordance with procedures adopted by the fund's Board and Securities and Exchange Commission rules, which require, among other things, that such purchase and sale cross trades be effected at the independent current market price of the security. During the six months ended June 30, 2023, the fund had no purchases or sales cross trades with other funds or accounts advised by Price Associates.

NOTE 7 - OTHER MATTERS

Unpredictable events such as environmental or natural disasters, war, terrorism, pandemics, outbreaks of infectious diseases, and similar public health threats may significantly affect the economy and the markets and issuers in which the fund invests. Certain events may cause instability across global markets, including reduced liquidity and disruptions in trading markets, while some events may affect certain geographic regions, countries, sectors, and industries more significantly than others, and exacerbate other pre-existing political, social, and economic risks.

Since 2020, a novel strain of coronavirus (COVID-19) has resulted in disruptions to global business activity and caused significant volatility and declines in global financial markets.

In February 2022, Russian forces entered Ukraine and commenced an armed conflict leading to economic sanctions being imposed on Russia and certain of its citizens, creating impacts on Russian-related stocks and debt and greater volatility in global markets.

In March 2023, the collapse of some US regional and global banks as well as overall concerns around the soundness and stability of the global banking sector has sparked concerns of a broader financial crisis impacting the overall global banking sector. In certain cases, government agencies have assumed control or otherwise intervened in the operations of certain banks due to liquidity and solvency concerns. The extent of impact of these events on the US and global markets is highly uncertain.

These are recent examples of global events which may have a negative impact on the values of certain portfolio holdings or the fund's overall performance. Management is actively monitoring the risks and financial impacts arising from these events.

INFORMATION ON PROXY VOTING POLICIES, PROCEDURES, AND RECORDS

A description of the policies and procedures used by T. Rowe Price funds to determine how to vote proxies relating to portfolio securities is available in each fund's Statement of Additional Information. You may request this document by calling 1-800-225-5132 or by accessing the SEC's website, sec.gov.

The description of our proxy voting policies and procedures is also available on our corporate website. To access it, please visit the following Web page:

https://www.troweprice.com/corporate/us/en/utility/policies.html

Scroll down to the section near the bottom of the page that says, "Proxy Voting Guidelines." Click on the links in the shaded box.

Each fund's most recent annual proxy voting record is available on our website and through the SEC's website. To access it through T. Rowe Price, visit the website location shown above, and scroll down to the section near the bottom of the page that says, "Proxy Voting Records." Click on the Proxy Voting Records link in the shaded box.

RESULTS OF PROXY VOTING

A Special Meeting of Shareholders was held on July 24, 2023 for shareholders of record on April 7, 2023, to elect the following director-nominees to serve on the Board of all Price Funds. The newly elected Directors took office effective July 24, 2023.

The results of the voting were as follows:

	Votes For	**Votes Withheld**
Melody Bianchetto	5,316,532,865	42,338,636
Mark J. Parrell	5,314,462,793	44,388,756
Kellye L. Walker	5,314,203,135	44,903,088
Eric L. Veiel	5,309,419,858	49,685,657

Teresa Bryce Bazemore, Bruce W. Duncan, Robert J. Gerrard, Jr., Paul F. McBride and David Oestreicher continue to serve as Directors on the Board of all Price Funds.

HOW TO OBTAIN QUARTERLY PORTFOLIO HOLDINGS

The fund files a complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. The fund's reports on Form N-PORT are available electronically on the SEC's website (sec.gov). In addition, most T. Rowe Price funds disclose their first and third fiscal quarter-end holdings on **troweprice.com**.

APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT

Each year, the fund's Board of Directors (Board) considers the continuation of the investment management agreement (Advisory Contract) between the fund and its investment adviser, T. Rowe Price Associates, Inc. (Adviser). In that regard, at a meeting held on March 6–7, 2023 (Meeting), the Board, including all of the fund's independent directors, approved the continuation of the fund's Advisory Contract. At the Meeting, the Board considered the factors and reached the conclusions described below relating to the selection of the Adviser and the approval of the Advisory Contract. The independent directors were assisted in their evaluation of the Advisory Contract by independent legal counsel from whom they received separate legal advice and with whom they met separately.

In providing information to the Board, the Adviser was guided by a detailed set of requests for information submitted by independent legal counsel on behalf of the independent directors. In considering and approving the continuation of the Advisory Contract, the Board considered the information it believed was relevant, including, but not limited to, the information discussed below. The Board considered not only the specific information presented in connection with the Meeting but also the knowledge gained over time through interaction with the Adviser about various topics. The Board meets regularly and, at each of its meetings, covers an extensive agenda of topics and materials and considers factors that are relevant to its annual consideration of the renewal of the T. Rowe Price funds' advisory contracts, including performance and the services and support provided to the funds and their shareholders.

Services Provided by the Adviser

The Board considered the nature, quality, and extent of the services provided to the fund by the Adviser. These services included, but were not limited to, directing the fund's investments in accordance with its investment program and the overall management of the fund's portfolio, as well as a variety of related activities such as financial, investment operations, and administrative services; compliance; maintaining the fund's records and registrations; and shareholder communications. The Board also reviewed the background and experience of the Adviser's senior management team and investment personnel involved in the management of the fund, as well as the Adviser's compliance record. The Board concluded that the information it considered with respect to the nature, quality, and extent of the services provided by the Adviser, as well as the other factors considered at the Meeting, supported the Board's approval of the continuation of the Advisory Contract.

Investment Performance of the Fund

The Board took into account discussions with the Adviser and detailed reports that it regularly receives throughout the year on relative and absolute performance for the T. Rowe Price funds. In connection with the Meeting, the Board reviewed information provided by the Adviser that compared the fund's total returns, as well as a wide variety of other previously agreed-upon performance measures and market data, against relevant benchmark indexes and peer groups of funds with similar investment programs for

APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT (CONTINUED)

various periods through December 31, 2022. Additionally, the Board reviewed the fund's relative performance information as of September 30, 2022, which ranked the returns of the fund's Investor Class for various periods against a universe of funds with similar investment programs selected by Broadridge, an independent provider of mutual fund data. In the course of its deliberations, the Board considered performance information provided throughout the year and in connection with the Advisory Contract review at the Meeting, as well as information provided during investment review meetings conducted with portfolio managers and senior investment personnel during the course of the year regarding the fund's performance. The Board also considered relevant factors, such as overall market conditions and trends that could adversely impact the fund's performance, length of the fund's performance track record, and how closely the fund's strategies align with its benchmarks and peer groups. The Board concluded that the information it considered with respect to the fund's performance, as well as the other factors considered at the Meeting, supported the Board's approval of the continuation of the Advisory Contract.

Costs, Benefits, Profits, and Economies of Scale

The Board reviewed detailed information regarding the revenues received by the Adviser under the Advisory Contract and other direct and indirect benefits that the Adviser (and its affiliates) may have realized from its relationship with the fund. In considering soft-dollar arrangements pursuant to which research may be received from broker-dealers that execute the fund's portfolio transactions, the Board noted that the Adviser bears the cost of research services for all client accounts that it advises, including the T. Rowe Price funds. The Board received information on the estimated costs incurred and profits realized by the Adviser from managing the T. Rowe Price funds. While the Board did not review information regarding profits realized from managing the fund in particular because the fund had either not achieved sufficient portfolio asset size or not recognized sufficient revenues to produce meaningful profit margin percentages, the Board concluded that the Adviser's profits were reasonable in light of the services provided to the T. Rowe Price funds.

The Board also considered whether the fund benefits under the fee levels set forth in the Advisory Contract or otherwise from any economies of scale realized by the Adviser. Under the Advisory Contract, the fund pays a fee to the Adviser for investment management services composed of two components—a group fee rate based on the combined average net assets of most of the T. Rowe Price funds (including the fund) that declines at certain asset levels and an individual fund fee rate based on the fund's average daily net assets—and the fund pays its own expenses of operations. The group fee rate decreases as total T. Rowe Price fund assets grow, which reduces the management fee rate for any fund that has a group fee component to its management fee, and reflects that certain resources utilized to operate the fund are shared with other T. Rowe Price funds thus allowing shareholders of those funds to share potential economies of scale. The fund is also subject to contractual expense limitations that

APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT (CONTINUED)

require the Adviser to waive its fees and/or bear any expenses that would cause the expenses of a share class of the fund to exceed a certain percentage based on the class's net assets. The expense limitations mitigate the potential for relatively higher expenses until the fund achieves greater scale and protect against an increase in operating expenses above a certain level that could impact shareholders.

In addition, the Board noted that the fund potentially shares in indirect economies of scale through the Adviser's ongoing investments in its business in support of the T. Rowe Price funds, including investments in trading systems, technology, and regulatory support enhancements, and the ability to possibly negotiate lower fee arrangements with third-party service providers. The Board concluded that the advisory fee structure for the fund provides for a reasonable sharing of benefits from any economies of scale with the fund's investors.

Fees and Expenses

The Board was provided with information regarding industry trends in management fees and expenses. Among other things, the Board reviewed data for peer groups that were compiled by Broadridge, which compared: (i) contractual management fees, actual management fees, nonmanagement expenses, and total expenses of the Investor Class of the fund with a group of competitor funds selected by Broadridge (Expense Group) and (ii) actual management fees, nonmanagement expenses, and total expenses of the Investor Class of the fund with a broader set of funds within the Lipper investment classification (Expense Universe). The Board considered the fund's contractual management fee rate, actual management fee rate (which reflects the management fees actually received from the fund by the Adviser after any applicable waivers, reductions, or reimbursements), operating expenses, and total expenses (which reflect the net total expense ratio of the fund after any waivers, reductions, or reimbursements) in comparison with the information for the Broadridge peer groups. Broadridge generally constructed the peer groups by seeking the most comparable funds based on similar investment classifications and objectives, expense structure, asset size, and operating components and attributes and ranked funds into quintiles, with the first quintile representing the funds with the lowest relative expenses and the fifth quintile representing the funds with the highest relative expenses. The information provided to the Board indicated that the fund's contractual management fee ranked in the first quintile (Expense Group), the fund's actual management fee rate ranked in the first quintile (Expense Group and Expense Universe), and the fund's total expenses ranked in the first quintile (Expense Group and Expense Universe).

The Board also reviewed the fee schedules for other investment portfolios with similar mandates that are advised or subadvised by the Adviser and its affiliates, including separately managed accounts for institutional and individual investors; subadvised funds; and other sponsored investment portfolios, including collective investment trusts and pooled vehicles organized and offered to investors outside the United States. Management provided the Board with information about the Adviser's responsibilities

APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT (CONTINUED)

and services provided to subadvisory and other institutional account clients, including information about how the requirements and economics of the institutional business are fundamentally different from those of the proprietary mutual fund business. The Board considered information showing that the Adviser's mutual fund business is generally more complex from a business and compliance perspective than its institutional account business and considered various relevant factors, such as the broader scope of operations and oversight, more extensive shareholder communication infrastructure, greater asset flows, heightened business risks, and differences in applicable laws and regulations associated with the Adviser's proprietary mutual fund business. In assessing the reasonableness of the fund's management fee rate, the Board considered the differences in the nature of the services required for the Adviser to manage its mutual fund business versus managing a discrete pool of assets as a subadviser to another institution's mutual fund or for an institutional account and that the Adviser generally performs significant additional services and assumes greater risk in managing the fund and other T. Rowe Price funds than it does for institutional account clients, including subadvised funds.

On the basis of the information provided and the factors considered, the Board concluded that the fees paid by the fund under the Advisory Contract are reasonable.

Approval of the Advisory Contract

As noted, the Board approved the continuation of the Advisory Contract. No single factor was considered in isolation or to be determinative to the decision. Rather, the Board concluded, in light of a weighting and balancing of all factors considered, that it was in the best interests of the fund and its shareholders for the Board to approve the continuation of the Advisory Contract (including the fees to be charged for services thereunder).

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T. Rowe Price®

100 East Pratt Street
Baltimore, MD 21202

Call 1-800-225-5132 to request a prospectus or summary prospectus; each includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

T. Rowe Price Investment Services, Inc.

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