



MONTHLY UPDATE

31 July 2019

T. ROWE PRICE FUNDS SICAV

Global High Yield Bond Fund



Mike Della Vedova*

Portfolio Manager

24 Years investment experience
8 Years at T. Rowe Price



Mark Vaselkiv*

Portfolio Manager

33 Years investment experience
29 Years at T. Rowe Price



Paul Massaro

Portfolio Manager

17 Years investment experience
14 Years at T. Rowe Price

FUND SNAPSHOT

Seeks to capture enhanced returns from a diversified global portfolio of income bearing, high yield securities.

KEY FUND DATA

Indicative Benchmark:	J.P. Morgan Global High Yield Index
Base Currency:	USD
ISIN Class A:	LU0133082254
ISIN Class Ad:	LU0133082684
ISIN Class Ah (EUR):	LU0165850685
ISIN Class Ah (NOK):	LU0181685537
ISIN Class Ah (SEK):	LU0748329892
ISIN Class I:	LU0133083492
ISIN Class Ih (EUR):	LU1076275962
ISIN Class Q:	LU0860350221

	Annualised				
	One Month	Year-to-Date	One Year	Three Years	Five Years
Class I	0.81%	11.38%	7.60%	6.31%	4.44%
J.P. Morgan Global High Yield Index*	0.61%	10.75%	7.32%	7.30%	5.22%

	Calendar Years				
	2014	2015	2016	2017	2018
Class I	1.7	-3.1	14.7	7.5	-4.0
J.P. Morgan Global High Yield Index*	1.7	-4.3	18.3	8.3	-2.4

Past performance is not a reliable indicator of future performance.

* The index shown is not a formal benchmark. It is shown only for comparison purposes.

† Class Inception: 04-Mar-2002

Source for performance: T.Rowe Price.

Fund performance is calculated using the official NAV with distributions reinvested, if any. The value of your investment will vary and is not guaranteed. It will be affected by changes in the exchange rate between the base currency of the fund and the currency in which you subscribed, if different. Sales charges, taxes and other locally applied costs have not been deducted and if applicable, they will reduce the performance figures.

Indicative Benchmark Data Source: JP Morgan

PORTFOLIO HIGHLIGHTS

- The high yield market posted gains in July as anticipation of a U.S. Federal Reserve rate cut lifted investor sentiment. Equity gains, hopes for the resumption of trade negotiations between the U.S. and China, and strong inflows that fostered positive technical conditions were also supportive. Most below investment-grade sectors advanced in July, led by financials, while the energy industry declined due to oil price volatility. Returns across the quality spectrum were positive, with higher-rated bonds performing best. In the portfolio, credit selection and our underweight allocation to the energy segment contributed to relative performance, as did our overweight to cable operators. However, credit selection in the broadcasting and health care sectors held back relative results.

We believe high yield bonds appear attractively positioned compared to many other fixed income sectors in the current environment, given their relatively low duration profile and higher income. Continued economic growth, even slow growth, is supportive for high yield issuers, as they are typically more sensitive to macroeconomic factors. Corporate fundamentals remain largely stable, and we expect default activity to remain below the historical average this year.



*Effective 8 July 2015, Michael Della Vedova and Mark Vaselkiv assumed co-portfolio management responsibilities for the fund.

MAIN RISKS:

Counterparty risk - an entity with which the fund transacts may not meet its obligations to the fund.

Country risk (Russia and Ukraine) - in these countries, risks associated with custody, counterparties and market volatility are higher than in developed countries.

Credit risk - a bond or money market security could lose value if the issuer's financial health deteriorates.

Default risk - the issuers of certain bonds could become unable to make payments on their bonds.

Derivatives risk - derivatives may result in losses that are significantly greater than the cost of the derivative.

Emerging markets risk - emerging markets are less established than developed markets and therefore involve higher risks.

Geographic concentration risk - to the extent that a fund invests a large portion of its assets in a particular geographic area, its performance will be more strongly affected by events within that area.

Hedging risk - a fund's attempts to reduce or eliminate certain risks through hedging may not work as intended.

Interest rate risk - when interest rates rise, bond values generally fall. This risk is generally greater the longer the maturity of a bond investment and the higher its credit quality.

Investment fund risk - investing in funds involves certain risks an investor would not face if investing in markets directly.

Liquidity risk - any security could become hard to value or to sell at a desired time and price.

Management risk - the investment manager or its designees may at times find their obligations to a fund to be in conflict with their obligations to other investment portfolios they manage (although in such cases, all portfolios will be dealt with equitably).

Market risk - prices of many securities change daily, and can fall based on a wide variety of factors.

Operational risk - operational failures could lead to disruptions of fund operations or financial losses.

Sector concentration risk - the performance of a fund that invests a large portion of its assets in a particular economic sector (or, for bond funds, a particular market segment), will be more strongly affected by events affecting that sector or segment of the fixed income market.

Important Information

The Funds are sub-funds of the T. Rowe Price Funds SICAV, a Luxembourg investment company with variable capital which is registered with Commission de Surveillance du Secteur Financier and which qualifies as an undertaking for collective investment in transferable securities ("UCITS"). Full details of the objectives, investment policies and risks are located in the prospectus which is available with the key investor information documents in English and in an official language of the jurisdictions in which the Funds are registered for public sale, together with the annual and semiannual reports (together "Fund Documents"). Any decision to invest should be made on the basis of the Fund Documents which are available free of charge from the local representative, local information/paying agent or from authorised distributors and via www.troweprice.com.

Please note that the Fund typically has a risk of high volatility.

The views contained herein are as of 31 July 2019 and may have changed since that time. Unless indicated otherwise the source of all data is T.Rowe Price.

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