



PORTFOLIO UPDATE

International Bond Fund (USD Hedged)

As of March 31, 2020

Portfolio Manager:	Managed Fund Since:	Joined Firm:
Kenneth Orchard	2017	2010
Arif Husain	2017	2013

INVESTMENT OBJECTIVE

The fund seeks to provide current income and capital appreciation.

FUND INFORMATION

Symbol	TNIBX
CUSIP	77956H211
Inception Date of Fund	September 12, 2017
Benchmark	Bloomberg Barclays Global Agg ex USD - USD Hdg Index
Expense Information (as of the most recent Prospectus)	0.64%
Fiscal Year End	December 31
12B-1 Fee	-

MARKET COMMENTARY

International government bond markets delivered negative returns in local currency terms in March. The period was dominated by volatility and challenging liquidity conditions across fixed income markets. The spread of the coronavirus triggered global recession fears, initially supporting core asset prices. However, it also generated huge demand for cash, putting a strain on trading in some of the most liquid bond markets, pushing some prices down. The strengthening U.S. dollar through the period also weighed on returns.

Eurozone government bonds posted a negative overall return in local currency terms in March. Yields spiked in the middle of the month as major governments responded to the worsening coronavirus outbreak by implementing severe public movement restrictions and forcing shutdowns of large parts of their own economies. The developments increased demand for cash driving investors to sell assets across all classes, even core eurozone bonds, such as bunds. Looser fiscal policies from eurozone governments also added upward pressure on yields. Peripheral eurozone government bond yields largely tracked their core bond counterparts, with the outbreak worsening notably in both Spain and Italy. The announcement of a massive monetary stimulus package by the European Central Bank (ECB) without country limits helped to bring yields back down toward the end of the month, however.

Japanese government bonds (JGBs) delivered negative returns in local currency terms in March. Yields rose across most maturities as investors looked past new easing measures announced by the Bank of Japan (BoJ) and dumped fixed income securities to cover costs from a global market rout sparked by the coronavirus pandemic. In the UK and Canada, however, yields ended the period lower as central banks in both countries responded with new quantitative easing programs. Canadian bond yields faced additional downward pressure thanks to the collapse in oil prices during the month.

PERFORMANCE

(NAV, total return)

	One Month	Three Months	One Year	Annualized	
				Since Inception 9/12/17	30-Day SEC Yield
International Bond Fund (USD Hedged)	-4.33%	-2.70%	2.29%	3.46%	1.54%
Bloomberg Barclays Global Aggregate ex USD Bond USD Hedged Index	-1.97	0.51	5.01	4.71	-

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 is subject to risks of fixed income investing, including interest rate risk and credit 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 index data: Bloomberg Index Services Limited. See additional disclosures.

RISK RETURN CHARACTERISTICS

(The exhibit will be available after three years of performance history in the class.)

TOP 10 ISSUERS

Comprising 42.1% of total net assets.

	Country	Industry	% of Fund
Japan	Japan	Sovereign	12.6%
Republic of Ireland	Ireland	Banking/Sovereign	3.8
People's Republic of China	China	Basic Industry/Sovereign	3.6
China Development Bank	China	Owned No Guarantee	3.6
Republic of Cyprus	Cyprus	Sovereign	3.6
Republic of France	France	Sovereign	3.4
State of Israel	Israel	Sovereign	3.1
Romania	Romania	Sovereign	3.0
Republic of Indonesia	Indonesia	Sovereign	2.8
Republic of Chile	Chile	Sovereign	2.7

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

NET CURRENCY EXPOSURE (TOP 10)

	% of Fund
U.S. dollar	86.9%
Chinese renminbi	7.5
Australian dollar	2.7
British pound sterling	2.7
Japanese yen	2.6
Czech koruna	1.5
Chilean peso	1.5
Korean won	0.8
New Romanian leu	0.7
Indian rupee	0.5

PORTFOLIO CHARACTERISTICS

	International Bond Fund (USD Hedged)	Bloomberg Barclays Global Agg ex USD - USD Hdg Index
Weighted Average Maturity	8.77 years	9.62 years
Weighted Average Effective Duration	8.16 years	8.14 years
Weighted Average Coupon	3.28%	2.22%
Yield to Maturity	2.16%	0.77%
Percent of Portfolio in Cash	11.3%	-
Total Assets (all share classes)	5,348,292,765	-

SECTOR DIVERSIFICATION

	Government	Corporate	Sub Invest-ment Grade	Agency/Su-pranation-als	Collateral-ised	Reserves
International Bond Fund (USD Hedged)	66.6%	12.7%	6.1%	3.1%	0.4%	11.5%
Bloomberg Barclays Global Agg ex USD - USD Hdg Index	73.2	11.0	0.0	11.5	4.3	0.0
Over/Underweight	-6.5	1.7	6.1	-8.4	-3.9	11.5

BOND ALLOCATION (ISSUE CURRENCY)

	Europe	Asia ex-Japan	Japan	North America	Middle East & Africa	Latin America	Reserves
International Bond Fund (USD Hedged)	42.8%	17.2%	12.6%	7.9%	4.2%	3.9%	11.3%
Bloomberg Barclays Global Agg ex USD - USD Hdg Index	53.2	13.2	28.4	4.4	0.2	0.6	0.0
Over/Underweight	-10.4	4.0	-15.8	3.5	4.0	3.4	11.3

CREDIT QUALITY DIVERSIFICATION

	AAA	AA	A	BBB	Below Inv. Grade	Not Rated	Reserves
International Bond Fund (USD Hedged)	7.0%	6.6%	26.7%	21.2%	12.9%	14.2%	11.3%
Bloomberg Barclays Global Agg ex USD - USD Hdg Index	16.1	22.1	33.6	15.7	0.2	12.4	0.0
Over/Underweight	-9.0	-15.5	-6.9	5.5	12.7	1.8	11.3

Source for Bloomberg Barclays index 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

Source for Bloomberg Barclays index data: Bloomberg Index Services Limited.

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.

Sources for credit quality: Moody's Investors Service; if Moody's does not rate a security, then Standard & Poor's (S&P) is used as a secondary source. When available, T. Rowe Price will use Fitch for securities that are not rated by Moody's or S&P. T. Rowe Price does not evaluate these ratings, but simply assigns them to the appropriate credit quality category as determined by the rating agency. T. Rowe Price uses the rating of the underlying investment vehicle for credit default swaps.

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.

© 2020 T. Rowe Price. All rights reserved. T. ROWE PRICE, INVEST WITH CONFIDENCE, and the bighorn sheep design are, collectively and/or apart, trademarks or registered trademarks of T. Rowe Price Group, Inc.

T. Rowe Price Investment Services, Inc., Distributor.

201801-367740 202004-1140413