T. Rowe Price®

SEMIANNUAL REPORT

April 30, 2019

T. ROWE PRICE

Institutional International Disciplined Equity Fund

(formerly T. Rowe Price Institutional International Concentrated Equity Fund)

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HIGHLIGHTS

- Your fund returned 7.75% in the six months ended April 30, 2019, performing in line with or slightly better than the benchmark MSCI EAFE Index Net, the MSCI EAFE Index, and its Lipper peer group average.
- The Institutional International Disciplined Equity Fund (formerly called the Institutional International Concentrated Equity Fund) typically invests in a relatively small number of companies. It may invest a greater portion of its assets in a single company or sector than a "diversified" fund.
- Bottom-up stock selection is the primary determinant of the portfolio's holdings. However, we also monitor the global economic backdrop and its potential to impact companies and industries.
- We believe that investors are a little euphoric, but there is also a sense of wanting to sell into this strong rally, as much of the good news—including increasingly dovish interest rate policies, better-than-expected earnings, and improving purchasing managers' sentiment—appears to be priced in to stocks.

Dear Investor

Global markets performed well in the six months ended April 30, 2019, the first half of your fund's fiscal year. The gains were broad-based, with nearly all developed and emerging markets recording positive returns. The U.S. dollar was mixed against major currencies during the period, helping insulate U.S. investors from last year's headwind of falling currency-adjusted returns.

Such an outcome was hardly clear at the start of the period, when many global stock indexes tumbled briefly into bear market territory. In the U.S., investors initially seemed concerned about rising U.S. interest rates, with the Federal Reserve ostensibly on course to keep raising the federal funds rate through 2019. Worries soon shifted to an economic slowdown, as disappointing data accumulated on housing, manufacturing, business investment, and consumer spending.

Signs of weakness in European and Asian economies were even starker. The contraction in the massive Chinese manufacturing sector, often viewed as a barometer of global demand, was especially worrisome in light of the ongoing U.S.-China trade dispute. The export-focused economies of Japan and Germany also struggled as businesses cut back investment in anticipation of new trade barriers.

Political concerns weighed on sentiment as well. In Europe, the new populist Italian government appeared to be headed for a standoff with the European Union (EU) over Italy's rising fiscal deficit, uncertainty over Brexit continued, and the French government sought to quell its own populist uprising in the form of the "yellow vest" protests. In the U.S., the partial government shutdown was seen as another threat to growth as it wore on.

The turnaround that began around the new year stemmed from improvements on many of these fronts. Most important, perhaps, was a pivot in Fed policy. In early January, Fed Chair Jerome Powell offered assurances that the central bank was prepared to counter any slowdown in the U.S. economy, and policymakers soon signaled that they did not expect any further rate increases in 2019. By April, many investors had even come to expect the Fed's next move to be a rate cut.

The global economic picture also brightened somewhat. U.S. consumer spending picked up after the government shutdown ended in late January, and the job market remained strong. Signs that the Chinese economy was responding to new government stimulus emerged in April, and rising oil prices suggested healthy global demand.

Europe remained the outlier, with growth continuing to stall in the core economies of France and Germany. In response, the European Central Bank announced that it would keep short-term interest rates near 0% through at least year-end, while also providing a new round of subsidized loans to banks to spur credit growth. Some calming in the region's political turbulence also helped restore confidence, particularly after the EU granted the UK a prolonged extension to come up with a revised Brexit plan.

Growing hopes for a resolution to the U.S.-China trade dispute further boosted global sentiment. In January, President Donald Trump declared that he was pleased with the progress in the negotiations, and he later canceled a March deadline for reaching a deal. In April, global markets rose after the president declared that an "epic" deal was near, and reports surfaced that an agreement might be signed as early as May.

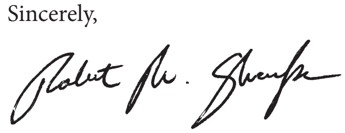
As of this writing, no trade deal has been inked, and markets have again become volatile as the two sides seem to be hardening their positions once again. I have no special insight into whether an agreement will be reached, but a deepening of the conflict into an all-out trade war would surely be negative for markets.

That said, I am encouraged by much of the feedback I am getting from our managers, analysts, and economists, who continue to see considerable potential in pockets of the global economy. Within Asia, for example, our team in Hong Kong sees opportunities in the Chinese auto and property markets, while our Tokyo team thinks changes in Japan's corporate governance will continue to benefit investors.

We think our emphasis on collaboration across offices and investment teams helps improve results for all our shareholders, and your fund's manager is a key part of that process. I am confident that our combined efforts will continue to help you achieve your long-term investment goals.

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

Sincerely,



Robert Sharps
Group Chief Investment Officer

INVESTMENT OBJECTIVE

The fund seeks long-term growth of capital through investments in stocks of non-U.S. companies.

FUND COMMENTARY

How did the fund perform in the past six months?

The Institutional International Disciplined Equity Fund returned 7.75% in the six-month period ended April 30, 2019, performing in line with or slightly better than its benchmark, the MSCI EAFE Index Net, the MSCI EAFE Index, and the Lipper peer group of international multi-cap core funds. The Institutional International Concentrated Equity Fund changed its name to the Institutional International Disciplined Equity Fund on March 1, 2019.

Effective July 1, 2018, the MSCI EAFE Index Net replaced the MSCI EAFE Index as the fund's primary benchmark. The new index assumes the reinvestment of dividends after the deduction of withholding taxes applicable to the country where the dividend is paid; as such, the returns of the new benchmark are more representative of the returns experienced by investors in foreign issuers. (*Past performance cannot guarantee future results.*)

What factors influenced the fund's performance?

PERFORMANCE COMPARISON

Six-Month Period Ended 4/30/19	**Total Return**
Institutional International Disciplined Equity Fund	7.75%
MSCI EAFE Index Net	7.45
MSCI EAFE Index	7.73
Lipper International Multi-Cap Core Funds Average	7.04

Stock selection drove the fund's relative returns in the six-month reporting period. Overall, allocation decisions were also a modest positive contributor to relative returns. The financials sector was the top contributor to absolute and relative performance primarily due to stock selection. Diversified financial services (**Pargesa Holding**, **Wendel**, and a new position in **Kinnevik**), insurance (**AIA Group**), and banks (**Standard Chartered**) posted good gains. In addition to trimming AIA Group, which had materially outperformed the industry and the market, we took profits and eliminated Italian financial services conglomerate **Exor**. The only stock in the sector that recorded a loss was **HAL Trust**. (Please refer to the portfolio of investments for a complete list of holdings and the amount each represents in the portfolio.)

Stock selection in the health care sector also generated a powerful relative performance contribution. We locked in gains and eliminated several positions in the health care equipment and supplies segment, including **Olympus**, **Smith & Nephew**, and **Alcon**, while adding several new positions, including **H. Lundbeck**, **Astellas Pharma**, and **Otsuka Holdings**, that generated mixed performance.

SECTOR DIVERSIFICATION

	Percent of Net Assets 10/31/18	4/30/19
Financials	24.0%	16.2%
Industrials and Business Services	14.2	14.0
Consumer Staples	13.9	13.5
Health Care	12.0	11.9
Consumer Discretionary	8.9	10.5
Materials	6.3	6.3
Communication Services	3.7	4.6
Energy	3.5	4.0
Utilities	1.4	1.4
Real Estate	2.0	1.3
Information Technology	1.0	1.2
Other and Reserves	9.1	15.1
Total	**100.0**	**100.0**

Historical weightings reflect current industry/sector classifications.

The energy and industrials and business services sectors were the largest relative performance detractors primarily due to stock selection. At the end of the reporting period, our only two energy holdings, **Total** and **Eni** (both top 10 holdings), represented 3.9% of the fund. As the period progressed, we trimmed both European integrated oil producers.

We increased our overweight to the industrials and business services sector in 2019, adding a new position in machinery manufacturer **Epiroc**, which generated strong gains. Although **Wartsila** has not performed well since we added it to the portfolio in early 2019, we like the long-term prospects for this Finnish engineering firm, which specializes in internal combustion engines for a variety of applications, including marine and power generation. The company's engine sales are solid, but we are especially optimistic about the ongoing cash flow generation from its best-in-class aftermarket servicing business and the prospects for Wartsila's long-term growth in its European energy products segment (renewable energy).

How is the fund positioned?

Overall, our regional views have not materially changed. Europe (63% of portfolio assets at the end of April) is still the most promising region for stock selection in our view. During the end-of-the-year market sell-off, we added to our allocation in Japan, which now represents 17% of the portfolio, up from 14% six months ago. Although Japan continues to show uneven progress on economic and monetary reform, we are uncovering select opportunities there. We have maintained minimal emerging markets exposure as most high-quality companies in developing markets remain richly priced and do not meet our fundamentals-driven, bottom-up stock selection process.

Many of the largest sales during the period were made after the market had run up in 2019. Pargesa Holding, for example, had materially outperformed within the financials sector, reducing its upside potential. We also eliminated Exor following a period of material outperformance.

We felt that there were more compelling opportunities, including Kinnevik and **Lundbergfortage**. Kinnevik, a Swedish financial conglomerate with holdings in media, technology, and other privately held assets, traded at a significant discount to its underlying asset value in early 2019. We looked at the discount as an opportunity to add shares at what we viewed as a compelling price. We believe there are near-term catalysts for the stock to close its discount to net asset value. Based in Sweden, Lundbergfortage is an investment holding company that sold off in late 2018, affording us an opportunity to add shares below our assessment of its underlying value. We like the company's management team, which is a good steward of capital. We feel the global nature of its investments in industrial holdings, including Sandvic, Skanska, Husqvarna, and others, offers diversification and helps manage risk in the name.

What is portfolio management's outlook?

The past six months have been eventful, and we believe it is useful to retrace our steps to see how we got to where we are today. In the fourth quarter, it appeared that the bull market had died—the Fed got it wrong, the macro data looked horrible, and the trade war with China seemed to be the final nail in the market's coffin. However, the Fed came to the rescue, changing its interest rate policy dramatically—and with that change, the yield on 10-year Treasuries quickly dropped. The first four months of 2019 could be described as a mini bull market; it was spectacular in its speed and strength.

Companies clearly used the fourth-quarter market weakness to get ahead of the game and downgraded expectations significantly. The period from late 2018 into the beginning of 2019 was characterized by many profit warnings, leading to much lower expectations across the board, so the bar was set low for the first quarter's reporting season.

However, with the markets up double digits year-to-date, the question now is, what's next? We believe that investors are a little euphoric, but there is also a sense of wanting to sell into this strong rally because much of the good news—including increasingly dovish interest rate policies, better-than-expected earnings, and improving purchasing managers' sentiment—appears to already be priced in to stocks. While we don't invest trying to forecast the market, from a fundamental perspective, international markets aren't expensive by any stretch of the imagination. There are clearly pockets of valuation stretch but also opportunities on a stock-by-stock basis.

Although we have taken profits across the portfolio to lock in some gains after a strong run, we are also finding great businesses at attractive prices. We have been building significant positions in **PRADA**, **EssilorLuxottica**, and Otsuka. While these three companies are in completely different lines of business, they all share the typical characteristics we look for in a great investment. Coincidentally, these stocks underperformed quite dramatically during the stock market rally, so we are excited at the prospect of buying in at what we believe are low prices.

We continue to remain disciplined when it comes to valuations and quality in an investment. Our focus on downside protection through risk management and the strategy's low beta is a differentiator in the marketplace. The market will often run ahead of itself, but we will not be chasing it at any cost. We aim to keep up while showing our true colors in times of dislocation, when discipline matters the most. The fund's new name reflects our emphasis on finding mispriced, high-quality stocks, underpinned by strong risk management and a keen focus on macroeconomic fundamentals. Our investment objective and the way we select stocks have not changed.

The views expressed reflect the opinions of T. Rowe Price as of the date of this report and are subject to change based on changes in market, economic, or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

RISKS OF INTERNATIONAL INVESTING

Funds that invest overseas generally carry more risk than funds that invest strictly in U.S. assets. Funds investing in a single country or in a limited geographic region tend to be riskier than more diversified funds. Risks can result from varying stages of economic and political development; differing regulatory environments, trading days, and accounting standards; and higher transaction costs of non-U.S. markets. Non-U.S. investments are also subject to currency risk, or a decline in the value of a foreign currency versus the U.S. dollar, which reduces the dollar value of securities denominated in that currency. The fund is nondiversified, meaning it may invest a greater portion of its assets in a single company and own more of the company's voting securities than permissible for a diversified fund.

BENCHMARK INFORMATION

Note: MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed, or produced by MSCI.

TWENTY-FIVE LARGEST HOLDINGS

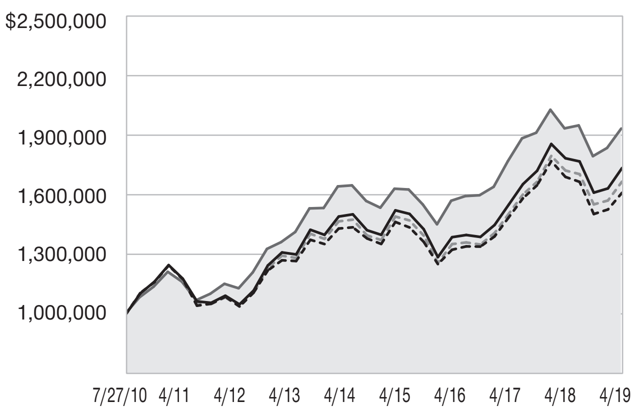
Company	Country	Percent of Net Assets 4/30/19
Sprott Physical Gold & Silver Trust	Canada	2.4%
Total	France	2.2
PRADA	Italy	2.0
Otsuka Holdings	Japan	2.0
BNP Paribas	France	1.8
EssilorLuxottica	France	1.8
Eni	Italy	1.7
HAL Trust	Netherlands	1.6
Nestle	Switzerland	1.6
Vodafone	United Kingdom	1.6
Roche Holding	Switzerland	1.6
Mitsubishi Electric	Japan	1.6
Mitsubishi Corporation	Japan	1.6
Hoshizaki	Japan	1.6
Henkel	Germany	1.5
Japan Tobacco	Japan	1.5
Amcor	Australia	1.5
BAE Systems	United Kingdom	1.5
Kirin Holdings	Japan	1.5
Asics	Japan	1.5
BASF	Germany	1.4
Novartis	Switzerland	1.4
National Grid	United Kingdom	1.4
Siemens	Germany	1.3
Groupe Bruxelles Lambert	Belgium	1.3
Total		**40.9%**

Note: The information shown does not reflect any exchange-traded funds (ETFs), cash reserves, or collateral for securities lending that may be held in the portfolio.

GROWTH OF $1 MILLION

This chart shows the value of a hypothetical $1 million investment in the fund over the past 10 fiscal year periods or since inception (for funds lacking 10-year records). The result is compared with benchmarks, which include a broad-based market index and may also include a peer group average or index. Market indexes do not include expenses, which are deducted from fund returns as well as mutual fund averages and indexes.

INSTITUTIONAL INTERNATIONAL DISCIPLINED EQUITY FUND



	As of 4/30/19
Institutional International Disciplined Equity Fund	$1,933,379
MSCI EAFE Index Net	1,666,761
MSCI EAFE Index	1,735,059
Lipper International Multi-Cap Core Funds Average*	1,610,345

*The Lipper International Multi-Cap Core Funds Average is from 7/31/10.

AVERAGE ANNUAL COMPOUND TOTAL RETURN

Periods Ended 4/30/19	One Year	Five Years	Since Inception 7/27/10
Institutional International Disciplined Equity Fund	-0.05%	3.32%	7.82%

This table shows how the fund would have performed each year if its actual (or cumulative) returns for the periods shown had been earned at a constant rate. Returns do not reflect taxes that the shareholder may pay on fund distributions or the redemption of fund shares. Past performance cannot guarantee future results.

EXPENSE RATIO	
Institutional International Disciplined Equity Fund	*0.74%*

The expense ratio shown is as of the fund's fiscal year ended 10/31/18. This number may vary from the expense ratio shown elsewhere in this report because it is based on a different time period and, if applicable, includes acquired fund fees and expenses but does not include fee or expense waivers or reimbursements.

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.

Actual Expenses
The first line of the following table (Actual) provides information about actual account values and actual expenses. 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.

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.

INSTITUTIONAL INTERNATIONAL DISCIPLINED EQUITY FUND

	Beginning Account Value 11/1/18	Ending Account Value 4/30/19	Expenses Paid During Period* 11/1/18 to 4/30/19
Actual	$1,000.00	$1,077.50	$3.86
Hypothetical (assumes 5% return before expenses)	1,000.00	1,021.08	3.76

*Expenses are equal to the fund's annualized expense ratio for the 6-month period (0.75%), 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.

QUARTER-END RETURNS

Periods Ended 3/31/19	One Year	Five Years	Since Inception 7/27/10
Institutional International Disciplined Equity Fund	-1.73%	3.28%	7.62%

The fund's performance information represents only past performance and is not necessarily an indication of future results. Current performance may be lower or higher than the performance data cited. Share price, principal value, and return will vary, and you may have a gain or loss when you sell your shares. For the most recent month-end performance, please contact a T. Rowe Price representative at 1-800-638-8790.

This table provides returns through the most recent calendar quarter-end rather than through the end of the fund's fiscal period. It shows how the fund would have performed each year if its actual (or cumulative) returns for the periods shown had been earned at a constant rate. Average annual total return figures include changes in principal value, reinvested dividends, and capital gain distributions. Returns do not reflect taxes that the shareholder may pay on fund distributions or the redemption of fund shares. When assessing performance, investors should consider both short- and long-term returns.

Unaudited

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

	6 Months Ended 4/30/19	Year Ended 10/31/18	10/31/17	10/31/16	10/31/15	10/31/14
NET ASSET VALUE						
Beginning of period	$ 12.04	$ 13.62	$ 11.57	$ 11.50	$ 11.98	$ 13.44
Investment activities						
Net investment income[1][2]	0.12	0.27	0.24	0.22	0.22	0.30
Net realized and unrealized gain / loss	0.59	(1.06)	2.00	0.11	(0.37)	(0.02)
Total from investment activities	0.71	(0.79)	2.24	0.33	(0.15)	0.28
Distributions						
Net investment income	(0.42)	(0.20)	(0.17)	(0.22)	(0.18)	(0.24)
Net realized gain	(1.45)	(0.59)	(0.02)	(0.04)	(0.15)	(1.50)
Total distributions	(1.87)	(0.79)	(0.19)	(0.26)	(0.33)	(1.74)
NET ASSET VALUE						
End of period	**$ 10.88**	**$ 12.04**	**$ 13.62**	**$ 11.57**	**$ 11.50**	**$ 11.98**
Ratios/Supplemental Data						
Total return[2][3]	**7.75%**	**(6.17)%**	**19.72%**	**3.00%**	**(1.14)%**	**2.45%**
Ratios to average net assets:[2]						
Gross expenses before waivers/payments by Price Associates	0.78%[4]	0.75%	0.75%	0.78%	0.79%	0.94%
Net expenses after waivers/payments by Price Associates	0.75%[4]	0.75%	0.75%	0.75%	0.75%	0.75%
Net investment income	2.17%[4]	2.07%	1.86%	2.00%	1.90%	2.42%
Portfolio turnover rate	58.7%	147.0%	112.1%	120.3%	184.0%	122.2%
Net assets, end of period (in thousands)	$ 272,124	$ 315,348	$ 525,840	$ 287,712	$ 239,917	$ 149,970

(1) Per share amounts calculated using average shares outstanding method.
(2) See Note 6 for details of expense-related arrangements with Price Associates.
(3) 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.
(4) Annualized

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

PORTFOLIO OF INVESTMENTS‡

(Cost and value in $000s)

	Shares	$ Value
AUSTRALIA 1.5%		
Common Stocks 1.5%		
Amcor	365,331	4,130
Total Australia (Cost $3,751)		**4,130**
BELGIUM 1.7%		
Common Stocks 1.7%		
Groupe Bruxelles Lambert	38,049	3,643
Ontex Group	43,725	1,101
Total Belgium (Cost $3,943)		**4,744**
CANADA 3.4%		
Common Stocks 3.4%		
Power Corp of Canada	118,100	2,710
Sprott Physical Gold & Silver Trust (USD)(1)(2)	536,889	6,588
Total Canada (Cost $9,003)		**9,298**
DENMARK 2.3%		
Common Stocks 2.3%		
H. Lundbeck	74,141	3,126
Novozymes, B Shares	65,560	3,060
Total Denmark (Cost $5,844)		**6,186**
FINLAND 2.2%		
Common Stocks 2.2%		
Sampo, A Shares	67,980	3,113
Wartsila	171,758	2,750
Total Finland (Cost $5,689)		**5,863**

(Cost and value in $000s)

	Shares	$ Value
FRANCE 11.7%		
Common Stocks 11.7%		
BNP Paribas	92,620	4,930
EssilorLuxottica	40,247	4,904
JCDecaux	81,975	2,687
Klepierre	99,641	3,541
Sanofi	38,963	3,399
Schneider Electric	33,539	2,838
TOTAL	109,284	6,075
Wendel	24,321	3,369
Total France (Cost $28,640)		**31,743**
GERMANY 11.9%		
Common Stocks 10.4%		
Allianz	10,833	2,618
BASF	48,245	3,939
Bayer	54,714	3,640
Beiersdorf	28,111	3,076
Continental	18,772	3,114
Daimler	52,465	3,444
Deutsche Telekom	128,360	2,151
GEA Group	91,895	2,575
Siemens	30,535	3,661
		28,218
Preferred Stocks 1.5%		
Henkel (3)	41,453	4,198
		4,198
Total Germany (Cost $30,699)		**32,416**
HONG KONG 2.4%		
Common Stocks 2.4%		
CK Hutchison Holdings	304,692	3,204
Samsonite International	1,194,900	3,427
Total Hong Kong (Cost $6,908)		**6,631**

(Cost and value in $000s)

	Shares	$ Value
ITALY 3.8%		
Common Stocks 3.8%		
Eni	277,577	4,730
PRADA (HKD)	1,968,600	5,537
Total Italy (Cost $10,144)		**10,267**
JAPAN 16.9%		
Common Stocks 16.9%		
Asics	323,300	3,983
Astellas Pharma	222,700	3,016
Hoshizaki	65,600	4,253
Hoya	41,900	2,959
Japan Tobacco	180,800	4,178
Kirin Holdings	177,100	4,029
Mitsubishi	156,300	4,306
Mitsubishi Electric	301,300	4,312
Nippon Telegraph & Telephone	79,000	3,287
Otsuka Holdings	154,700	5,530
Shimano	18,400	2,704
Suntory Beverage & Food	75,100	3,321
Total Japan (Cost $43,779)		**45,878**
NETHERLANDS 5.3%		
Common Stocks 5.3%		
ASML Holding	16,278	3,399
GrandVision	60,245	1,356
HAL Trust	28,823	4,438
Heineken	25,057	2,709
Unilever, GDR	42,831	2,591
Total Netherlands (Cost $12,620)		**14,493**
NORWAY 1.2%		
Common Stocks 1.2%		
Yara International	74,508	3,369
Total Norway (Cost $2,992)		**3,369**

(Cost and value in $000s)

	Shares	$ Value
SWEDEN 5.4%		
Common Stocks 5.4%		
Assa Abloy, B Shares	4,079	87
Epiroc, B Shares (2)	272,059	2,692
Essity, B Shares	63,680	1,888
Industrivarden, C Shares	107,529	2,420
Investor, B Shares	50,840	2,425
Kinnevik, B Shares	86,182	2,511
L E Lundbergforetagen, B Shares	78,699	2,692
Total Sweden (Cost $12,388)		**14,715**
SWITZERLAND 6.7%		
Common Stocks 6.7%		
Nestle	45,921	4,421
Novartis	45,533	3,731
Pargesa Holding	46,319	3,640
Roche Holding	16,474	4,347
Zurich Insurance Group	6,770	2,158
Total Switzerland (Cost $13,990)		**18,297**
UNITED KINGDOM 10.9%		
Common Stocks 10.9%		
BAE Systems	638,269	4,102
BHP Group	112,943	2,666
British American Tobacco	63,201	2,474
GlaxoSmithKline	129,949	2,670
National Grid	337,885	3,702
Reckitt Benckiser Group	34,731	2,810
Smiths Group	163,789	3,261
Standard Chartered	381,489	3,488
Vodafone Group	2,350,150	4,359
Total United Kingdom (Cost $27,461)		**29,532**

(Cost and value in $000s)	Shares	$ Value
SHORT-TERM INVESTMENTS 12.6%		
MONEY MARKET FUNDS 12.6%		
T. Rowe Price Government Reserve Fund, 2.49% (4)(5)	34,373,158	34,373
Total Short-Term Investments (Cost $34,373)		**34,373**
Total Investments in Securities 99.9% of Net Assets (Cost $252,224)		**$ 271,935**

‡ Country classifications are generally based on MSCI categories or another unaffiliated third party data provider; Shares are denominated in the currency of the country presented unless otherwise noted.
(1) Organized as a closed-end management investment company.
(2) Non-income producing
(3) Preferred stocks are shares that carry certain preferential rights. The dividend rate may not be consistent each pay period and could be zero for a particular year.
(4) Seven-day yield
(5) Affiliated Companies
GDR Global Depositary Receipts
HKD Hong Kong Dollars
USD U.S. Dollar

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 April 30, 2019. 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	$ —#	$ —	$ 305+

Supplementary Investment Schedule

Affiliate	Value 10/31/18	Purchase Cost	Sales Cost	Value 4/30/19
T. Rowe Price Government Reserve Fund	$ 13,061	¤	¤	$ 34,373^

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

\+ Investment income comprised $305 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 $34,373.

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

April 30, 2019 (Unaudited)

STATEMENT OF ASSETS AND LIABILITIES

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

Assets		
Investments in securities, at value (cost $252,224)	$	271,935
Dividends receivable		1,005
Receivable for investment securities sold		997
Foreign currency (cost $89)		89
Receivable for shares sold		26
Other assets		1,205
Total assets		275,257
Liabilities		
Payable for investment securities purchased		2,802
Investment management fees payable		145
Payable for shares redeemed		142
Due to affiliates		4
Other liabilities		40
Total liabilities		3,133
NET ASSETS	**$**	**272,124**
Net Assets Consist of:		
Total distributable earnings (loss)	$	(6,946)
Paid-in capital applicable to 25,014,008 shares of $0.01 par value capital stock outstanding; 1,000,000,000 shares of the Corporation authorized		279,070
NET ASSETS	**$**	**272,124**
NET ASSET VALUE PER SHARE	**$**	**10.88**

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

Unaudited

STATEMENT OF OPERATIONS

($000s)

		6 Months Ended 4/30/19
Investment Income (Loss)		
Dividend income (net of foreign taxes of $429)	$	3,944
Expenses		
Investment management		877
Shareholder servicing		2
Prospectus and shareholder reports		10
Custody and accounting		99
Legal and audit		26
Registration		22
Directors		1
Miscellaneous		11
Waived / paid by Price Associates		(33)
Total expenses		1,015
Net investment income		2,929
Realized and Unrealized Gain / Loss		
Net realized gain (loss)		
Securities		(9,508)
Foreign currency transactions		(63)
Net realized loss		(9,571)
Change in net unrealized gain/loss on securities		23,703
Net realized and unrealized gain / loss		14,132
INCREASE IN NET ASSETS FROM OPERATIONS	**$**	**17,061**

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

Unaudited

STATEMENT OF CHANGES IN NET ASSETS

($000s)

	6 Months Ended 4/30/19	Year Ended 10/31/18(1)
Increase (Decrease) in Net Assets		
Operations		
Net investment income	$ 2,929	$ 9,434
Net realized gain (loss)	(9,571)	29,099
Change in net unrealized gain / loss	23,703	(58,783)
Increase (decrease) in net assets from operations	17,061	(20,250)
Distributions to shareholders		
Net earnings	(39,070)	(30,978)
Capital share transactions*		
Shares sold	57,980	91,933
Distributions reinvested	35,207	24,750
Shares redeemed	(114,450)	(275,990)
Redemption fees received	48	43
Decrease in net assets from capital share transactions	(21,215)	(159,264)
Net Assets		
Decrease during period	(43,224)	(210,492)
Beginning of period	315,348	525,840
End of period	**$ 272,124**	**$ 315,348**

*Share information		
Shares sold	5,599	7,067
Distributions reinvested	3,615	1,923
Shares redeemed	(10,392)	(21,408)
Decrease in shares outstanding	(1,178)	(12,418)

(1) Pursuant to the SEC's Disclosure Update and Simplification rule, certain prior year amounts have been reclassified to conform to current year presentation.

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

NOTES TO FINANCIAL STATEMENTS

T. Rowe Price Institutional International Funds, Inc. (the corporation) is registered under the Investment Company Act of 1940 (the 1940 Act). The Institutional International Disciplined Equity Fund (the fund), formerly the Institutional Concentrated Equity Fund, is a nondiversified, open-end management investment company established by the corporation. The fund seeks long-term growth of capital through investments in stocks of non-U.S. companies.

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. Certain prior year amounts in the accompanying financial statements and financial highlights have been restated to conform to current year presentation.

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. Income tax-related interest and penalties, if incurred, are recorded as income tax expense. Dividends received from mutual fund investments 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. Distributions to shareholders are recorded on the ex-dividend date. Income distributions, if any, are declared and paid annually. A capital gain distribution 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 quoted by a major bank. 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.

Redemption Fees Prior to April 1, 2019, a 2% fee was assessed on redemptions of fund shares held for 90 days or less to deter short-term trading and to protect the interests of long-term shareholders. Redemption fees were withheld from proceeds that shareholders received from the sale or exchange of fund shares. The fees were paid to the fund and were recorded as an increase to paid-in capital. The fees may have caused the redemption price per share to differ from the net asset value per share.

New Accounting Guidance In March 2017, the FASB issued amended guidance to shorten the amortization period for certain callable debt securities held at a premium. The guidance is effective for fiscal years and interim periods beginning after December 15, 2018. Adoption will have no effect on the fund's net assets or results of operations.

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

The fund's financial instruments are valued and its 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.

Fair Value The fund's financial instruments 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 T. Rowe Price Valuation Committee (the Valuation Committee) is an internal committee that has been delegated certain responsibilities by the fund's Board of Directors (the Board) to ensure that financial instruments are appropriately priced at fair value in accordance with GAAP and the 1940 Act. Subject to oversight by the Board, the Valuation Committee develops and oversees pricing-related policies and procedures and approves all fair value determinations. Specifically, the Valuation Committee establishes procedures to value securities; determines pricing techniques, sources, and persons eligible to effect fair value pricing actions; oversees the selection, services, and performance of pricing vendors; oversees valuation-related business continuity practices; and provides guidance on internal controls and valuation-related matters. The Valuation Committee reports to the Board and has representation from legal, portfolio management and trading, operations, risk management, and the fund's treasurer.

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

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 Equity securities 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.

For valuation purposes, 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 fund 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 its portfolio securities, the fund will adjust the previous quoted prices to reflect what it believes to be the fair value of the securities as of the close of the NYSE. In deciding whether it is necessary to adjust quoted prices to reflect fair value, the fund reviews 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 fund may also fair value securities in other situations, such as when a particular foreign market is closed but the fund is open. The fund uses outside pricing services to provide it with quoted prices and information to evaluate or adjust those prices. The fund 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. As a means of evaluating its security valuation process, the fund routinely compares quoted prices, the next day's opening prices in the same markets, and adjusted prices.

Actively traded equity securities listed on a domestic exchange generally are categorized in Level 1 of the fair value hierarchy. Non-U.S. equity securities generally are categorized in Level 2 of the fair value hierarchy despite the availability of quoted prices because, as described above, the fund evaluates and determines whether those quoted prices reflect fair value at the close of the NYSE or require adjustment. OTC Bulletin Board securities, certain preferred securities, and equity securities traded in inactive markets generally are categorized in Level 2 of the fair value hierarchy.

Investments in mutual funds are valued at the mutual fund's closing NAV per share on the day of valuation and are categorized in Level 1 of the fair value hierarchy. 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.

Thinly traded financial instruments and those for which the above valuation procedures are inappropriate or are deemed not to reflect fair value are stated at fair value as determined in good faith by the Valuation Committee. The objective of any fair value pricing determination is to arrive at a price that could reasonably be expected from a current sale. Financial instruments fair valued by the Valuation Committee are primarily private placements, restricted securities, warrants, rights, and other securities that are not publicly traded.

Subject to oversight by the Board, the Valuation Committee regularly makes good faith judgments to establish and adjust the fair valuations of certain securities as events occur and circumstances warrant. For instance, in determining the fair value of an equity investment with limited market activity, such as a private placement or a thinly traded public company stock, the Valuation Committee considers a variety of factors, which may include, but are not limited to, the issuer's business prospects, its financial standing and performance, recent investment transactions in the issuer, new rounds of financing, negotiated transactions of significant size between other investors in the company, relevant market valuations of peer companies, strategic events affecting the company, market liquidity for the issuer, and general economic conditions and events. In consultation with the investment and pricing teams, the Valuation Committee will determine an appropriate valuation technique based on available information, which may include both observable and unobservable inputs. The Valuation Committee 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 Committee 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; or some combination. Fair value determinations are reviewed on a regular basis and updated as information becomes available, including actual purchase and sale transactions of the issue. Because any fair value determination involves a significant amount of judgment, there is a degree of subjectivity inherent in such pricing decisions, and fair value prices determined by the Valuation Committee could differ from those of other market participants. Depending on the relative significance of unobservable inputs, including the valuation technique(s) used, fair valued securities may be categorized in Level 2 or 3 of the fair value hierarchy.

Valuation Inputs The following table summarizes the fund's financial instruments, based on the inputs used to determine their fair values on April 30, 2019 (for further detail by category, please refer to the accompanying Portfolio of Investments):

($000s)	Level 1	Level 2	Level 3	Total Value
Assets				
Common Stocks	$ 6,588	$ 226,776	$ —	$ 233,364
Preferred Stocks	—	4,198	—	4,198
Short-Term Investments	34,373	—	—	34,373
Total Securities	$ 40,961	$ 230,974	$ —	271,935

NOTE 3 - OTHER INVESTMENT TRANSACTIONS

Other Purchases and sales of portfolio securities other than short-term securities aggregated $144,863,000 and $219,108,000, respectively, for the six months ended April 30, 2019.

NOTE 4 - FEDERAL INCOME TAXES

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.

At April 30, 2019, the cost of investments for federal income tax purposes was $267,907,000. Net unrealized gain aggregated $3,994,000 at period-end, of which $25,573,000 related to appreciated investments and $21,579,000 related to depreciated investments.

NOTE 5 - FOREIGN TAXES

The fund is subject to foreign income taxes imposed by certain countries in which it invests. Additionally, certain foreign currency transactions are subject to tax, and capital gains realized upon disposition of securities issued in or by certain foreign countries are subject to capital gains tax imposed by those countries. All taxes are computed in accordance with the applicable foreign tax law, and, to the extent permitted, capital losses are used to offset capital gains. Taxes attributable to income are accrued by the fund as a reduction of income. Taxes incurred on the purchase of foreign currencies are recorded as realized loss on foreign currency transactions. Current and deferred tax expense attributable to capital gains is reflected as a component of realized or change in unrealized gain/loss on securities in the accompanying financial statements. At April 30, 2019, the fund had no deferred tax liability attributable to foreign securities and no foreign capital loss carryforwards.

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). Price Associates has entered into a sub-advisory agreement(s) with one or more of its wholly owned subsidiaries, to provide investment advisory services to the fund. The investment management agreement between the fund and Price Associates provides for an annual investment management fee equal to 0.65% of the fund's average daily net assets. The fee is computed daily and paid monthly.

The fund is subject to a contractual expense limitation through the limitation date indicated in the table below. During the limitation period, Price Associates is required to waive its management fee and pay the fund for any expenses (excluding interest, expenses related to borrowings, taxes, brokerage, and other non-recurring expenses permitted by the investment management agreement) that would otherwise cause the fund's ratio of annualized total expenses to average net assets (net expense ratio) to exceed its expense limitation. The fund is required to repay Price Associates for expenses previously waived/paid to the extent its net assets grow or expenses decline sufficiently to allow repayment without causing the fund'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 fund's current expense limitation. However, no repayment will be made more than three years after the date of a payment or waiver. Pursuant to this agreement, expenses were waived/paid by and/or repaid to Price Associates during the six months ended April 30, 2019 as indicated in the table below. Including this amount, expenses previously waived/paid by Price Associates in the amount of $72,000 remain subject to repayment by the fund at April 30, 2019. Any repayment of expenses previously waived/paid by Price Associates during the period, if any, would be included in the net investment income and expense ratios presented on the accompanying Financial Highlights.

Expense limitation	0.75%
Limitation date	02/28/21
(Waived)/repaid during the period ($000s)	$ (33)

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 April 30, 2019, expenses incurred pursuant to these service agreements were $34,000 for Price Associates and $1,000 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, or the T. Rowe Price Short-Term Fund, a short-term bond fund (collectively, 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 is invested in the T. Rowe Price Short-Term Fund. The Price Reserve Funds pay no investment management fees.

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 April 30, 2019, the fund had no purchases or sales cross trades with other funds or accounts advised by Price Associates.

NOTE 7 - BORROWING

To provide temporary liquidity, the fund may borrow from other T. Rowe Price-sponsored mutual funds under an interfund borrowing program developed and managed by Price Associates. The program permits the borrowing and lending of cash at rates beneficial to both the borrowing and lending funds. Pursuant to program guidelines, loans totaling 10% or more of a borrowing fund's total assets require collateralization at 102% of the value of the loan; loans of less than 10% are unsecured. During the six months ended April 30, 2019, the fund incurred $4,000 in interest expense related to outstanding borrowings on three days in the average amount of $14,067,000 and at an average annual rate of 3.32%. At April 30, 2019, there were no borrowings outstanding.

INFORMATION ON PROXY VOTING POLICIES, PROCEDURES, AND RECORDS

A description of the policies and procedures used by T. Rowe Price funds and portfolios 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://www3.troweprice.com/usis/corporate/en/utility/policies.html

Scroll down to the section near the bottom of the page that says, "Proxy Voting Policies." Click on the Proxy Voting Policies link 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.

HOW TO OBTAIN QUARTERLY PORTFOLIO HOLDINGS

Effective for reporting periods on or after March 1, 2019, 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. Prior to March 1, 2019, the fund filed a complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The fund's Forms N-PORT and N-Q are available electronically on the SEC's website (sec.gov).

APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT AND SUBADVISORY 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 advisor, T. Rowe Price Associates, Inc. (Advisor), as well as the continuation of the investment subadvisory agreement (Subadvisory Contract) that the Advisor has entered into with T. Rowe Price International Ltd (Subadvisor) on behalf of the fund. In that regard, at an in-person meeting held on March 11–12, 2019 (Meeting), the Board, including a majority of the fund's independent directors, approved the continuation of the fund's Advisory Contract and Subadvisory Contract. At the Meeting, the Board considered the factors and reached the conclusions described below relating to the selection of the Advisor and Subadvisor and the approval of the Advisory Contract and Subadvisory Contract. The independent directors were assisted in their evaluation of the Advisory Contract and Subadvisory 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 Advisor 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 Advisory Contract and Subadvisory 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 Advisor and Subadvisor 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 Advisor and Subadvisor

The Board considered the nature, quality, and extent of the services provided to the fund by the Advisor and Subadvisor. 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 Advisor's and Subadvisor's senior management teams and investment personnel involved in the management of the fund, as well as the Advisor's compliance record. The Board concluded that it was satisfied with the nature, quality, and extent of the services provided by the Advisor and Subadvisor.

Investment Performance of the Fund

The Board took into account discussions with the Advisor and reports that it receives throughout the year relating to fund performance. In connection with the Meeting, the Board reviewed the fund's net annualized total returns for the one-, two-, three-, four-, and five-year periods as of September 30, 2018, and compared these returns with the performance of a peer group of funds with similar investment programs and a wide variety of other previously agreed-upon comparable performance measures and market data, including those supplied by Broadridge, which is an independent provider of mutual fund data.

On the basis of this evaluation and the Board's ongoing review of investment results, and factoring in the relative market conditions during certain of the performance periods, the Board concluded that the fund's performance was satisfactory.

Costs, Benefits, Profits, and Economies of Scale

The Board reviewed detailed information regarding the revenues received by the Advisor under the Advisory Contract and other benefits that the Advisor (and its affiliates, including the Subadvisor) may have realized from its relationship with the fund, including any research received under "soft dollar" agreements and commission-sharing arrangements with broker-dealers. The Board considered that the Advisor and Subadvisor may receive some benefit from soft-dollar arrangements pursuant to which research is received from broker-dealers that execute the fund's portfolio transactions. The Board received information on the estimated costs incurred and profits realized by the Advisor from managing the T. Rowe Price funds. The Board also reviewed estimates of the profits realized from managing the fund in particular, and the Board concluded that the Advisor's profits were reasonable in light of the services provided to the fund.

APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT AND SUBADVISORY AGREEMENT (CONTINUED)

The Board also considered whether the fund benefits under the fee levels set forth in the Advisory Contract from any economies of scale realized by the Advisor. Under the Advisory Contract, the fund pays a fee to the Advisor for investment management services based on the fund's average daily net assets and the fund pays its own expenses of operations (subject to an expense limitation agreed to by the Advisor). Assets of the fund are included in the calculation of the group fee rate, which serves as a component of the management fee for many other T. Rowe Price funds and declines at certain asset levels based on the combined average net assets of most of the T. Rowe Price funds (including the fund). Although the fund does not have a group fee component to its management fee, its assets are included in the calculation because the primary investment resources utilized to manage the fund are shared with other actively managed funds. The fund's shareholders also benefit from potential economies of scale through a decline in certain operating expenses as the fund grows in size. In addition, the fund has a contractual expense limitation in place to reduce the burden of higher operating costs to shareholders until the fund reaches greater scale. The Board concluded that the advisory fee structure for the fund provided for a reasonable sharing of benefits from any economies of scale and that the advisory fee structure continued to be appropriate.

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, total expenses, actual management fees, and nonmanagement expenses of the fund with a group of competitor funds selected by Broadridge (Expense Group) and (ii) total expenses, actual management fees, and nonmanagement expenses 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 Advisor after any applicable waivers, reductions, or reimbursements), operating expenses, and total expenses (which reflects 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 second quintile (Expense Group) and third quintile (Expense Universe), and the fund's total expenses ranked in the first quintile (Expense Group) and first and second quintiles (Expense Universe).

The Board also reviewed the fee schedules for institutional accounts and private accounts with similar mandates that are advised or subadvised by the Advisor and its affiliates. Management provided the Board with information about the Advisor's responsibilities 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 mutual fund business. The Board considered information showing that the Advisor'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 Advisor'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 Advisor to manage its mutual fund business versus managing a discrete pool of assets as a subadvisor to another institution's mutual fund or for an institutional account and that the Advisor 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.

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 and Subadvisory Contract

As noted, the Board approved the continuation of the Advisory Contract and Subadvisory 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 and Subadvisory Contract (including the fees to be charged for services thereunder).

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T. Rowe Price®

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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.

201906-823183 T. Rowe Price Investment Services, Inc. E177-051 6/19