



PORTFOLIO UPDATE

International Bond Fund

As of September 30, 2019

Portfolio Manager:	Managed Fund Since:	Joined Firm:
Arif Husain	2014	2013
Kenneth Orchard	2015	2010

INVESTMENT OBJECTIVE

The fund seeks to provide current income and capital appreciation.

FUND INFORMATION

Symbol	RPIBX
CUSIP	77956H104
Inception Date of Fund	September 10, 1986
Benchmark	Bloomberg Barclays Global Agg ex USD Index
Expense Information (as of the most recent Prospectus)	0.67%
Fiscal Year End	December 31
12B-1 Fee	-

MARKET COMMENTARY

International government bond markets delivered negative returns in U.S. dollar terms in September. Easing political tensions, aided by a thawing in U.S.-China trade relations, pushed bond prices down over the period. The U.S. dollar's impact on returns was mitigated during September, after a mixed month against most developed and emerging market currencies during the period. Eurozone government bonds delivered negative returns in September. The European Central Bank (ECB) announced a stimulus package mid-month, including a new interest rate cut. However, a reduction in global trade concerns and the market's hawkish reaction to the U.S. Federal Reserve's September meeting allowed bond yields to climb from record lows. Peripheral eurozone bonds were also broadly negative for the month. Italy was a notable exception, however, as the formation of a new coalition government expected to be less anti-establishment than the previous one pushed yields down.

Japanese government bonds delivered mixed returns in local currency terms in September. Yields increased across longer-dated maturities as signs of softening in the U.S.-China trade dispute reduced demand for safe-haven assets, while shorter-dated maturity yields edged lower. UK gilt yields moved marginally lower in September. Positive economic data suppressed bond prices early in the month. However, ongoing political tension and the potential for an upcoming interest rate cut in the face of ongoing uncertainty reined in yields. In Canada, meanwhile, the spike in oil prices, hawkish central bank messaging, and a prevailing risk-on environment pushed yields up across the curve.

PERFORMANCE

(NAV, total return)

	One Month	Three Months	Year-to-Date	One Year	Annualized					30-Day SEC Yield
					Three Years	Five Years	Ten Years	Fifteen Years		
International Bond Fund	-1.31%	-0.49%	5.16%	6.12%	0.58%	1.02%	1.35%	2.88%	1.10%	
Bloomberg Barclays Global Aggregate ex USD Bond Index	-1.42	-0.58	4.38	5.34	0.43	0.87	1.27	3.06	-	

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.

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.

Source for Bloomberg Barclays data: Bloomberg Index Services Limited. See additional disclosures.

RISK RETURN CHARACTERISTICS

(Five Years ended September 30, 2019)

	Annualized Std. Deviation	Alpha	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error
International Bond Fund	6.75%	0.16%	1.01	0.96	0.11	0.01	1.33%
Bloomberg Barclays Global Agg ex USD Index	6.53	0.00	1.00	1.00	0.00	-0.01	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 44.3% of total net assets.

	Country	Industry	% of Fund
Japan	Japan	Sovereign	13.0%
Republic of Italy	Italy	Sovereign	5.8
Republic of France	France	Sovereign	4.3
State of Israel	Israel	Sovereign	3.3
United Mexican States	Mexico	Sovereign	3.3
Republic of Cyprus	Cyprus	Sovereign	3.1
United Kingdom of Great Britain and N. Ireland	United Kingdom	Sovereign	3.0
Republic of Korea	South Korea	Sovereign	3.0
Republic of Chile	Chile	Sovereign	2.7
Federation of Malaysia	Malaysia	Sovereign	2.6

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

NET CURRENCY EXPOSURE (TOP 10)

	% of Fund
euro	35.8%
Japanese yen	28.9
British pound sterling	8.3
Canadian dollar	5.6
Chinese renminbi	4.5
Australian dollar	2.2
Korean won	2.1
Czech koruna	1.8
Mexican peso	1.5
New Romanian leu	1.3

PORTFOLIO CHARACTERISTICS

	International Bond Fund	Bloomberg Barclays Global Agg ex USD Index
Weighted Average Maturity	9.85 years	9.72 years
Weighted Average Effective Duration	8.42 years	8.24 years
Weighted Average Coupon	3.62%	2.26%
Yield to Maturity	1.93%	0.43%
Percent of Portfolio in Cash	1.3%	-
Total Assets (all share classes)	1,205,953,819	-

SECTOR DIVERSIFICATION

	Sub Investment Grade	Corporate	Collateralised	Agency/Su pranationals	Government	Reserves
International Bond Fund	5.9%	11.2%	1.3%	4.4%	76.0%	1.3%
Bloomberg Barclays Global Agg ex USD Index	0.0	11.6	4.5	9.8	74.1	0.0
Over/Underweight	5.9	-0.4	-3.2	-5.4	1.9	1.3

BOND ALLOCATION (ISSUE CURRENCY)

	Europe	Asia ex-Japan	Japan	Latin America	North America	Middle East & Africa	Reserves
International Bond Fund	48.7%	18.6%	13.0%	7.3%	6.7%	4.4%	1.3%
Bloomberg Barclays Global Agg ex USD Index	55.0	9.9	29.5	0.6	4.8	0.2	0.0
Over/Underweight	-6.3	8.6	-16.4	6.7	1.9	4.1	1.3

CREDIT QUALITY DIVERSIFICATION

	AAA	AA	A	BBB	Below Inv. Grade	Not Rated	Reserves
International Bond Fund	5.8%	14.2%	31.3%	25.1%	12.2%	10.1%	1.3%
Bloomberg Barclays Global Agg ex USD Index	16.7	22.9	35.3	16.9	0.2	8.1	0.0
Over/Underweight	-10.9	-8.7	-4.0	8.2	12.0	2.0	1.3

Source for Bloomberg Barclays data: Bloomberg Index Services Limited.

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.

Additional Disclosures

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