



PORTFOLIO UPDATE

Emerging Markets Local Currency Bond Fund

As of September 30, 2019



Portfolio Manager:

Andrew Keirle

Managed Fund Since:

2011

Joined Firm:

2005

INVESTMENT OBJECTIVE

The fund seeks to provide high income and capital appreciation.

FUND INFORMATION

Symbol	PRELX
CUSIP	77956H674
Inception Date of Fund	May 26, 2011
Benchmark	J.P. Morgan GBI-EM Global Diversified
Expense Information (as of the most recent Prospectus)*	0.95% (Gross) 0.92% (Net)
Fiscal Year End	December 31
12B-1 Fee	-

*As a result of other class' contractual expense limitations, T. Rowe Price Associates, Inc. waived fund-level expenses proportionately across all classes. There is no guarantee that these impacts on this share class will continue for the length of the contractual waiver in place on the other class.

MARKET COMMENTARY

Emerging market (EM) local currency bonds posted positive returns in September, helped by both the U.S. and China taking conciliatory steps in their trade dispute ahead of talks resuming in October. A U.S. Federal Reserve interest rate cut and a monetary stimulus package from the European Central Bank also buoyed global risk sentiment.

In Turkey, declining inflation and a de-escalation in tensions with the U.S. over Turkey's purchase of Russian missile defenses were deemed as market positive. The volatile lira made strong gains against the dollar on the month, while the country's bonds also posted positive returns.

The imposition of capital controls in Argentina helped stabilize the peso, allowing it to rebound following heavy losses in August due to the surprise primary election victory of Alberto Fernández.

Russian bonds as well as the ruble also rallied in September. Oil prices jumped during the month in the wake of the attack on the facilities of Saudi Aramco, which limited oil supply during the month.

Some central and Eastern European currencies saw modest weakness in September against the dollar, largely due to the impact of the deepening slowdown of Europe's manufacturing sector.

PERFORMANCE

(NAV, total return)

	One Month	Three Months	Year-to-Date	One Year	Annualized			30-Day SEC Yield	30-Day SEC Yield w/o Waiver ^o
					Three Years	Five Years	Since Inception 5/26/11		
Emerging Markets Local Currency Bond Fund	1.22%	-1.28%	7.70%	9.75%	2.83%	0.22%	-0.21%	5.12%	5.08%
J.P. Morgan GBI - EM Global Diversified	0.96	-0.79	7.86	10.13	3.06	0.55	0.30	-	-

Performance data quoted represents past performance and is not a reliable indicator of future performance. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain the most recent month-end performance, visit troweprice.com. Consider the investment objectives, risks, and charges and expenses carefully before investing. For a prospectus or, if available, a summary prospectus containing this and other information, call 1-800-638-7780 or visit troweprice.com. Read it carefully. The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any.

^oExcludes the effect of contractual expense limitation arrangements.

This fund involves a high-risk approach to income from foreign bonds, and its share price could fluctuate significantly. The fund is subject to the risks unique to international investing, including unfavorable changes in currency values, as well as credit risk and interest rate risk.

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

RISK RETURN CHARACTERISTICS

(Five Years ended September 30, 2019)

	Annualized Std. Deviation	Alpha	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error
Emerging Markets Local Currency Bond Fund	11.20%	-0.30%	1.02	0.99	-0.27	-0.07	1.22%
J.P. Morgan GBI-EM Global Diversified	10.88	0.00	1.00	1.00	0.00	-0.04	0.00

Past performance is not a reliable indicator of future performance. Figures are calculated using monthly data and are net of fees.

TOP 10 ISSUERS

Comprising 64.3% of total net assets.

	Country	Industry	% of Fund
Republic of South Africa	South Africa	Sovereign	9.6%
Federative Republic of Brazil	Brazil	Sovereign	8.7
Republic of Indonesia	Indonesia	Sovereign	8.7
Russian Federation	Russia	Sovereign	8.0
United Mexican States	Mexico	Sovereign	7.9
Kingdom of Thailand	Thailand	Sovereign	6.0
Republic of Colombia	Colombia	Sovereign	4.8
Federation of Malaysia	Malaysia	Sovereign	4.4
Republic of Peru	Peru	Sovereign	3.3
Romania	Romania	Sovereign	2.9

Issuers are as of the date indicated and are subject to change.

PORTFOLIO CHARACTERISTICS

	Emerging Markets Local Currency Bond Fund	J.P. Morgan GBI- EM Global Diversified
Weighted Average Maturity	8.96 years	7.81 years
Weighted Average Effective Duration	5.82 years	5.50 years
Weighted Average Coupon	6.92%	6.13%
Yield to Maturity	5.78%	5.21%
Percent of Portfolio in Cash	5.1%	-
Total Assets (all share classes)	452,914,125	-

GEOGRAPHICAL DIVERSIFICATION

	Asia	Latin America	Emerging Europe	Middle East & Afri- ca	Other	Reserves
Emerging Markets Local Currency Bond Fund	30.7%	29.8%	20.7%	12.7%	1.0%	5.1%
J.P. Morgan GBI-EM Global Diversified	25.8	34.1	31.6	8.6	0.0	0.0
Over/Underweight	4.9	-4.3	-10.8	4.1	1.0	5.1

BOND ALLOCATION (ISSUE CURRENCY): Top and Bottom Five Over/Underweights vs Index

	Top Five Overweights					Bottom Five Underweights				
	India	United States	China	Egypt	Sri Lanka	Malaysia	Hungary	Czech Republic	Thailand	Poland
Emerging Markets Local Currency Bond Fund	3.6%	3.1%	2.2%	2.0%	1.9%	4.4%	2.5%	1.0%	6.0%	1.9%
J.P. Morgan GBI-EM Global Diversified	0.0	0.0	0.0	0.0	0.0	6.0	4.2	3.9	9.4	8.7
Over/Underweight	3.6	3.1	2.2	2.0	1.9	-1.6	-1.7	-2.9	-3.5	-6.8

CURRENCY EXPOSURE: Top and Bottom Five Over/Underweights vs Index

	Top Five Overweights					Bottom Five Underweights				
	Chinese renminbi	Czech koruna	Serbia dinar	Brazilian real	Indian rupee	U.S. dollar	Canadian dollar	Thai baht	euro	New Taiwan dollar
Emerging Markets Local Currency Bond Fund	2.3%	5.9%	2.0%	11.5%	1.5%	-1.4%	-1.5%	7.8%	-2.0%	-4.4%
J.P. Morgan GBI-EM Global Diversified	0.0	3.9	0.0	10.0	0.0	0.0	0.0	9.4	0.0	0.0
Over/Underweight	2.3	2.0	2.0	1.5	1.5	-1.4	-1.5	-1.7	-2.0	-4.4

CREDIT QUALITY DIVERSIFICATION

	U.S. Treas*	AAA	AA	A	BBB	BB	B	CCC	Not Rated	Reserves
Emerging Markets Local Currency Bond Fund	0.7%	0.3%	0.9%	21.2%	41.6%	12.2%	3.2%	0.2%	14.5%	5.1%
J.P. Morgan GBI-EM Global Diversified	0.0	0.0	2.8	32.8	48.8	14.2	1.3	0.2	0.0	0.0
Over/Underweight	0.7	0.3	-1.8	-11.6	-7.2	-2.0	1.9	0.1	14.5	5.1

*U.S. Treasury securities are issued by the U.S. Treasury and are backed by the full faith and credit of the U.S. government. The ratings of U.S. Treasury securities are derived from the ratings on the U.S. government.

Definitions

Weighted Average Effective Duration is a calculation that seeks to measure the price sensitivity of a bond Fund to changes in interest rates. In general, the longer the average duration, the greater the Fund's sensitivity to interest rates.

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