T. Rowe Price®
INVEST WITH CONFIDENCE

QUARTERLY REVIEW

Global Multi-Sector Bond Fund – Multi-Class

As of March 31, 2020

PORTFOLIO HIGHLIGHTS

The portfolio underperformed the Bloomberg Barclays Global Aggregate Bond USD Hedged Index for the three-month period ended March 31, 2020.

Relative performance drivers:
- Sector allocations detracted
- Security selection and duration positioning were also negative.
- Currency attribution was mixed.

Additional highlights:
- Against March's market backdrop, we believe investors will be well compensated to hold risk, so we held attractive credit assets while adding exposure to compelling credit stories via the new issue market.
- The response to the novel coronavirus will likely lead to a deep, but short, recession. However, we believe this recession may be front-loaded with the largest decline in global economic activity occurring this month and next.

FUND INFORMATION

Symbol	PRSNX
CUSIP	74149N106
Inception Date of Fund	December 15, 2008
Benchmark	Bloomberg Barclays Global Agg USD Hdg Index
Expense Information (as of the most recent Prospectus)*	0.71% (Gross) 0.69% (Net)
Fiscal Year End	May 31
12B-1 Fee	–
Total Assets (all share classes)	$1,107,019,122
Percent of Portfolio in Cash	2.4%

*The fund's net expense ratio reflects a permanent waiver of a portion of the T. Rowe Price Associates, Inc. management fee charged to the fund. This waiver is an amount sufficient to fully offset any acquired fund fees and expenses related to investments in other T. Rowe Price mutual funds. T. Rowe Price funds would be required to seek regulatory approval in order to terminate this arrangement.
Please refer to the detailed Fund Information section, at the end of the report, for additional expense information and available share classes.

PERFORMANCE

(NAV, total return)

	Inception Date	Three Months	One Year	Three Years (Annualized)	Five Years (Annualized)	Ten Years (Annualized)	Since Inception 12/15/08 (Annualized)	30-Day SEC Yield	30-Day SEC Yield w/o Waiver°
Global Multi-Sector Bond Fund	Dec 15 2008	-8.97%	-3.05%	1.66%	2.58%	3.80%	5.62%	3.88%	–
Global Multi-Sector Bond Fund - Advisor Class	Dec 15 2008	-9.03	-3.34	1.36	2.30	3.58	5.41	3.61	3.49%
Global Multi-Sector Bond Fund - I Class	Mar 23 2016	-8.93	-2.90	1.81	2.70	3.86	5.68	4.06	4.02
Bloomberg Barclays Global Aggregate Bond USD Hedged Index		1.45	6.59	4.65	3.49	4.06	4.35	–	–
Linked Performance Benchmark*		1.45	6.59	4.72	3.57	4.19	4.85	–	–

CALENDAR YEAR PERFORMANCE

(NAV, total return)

	Inception Date	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Global Multi-Sector Bond Fund	Dec 15 2008	10.42%	1.93%	10.90%	0.30%	4.32%	-0.04%	6.84%	6.46%	0.44%	10.37%
Global Multi-Sector Bond Fund - Advisor Class	Dec 15 2008	10.25	1.78	10.73	0.18	4.12	-0.24	6.58	6.16	0.14	10.02
Global Multi-Sector Bond Fund - I Class	Mar 23 2016	10.42	1.93	10.90	0.30	4.32	-0.04	6.97	6.61	0.59	10.53
Bloomberg Barclays Global Aggregate Bond USD Hedged Index		4.61	5.40	5.72	-0.14	7.59	1.02	3.95	3.04	1.76	8.22
Linked Performance Benchmark*		5.67	5.25	7.18	-0.38	6.94	0.58	4.09	3.69	1.78	8.22

Performance data quoted represents past performance and is not a reliable indicator of future performance. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain the most recent month-end performance, visit troweprice.com. Consider the investment objectives, risks, and charges and expenses carefully before investing. For a prospectus or, if available, a summary prospectus containing this and other information, call 1-877-804-2315 or visit troweprice.com. Read it carefully. The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any. The T. Rowe Price Fund shares the portfolio of an existing fund (the original share class of the fund referred to as the "investor class"). The total return figures for the I Class shares have been calculated using the performance data of the investor class up to the inception date of the I Class (3/23/16) and the actual performance results of the I Class since that date. Because the I Classes are expected to have lower expenses than the Investor Classes, the I Class performance, had it existed over the periods shown, would have been higher.
°Excludes the effect of contractual expense limitation arrangements.
The fund is subject to the risks of fixed income investing, including interest rate risk and credit risk. Any investments in foreign markets are also subject to political risk and currency risk.
*Effective October 1, 2018, the benchmark for the Fund changed to the Bloomberg Barclays Global Aggregate Bond USD Hedged Index. Prior to this change, the benchmark was the Bloomberg Barclays Multiverse Index USD Hedged. Prior to February 1, 2017, the benchmark was the Barclays Global Aggregate ex Treasury Bond USD Hedged Index. The changes were made because the firm viewed the new benchmark to be a better representation of the investment strategy of the Fund. Historical benchmark representations have not been restated.
The fund(s) may have other share classes available that offer different investment minimums and fees. See the prospectus for details.
Source for Bloomberg Barclays data: Bloomberg Index Services Limited. See additional disclosures.

PERFORMANCE REVIEW

Coronavirus spread pressures credit markets
The Bloomberg Barclays Global Aggregate Bond index (USD Hedged) produced positive total returns in the first quarter of 2020 on the back of falling developed market government bond yields, but a spike in credit spreads led to significantly negative excess returns for riskier areas of the markets.

Most developed government bonds benefited from demand for high-quality assets in a period dominated by volatility and challenging liquidity conditions across fixed income markets. The spread of the coronavirus triggered global recession fears and huge demand for cash that even put strain on trading activity in U.S. Treasuries-the most liquid bond market. The developments prompted sweeping action to improve confidence and support economies with almost all developed governments unveiling large fiscal stimulus measures, while major central banks responded with significant monetary easing programs.

Investment-grade and high yield corporate bonds were hit particularly hard in March's risk sell-off. Spreads spiked to their highest levels since the global financial crisis as markets digested the economic consequences of slowing the spread of the coronavirus, and downgrade risk increased in the most affected industries. A deflationary plunge in oil prices due to the breakdown of an OPEC supply cut agreement also weighed on corporates.

Securitized sectors were mixed. Unlike other spread sectors, agency MBS spreads ended the period near where they began despite experiencing extreme volatility. The Fed helped stabilize the MBS market through its open-ended QE purchase program to increase liquidity. In contrast, commercial mortgage-backed securities, which received less support from Fed purchase programs, generated negative excess returns as businesses shut down and securities lower in the capital structure experienced severe liquidity issues.

Emerging markets (EM) debt, in U.S. dollar terms, also generated negative returns. Gains early in the quarter were overshadowed by a sharp decline in March. On average, investment-grade issues outperformed high yield securities, though both were negative. Market technicals were a headwind. As investors abruptly rotated assets out of risk sectors, markets experienced illiquidity issues that exacerbated selloffs.

In currency markets, global recession fears led to broad-based U.S. dollar appreciation over the quarter. In developed markets, currencies of countries closely linked to commodities, such as the Norwegian krone and Australian dollar, came under the most pressure against the U.S. dollar, as commodity prices such as oil fell significantly due to reduced global demand and the failure by OPEC countries to agree on production cuts. Similar to developed markets, almost all emerging market currencies weakened against the U.S. dollar over the quarter as global recession fears triggered investors to retreat from risky assets.

Credit exposure dragged down returns

- We entered 2020 constructive on a rebound in the global economy and were positioned to take advantage of an expected growth recovery. The Federal Reserve's monetary easing measures in the second half of 2019, the phase-one trade agreement between the U.S. and China, and an upturn in leading indicators all pointed toward a more positive risk environment. However, the "black swan" coronavirus pandemic derailed the rebound that we had started to see in economic data.
- Exposure to credit risk in the high yield and emerging markets corporate sectors was the main detractor for the period.
- Credit spreads widened significantly and with great velocity due to the exponential spread of the coronavirus and increasing risk of global recession.
- Along with the more well-known effects of the coronavirus and plunging oil prices, severe bond market illiquidity (with most traders beginning to work from home) further exacerbated problems.
- With less direct support from the Federal Reserve, liquidity in securitized credit markets has been slower to recover than sectors such as agency MBS and IG corporates. We believe that there has been a large liquidity premium priced into securitized markets that should gradually recede as the coronavirus peaks and economic uncertainty diminishes.

Security selection was negative

- Within the global investment-grade and high yield corporate sectors, energy-related names sold off as oil prices plummeted.
- Some of our non-benchmark emerging markets corporate holdings also struggled as well.
- Out-of-benchmark holdings in commercial mortgage-backed securities hurt as recession fears intensified and liquidity became constrained.

Shorter exposure to U.S. duration weighed on performance

- An underweight duration position in the U.S. detracted on a relative basis as Treasury yields fell to historic lows in March. Over the month, the yield on the U.S. 10-year Treasury fell approximately 48 bps to 0.67%.
- On the positive side, relative to the benchmark, underweighting duration in Japan and overweighting duration in Australia helped for the quarter.
- Additionally, the portfolio's curve steepener in the Czech Republic was one of the largest contributors for the period.

FX decisions were mixed

- Currency management was negative for the quarter but had a more muted effect relative to our credit allocations. Short euro and long exposure to the Egyptian pound were positive, as were timely additions to the UK pound and Australian dollar.
- However, several EM FX longs, such as the Mexican peso (MXN) and the Indian rupee (INR), struggled. Over the period we closed these positions.

PORTFOLIO POSITIONING AND ACTIVITY

Maintaining exposure to compelling and fundamentally sound holdings in credit sectors
Against March's market backdrop, we believe investors will be well compensated to hold risk, so we aimed to balance liquidity while holding attractive credit assets and adding exposure to compelling credit stories via the new issue market.

Rotated away from some EM FX exposure

Over the quarter, to help reduce risk, we closed several EM FX positions. In turn, we moved long the Australian dollar, Japanese yen, British pound, and South Korean won against the U.S. dollar as these currencies appear dislocated with high mean reversion probabilities. Positions closed included the Mexican peso and Egyptian pound.

The U.S. dollar is being pulled between flight to safety concerns and negative fundamentals and technicals given the massive injection of liquidity by the Fed and reduced dollar-funding needs thanks to expanded central bank swap lines.

Added exposure to high-quality duration

We are pairing our credit risk positions with high-quality duration positions, such as Australia and South Korea. We increased our allocation in Australia as the yield curve was steep while Australia's central bank is taking quantitative easing measures. We retain smaller duration positions in Europe, Japan, and the UK. In the U.S. we expect the yield curve to steepen.

MANAGER'S OUTLOOK

The response to the novel coronavirus, i.e., social distancing and closing nonessential businesses, will likely lead to a deep, but short, recession in the United States and across the globe. Recessions often entail the correction of market imbalances, but the current downturn is being driven substantially by an enforced pullback in activity rather than by significant macro imbalances like previous recessions. With that in mind, we believe economic growth should rebound as governments ease containment measures.

By analyzing past recessions, we expect credit spreads to peak and Treasury yields to bottom during the worst month of the recession, which may possibly be March or April. Historically, the largest contraction in economic activity comes near the end of the recessionary period. However, we believe this recession may be front-loaded with the largest decline in global economic activity occurring this month and next.

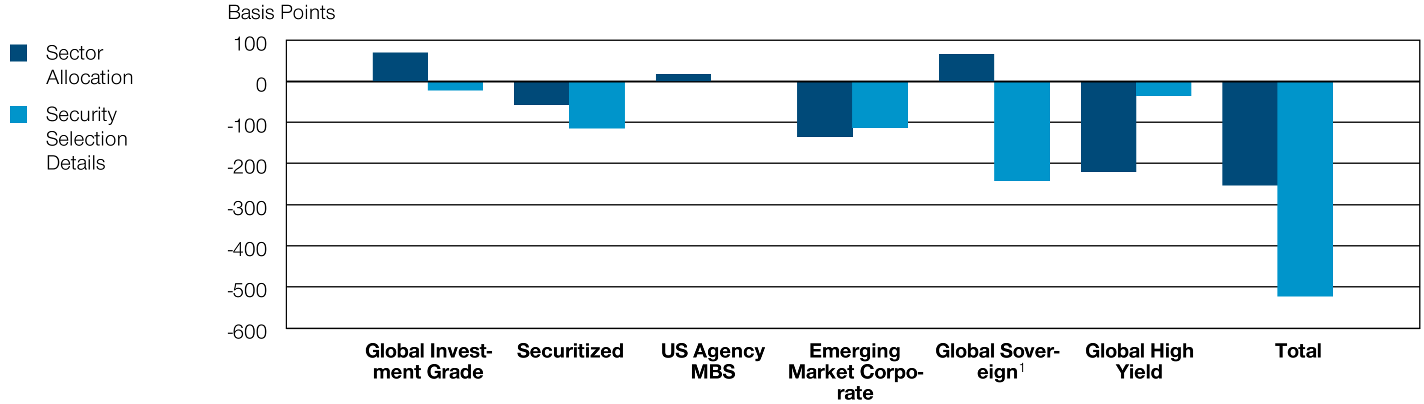
Over the past month, global fiscal and monetary policymakers have committed to extreme stimulus measures for market liquidity and solvency for households and businesses directly impacted by the coronavirus, which should have a positive impact on longer-term growth. Central banks have brought significant market support programs in a matter of days whereas in the 2008-2009 crisis it took weeks or months for action. Another positive is that Chinese economic growth appears to be coming back. Today, asset valuations are extremely attractive. When confidence returns, money that is in bank deposits and money funds should make its way back to riskier assets such as credit and emerging markets. Looking 12 months into the future, we believe that many of the fixed income sectors that have underperformed today may outperform.

As always, we are committed to managing the portfolio thoughtfully through this period of uncertainty in the best interests of you, our client. Our confidence in our rigorous fundamental research capabilities drives us to invest over the long term with conviction, despite near-term uncertainty.

QUARTERLY ATTRIBUTION

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

(3 months ended March 31, 2020)

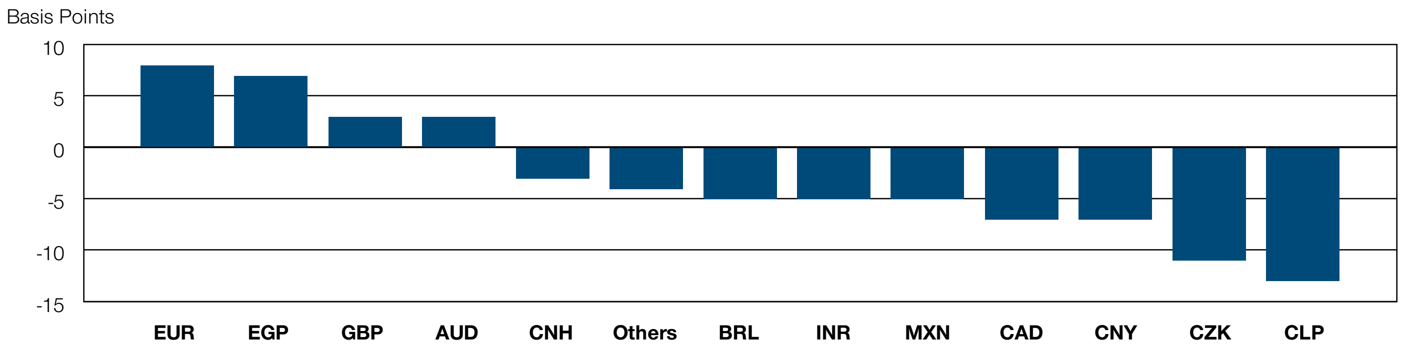


	Global Investment Grade	Securitized	US Agency MBS	Emerging Market Corporate	Global Sovereign[1]	Global High Yield	Total
Sector Allocation	71	-57	19	-134	67	-220	-253
Security Selection Details	-20	-114	0	-112	-241	-35	-522

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

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

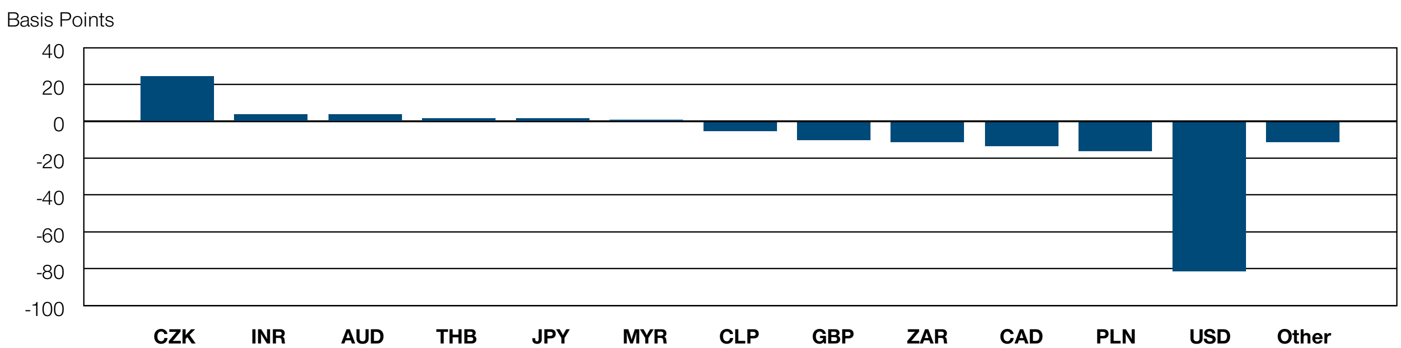
(3 months ended March 31, 2020)



EUR	EGP	GBP	AUD	CNH	Others	BRL	INR	MXN	CAD	CNY	CZK	CLP
8	7	3	3	-3	-4	-5	-5	-5	-7	-7	-11	-13

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

(3 months ended March 31, 2020)



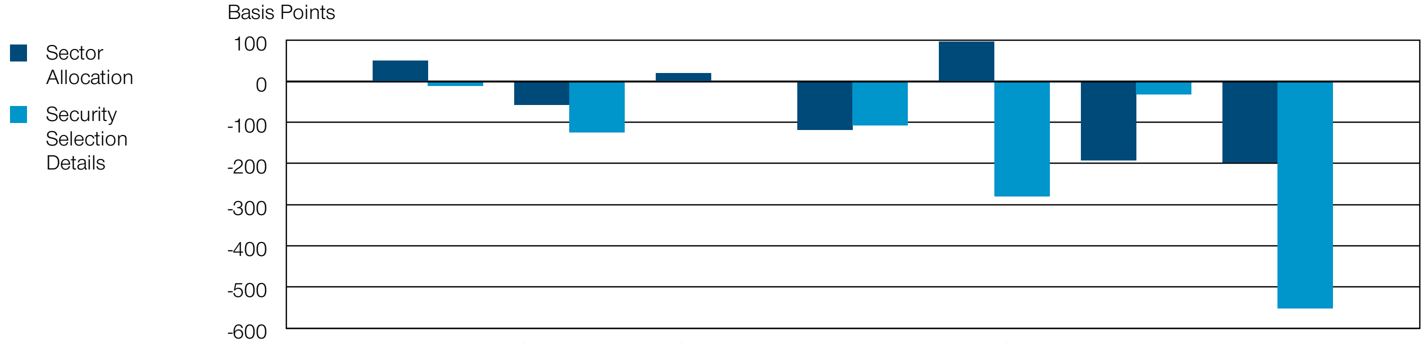
CZK	INR	AUD	THB	JPY	MYR	CLP	GBP	ZAR	CAD	PLN	USD	Other
25	4	4	2	2	1	-5	-10	-11	-13	-16	-81	-11

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

12-MONTH ATTRIBUTION

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

(12 months ended March 31, 2020)

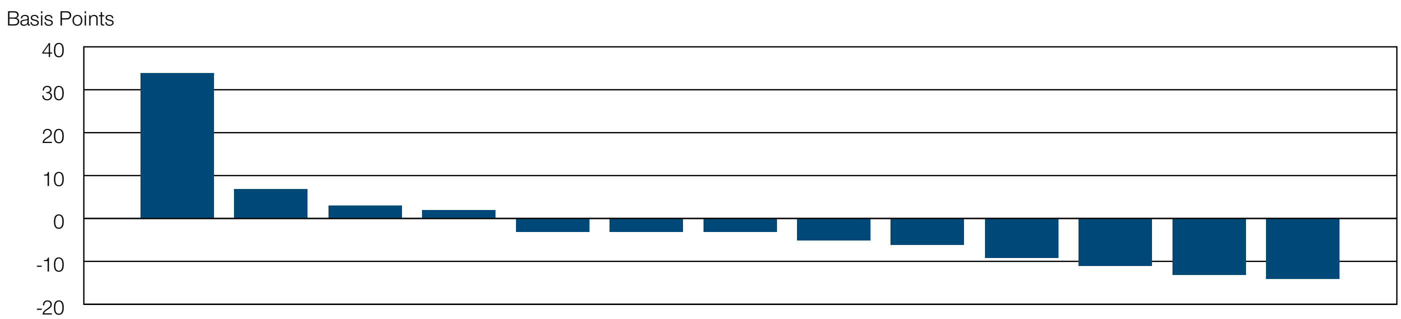


	Global Investment Grade	Securitized	US Agency MBS	Emerging Market Corporate	Global Sovereign[1]	Global High Yield	Total
Sector Allocation	51	-57	21	-117	97	-191	-196
Security Selection Details	-10	-123	-1	-106	-279	-32	-551

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

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

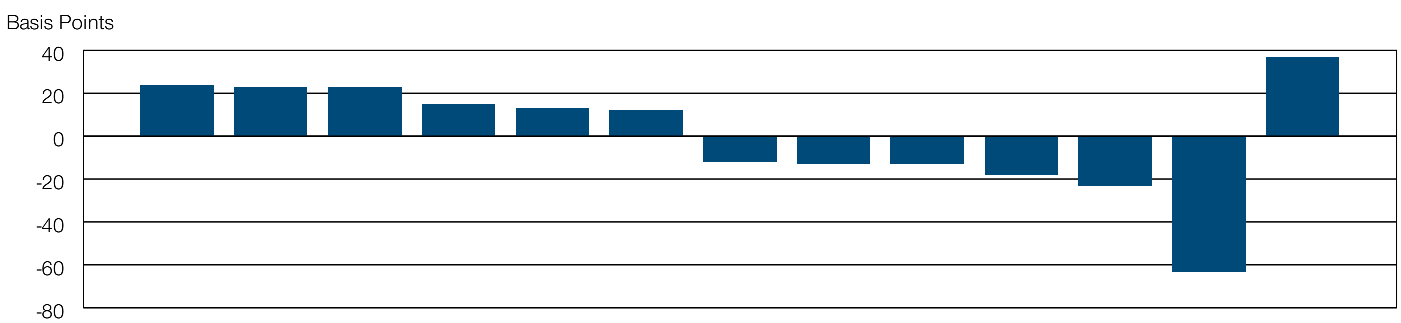
(12 months ended March 31, 2020)



EGP	ILS	IDR	Others	MYR	CNH	BRL	EUR	INR	CAD	CZK	CNY	CLP
34	7	3	2	-3	-3	-3	-5	-6	-9	-11	-13	-14

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

(12 months ended March 31, 2020)



CZK	ILS	CLP	BRL	INR	MXN	CAD	JPY	USD	PLN	GBP	EUR	Other
24	23	23	15	13	12	-12	-13	-13	-18	-23	-63	37

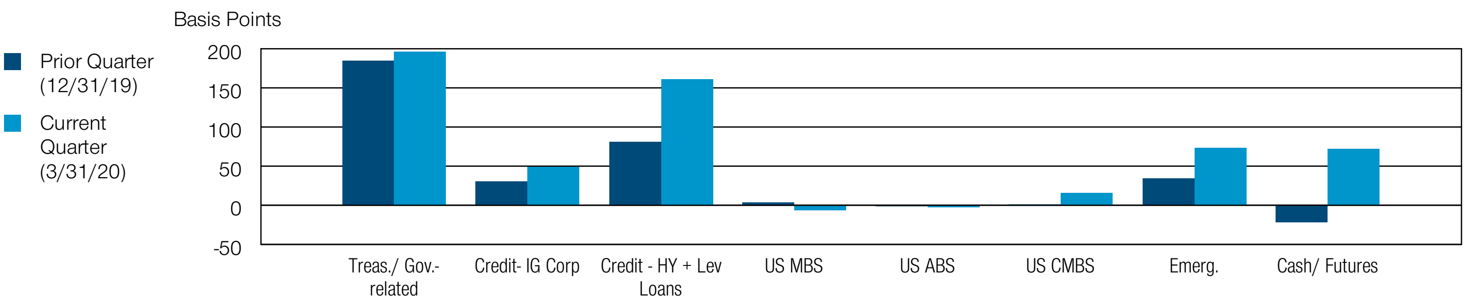
Past performance is not a reliable indicator of future performance.
Source: Bloomberg Index Services Limited.
Analysis represents the performance of the portfolio compared to its benchmark as calculated by the Bloomberg attribution model. Performance is attributed to a set of portfolio decisions such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

RISK ANALYSIS

RISK FACTOR CONTRIBUTION

	Contribution to TEV (Annualized) 12/31/19 (Prior Quarter)	Contribution to TEV (Annualized) 3/31/20 (Current Quarter)
Systematic	273.5 bps	484.8 bps
Foreign Exchange	40.6	61.9
Curve	128.2	79.9
Inflation Linked	1.3	3.4
Swap Spreads	4.5	10.0
Volatility	-0.3	-0.5
Spread Government Related	1.6	10.2
Spread Credit and EMG	93.0	305.4
Spread Securitized	1.7	21.0
Spread Other	2.8	-7.4
Equity	0.0	1.0
Idiosyncratic	2.2	3.2
Credit Default	4.1	0.0
Total	**279.8**	**488.1**

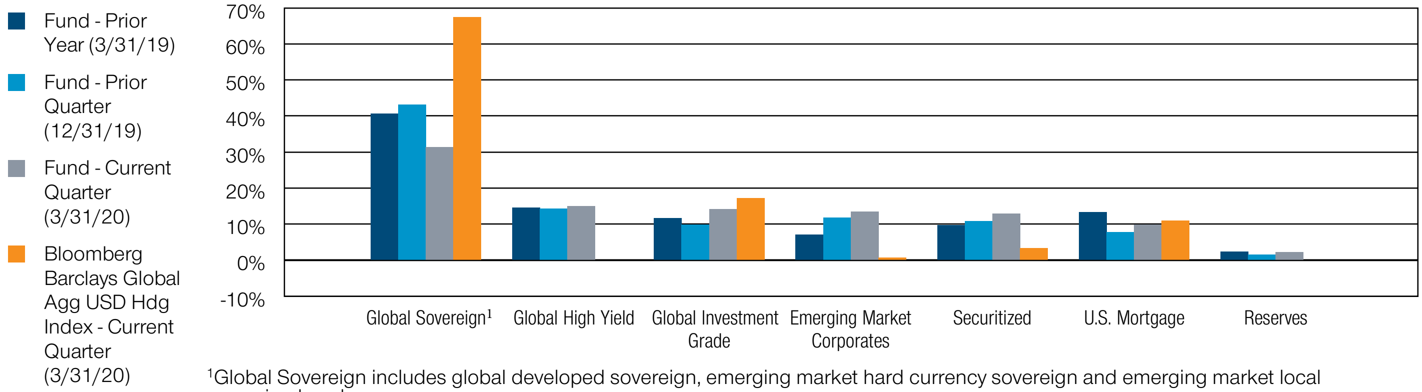
SECTOR CONTRIBUTION TO RISK VERSUS BENCHMARK



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

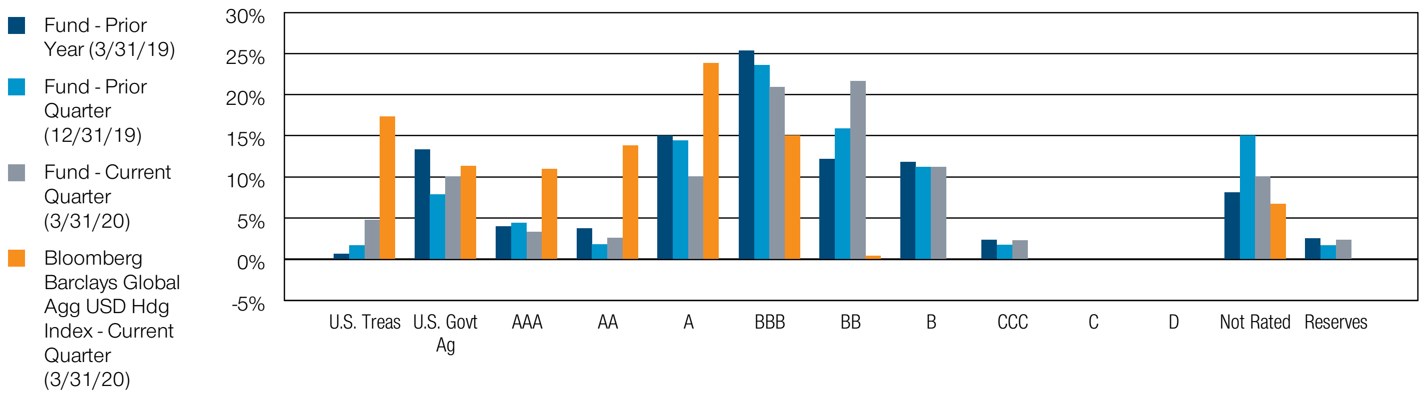
PORTFOLIO POSITIONING

SECTOR DIVERSIFICATION – CHANGES OVER TIME



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

CREDIT QUALITY DIVERSIFICATION – CHANGES OVER TIME



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

TOP ISSUERS

Issuer	% of Fund
Republic of Chile	2.5%
State of Israel	2.5
Romania	2.4
Republic of Cyprus	2.0
Republic of South Africa	1.8
Republic of India	1.3
Japan	1.3
Commonwealth of Australia	1.2
China Development Bank	1.1
Republic of Serbia	1.1

PORTFOLIO POSITIONING, CONTINUED.

FX EXPOSURE

Currency	Currency Code	Net %	Bonds %	Cash %	Forwards %
Australian dollar	AUD	3.03	1.23	0.00	1.80
Brazilian real	BRL	0.06	0.83	0.00	-0.77
Canadian dollar	CAD	-0.01	0.21	0.00	-0.22
Chilean peso	CLP	1.14	2.55	0.00	-1.40
Offshore Chinese renminbi	CNH	2.42	0.00	1.73	0.69
Chinese yuan	CNY	2.07	2.07	0.00	0.00
Czech koruna	CZK	1.00	0.26	0.00	0.74
Euro	EUR	-2.92	13.32	-0.12	-16.12
British pound	GBP	3.03	0.62	-0.01	2.41
Indonesian rupiah	IDR	-0.06	1.69	0.01	-1.77
Israeli new shekel	ILS	0.17	2.32	0.00	-2.15
Indian rupee	INR	0.43	1.94	0.08	-1.59
Japanese yen	JPY	2.98	1.31	0.00	1.67
Korean won	KRW	0.81	0.00	0.00	0.81
Mexican peso	MXN	-0.01	0.41	0.00	-0.42
Malaysian ringgit	MYR	0.66	0.00	0.00	0.66
New Romanian leu	RON	1.00	1.66	0.00	-0.66
Serbian dinar	RSD	1.01	0.87	0.00	0.15
Thai baht	THB	0.02	0.00	0.00	0.02
US dollar	USD	83.13	65.99	-1.89	19.03
South African rand	ZAR	0.02	1.82	0.00	-1.79
Total		**100.00**	**99.09**	**-0.19**	**1.10**

PORTFOLIO MANAGEMENT

Portfolio Manager:
Kenneth Orchard

Managed Fund Since:
2018

Joined Firm:
2010

FUND INFORMATION

	Global Multi-Sector Bond Fund	Global Multi-Sector Bond Fund - Advisor Class	Global Multi-Sector Bond Fund - I Class
Symbol	PRSNX	PRSAX	PGMSX
Expense Information	0.71% (Gross) 0.69% (Net)	1.07% (Gross) 0.95% (Net)	0.58% (Gross) 0.50% (Net)
Fiscal Year End Date	5/31/19	5/31/19	5/31/19
12B-1 Fee	–	0.25%	–

The expense ratios shown are as of the most recent prospectus. The stated expense ratio for the Advisor Class includes the applicable 12b-1 fee. The fund's net expense ratio reflects a permanent waiver of a portion of the T. Rowe Price Associates, Inc. management fee charged to the fund. This waiver is an amount sufficient to fully offset any acquired fund fees and expenses related to investments in other T. Rowe Price mutual funds. T. Rowe Price funds would be required to seek regulatory approval in order to terminate this arrangement.The Advisor Class operates under a contractual expense limitation that expires on 9/30/21.

Additional Disclosures

Source for Bloomberg Barclays index data: Bloomberg Index Services Limited.
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The manager’s views and portfolio holdings are historical and subject to change. This material should not be deemed a recommendation to buy or sell any of the securities mentioned. The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the Fund and no assumptions should be made that the securities identified and discussed were or will be profitable.
The Top Issuers excludes U.S. Treasuries, institutional funds, agencies and securitized products.
Diversification exhibits may not add to 100% due to exclusion or inclusion of cash.
Sources for credit quality: Moody’s Investors Service; if Moody’s does not rate a security, then Standard & Poor’s (S&P) is used as a secondary source. When available, T. Rowe Price will use Fitch for securities that are not rated by Moody’s or S&P. T. Rowe Price does not evaluate these ratings, but simply assigns them to the appropriate credit quality category as determined by the rating agency. T. Rowe Price uses the rating of the underlying investment vehicle for credit default swaps.
Certain numbers in this report may not equal stated totals due to rounding. Unless otherwise stated, data is as of the report date.
Unless indicated otherwise the source of all data is T. Rowe Price.
Sources for Issue Currency: T. Rowe Price and Bloomberg Barclays.
This material has been prepared for informational purposes only. The views and opinions stated in this commentary are those of the portfolio managers listed as of the date indicated. These views and opinions are subject to change based on market or other conditions and may differ from those of other T. Rowe Price associates. Actual market and investment results may differ materially from expectations.

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2016-US-26819