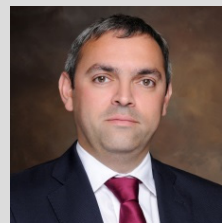


T. Rowe Price Dynamic Global Bond Fund – I Class

As of 31 May 2022



Portfolio Manager:

Arif Husain

Joined Firm:

2013

Investment Experience:

26 Years



Morningstar Analyst Rating™:
As of 22/02/2021



INVESTMENT OBJECTIVE

The Fund's objective is to maximise total return and provide income through investment primarily in a portfolio of fixed income securities which may include, but is not limited to, transferable debt securities of government and their agencies, supranational organisations, corporations and banks as well as mortgage-backed and asset-backed securities. There are no restrictions on the sectors or countries in which bond issuers are located.

SECTOR DIVERSIFICATION

	% of Fund
Treasury & Quasi Treasury	71.51
Corporate (including High Yield)	11.39
Securitized	3.29
Equity	0.20
Cash & Cash Equivalents	13.61

TOP 10 ISSUE EXPOSURE¹

	Maturity Date	% of Fund
United Kingdom Inflation-Linked Gilt	22 Mar 2024	9.0
Deutsche Bundesrepublik Inflation Linked Bond	15 Apr 2026	8.8
U.S. Treasury Notes	31 Jan 2023	4.1
Philippine Government International Bond	26 Nov 2022	3.7
U.S. Treasury Inflation Indexed Bonds	15 Jan 2023	3.6
Japan Government Ten Year Bond	20 Dec 2031	3.3
Brazil Notas do Tesouro Nacional Serie F	01 Jan 2027	3.0
Deutsche Bundesrepublik Inflation Linked Bond	15 Apr 2030	2.8
U.S. Treasury Inflation Indexed Bonds	15 Apr 2023	2.6
Bonos de la Tesoreria de la Republica en pesos	01 Mar 2026	2.6

PORTFOLIO CHARACTERISTICS^{1,2,3}

	Fund
Number of Holdings	104
Number of Countries	37
Weighted Average Maturity	5.63 Years
Weighted Average Effective Duration	0.42 Years
Weighted Average Spread Duration	-1.22 Years
Average Credit Quality	A+
Yield to Maturity (including hedging)	0.51%

PERFORMANCE

	One Month	Three Months	Year-to-date	One Year	Three Years	Five Years	Annualised Since Fund Inception
T. Rowe Price Dynamic Global Bond Fund – I Class (Gross – AUD)*	-0.83%	2.22%	3.95%	1.27%	3.82%	3.06%	4.08%
T. Rowe Price Dynamic Global Bond Fund – I Class (Net – AUD)**	-0.86	2.12	3.78	0.87	3.41	2.65	3.65
Bloomberg AusBond Bank Bill Index (AUD)	0.03	0.02	0.03	0.05	0.36	0.97	1.49
Value Added (Gross) ⁴	-0.86	2.20	3.92	1.22	3.46	2.09	2.59
Value Added (Net) ⁵	-0.89	2.10	3.75	0.82	3.05	1.68	2.16

Past performance is not a reliable indicator of future performance.

Source for performance: T. Rowe Price.

* Gross-of-fees performance is the net return with fees and expenses added back.

** Net-of-fees performance is based on end-of-month redemption prices after the deduction of fees and expenses and the reinvestment of all distributions.

Figures include changes in principal value. Investment return and principal value will vary, and an account may be worth more or less at termination than at inception. For further details, please refer to the fund's product disclosure statement and reference guide which are available from Equity Trustees or TRPAU.

¹ Issuer exposure is derived using the portfolio's direct holdings and does not take into account derivative exposure. Consult the portfolio holdings report for a listing of all securities owned in the portfolio.

² Calculated using the portfolio's direct holdings plus exposure from derivative instruments.

³ Calculated using the individual credit quality ratings for the direct holdings and without the impact from derivative instruments.

⁴ The Value Added is shown as the Fund (Gross) minus its Index.

⁵ The Value Added is shown as the Fund (Net) minus its Index.

This material is provided for informational purposes only and is not intended to be investment advice or a recommendation to take any particular investment action. The views and portfolio holdings contained herein are as of date noted on the material and are subject to change without further notice. The specific securities identified and described do not necessarily represent all of the securities purchased, sold, or recommended for the Fund and no assumptions should be made that the securities identified and discussed were or will be profitable.

BLOCK BOND ALLOCATION (ISSUE CURRENCY)¹**% of Fund**

Europe	30.9
North America	24.9
Latin America	7.2
Pacific Ex Japan	14.1
Japan	4.9
Middle East & Africa	5.5
Reserves	12.5

FUND REVIEW

The portfolio's duration was reduced significantly to end May at around 0.5 years. The main drivers included moving to a short duration stance in the U.S. and materially reducing exposure in Germany. In further eurozone moves, we added to our short duration position in Italy and opened a new short duration exposure in France as the European Central Bank (ECB) signaled its willingness to act on inflation.

In other moves, our long duration stance in Japan was trimmed further. We also reduced short duration stances in the UK and Canada, added to our long duration position in Sweden, and opened a new long duration exposure in Australia.

Throughout, long duration stances were maintained in New Zealand, Israel, China, Thailand, Hong Kong, Malaysia, and South Korea.

We retained exposures to inflation-linked bonds and swaps, primarily in Germany, the U.S., and the UK.

In emerging market bonds, long positions were maintained in the local currency government bond markets of Brazil, Chile, Mexico, Hungary, Romania, Serbia, South Africa, and India.

In the currency sphere, our short U.S. dollar bias was increased on anticipation of U.S. exceptionalism fading. This was driven mostly by either closing or trimming short exposures in emerging market currencies.

Within sectors, we added new defensive credit hedges in May using synthetic credit instruments, particularly in U.S. investment grade and U.S. high yield. Throughout, we continued to isolate credit selection from market beta as a potential source of alpha.

Put option structures on U.S. equities—which we hold as a defensive hedge against a rapid correction in equity markets—were adjusted over the month.

PORTFOLIO PERFORMANCE

Developed government bond markets were mixed during May driven by changing market expectations around monetary policy tightening. While in the U.S. growth concerns led to a tempering of tightening expectations, the eurozone was the opposite with expectations ramping up amid hawkish ECB rhetoric and record-high inflation.

Within duration management, a long German duration position and our tactical U.S. duration positioning were notable detractors over the period. An allocation to German inflation-linked bonds also had a negative impact, while short duration stances in the UK and Italy contributed positively.

In currency markets, the broadly weaker U.S. dollar resulted in gains for our long positions in the Polish zloty, Canadian dollar, and Australian dollar. Short positions in the Mexican peso and the Brazilian real detracted, however, as risk sentiment improved.

Within sectors, defensive equity hedging positions and exposures in U.S. high yield detracted over the period. Exposures in U.S. investment-grade added gains, however.

CREDIT QUALITY DIVERSIFICATION²**% of Fund**

AAA	27.2
AA	9.7
A	18.0
BBB	17.9
BB	10.6
B	1.1
C	0.0
Default	0.5
Not Rated	2.4

DISTRIBUTION INFORMATION

	30 Jun 2021	30 Sep 2021	31 Dec 2021	31 Mar 2022
Distribution Rate (cents per unit AUD)	8.23	0.15	0.15	0.16

OUTLOOK

A key development during May was the easing of bond market volatility. After months of heightened turbulence, this was welcomed by many participants, but we believe that it is unlikely to be long-lasting. Fixed income markets are going through a period of strategic change as central banks respond to inflation by hiking interest rates and withdrawing liquidity support from markets. Furthermore, some central banks, most notably the Fed, also plan to begin reducing their balance sheets. With quantitative tightening on the horizon, further bouts of volatility and turbulence are likely, in our view, especially if multiple global central banks all do it at the same time. Against this backdrop, we believe that actively managing duration remains critical in this environment.

In the credit sphere, markets have come a long way, but we feel it is not the right time yet to add credit risk. The environment of slower growth and higher inflation is likely to cause credit fundamentals to deteriorate, which we believe will lead to further weakness and volatility in the credit space. Against this backdrop, we added new defensive credit hedges during May.

Overall, the environment remains highly uncertain due to heightened geopolitical risks, slowing growth, and a tightening of financial conditions. In terms of inflation, we believe that even if a peak has been reached, it is unlikely to recede; instead, we expect it to plateau at these high levels. With markets grappling with a number of different forces, we believe that it's important to be tactical and keep a liquid profile in the portfolio. This should help give us flexibility to adapt to changes in market conditions and take advantage of any pricing anomalies and dislocations that might occur.

¹Issuer exposure is derived using the portfolio's direct holdings and does not take into account derivative exposure. Consult the portfolio holdings report for a listing of all securities owned in the portfolio.

²Calculated using the individual credit quality ratings for the direct holdings and without the impact from derivative instruments.

CONTACT US

For more information about the Fund, please contact our Relationship Management team on 02 8667 5700 or visit www.troweprice.com

FUND INFORMATION

APIR	ETL0398AU
Inception Date	18 February 2014
Benchmark	Bloomberg AusBond Bank Bill Index (AUD)
Management Fees and Costs [^]	0.40% p.a.
Distribution	Quarterly
Buy/Sell	Buy +0.20% / Sell -0.20%
Total Assets	\$ 667,258,410 AUD

[^]The Management Fee for the T. Rowe Price Dynamic Global Bond Fund is 0.40% p.a. and the Indirect Cost is 0.00% p.a. Full details of other fees and charges are available within the Fund's Product Disclosure Statement and Reference Guide.

ADDITIONAL DISCLOSURES

Unless indicated otherwise the source of all data is T. Rowe Price.

Weighted Average Maturity is an average of the maturities of the underlying bonds, with each bond's maturity weighted by the percentage of fund assets it represents. 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 maturity or duration, the greater the fund's sensitivity to interest rates. Duration is a better indicator of price sensitivity because it takes into account the time value of cash flows.

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

Credit ratings for the securities held in the T. Rowe Price Dynamic Global Bond Fund are provided by Moody's, Standard & Poor's and Fitch and are converted to the Standard & Poor's nomenclature. If the rating agencies differ, the highest rating is applied to the security. If a rating is not available, the security is classified as Not Rated (NR). T. Rowe Price uses the rating of the underlying investment vehicle to determine the creditworthiness of credit default swaps and sovereign securities. The T. Rowe Price Dynamic Global Bond Fund is not rated by any agency.

Certain numbers in this report may not equal stated totals due to rounding. Unless otherwise stated, all data is as of the report production date.

The rating issued for T. Rowe Price Dynamic Global Bond Fund (**assigned August 2021**) are published by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec). Ratings are general advice only, and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonsec assumes no obligation to update. Lonsec uses objective criteria and receives a fee from the Fund Manager. Visit lonsec.com.au for ratings information and to access the full report. © 2022 Lonsec. All rights reserved.

The Zenith Investment Partners (ABN 27 103 132 672, AFS Licence 226872) ("Zenith") rating (**assigned March 2022**) referred to in this piece is limited to "General Advice" (s766B Corporations Act 2001) for Wholesale clients only. This advice has been prepared without taking into account the objectives, financial situation or needs of any individual, including target markets of financial products, where applicable, and is subject to change at any time without prior notice. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of, and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Past performance is not an indication of future performance. Zenith usually charges the product issuer, fund manager or related party to conduct Product Assessments. Full details regarding Zenith's methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at Fund Research Regulatory Guidelines [zenithpartners.com.au]

T. Rowe Price Dynamic Global Bond Fund - I Class received Morningstar Analyst Rating™ of 'Bronze' as of **22 February 2021**. © 2022 Morningstar, Inc. All rights reserved. Neither Morningstar, its affiliates, nor the content providers guarantee the data or content contained herein to be accurate, complete or timely nor will they have any liability for its use or distribution. Any general advice or 'class service' have been prepared by Morningstar Australasia Pty Ltd (ABN: 95 090 665 544, AFSL: 240892) and/or Morningstar Research Ltd, subsidiaries of Morningstar, Inc, without reference to your objectives, financial situation or needs. Refer to our Financial Services Guide (FSG) for more information at www.morningstar.com.au/s/fsg.pdf. You should consider the advice in light of these matters and if applicable, the relevant Product Disclosure Statement before making any decision to invest. Our publications, ratings and products should be viewed as an additional investment resource, not as your sole source of information. Past performance does not necessarily indicate a financial product's future performance. To obtain advice tailored to your situation, contact a professional financial adviser.

IMPORTANT INFORMATION

Equity Trustees Limited ("Equity Trustees") (ABN: 46 004 031 298, AFSL: 240975) is a subsidiary of EQT Holdings Limited (ABN: 22 607 797 615), a publicly listed company on the Australian Stock Exchange (ASX:EQT). Equity Trustees and T. Rowe Price Australia Limited ("TRPAU") (ABN: 13 620 668 895, AFSL: 503741) are, respectively, the responsible entity and investment manager of the T. Rowe Price Australian Unit Trusts. Available in Australia for Wholesale Clients only and in New Zealand for Wholesale Investors only.

A Target Market Determination for each T. Rowe Price Australian Unit Trust (or class of units in a Trust) is available here (www.eqt.com.au/insto [eqt.com.au]). A Target Market Determination is a document which is required to be made available from 5 October 2021. It describes who the financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where Equity Trustees Limited, the responsible entity of the T. Rowe Price Australian Unit Trusts may need to review the Target Market Determination for the financial product.

Past performance is not a reliable indicator of future performance. The price of any fund may go up or down. Investment involves risk including a possible loss to the principal amount invested. For general information purposes only, does not take into account the investment objectives, financial situation or needs of any particular investor. For further details, please refer to each fund's product disclosure statement and reference guide which are available from Equity Trustees (www.eqt.com.au/insto) or TRPAU (www.troweprice.com.au)/(www.troweprice.nz).

Information and opinions presented have been obtained or derived from sources believed to be reliable and current; however, we cannot guarantee the sources' accuracy or completeness. There is no guarantee that any forecasts made will come to pass. The views contained herein are as of the date noted on the material and are subject to change without notice; these views may differ from those of other T. Rowe Price group companies and/or associates. Under no circumstances should the material, in whole or in part, be copied or redistributed without consent from T. Rowe Price.

© 2022 T. Rowe Price. All Rights Reserved. T. ROWE PRICE, INVEST WITH CONFIDENCE, and the Bighorn Sheep design are, collectively and/ or apart, trademarks of T. Rowe Price Group, Inc.