



QUARTERLY REVIEW

International Discovery Fund – Multi-Class

As of September 30, 2019

PORTFOLIO HIGHLIGHTS

The portfolio underperformed the S&P Global ex-U.S. Small Cap Index Net for the three-month period ended September 30, 2019.

Relative performance drivers:

- Stock selection within communication services, consumer discretionary, and information technology (IT) held back returns.
- Our overweight in the health care sector also dragged.
- Materials and good stock selection in industrials and business services both contributed positively, however.

Additional highlights:

- We retain our bias toward high-quality growth names as genuine earnings growth remains scarce, and we continue to believe that those companies able to deliver compounded growth over the long term will prevail against the market.
- As we go into the final quarter of 2019, we remain cautious from a macro perspective, given the course of global events throughout the year. Markets have been supported by expectations around monetary policy, with the U.S. Federal Reserve (Fed) at the center of this.

FUND INFORMATION

| | |
|--|--|
| Symbol | PRIDX |
| CUSIP | 77956H302 |
| Inception Date of Fund | December 30, 1988 |
| Benchmark | S&P Global ex-U.S. Small Cap Index Net |
| Expense Information (as of the most recent Prospectus) | 1.20% |
| Fiscal Year End | October 31 |
| 12B-1 Fee | – |
| Total Assets (all share classes) | \$7,906,461,070 |
| Percent of Portfolio in Cash | 7.2% |

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 | Year-to-Date | One Year | Annualized | | | |
|--|----------------|--------------|--------------|----------|-------------|------------|-----------|---------------|
| | | | | | Three Years | Five Years | Ten Years | Fifteen Years |
| International Discovery Fund | Dec 30 1988 | -2.61% | 12.26% | -5.02% | 7.07% | 7.24% | 9.08% | 9.49% |
| International Discovery Fund - I Class | Dec 17 2015 | -2.59 | 12.36 | -4.89 | 7.21 | 7.35 | 9.14 | 9.52 |
| S&P Global ex-U.S. Small Cap Index Net | | -2.05 | 10.33 | -5.86 | 4.60 | 4.11 | 6.23 | 7.28 |
| Custom Benchmark - Net * | | -2.05 | 10.33 | -5.86 | 4.60 | 4.11 | 6.23 | 6.81 |

CALENDAR YEAR PERFORMANCE

(NAV, total return)

| | Inception Date | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|--|----------------|--------|--------|---------|--------|--------|--------|-------|-------|--------|---------|
| International Discovery Fund | Dec 30 1988 | 55.69% | 20.47% | -14.08% | 26.00% | 24.37% | -0.43% | 9.88% | 0.95% | 39.01% | -17.47% |
| International Discovery Fund - I Class | Dec 17 2015 | 55.69 | 20.47 | -14.08 | 26.00 | 24.37 | -0.43 | 9.90 | 1.08 | 39.16 | -17.34 |
| S&P Global ex-U.S. Small Cap Index Net | | 56.15 | 22.54 | -17.72 | 19.86 | 20.27 | -3.44 | 2.74 | 4.15 | 32.22 | -18.95 |
| Custom Benchmark - Net * | | 48.42 | 22.54 | -17.72 | 19.86 | 20.27 | -3.44 | 2.74 | 4.15 | 32.22 | -18.95 |

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 (12/17/15) 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.

* Effective June 1, 2019, the "net" version of the benchmark replaced the "gross" version of the benchmark. The "net" version of the benchmark assumes the reinvestment of dividends after the deduction of withholding taxes. Historical benchmark representations have been restated to show net of withholding taxes. Linked Performance benchmark is the S&P Developed ex-U.S. Small Cap Index Net prior to July 1, 2009 and S&P Global ex-U.S. Small Cap Index Net from July 1, 2009 to current period end. The benchmark changes were made because the portfolio manager viewed the new benchmark composition to be a better representation of the investment strategy of the fund. Historical benchmark representations have not been restated.

Share prices are subject to market risk, including loss of the money you invest. In addition, there are risks associated with unfavorable currency exchange rates and political or economic uncertainty abroad.

The fund(s) may have other share classes available that offer different investment minimums and fees. See the prospectus for details.

PERFORMANCE REVIEW

Global Growth and Trade Concerns Weigh on Small-Cap Stocks

Following a strong performance over the first half of 2019, global equity markets paused for breath in the third quarter as supportive central bank policy was unable to offset uncertainty regarding global growth, a deterioration in U.S.-China trade relations, and a rise in geopolitical risk resulting from attacks on a major oil facility in Saudi Arabia. The trade conflict between the U.S. and China intensified after both sides imposed new tit-for-tat tariffs on each other's goods and ramped up their rhetoric, with U.S. President Donald Trump accusing China of the theft of intellectual property and also trade secrets on a grand scale. Investors were encouraged, however, by U.S. Treasury Secretary Steven Mnuchin's announcement that trade talks with China were set to resume on October 7, as well as China's announcement of new waivers for imports of U.S. soybeans.

The Fed cut interest rates twice while the European Central Bank (ECB) announced a fresh round of monetary stimulus. Investors' reduced risk appetite led emerging markets to underperform their developed peers, while small-caps underperformed their large-cap counterparts. There was a decline in the price of many key commodities including oil, iron ore, and copper.

Against this uncertain backdrop, real estate and utilities (both regarded as bond proxies) were the only two sectors to end the quarter in positive territory. The lower oil price led energy to be the weakest-performing sector within the overall benchmark index. Other sectoral laggards included health care, materials, and industrials and business services.

Communication Services Weighed on Performance

Stock selection within the communication services space weighed on relative returns in the third quarter, mainly due to the positions in Mail.Ru and 58.com.

In July, Russia introduced a draft law that proposed a 20% limit on foreign ownership of "significant" Russian IT companies. Mail.Ru is viewed as one of the two companies that would be the most negatively affected if this policy was implemented. As a result, its shares declined over the period. Notwithstanding the uncertainty this proposed legislation provides, we retain our view that Mail.Ru is well positioned to continue benefiting from the fast growth of online, especially targeted mobile advertising in Russia. We believe its strength is its ability to provide targeted advertising through its social networking platforms. There is also great further potential for monetization of Mail.Ru's new services, location-based classifieds marketplace Youla and online food delivery business Delivery Club. The company's most recent quarterly results were strong, and we are encouraged by the announced intention to form a 50-50 joint venture with Sberbank to create a food delivery and transportation business segment, including taxi-hailing services.

Shares in 58.com also sold off sharply over the review period. The company, known as WUBA, is an online marketplace for classified advertising in China and was early to the monetization of this space. Key verticals include jobs, housing, and secondhand goods. While the company's latest results were better than expected, the market was disappointed by the weak guidance provided. We believe that WUBA should be able to weather the

macroeconomic weakness better than other online players, due to benign competition in the classifieds business, and that cost discipline will be able to offset cyclical impacts.

The Health Care Sector Held Back Returns

The health care sector was a net drag on the portfolio's performance over the period, with shares in Osstem Implant and Abcam both registering double-digit falls. Both stocks were among the major detractors at the overall portfolio level in the quarter.

In the case of Osstem Implant, the South Korea-based dental implant specialist delivered reported strong quarterly sales figures, driven by solid growth in both its home market and overseas. However, the company's cost of goods sold (COGS)-to-sales ratio climbed sharply, largely due to inventory valuation losses. As outlined below, we decided to exit the position due to our cost discipline concerns.

Shares in biotechnology specialist Abcam also dropped sharply. The market reacted negatively to ambitious expansion plans set out in July by the UK-based producer and distributor of research-grade antibodies due to fears that they could erode margins. The announced departure of the CFO also created uncertainty among investors. Longer term, we believe this fast-growing biotech company has a strong brand presence, which has differentiated itself with an effective internet sales channel to deliver antibodies to the scientific research market. The company has built a strong research base and distribution channel, which allows it to grow a large online resource of high-quality, commercially viable antibodies. Our recent meeting with the company following the latest announcement reassured us of our investment thesis. Although Abcam's costs will rise in the short term due to the investment plans, we have conviction about the strength and durability of the company's core catalogue.

Mixed Fortunes Within IT

Relative performance was also held back by our choice of securities within the IT sector. In particular, positions in First Derivatives and Keywords Studios dragged on returns in the sector and were also key laggards in the portfolio.

Having risen sharply in the second quarter of the year, shares in First Derivatives plunged in the September quarter in the wake of the death of founder and CEO Brian Conlon as investors expressed concern about the future leadership of the firm. The company is a provider of high-performance time series database technology solutions. Its core solution, Kx, continues to gain traction outside of its core capital markets offering, and its long-term ability to address the challenges in processing big, fast data remains compelling, in our view.

Turning to Keywords Studios, this technical services provider to the global video game industry saw its shares fall back following a quick runup in the first half of the year. Although the company said it is on track to meet full-year profit expectations, investors were concerned that margins will have to ramp up sharply in the second half of the year if it is to meet its guidance.

These negatives were partially offset by good share price performance from Silergy and Carel Industries. In the case of Silergy, this Taiwan-listed analog chipmaker has been gaining market share in the low-end power management integrated circuit (IC) market. Its shares have posted strong gains since delivering encouraging financial results. Longer term, we are of the view that

Silergy stands to benefit from accelerating sales momentum, driven by consumer "internet of things" connected devices such as speakers and smart home devices, as well as from recovering margins lifted by industrial and automotive products.

Consumer Discretionary a Drag on Portfolio Performance

The consumer discretionary sector held back the portfolio's performance over the review period, primarily due to holdings in Thule and MercadoLibre. The former is a Sweden-based leader in bike racks, roof racks, and roof boxes, with a dominant market position. Its shares came under pressure over the quarter due to concerns about the company's earnings outlook, due to a softening in key European retail markets. We believe that Thule can continue to grow at an attractive rate for longer than the market believes and that we will see further operating leverage.

Turning to MercadoLibre, the stock was caught up in the general sharp sell-off in Argentina, following the victory for Peronist candidate Alberto Fernandez in primary elections, soundly beating President Mauricio Macri. Investors are concerned that Macri, who is relatively market friendly, now looks unlikely to win reelection and that the potential return to a Peronist government could see populist policies and potential debt defaults. The market also reacted negatively to the recent launch of Amazon's Prime service in Brazil, due to concerns about the possible effect on MercadoLibre, but we are of the view that this will not have a significant impact. MercadoLibre operates the largest online trading platform in Latin America and owns an online payments system developed to facilitate consumer purchases. We remain invested as we believe MercadoLibre's strong market position and experience in e-commerce mean it is well placed to capitalize on digital payments in an under-banked region. We expect the firm to become a leading digital provider of financial services in Latin America.

On the positive side, relative performance was boosted by strong performance contributions from Grandvision, Zozo, and Ocado. The latter is a UK-based retail automation company. After a weak second quarter, Ocado's shares posted strong gains as investors reacted enthusiastically to results that delivered double-digit growth in retail sales and indications that the company has recovered from a major warehouse fire. We retain the view that Ocado's model of partnering with traditional supermarkets should drive strong future growth and that its recent technology licensing deal with the Australian retailer Coles is an indication that Ocado can expand its business globally.

Strength in Industrials Names Benefited

Our choice of securities within the industrials and business services sector was the biggest source of positive relative returns over the period. Here, we hold Country Garden Services (CGS) and Nitto Boseki. The former, a China-based property management company, once again contributed to relative returns and was, in fact, by far the top contributor to the portfolio over the quarter. Shares in CGS have performed strongly since the release of solid full-year results in March 2019. The positive momentum was reinforced in August with half-year results that highlighted a stronger-than-expected gross profit margin expansion of the core business. Longer term, we are of the view that the company represents a good way to play the expected boom in the China property management segment over the next five to 10 years. Among listed names, we believe CGS has the best visibility and strongest growth profiles, supported by its parent, one of the world's largest developers, Country Garden Holdings.

PORTFOLIO POSITIONING AND ACTIVITY

Retain Bias Toward High-Quality Growth

The portfolio's largest sector overweights are consumer discretionary, health care, and IT, while the most significant underweights are to real estate, materials, and financials. Within IT, we reduced our overweight by selling out of some of the positions while modestly raising our exposure to materials after finding an opportunity in a chemical company. We also made a number of adjustments to the portfolio's holdings within industrials and business services and health care and found compelling investment opportunities in a Chinese auto dealer and large Chinese brewer. From a country perspective, the portfolio remains overweight China and the UK, where the majority of exposure is to globally oriented names, while underweight France, Switzerland, Australia, and South Korea.

IT

Over the course of the third quarter, we made a number of adjustments to the holdings within the IT sector for stock-specific reasons. As a result of these trades, the overall weighting to this sector was reduced; however, the portfolio retains an overall overweight relative to the benchmark index. We eliminated the holdings in TravelSky Technology and Douzone Bizon.

- TravelSky Technology: The company operates as a monopoly provider of the back-end booking system for travel agents in China, allowing agents to plug in to the IT systems of airlines to access available inventory of flights. The firm earns revenues from airlines on every passenger booking. Over recent months, we have continued to see weaker travel data caused by a slowdown in the Chinese economy combined with unique factors such as the grounding of Boeing's 737 MAX aircraft. We also saw a broader impact on Chinese IT stocks from the trade tensions around Huawei. As such, we saw the risk/reward become less attractive and exited the company.
- Douzone Bizon: This South Korea-based leading enterprise resource planning (ERP) software provider has performed well for the strategy, primarily driven by its shift to a software-as-a-service (SaaS) model. However, the company recently spent USD \$400 million (30% of its market cap) to buy a building, which we viewed as an indication of poor use of capital. This event, combined with a less attractive valuation, triggered us to close the investment.

Health Care

The portfolio was overweight the health care sector at the start of the third quarter, and this stance remained broadly unchanged by the end of the review period. However, we made a number of switches to holdings with the space. We initiated a position in a Chinese health care name, funding this through the elimination of a dental implant specialist.

- Guangzhou Wondfo Biotech: Wondfo is a market leader in China's point-of-care testing (POCT) segment. The company also exports its products to overseas markets. We believe that the company will continue to gain market share in what is a niche and growing segment of the market thanks to its strong track record. Demand growth for POCT in China has multiple tailwinds including demographic changes and a number of policy initiatives.

- **Osstem Implant:** We exited the position in this South Korea-based dental implant firm. We bought the stock on the belief that this was a very promising business with a long runway for growth. However, the company's execution, especially on cost control, has been problematic. We sold the stock as there has been little sign of improvement in cost discipline.

Consumer Discretionary

Over the quarter, we identified a new investment opportunity in the Chinese consumer discretionary space: Zhongsheng Group Holdings, a leading auto dealer in China. The majority of the firm's revenue comes from the sale of established brands such as Mercedes Benz, Toyota, and Lexus. The after-sales business, which is highly profitable and recurring in nature, accounts for 70% of its gross profit. Overall, we believe that the market is not giving Zhongsheng's business quality the credit it deserves, and as such, we should see good growth over time.

We funded this purchase in part through eliminating the position in Switzerland-based Dufry. The international travel retail company operates concessions around the world, primarily in airports. We owned the stock on the basis that the firm would benefit from growth in international passenger numbers in the medium term and the firm would continue to win more concessions. However, we have now eliminated this name as we have not seen the growth flowing through to the business and instead see the value going to airport operators and regulators, particularly within emerging markets, which was an area of focus for the firm.

As a result of these and other sector trades, the portfolio retained an above-benchmark position in consumer discretionary names, but the extent of the weighting decreased over the quarter.

Industrials and Business Services

Within the industrials and business services sector, we made a number of adjustments to our individual holdings, but the overall weighting remained unchanged. For example, we initiated a holding in Beijing Capital International Airport, funding this purchase through the reduction of the position in Sinopec Engineering Group.

- **Beijing Capital International Airport:** This is China's largest airport, with over 100 million passengers using it in 2018, of which over a quarter were international travelers. The company earns its revenue from both charging fixed fee-per-flight charges and from duty-free shop rentals and advertising income. We opened a position in the stock based on our belief that we will see better-than-expected international passenger volumes in the coming years, and associated with this we should see an uplift in duty-free spending. We believe that this is a solid long-term investment, which will benefit as the market begins to appreciate BCIA's ability to retain and grow volumes.
- **Sinopec Engineering Group:** This is a Chinese downstream oil engineering, procurement, and construction (EPC) company. We view this stock as a deep value stock with its market cap below net cash value. The business has been in up-cycle since 2018, yet we did not see the stock react. With the cycle likely peaking and the slow progress in management incentive schemes, we decided to moderate down the position over the quarter.

Materials

The portfolio retains a significant underweight in materials; however, we modestly raised our exposure to this sector over the quarter, as a result of our initiating a position in a UK-based chemicals company. Croda International is focused on selling a range of chemical products derived from natural/organic ingredients, these include personal care, health care, and crop care products. Over time, the firm has increased returns by focusing on innovative and patented chemicals across a diverse portfolio. In the last few months, the stock has seen uncharacteristic underperformance, driven in part by weaker demand levels caused by trade tensions. We used this weakness as an opportunity to buy, at a cheap valuation, what we see to be a company with strong and durable growth.

Consumer Staples

Within the consumer staples space, we initiated a position in Tsingtao Brewery, one of China's largest brewers and one of the best-known Chinese beer brands. We see the industry's structure progressively improving in line with capital expenditure rationalization over the last three years. The profit pool for the company and industry as a whole has room to expand given the current low margins and low prices in China. Over the last 18 months, we have seen an increase in "premiumization" in demand, which has resulted in positive volume growth.

MANAGER'S OUTLOOK

As we go into the final quarter of 2019, we remain cautious from a macro perspective given the course of global events throughout the year. Markets have been supported by expectations around monetary policy, with the Fed at the center of this. We have now seen two rate cuts in the U.S. and increased use of monetary policy by the ECB over recent months. While U.S. consumption appears to have remained robust, we continue to see weakness in demand across various areas outside of the U.S., which hint at a relatively sharp deceleration.

Trade tensions and protectionist policy continue to cause volatility in markets and raise concerns around the potential impact on global commerce and the knock-on effect on worldwide economic expansion. The trade relationship between the U.S. and China continues to trouble the market and further deterioration there could derail Chinese, and further weaken global growth. More recently, we have seen movement in terms of a possible outcome, which gives us hope that we could see less trade related volatility going forward. We continue to monitor this situation while focusing on how this affects the stocks within our universe from a fundamental perspective.

Uncertainty around Brexit negotiations continues to be a theme for the UK domestic market, the increasing likelihood of a 'no-deal' scenario or a further delay has weighed considerably on returns. Despite some more optically attractive valuations in UK names we continue to seek exposure to names that have global rather than domestic revenue streams. Political headwinds in Europe in general have eased. Investors' worst fears have yet to materialize and we have seen a stabilizing of the composite purchasing managers' index. Valuations remain modestly attractive, despite some weaker earnings results, while forward growth expectations remain more positive. Given current valuations we are looking to add opportunistically in cyclical names.

While emerging markets continued to underperform relative to developed markets, we think the bear thesis on the asset class has

been largely priced into stocks at this point, from a relative valuation point of view. Economic fundamentals in many emerging markets have much improved from previous periods of crisis, which is a positive sign in our view, and to this point there has been little sign of contagion across markets.

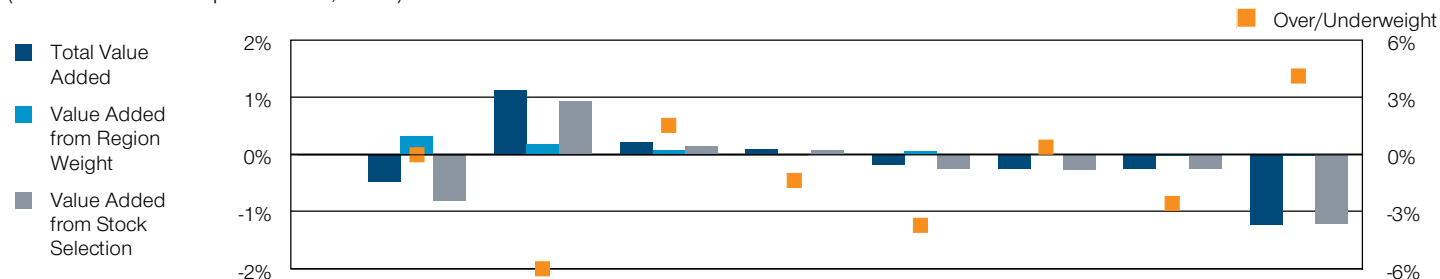
From a global perspective, the major economies appear to be at different stages of their cyclical life spans. This provides us with opportunities to be selective when offering capital to companies, which we believe are long-term winners in their markets and industries. The longer-term performance of the strategy provides evidence of our ability to spot different stages of life cycles and inflection points, despite the uncertainty that many indicate as a reason for active investing not delivering on its promises.

We retain our bias toward high-quality growth companies given that genuine earnings growth remains scarce in the market, and we continue to believe that these companies that are able to deliver compounded growth over the long term will prevail against the market.

QUARTERLY ATTRIBUTION

REGION ATTRIBUTION DATA VS. S&P GLOBAL EX-U.S. SMALL CAP INDEX

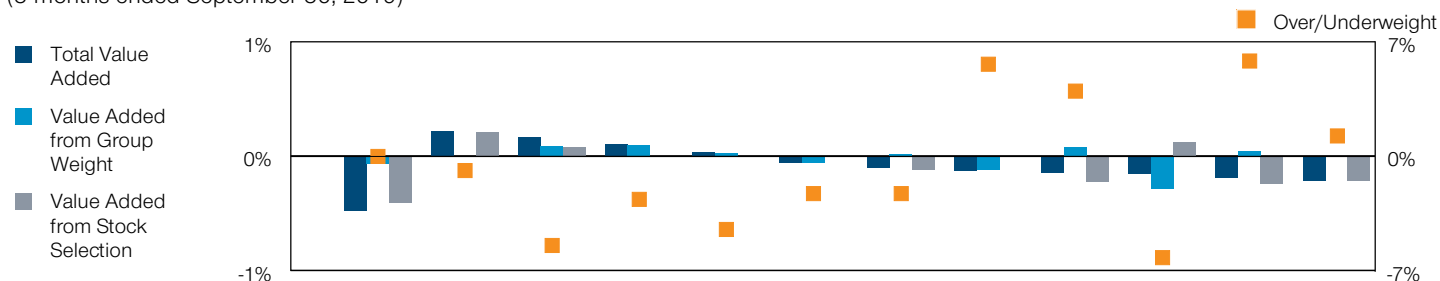
(3 months ended September 30, 2019)



| | Total | Pacific ex-Japan | Japan | North America | Europe ex-UK | Latin & South America | Em Europe-Mid-East-Africa | United Kingdom |
|-----------------------------|-------|------------------|-------|---------------|--------------|-----------------------|---------------------------|----------------|
| Over/Underweight | 0.00% | -5.98% | 1.53% | -1.34% | -3.69% | 0.40% | -2.56% | 4.15% |
| Fund Performance | -2.42 | -0.10 | 3.60 | 0.79 | -3.80 | -7.59 | -11.89 | -9.05 |
| Index Performance | -1.95 | -5.00 | 2.87 | -0.59 | -2.81 | -0.28 | -1.50 | -1.55 |
| Value Add - Region Weight | 0.33 | 0.19 | 0.07 | 0.01 | 0.05 | 0.02 | -0.02 | -0.01 |
| Value Add - Stock Selection | -0.80 | 0.94 | 0.14 | 0.08 | -0.23 | -0.26 | -0.23 | -1.21 |
| Total Contribution | -0.47 | 1.13 | 0.21 | 0.10 | -0.18 | -0.24 | -0.25 | -1.23 |

SECTOR ATTRIBUTION DATA VS. S&P GLOBAL EX-U.S. SMALL CAP INDEX

(3 months ended September 30, 2019)



| | Total | Indust & Bus Svcs | Materials | Energy | Financials | Utilities | Consumer Staples | Health Care | Info Tech | Real Estate | Consumer Disc | Comm Svcs |
|-----------------------------|-------|-------------------|-----------|--------|------------|-----------|------------------|-------------|-----------|-------------|---------------|-----------|
| Over/Underweight | 0.00% | -0.87% | -5.44% | -2.65% | -4.48% | -2.28% | -2.29% | 5.63% | 4.01% | -6.20% | 5.84% | 1.24% |
| Fund Performance | -2.42 | -1.88 | -1.68 | -5.15 | -2.75 | 0.91 | -6.31 | -4.07 | -2.26 | 5.87 | -2.54 | -6.07 |
| Index Performance | -1.95 | -3.06 | -3.54 | -5.59 | -2.96 | 0.55 | -2.91 | -4.06 | -0.34 | 2.83 | -1.13 | -2.69 |
| Value Add - Group Weight | -0.07 | 0.01 | 0.09 | 0.10 | 0.04 | -0.06 | 0.02 | -0.12 | 0.08 | -0.29 | 0.05 | 0.00 |
| Value Add - Stock Selection | -0.41 | 0.21 | 0.08 | 0.01 | 0.00 | 0.00 | -0.12 | -0.01 | -0.23 | 0.13 | -0.24 | -0.22 |
| Total Contribution | -0.47 | 0.22 | 0.17 | 0.11 | 0.04 | -0.05 | -0.10 | -0.12 | -0.15 | -0.16 | -0.19 | -0.22 |

TOP 5 RELATIVE CONTRIBUTORS VS. S&P GLOBAL EX-U.S. SMALL CAP INDEX

(3 months ended September 30, 2019)

| Security | % of Equities | Net Contribution (Basis Points) |
|--------------------------------------|---------------|---------------------------------|
| Country Garden Services Holdings Co. | 2.7% | 50 |
| Silergy Corp. | 0.7 | 18 |
| Grandvision Nv | 0.7 | 15 |
| Shenzhen Sunway Communication Co., | 0.4 | 12 |
| Carel Industries Spa | 0.7 | 11 |

Net contribution is calculated versus a specific benchmark. It is the difference between the security's absolute contribution to the portfolio and the security's absolute contribution to the benchmark. This reflects the amount the security has impacted relative return.

Past performance is not a reliable indicator of future performance. Numbers may not total due to rounding; all other numbers are percentages. Analysis represents the total performance of the portfolio as calculated by the FactSet attribution model and is inclusive of other assets that will not receive a classification assignment in the detailed structure shown. Returns will not match official T. Rowe Price performance because FactSet uses different exchange rate sources and does not capture intra-day trading. Performance for each security is obtained in the local currency and, if necessary, is converted using an exchange rate determined by an independent third party. Figures are shown with gross dividends reinvested. Sources: Financial data and analytics provider FactSet. Copyright 2019 FactSet. All Rights Reserved. MSCI/S&P GICS Sectors; Analysis by T. Rowe Price Associates, Inc. T. Rowe Price uses the current MSCI/S&P Global Industry Classification Standard (GICS) for sector and industry reporting. T. Rowe Price will adhere to all updates to GICS for prospective reporting. Figures are shown gross of fees. Returns would be lower as a result of the deduction of such fees. Performance returns are in USD.

TOP 5 RELATIVE DETRACTORS VS. S&P GLOBAL EX-U.S. SMALL CAP INDEX

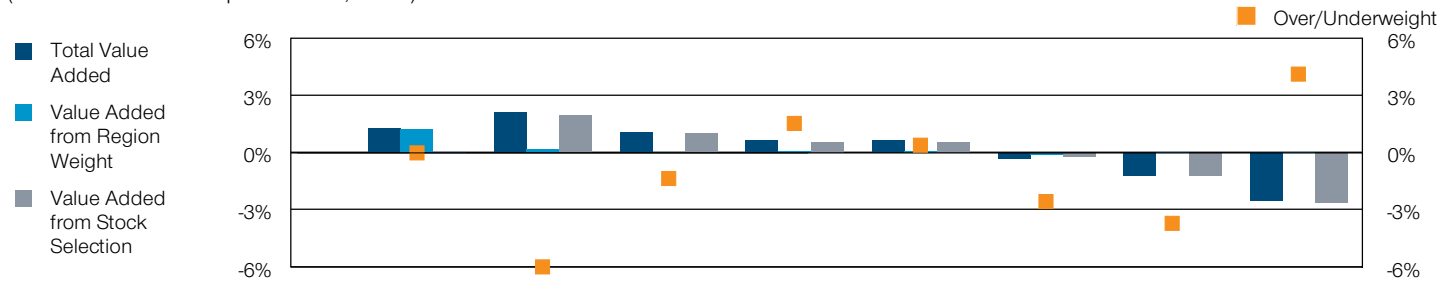
(3 months ended September 30, 2019)

| Security | % of Equities | Net Contribution (Basis Points) |
|--------------------------|---------------|---------------------------------|
| First Derivatives Plc | 0.6% | -35 |
| Abcam Plc | 1.0 | -32 |
| Keywords Studios Plc | 0.5 | -29 |
| Osstem Implant Co., Ltd. | 0.0 | -21 |
| Thule Group Ab | 0.8 | -17 |

12-MONTH ATTRIBUTION

REGION ATTRIBUTION DATA VS. S&P GLOBAL EX-U.S. SMALL CAP INDEX

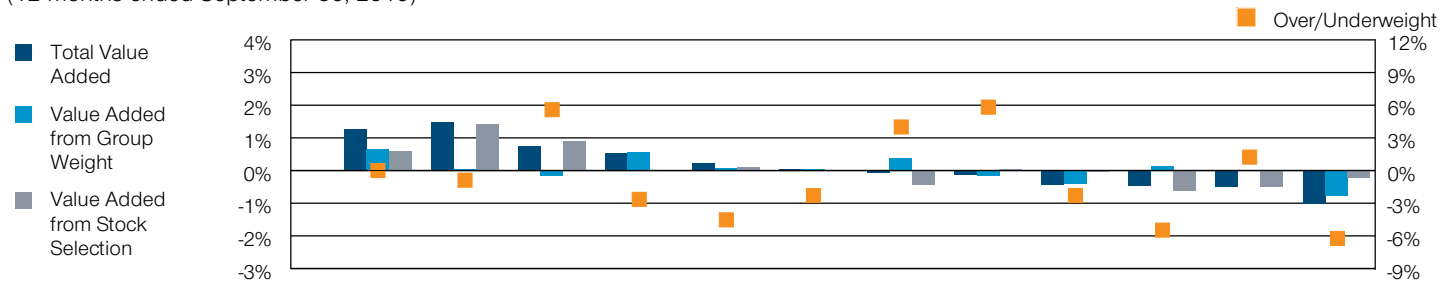
(12 months ended September 30, 2019)



| | Total | Pacific ex-Japan | North America | Japan | Latin & South America | Em Europe-Mid-East-Africa | Europe ex-UK | United Kingdom |
|-----------------------------|-------|------------------|---------------|-------|-----------------------|---------------------------|--------------|----------------|
| Over/Underweight | 0.00% | -5.98% | -1.34% | 1.53% | 0.40% | -2.56% | -3.69% | 4.15% |
| Fund Performance | -4.17 | 2.09 | 14.66 | -5.54 | 40.66 | -8.52 | -9.31 | -20.01 |
| Index Performance | -5.45 | -7.62 | -5.13 | -8.41 | 21.85 | 1.87 | -5.14 | -4.64 |
| Value Add - Region Weight | 1.22 | 0.16 | 0.05 | 0.10 | 0.12 | -0.12 | 0.00 | 0.05 |
| Value Add - Stock Selection | 0.06 | 1.98 | 1.03 | 0.58 | 0.55 | -0.20 | -1.17 | -2.58 |
| Total Contribution | 1.28 | 2.14 | 1.08 | 0.68 | 0.67 | -0.32 | -1.16 | -2.54 |

SECTOR ATTRIBUTION DATA VS. S&P GLOBAL EX-U.S. SMALL CAP INDEX

(12 months ended September 30, 2019)



| | Total | Indust & Bus Svcs | Health Care | Energy | Financials | Consumer Staples | Info Tech | Consumer Disc | Utilities | Materials | Comm Svcs | Real Estate |
|-----------------------------|-------|-------------------|-------------|--------|------------|------------------|-----------|---------------|-----------|-----------|-----------|-------------|
| Over/Underweight | 0.00% | -0.87% | 5.63% | -2.65% | -4.48% | -2.29% | 4.01% | 5.84% | -2.28% | -5.44% | 1.24% | -6.20% |
| Fund Performance | -4.17 | -1.29 | -1.71 | -27.36 | -5.88 | -7.14 | -3.52 | -7.78 | 9.74 | -20.23 | -13.73 | 5.68 |
| Index Performance | -5.45 | -8.91 | -9.07 | -26.33 | -8.13 | -7.34 | 0.52 | -7.25 | 14.28 | -8.05 | -7.17 | 11.13 |
| Value Add - Group Weight | 0.68 | 0.07 | -0.16 | 0.58 | 0.09 | 0.08 | 0.38 | -0.17 | -0.40 | 0.15 | -0.01 | -0.78 |
| Value Add - Stock Selection | 0.60 | 1.43 | 0.91 | -0.01 | 0.14 | -0.01 | -0.42 | 0.05 | -0.04 | -0.61 | -0.48 | -0.22 |
| Total Contribution | 1.28 | 1.50 | 0.75 | 0.57 | 0.23 | 0.07 | -0.05 | -0.12 | -0.44 | -0.47 | -0.49 | -1.01 |

TOP 5 RELATIVE CONTRIBUTORS VS. S&P GLOBAL EX-U.S. SMALL CAP INDEX

(12 months ended September 30, 2019)

| Security | % of Equities | Net Contribution (Basis Points) |
|--------------------------------------|---------------|---------------------------------|
| Country Garden Services Holdings Co. | 2.7% | 109 |
| Shopify, Inc. | 1.9 | 100 |
| Mercadolibre, Inc. | 1.3 | 58 |
| Takeaway.Com Nv | 0.5 | 31 |
| Amplifon Spa | 1.6 | 29 |

TOP 5 RELATIVE DETRACTORS VS. S&P GLOBAL EX-U.S. SMALL CAP INDEX

(12 months ended September 30, 2019)

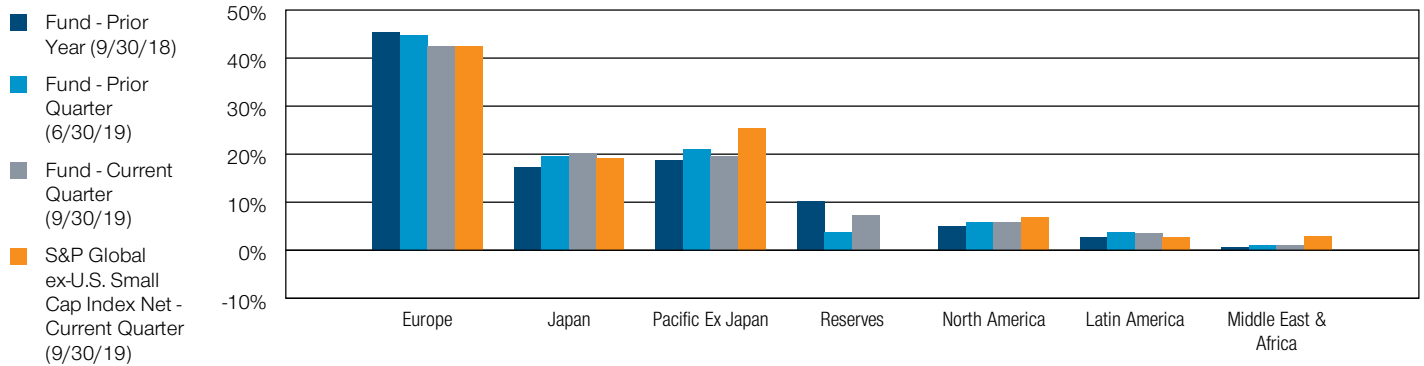
| Security | % of Equities | Net Contribution (Basis Points) |
|-----------------------|---------------|---------------------------------|
| Wirecard Ag | 0.0% | -59 |
| First Derivatives Plc | 0.6 | -40 |
| Smcp Sa | 0.5 | -39 |
| Victrex Plc | 0.8 | -38 |
| Abcam Plc | 1.0 | -28 |

Net contribution is calculated versus a specific benchmark. It is the difference between the security's absolute contribution to the portfolio and the security's absolute contribution to the benchmark. This reflects the amount the security has impacted relative return.

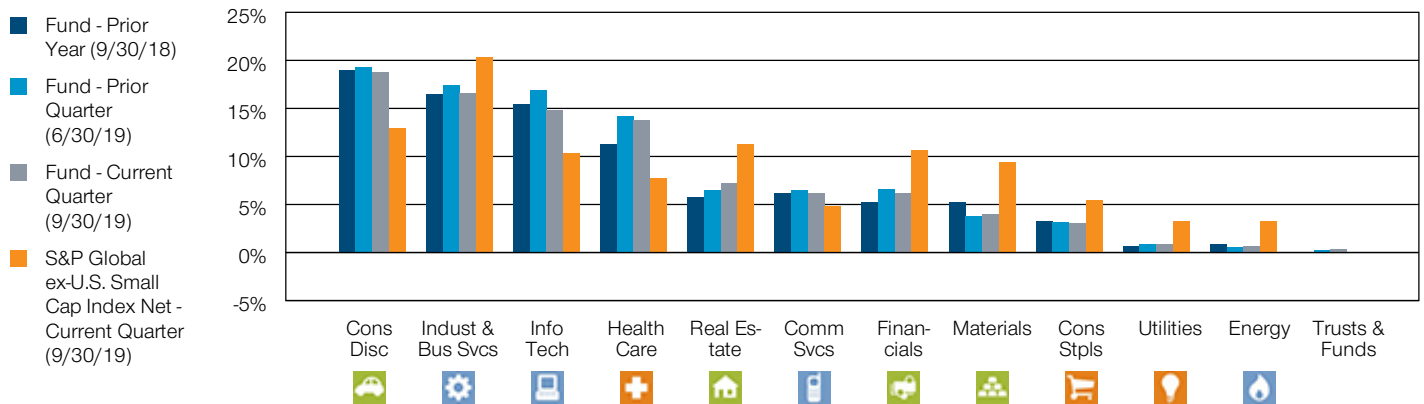
Past performance is not a reliable indicator of future performance. Numbers may not total due to rounding; all other numbers are percentages. Analysis represents the total performance of the portfolio as calculated by the FactSet attribution model and is inclusive of other assets that will not receive a classification assignment in the detailed structure shown. Returns will not match official T. Rowe Price performance because FactSet uses different exchange rate sources and does not capture intra-day trading. Performance for each security is obtained in the local currency and, if necessary, is converted using an exchange rate determined by an independent third party. Figures are shown with gross dividends reinvested. Sources: Financial data and analytics provider FactSet. Copyright 2019 FactSet. All Rights Reserved. MSCI/S&P GICS Sectors; Analysis by T. Rowe Price Associates, Inc. T. Rowe Price uses the current MSCI/S&P Global Industry Classification Standard (GICS) for sector and industry reporting. T. Rowe Price will adhere to all updates to GICS for prospective reporting. Figures are shown gross of fees. Returns would be lower as a result of the deduction of such fees. Performance returns are in USD.

PORTFOLIO POSITIONING

GEOGRAPHIC DIVERSIFICATION - CHANGES OVER TIME



SECTOR DIVERSIFICATION - CHANGES OVER TIME



LARGEST PURCHASES

| Issuer | Sector | % of Fund Current Quarter 9/30/19 | % of Fund Prior Quarter 6/30/19 |
|---|--------|-----------------------------------|---------------------------------|
| Thule | | 0.8% | 0.8% |
| Croda International (N) | | 0.5 | 0.0 |
| Guangzhou Wondfo Biotech (N) | | 0.4 | 0.0 |
| Tsingtao Brewery (N) | | 0.4 | 0.0 |
| Zhongsheng Group Holdings (N) | | 0.4 | 0.0 |
| Beijing Capital International Airport (N) | | 0.4 | 0.0 |
| Greentown Service (N) | | 0.3 | 0.0 |
| B&S Group Sarl (N) | | 0.3 | 0.0 |
| Nipro (N) | | 0.2 | 0.0 |
| Funding Circle Holdings (N) | | 0.1 | 0.0 |

LARGEST SALES

| Issuer | Sector | % of Fund Current Quarter 9/30/19 | % of Fund Prior Quarter 6/30/19 |
|--------------------------|--------|-----------------------------------|---------------------------------|
| Oxford Instruments | | 0.1% | 0.4% |
| Sinopec Engineering | | 0.1 | 0.5 |
| TravelSky Technology (E) | | 0.0 | 0.4 |
| Douzone Bizon (E) | | 0.0 | 0.4 |
| Osstem Implant (E) | | 0.0 | 0.5 |
| Dufry (E) | | 0.0 | 0.3 |
| Opplle Lighting (E) | | 0.0 | 0.3 |
| Banca Generali (E) | | 0.0 | 0.2 |
| DB HiTek (E) | | 0.0 | 0.3 |
| Hitachi Metals (E) | | 0.0 | 0.2 |

(N) New Position
(E) Eliminated

HOLDINGS

TOP 10 ISSUERS

| Issuer | Country | Industry | % of Fund | % of S&P Global ex-U.S. Small Cap Index Net |
|----------------------------------|----------------|------------------------------------|-----------|---|
| Country Garden Services Holdings | China | Real Estate Mgmt & Dev | 2.7% | 0.0% |
| Shopify | Canada | IT Services | 1.9 | 0.0 |
| Amplifon | Italy | Health Care Providers & Svcs | 1.6 | 0.0 |
| MercadoLibre | Argentina | Internet & Direct Marketing Retail | 1.3 | 0.0 |
| Ascential | United Kingdom | Media | 1.2 | 0.1 |
| Intermediate Capital | United Kingdom | Capital Markets | 1.1 | 0.1 |
| Inmobiliaria Colonial SocimiSA | Spain | Equity REITs | 1.0 | 0.1 |
| Elekta | Sweden | Health Care Equip & Supplies | 1.0 | 0.0 |
| Ocado | United Kingdom | Internet & Direct Marketing Retail | 1.0 | 0.0 |
| Fisher & Paykel Healthcare | New Zealand | Health Care Equip & Supplies | 1.0 | 0.0 |

TOP 5 OVER/UNDERWEIGHT POSITIONS VS. S&P GLOBAL EX-U.S. SMALL CAP INDEX NET

| Issuer | Country | Industry | % of Fund | % of S&P Global ex-U.S. Small Cap Index Net | Over/Underweight |
|----------------------------------|----------------|------------------------------------|-----------|---|------------------|
| Country Garden Services Holdings | China | Real Estate Mgmt & Dev | 2.7% | 0.0% | 2.7% |
| Shopify | Canada | IT Services | 1.9 | 0.0 | 1.9 |
| Amplifon | Italy | Health Care Providers & Svcs | 1.6 | 0.0 | 1.6 |
| MercadoLibre | Argentina | Internet & Direct Marketing Retail | 1.3 | 0.0 | 1.3 |
| Ascential | United Kingdom | Media | 1.2 | 0.1 | 1.1 |
| Swiss Life | Switzerland | Insurance | 0.0 | 0.5 | -0.5 |
| Sonova | Switzerland | Health Care Equip & Supplies | 0.0 | 0.4 | -0.4 |
| Teleperformance | France | Professional Services | 0.0 | 0.4 | -0.4 |
| Temenos | Switzerland | Software | 0.0 | 0.3 | -0.3 |
| Julius Baer | Switzerland | Capital Markets | 0.0 | 0.3 | -0.3 |

PORTFOLIO MANAGEMENT



Portfolio Manager:
Justin Thomson

Managed Fund Since:
1998

Joined Firm:
1998

FUND INFORMATION

| | International Discovery Fund | International Discovery Fund - I Class |
|--|-------------------------------------|---|
| Symbol | PRIDX | TIDDX |
| Expense Information | 1.20% | 1.07% |
| Fiscal Year End Date | 10/31/18 | 10/31/18 |
| 12B-1 Fee | - | - |
| The expense ratios shown are as of the most recent prospectus. | | |

Additional Disclosures

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Unless otherwise noted, index returns are shown with gross dividends reinvested.

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 information shown does not reflect any Exchange Traded Funds (ETFs) that may be held in the portfolio.

Source for Sector Diversification: T. Rowe Price uses the current MSCI/S&P Global Industry Classification Standard (GICS) for sector and industry reporting. T.

Rowe Price will adhere to all future updates to GICS for prospective reporting.

Diversification exhibits may not add to 100% due to exclusion or inclusion of cash.

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.

Closed to new investors. Open to subsequent investments.

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