



# T. Rowe Price

## PORTFOLIO UPDATE

# Communications & Technology Fund

As of March 31, 2024



**Portfolio Manager:**  
Jim Stillwagon

**Managed Fund Since:**  
2019

**Joined Firm:**  
2017

## INVESTMENT OBJECTIVE

The fund seeks to provide long-term capital growth.

## FUND INFORMATION

|                                                         |                              |
|---------------------------------------------------------|------------------------------|
| Symbol                                                  | PRMTX                        |
| CUSIP                                                   | 741454102                    |
| Inception Date of Fund                                  | October 13, 1993             |
| Benchmark                                               | S&P 500 Index                |
| Expense Information (as of the most recent Prospectus)* | 0.82% (Gross)<br>0.77% (Net) |
| Fiscal Year End                                         | December 31                  |
| 12B-1 Fee                                               | –                            |

\*The Fund operates under a contractual expense limitation that expires on April 30, 2025.

## PERFORMANCE

(NAV, total return)

|                                      | One Month | Three Months | One Year | Annualized  |            |           |               |
|--------------------------------------|-----------|--------------|----------|-------------|------------|-----------|---------------|
|                                      |           |              |          | Three Years | Five Years | Ten Years | Fifteen Years |
| Communications & Technology Fund     | 1.71%     | 14.47%       | 39.13%   | 1.20%       | 12.42%     | 13.56%    | 18.60%        |
| Lipper Telecommunication Funds Index | 1.74      | 7.03         | 22.42    | -0.04       | 8.12       | 7.63      | 11.27         |
| S&P 500 Index                        | 3.22      | 10.56        | 29.88    | 11.49       | 15.05      | 12.96     | 15.63         |

**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](https://www.troweprice.com).** The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any.

Media and telecommunications companies are subject to the risks of rapid obsolescence, lack of investor or consumer acceptance, lack of standardization or compatibility with existing technologies, an unfavorable regulatory environment, intense competition, and a dependency on patent and copyright protection. The fund(s) may have other share classes available that offer different investment minimums and fees. See the prospectus for details.

## MARKET COMMENTARY

U.S. equities advanced in March, capping a strong quarter that lifted several broad indexes to all-time highs. As measured by various Russell indexes, mid-cap equities fared best, followed by small-caps and large-caps. Value outperformed growth in all market capitalizations. Within the S&P 500, energy led returns, followed by utilities and materials. All sectors advanced, with consumer discretionary lagging and producing a modest positive return.

Investors remained optimistic about the corporate profit potential stemming from advances in artificial intelligence (AI) and were encouraged by the outcome of the Federal Reserve's mid-March monetary policy meeting. Although the central bank kept short-term interest rates steady, policymakers maintained their year-end 2023 "dot plot" projections for three quarter-point interest rate cuts by the end of 2024 despite recent upticks in inflation readings.

Considering this optimism is largely priced in to equities, we believe it is important to monitor macroeconomic and exogenous factors that could provide signs that expectations are too high.

These risks include the potential for the oil market to tighten, for services inflation to remain elevated, and for dovish monetary policy to renew inflationary pressures. As active, long-term investors, we believe the current market environment presents myriad opportunities to utilize our comprehensive research platforms and unlock value.

**RISK RETURN CHARACTERISTICS**

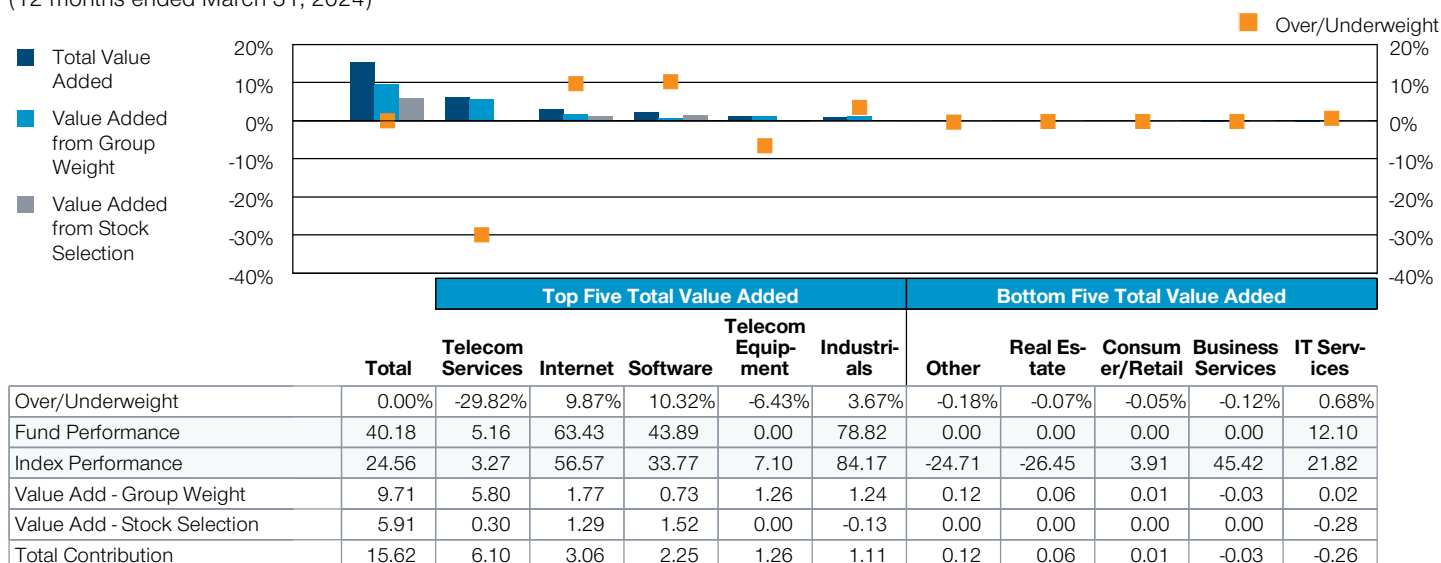
(Five Years ended March 31, 2024)

|                                  | Annualized<br>Std.<br>Deviation | Alpha | Beta | R-Squared | Information<br>Ratio | Sharpe<br>Ratio | Tracking<br>Error |
|----------------------------------|---------------------------------|-------|------|-----------|----------------------|-----------------|-------------------|
| Communications & Technology Fund | 20.17%                          | 4.00% | 1.07 | 0.87      | 0.59                 | 0.51            | 7.29%             |
| LPR Telecommunication Ix         | 17.69                           | 0.00  | 1.00 | 1.00      | 0.00                 | 0.34            | 0.00              |

**Past performance is not a reliable indicator of future performance.** Figures are calculated using monthly data and are net of fees.

**SECTOR ATTRIBUTION DATA VS. LIPPER TELECOMMUNICATION FUNDS INDEX (TOP AND BOTTOM 5 BY TOTAL VALUE ADDED)**

(12 months ended March 31, 2024)



**Past performance is not a reliable indicator of future performance.** All numbers are percentages. Analysis represents the total performance of the portfolio as calculated by the FactSet attribution model and is inclusive of other assets. Non-equity positions are excluded from structure shown. Returns will not match official T. Rowe Price performance because FactSet uses different exchange rate sources and does not capture intra-day trading. Performance for each security is obtained in the local currency and, if necessary, is converted to USD using an exchange rate determined by an independent third party. Figures are shown with gross dividends reinvested. Sources: Financial data and analytics provider FactSet. Copyright 2024 FactSet. All Rights Reserved. Analysis by T. Rowe Price. T. Rowe Price uses a custom structure for sector and industry reporting for this product. Figures are shown gross of fees. Returns would be lower as a result of the deduction of such fees. Performance returns are in USD.

**TOP 10 ISSUERS**

Comprising 52.0% of total net assets.

|                   | <b>Industry</b>                            | <b>% of Fund</b> |
|-------------------|--------------------------------------------|------------------|
| Meta Platforms    | U.S. Internet Media/Advertising            | 7.9%             |
| Netflix           | Direct-To-Consumer Subscription Services   | 6.5              |
| Alphabet          | U.S. Internet Media/Advertising            | 6.4              |
| Microsoft         | Infrastructure and Developer Tool Software | 5.9              |
| NVIDIA            | Processors                                 | 5.8              |
| Amazon.com        | U.S. Internet Retail                       | 5.6              |
| T-Mobile US       | U.S. Wireless                              | 5.1              |
| Walt Disney       | Diversified Media                          | 3.0              |
| Uber Technologies | Transportation Technology Services         | 2.9              |
| Apple             | Consumer Electronics                       | 2.9              |

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

**PORTFOLIO CHARACTERISTICS**

|                                                  | <b>Communications<br/>&amp; Technology<br/>Fund</b> | <b>LPR Telecommuni-<br/>cation Ix</b> |
|--------------------------------------------------|-----------------------------------------------------|---------------------------------------|
| Number of Issuers                                | 64                                                  | 164                                   |
| Investment Weighted Median Market Cap (mm)       | \$262,828                                           | \$172,180                             |
| Price to Earnings (12 Months Forward)*° †        | 34.2X                                               | 24.1X                                 |
| Price to Book (trailing)°                        | 9.3X                                                | 5.6X                                  |
| Projected Earnings Growth Rate (3 - 5 Years)*° † | 20.2%                                               | 15.0%                                 |
| Return on Equity (Last 12 Months excl. charges)° | 25.1%                                               | 19.3%                                 |
| Top 20 Issuers as Percent of Total               | 74.1%                                               | 60.4%                                 |
| Total Assets (all share classes)                 | 8,518,604,036                                       | –                                     |
| Percent of Portfolio in Cash                     | 0.1%                                                | –                                     |

°Statistics are based on investment-weighted median.

\*I/B/E/S © 2024 Refinitiv. All rights reserved.

†These statistics are based on the Fund's underlying holdings and are not a projection of future portfolio performance. Actual results may vary.

**SECTOR DIVERSIFICATION**

|                                  | <b>Internet</b> | <b>Soft-<br/>ware</b> | <b>Media &amp;<br/>Enter-<br/>tain-<br/>ment</b> | <b>Tele-<br/>com<br/>Services</b> | <b>Semi-<br/>cons</b> | <b>Finan-<br/>cial<br/>Services</b> | <b>Industri-<br/>als</b> | <b>Hard-<br/>ware</b> | <b>IT Serv-<br/>ices</b> | <b>Misc.</b> | <b>Other</b> |
|----------------------------------|-----------------|-----------------------|--------------------------------------------------|-----------------------------------|-----------------------|-------------------------------------|--------------------------|-----------------------|--------------------------|--------------|--------------|
| Communications & Technology Fund | 29.0%           | 17.7%                 | 14.8%                                            | 12.2%                             | 10.8%                 | 5.7%                                | 5.1%                     | 2.9%                  | 1.6%                     | 0.2%         | 0.0%         |
| LPR Telecommunication Ix         | 18.7            | 6.6                   | 6.6                                              | 40.7                              | 11.2                  | 2.0                                 | 1.0                      | 3.9                   | 0.9                      | 1.7          | 6.7          |
| <b>Over/Underweight</b>          | <b>10.3</b>     | <b>11.1</b>           | <b>8.2</b>                                       | <b>-28.4</b>                      | <b>-0.5</b>           | <b>3.7</b>                          | <b>4.1</b>               | <b>-1.0</b>           | <b>0.7</b>               | <b>-1.5</b>  | <b>-6.7</b>  |

## Additional Disclosures

**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](https://www.troweprice.com). Read it carefully.**

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Unless otherwise noted, index returns are shown with gross dividends reinvested.

Fund Assets, holdings-based analytics (excluding portfolio turnover), and portfolio attribution are calculated using T. Rowe Price's internal Investment Book of Records (IBOR). Due to timing and accounting methodology differences, IBOR data may differ from the Accounting Book of Records (ABOR) data provided by the Fund's accountant.

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.

"Other" includes any categories not explicitly mentioned.

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.

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