



PORTFOLIO UPDATE

**Global Real Estate Fund**

As of September 30, 2019



**Portfolio Manager:**

Nina Jones

**Managed Fund Since:**

2015

**Joined Firm:**

2008

**INVESTMENT OBJECTIVE**

The fund seeks to provide long-term growth through a combination of capital appreciation and current income.

**FUND INFORMATION**

Symbol	TRGRX
CUSIP	87279M201
Inception Date of Fund	October 27, 2008
Benchmark	FTSE EPRA Nareit Developed Index Net TRI
Expense Information (as of the most recent Prospectus)*	1.12% (Gross) 0.97% (Net)
Fiscal Year End	December 31
12B-1 Fee	-

\* The Fund operates under a contractual expense limitation that expires on April 30, 2021.

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 will continue for the length of the contractual waiver in place on the other class.

**PERFORMANCE**

(NAV, total return)

	One Month	Three Months	Year-to-Date	One Year	Annualized				Since Inception 10/27/08
					Three Years	Five Years	Ten Years		
Global Real Estate Fund	1.94%	3.80%	19.26%	11.22%	4.05%	5.80%	8.57%	11.02%	
FTSE EPRA Nareit Developed Index Net TRI	2.35	4.63	19.82	13.00	5.61	6.81	8.63	11.48	
Lipper Global Real Estate Funds Average	2.14	4.15	20.73	13.11	6.38	6.76	8.69	9.56	

**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](http://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](http://troweprice.com). Read it carefully.** The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any.

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.

**MARKET COMMENTARY**

Global equities rose in September as U.S.-China trade tensions appeared to ease and central banks took measures to stimulate economic growth. U.S. stocks advanced over the month in response to several conciliatory trade-related gestures from U.S. and Chinese officials, including China's decision to exempt certain products from new tariffs and President Donald Trump's response to postpone a 5% increase on \$250 billion of imports on China. Monetary policy expectations were also a major driver of market sentiment, as the Federal Reserve reduced short-term interest rates at mid-month.

Developed European stock markets generally rose in U.S. dollar terms, although a weaker euro versus the dollar reduced returns to U.S. investors. Eurozone markets were lifted by European Central Bank President Mario Draghi's announcement of new stimulus measures. UK shares also rose as worries of a no-deal Brexit lessened. Developed Asian markets were mostly positive, though Hong Kong shares slipped. The city's chief executive withdrew a controversial extradition bill, but demonstrators continued to demand other changes from the government. At the end of the month, President Trump and Japanese Prime Minister Shinzo Abe signed a limited, tariff-reducing trade deal that takes effect at the beginning of 2020. Emerging markets stocks rose over the month.

During the one-month period, the FTSE EPRA Nareit Developed Real Estate Index posted positive results but lagged some broader developed market equity benchmarks as real estate stocks faced headwinds from rising bond yields. Most countries within the real estate benchmark delivered gains in September. The UK, France, and the Netherlands posted the largest positive results while Australia recorded the largest losses for the month. The United States, which makes up more than half the index, outperformed the broader benchmark.

**RISK RETURN CHARACTERISTICS**

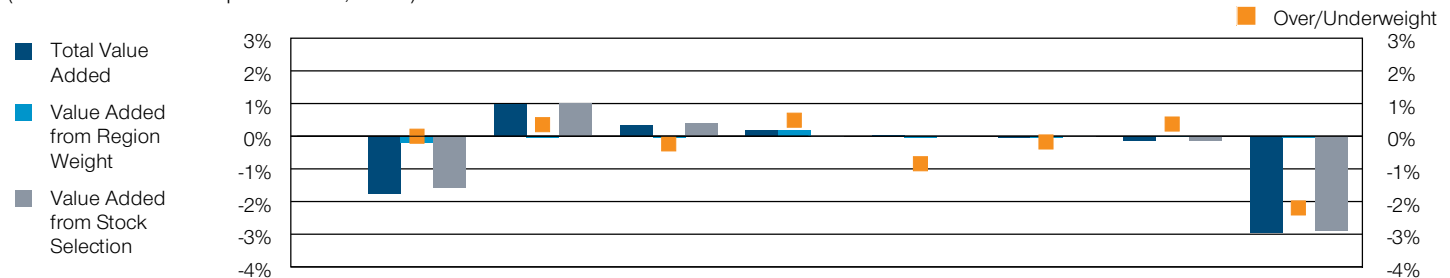
(Five Years ended September 30, 2019)

	Annualized Std. Deviation	Alpha	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error
Global Real Estate Fund	11.47%	-0.88%	0.99	0.97	-0.50	0.42	2.01%
FTSE EPRA Nareit Developed Index Net TRI	11.42	0.00	1.00	1.00	0.00	0.51	0.00

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

**REGION ATTRIBUTION DATA VS. FTSE EPRA NAREIT DEVELOPED INDEX**

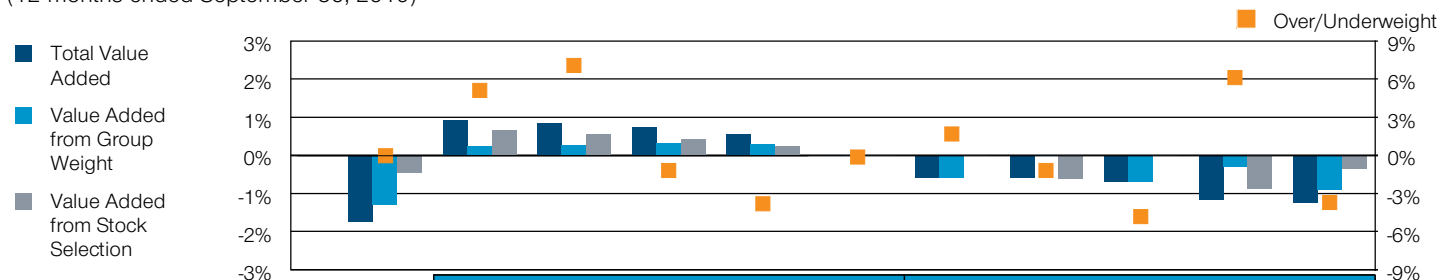
(12 months ended September 30, 2019)



	Total	Developed Europe	Japan	Latin America	Canada	EM EMEA	Pacific ex Japan	United States
Over/Underweight	0.00%	0.35%	-0.22%	0.50%	-0.82%	-0.17%	0.39%	-2.19%
Fund Performance	12.37	8.15	28.19	26.82	19.39	0.00	5.92	11.97
Index Performance	14.11	2.01	23.78	0.00	16.32	56.04	6.35	18.02
Value Add - Region Weight	-0.18	-0.02	-0.05	0.18	-0.02	-0.06	-0.01	-0.05
Value Add - Stock Selection	-1.55	1.01	0.40	0.00	0.06	0.00	-0.12	-2.89
Total Contribution	-1.73	0.98	0.35	0.18	0.03	-0.06	-0.13	-2.94

**SECTOR ATTRIBUTION DATA VS. FTSE EPRA NAREIT DEVELOPED INDEX (TOP AND BOTTOM 5 BY TOTAL VALUE ADDED)**

(12 months ended September 30, 2019)



	Top Five Total Value Added						Bottom Five Total Value Added				
	Total	Industrial	Apartment Residential	Lodging/Leisure	Regional Mall	Mortgage/Finance	Agriculture/Land	Shopping Center	Triple Net	Office	Health Care
Over/Underweight	0.00%	5.13%	7.11%	-1.16%	-3.80%	-0.10%	1.70%	-1.16%	-4.79%	6.16%	-3.69%
Fund Performance	12.37	35.01	23.37	9.21	-10.15	0.00	-12.76	4.25	0.00	6.56	16.37
Index Performance	14.11	28.82	20.14	-3.74	-12.23	4.61	0.00	12.00	33.64	10.85	31.19
Value Add - Group Weight	-1.28	0.26	0.29	0.31	0.30	0.01	-0.58	0.01	-0.67	-0.29	-0.88
Value Add - Stock Selection	-0.45	0.67	0.56	0.44	0.26	0.00	0.00	-0.60	0.00	-0.87	-0.34
Total Contribution	-1.73	0.93	0.84	0.75	0.55	0.01	-0.58	-0.59	-0.67	-1.16	-1.22

**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. Analysis by T. Rowe Price Associates, Inc. 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 10 ISSUERS**

Comprising 32.3% of total net assets.

	Country	Industry	% of Fund
Prologis	United States	Industrial	5.8%
AvalonBay Communities	United States	Apartment Residential	4.4
Equity Residential	United States	Apartment Residential	4.0
Essex Property Trust	United States	Apartment Residential	3.2
Public Storage	United States	Self Storage	2.9
Sun Hung Kai Properties	Hong Kong	Diversified	2.8
Nippon Accommodations Fund	Japan	Apartment Residential	2.3
SL Green Realty	United States	Office	2.3
Mitsubishi Estate	Japan	Diversified	2.3
PSP Swiss Property	Switzerland	Office	2.2

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

**PORTFOLIO CHARACTERISTICS**

	Global Real Estate Fund	FTSE EPRA Nareit Developed Index Net TRI
Number of Issuers	65	336
Investment Weighted Median Market Cap (mm)	\$7,506	\$10,322
Price to Earnings (Current Fiscal Year)*° †	39.1X	31.9X
Price to Book°	1.9X	1.8X
Projected Earnings Growth Rate (3 - 5 Years)*° †	4.4%	4.4%
Return on Equity (Current Fiscal Year)° †	6.5%	6.6%
Top 20 Issuers as Percent of Total	51.7%	33.2%
Total Assets (all share classes)	137,055,607	–
Percent of Portfolio in Cash	2.2%	–

°Investment Weighted Median.

\*I/B/E/S © 2019 Refinitiv. All rights reserved

†Based on the fund's underlying holdings and is not a projection of future portfolio performance.

**GEOGRAPHICAL DIVERSIFICATION**

	North America	Europe	Pacific Ex Japan	Japan	Latin America	Middle East & Africa	Reserves
Global Real Estate Fund	55.9%	16.7%	12.8%	11.8%	0.5%	0.0%	2.2%
FTSE EPRA Nareit Developed Index Net TRI	59.0	16.4	12.4	12.0	0.0	0.2	0.0
<b>Over/Underweight</b>	<b>-3.1</b>	<b>0.3</b>	<b>0.4</b>	<b>-0.2</b>	<b>0.5</b>	<b>-0.2</b>	<b>2.2</b>

**INDUSTRY DIVERSIFICATION**

	Apt Res	Office	Industrial	Diversified	Shopping Center	Health Care	Self Storage	Regional Mall	Lodging / Leisure	Agg-Land	Other
Global Real Estate Fund	23.9%	18.9%	15.1%	13.2%	6.0%	5.9%	5.8%	4.0%	3.3%	1.7%	0.0%
FTSE EPRA Nareit Developed Index Net TRI	16.7	12.7	10.0	19.9	7.2	9.7	4.1	7.8	4.5	0.0	7.4
<b>Over/Underweight</b>	<b>7.1</b>	<b>6.2</b>	<b>5.2</b>	<b>-6.7</b>	<b>-1.2</b>	<b>-3.8</b>	<b>1.6</b>	<b>-3.8</b>	<b>-1.2</b>	<b>1.7</b>	<b>-7.4</b>

## Additional Disclosures

Source for Lipper data: Lipper Inc.

Lipper Data (excluding Performance and Risk Return exhibits) is estimated by T. Rowe Price based on information provided by Lipper, Inc., and LionShares. T. Rowe Price identifies the funds that compose the Lipper index and builds an aggregate portfolio for the index based on each fund's holdings as provided by LionShares. Please note that the portfolio holdings for each fund within the index are based on the most recent public information that is available, and since the funds have different reporting periods, some of this information may not be current.

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

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

T. Rowe Price uses a custom structure for sector and industry reporting for this product.

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

"Other" includes any categories not explicitly mentioned.

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.

This material should not be deemed a recommendation to buy or sell any of the securities mentioned.

This material has been prepared for informational purposes only. The views and opinions stated in this commentary are those of the portfolio managers listed as of the date indicated. These views and opinions are subject to change based on market or other conditions and may differ from those of other T. Rowe Price associates. Actual market and investment results may differ materially from expectations.

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