



T. Rowe Price

Powering Through Down Markets for Better Investor Results

T. Rowe Price U.S. equity funds have helped investors save money during even the worst market downturns of the past 25 years.

January 2024

Market downturns happen. If you've been investing for a while, you've probably experienced more than one. And if you are like most investors, you have lost money and found yourself waiting years for your investments to reach their previous levels.

T. Rowe Price U.S. equity funds have succeeded in dulling this financial pain for many investors, nearly always generating better returns than their respective benchmarks through down periods over the last 20 years.

We've achieved this strong performance through our active management approach, led by investment professionals who go after returns that are better than the index. We go beyond the numbers, applying rigorous research and prudent

risk management to pursue more money for investors during bull markets, while trying to help investors come out strong on the other side of market downturns. History shows we've done just that with our U.S. equity funds.

Higher returns through down markets time and time again

Our U.S. equity funds have done well to beat indexes in both up and down markets. But their performance has especially stood out during prolonged periods when markets were down overall.

T. Rowe Price examined the performance of 17 U.S. equity funds between 2003 and 2023, specifically looking at five-year monthly rolling periods during that time.

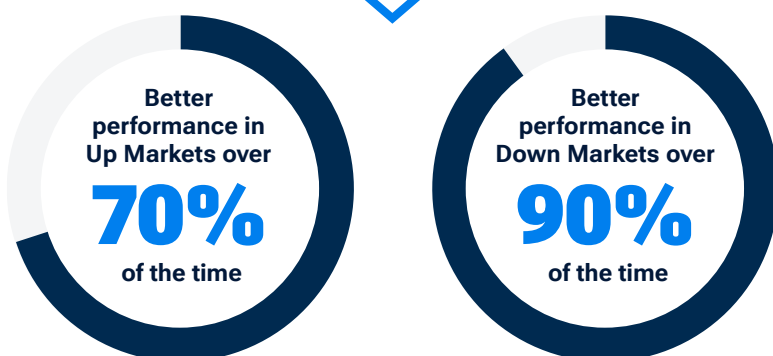
In those periods where benchmarks were positive, our U.S. equity funds performed better in 70% of cases. On the flip side, our funds performed better in 90% of the periods when benchmarks showed negative returns.

“Our U.S. equity fund performance has stood out during prolonged periods when markets were down overall.

Proven performance across all markets

T. Rowe Price equity funds' performance relative to their benchmarks.¹

The T. Rowe Price difference



Our U.S. equity funds have beaten their benchmarks time and time again in both up and down markets.



Results Shown After Fees and Expenses

Analysis of 17 T. Rowe Price U.S. equity funds during 5-year monthly rolling periods from 12/31/2003 to 12/31/2023.

Past performance cannot guarantee future results.

“ T. Rowe Price U.S. equity funds generated more money than a blended index of relevant benchmarks in five-year periods surrounding the tech sector collapse and the global financial crisis.²

Down markets can hurt in the short term. But their effects can be felt for years because the larger the market drop, the more money you'll need to get back to previous levels. (Consider, for example, that a 10% loss will require an 11.1% gain to break even, but a **50% loss will require a 100% gain.**) That's why it helps to try and limit losses during down markets by partnering with an investment manager with a history of success. T. Rowe Price investment professionals have managed portfolios through multiple market cycles and understand how to navigate through difficult periods. They know from experience that every dollar you can save during a market downturn is a dollar you can invest later, potentially resulting in more money for you over time.

Helping investors emerge strong from the worst downturns

Fortunately for investors, down markets historically have been less frequent and shorter in length than periods where markets have done well. But these drops, when they happen, can have a deep and long-lasting impact on investors' portfolios. Consider two real-life examples of prolonged downturns in the past 25 years: the collapse

of the tech sector in 2001 and the 2008–2009 global financial crisis.

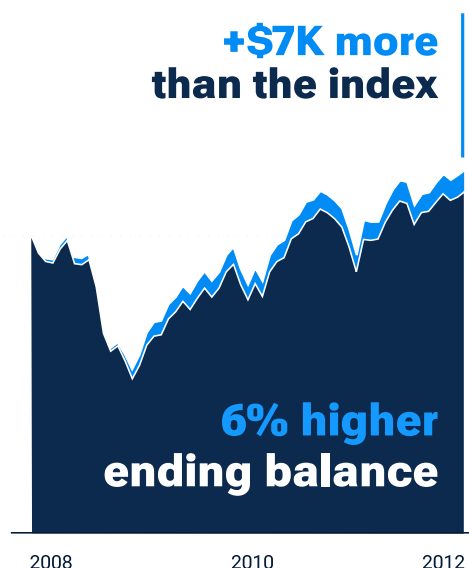
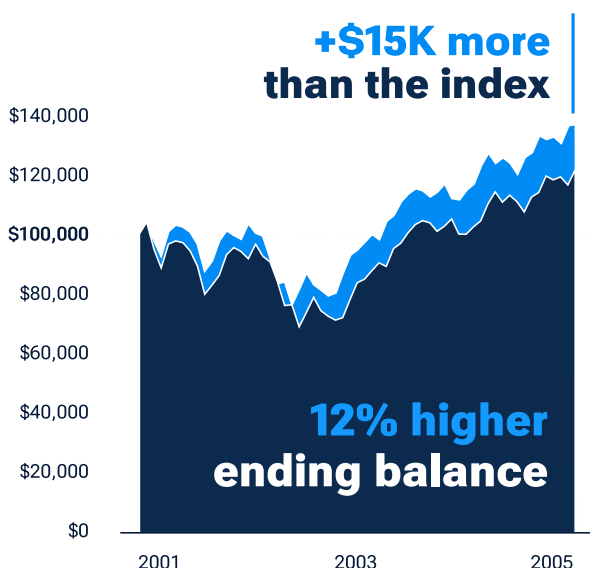
During these two high-profile events, markets experienced double-digit negative returns, and many investors waited years to see their portfolios return to previous levels. Investors close to retirement felt the worst of the pain. But in five-year periods surrounding these events (2001 through 2005 and 2008 through 2012), T. Rowe Price U.S. equity funds were shown to have generated more money than a blended index of relevant benchmarks. This means that investors potentially saw meaningfully higher balances once markets recovered.

Down markets are inevitable, and it's likely that you will experience periods of negative investment returns. But T. Rowe Price U.S. equity funds have reliably beaten their respective benchmarks through longer down markets and recovery periods of the last 20 years, helping to produce better results in the long run. That's the power of the T. Rowe Price active management investing approach—deep experience, prudent risk management, and rigorous research in pursuit of the right opportunities for your long-term goals.

We helped our clients power through historic market downturns—and they came out ahead²

Collapse of Tech Bubble + Recovery

Global Financial Crisis + Recovery



T. Rowe Price U.S. Equity Portfolio Balance
U.S. Equity Blended Index Balance

Results Shown After Fees and Expenses

Past performance cannot guarantee future results. View standardized returns, expense ratios, and other information about the funds on page 3.



Standardized Performance: T. Rowe Price U.S. Equity Funds

Annualized total returns for periods ended December 31, 2023

Fund	Inception Date	Gross Expense Ratio ¹	1 Year	3 Years	5 Years	10 Years	20 Years or Since Inception
TRP Growth Stock Fund (NAV)	(4/11/1950)	0.67%	45.27%	1.44%	13.33%	11.71%	10.29%
Russell 1000 Growth Index			42.68	8.86	19.50	14.86	11.29
TRP New Horizons Fund (NAV)	(6/3/1960)	0.79	21.35	-5.70	12.74	11.53	12.10
Russell 2000 Growth Index			18.66	-3.50	9.22	7.16	8.28
TRP Equity Income Fund (NAV)	(10/31/1985)	0.67	9.65	10.05	11.32	7.98	7.77
Russell 1000 Value Index			11.46	8.86	10.91	8.40	7.99
TRP Capital Appreciation Fund (NAV)	(6/30/1986)	0.74	18.83	7.44	12.80	10.50	9.74
S&P 500 Index			26.29	10.00	15.69	12.03	9.69
TRP Small-Cap Value Fund (NAV)	(6/30/1988)	0.82	12.22	4.69	10.19	7.21	9.01
Russell 2000 Value Index			14.65	7.94	10.00	6.76	7.68
TRP Mid-Cap Growth Fund (NAV)	(6/30/1992)	0.77	20.11	2.30	11.82	10.61	11.03
Russell Midcap Growth Index			25.87	1.31	13.81	10.57	10.17
TRP Small-Cap Stock Fund (NAV)	(6/1/1956)	0.91	17.43	1.72	11.96	9.18	10.07
Russell 2000 Index			16.93	2.22	9.97	7.16	8.11
TRP Dividend Growth Fund (NAV)	(12/30/1992)	0.64	13.65	8.74	13.93	11.27	9.55
S&P 500 Index			26.29	10.00	15.69	12.03	9.69
TRP Blue Chip Growth Fund (NAV)	(6/30/1993)	0.71	49.36	2.58	13.58	12.44	10.61
Russell 1000 Growth Index			42.68	8.86	19.50	14.86	11.29
TRP Value Fund (NAV)	(9/30/1994)	0.72	12.12	8.88	12.48	9.13	8.86
Russell 1000 Value Index			11.46	8.86	10.91	8.40	7.99
TRP Mid-Cap Value Fund (NAV)	(6/28/1996)	0.83	18.75	12.30	13.23	9.45	9.80
Russell Midcap Value Index			12.71	8.36	11.16	8.26	9.25
TRP Diversified Mid-Cap Growth Fund (NAV)	(12/31/2003)	0.87	20.78	1.17	13.48	10.77	10.04
Russell Midcap Growth Index			25.87	1.31	13.81	10.57	10.17
TRP U.S. Equity Research Fund (NAV)	(11/30/1994)	0.45	29.80	10.49	16.44	12.39	9.93
S&P 500 Index			26.29	10.00	15.69	12.03	9.69
TRP Large-Cap Value Fund—I Class (NAV)	(3/31/2000)	0.56	9.69	9.54	11.40	8.73	8.38
Russell 1000 Value Index			11.46	8.86	10.91	8.40	7.99

Performance data quoted represents past performance and does not guarantee future results. 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.



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Standardized Performance: T. Rowe Price U.S. Equity Funds

Annualized total returns for periods ended December 31, 2023

Fund	Inception Date	Gross Expense Ratio ¹	1 Year	3 Years	5 Years	10 Years	20 Years or Since Inception
TRP All-Cap Opportunities Fund (NAV)	(9/30/1985)	0.81%	29.03%	7.05%	19.11%	14.71%	11.94%
Russell 3000 Index			25.96	8.54	15.16	11.48	9.67
TRP Integrated U.S. Small-Cap Growth Equity Fund (NAV)	(6/30/1997)	0.80	21.16	1.52	11.46	9.01	9.80
Russell 2000 Growth Index			18.33	-3.50	9.22	7.16	8.28
TRP Large-Cap Growth Fund—I Class (NAV)	(10/31/2001)	0.55	46.21	5.29	15.92	13.99	11.64
Russell 1000 Growth Index			42.68	8.86	19.50	14.86	11.29

¹Expense ratios are based on the most recent prospectus.

TRP = T. Rowe Price

The performance data shown is past performance and cannot guarantee future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original value. Current performance may be higher or lower than the performance data quoted. To obtain the most recent month-end performance, visit troweprice.com. It is not possible to invest directly in an index.

Average annual total return figures include changes in principal value, reinvested dividends, and capital gain distributions.

Call 1-800-225-5132 to request a prospectus or summary prospectus; each includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

All investments are subject to risk, including the possible loss of principal.

T. Rowe Price Investment Services, Inc., distributor, T. Rowe Price mutual funds.

T. Rowe Price focuses on delivering investment management excellence that investors can rely on—now and over the long term.

Important Information

This material is provided for general and educational purposes only and is not intended to provide legal, tax, or investment advice. This material does not provide fiduciary recommendations concerning investments; it is not individualized to the needs of any specific benefit plan or retirement investor, nor is it intended to serve as the primary basis for investment decision-making.

Past performance is no guarantee of future results.

¹ Results based on an analysis of T. Rowe Price's active, diversified U.S. equity mutual funds (oldest share class). Index, sector, specialized, and institutional clones of our retail funds were excluded. Funds with less than a 15-year track record were also excluded due to limited performance data availability. Of T. Rowe Price's 25 diversified U.S. equity funds, 17 met the criteria for the analysis and are represented within. One of the 17 funds, the Capital Appreciation Fund, also has the ability to invest in fixed income assets but is primarily an equity portfolio and benchmarked to the S&P 500 Index. The funds included in the analysis represented over 75% of total U.S. equity assets in the domestic and global equity mutual funds advised by the firm as of 12/31/2003. Results for other time periods will differ.

² Results for other time periods will differ. Results based on an analysis of T. Rowe Price's current active, diversified U.S. equity mutual funds (oldest share class). Index, sector, specialized, and institutional clones of our retail funds were excluded. Of T. Rowe Price's 25 current diversified U.S. equity funds, 17 met the criteria for the analysis and are represented within. One of the 17 funds, the Capital Appreciation Fund, also has the ability to invest in fixed income assets but is primarily an equity portfolio and benchmarked to the S&P 500 Index. The funds included in the analysis represented over 75% of total U.S. equity assets in the domestic and global equity mutual funds advised by the firm as of 12/31/2023. The analysis spans two 5-year periods surrounding significant market corrections and recovery (2001 through 2005 and 2008 through 2012) and measures performance net of fees and trading costs. Fund performance was measured against a custom blended index allocated according to the designated benchmarks of each fund included in the analysis. Compares an initial \$100,000 investment in this custom blended index with a similar investment equally weighted across the T. Rowe Price funds available at the beginning of the analysis and expanding to include new diversified U.S. equity funds as they inception (14 of 17 have track records allowing inclusion at the beginning of the first 5-year period, and all 17 are included throughout the second). Both the funds and indices are rebalanced monthly to reinstitute an equal weighting of each fund and index at each interval throughout the analysis period. Assumes dividends and capital gains are reinvested and no additional contributions.

All investments are subject to risk, including the possible loss of principal. Small-cap and mid-cap stocks are generally more volatile than stocks of large, well-established companies. All charts and tables are shown for illustrative purposes only.

Call 1-800-225-5132 or visit [troweprice.com](https://www.troweprice.com) to request a prospectus or summary prospectus; each includes investment objectives, risks, charges, expenses, and other information that you should read and consider carefully before investing.

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