



PORTFOLIO UPDATE

QM U.S. Small & Mid-Cap Core Equity Fund

As of September 30, 2020

Portfolio Manager:	Managed Fund Since:	Joined Firm:
Sudhir Nanda	2017	2000
Prashant Jeyaganesh	2017	2006
Vidya Kadiyam	2020	2008
Navneesh Malhan	2020	2015

Effective April 1, 2020, Vidya Kadiyam and Navneesh Malhan assumed co-portfolio management responsibility for the Fund.

MARKET COMMENTARY

U.S. equities endured their first monthly losses since March. As measured by various Russell indexes, growth stocks outperformed value stocks among small- and mid-caps, while value did better than growth among large-caps. Within the S&P 500 Index, the energy, communication services, and information technology sectors underperformed, while materials and utilities were the only sectors to display positive returns, albeit modest ones.

Equities declined during the month as the continued gridlock in Washington over another potential round of stimulus and the controversy over replacing Supreme Court Justice Ruth Bader Ginsburg weighed on the market. Investors appeared particularly concerned about the lack of additional aid for fiscally strained states and municipalities, while news on potential coronavirus vaccines as well as fears over a second wave of the virus in Europe were also important drivers of sentiment. The month's economic data generally pointed to a continuing, but slowing, recovery. Declines in weekly jobless claims stalled, although gauges of consumer confidence rose sharply. Manufacturing data largely came in better than expected, but the service sector continued to struggle with cautious consumers. Housing remained the bright spot in the economy, with new home sales reaching their highest level since September 2006.

Investors face an exceptionally uncertain environment in the final months of 2020. While the economic recovery is continuing, its pace appears to be slowing considerably, and most observers agree that some additional stimulus will be needed to speed the recovery. However, not all "risks" are to the downside. Firms and individuals continue to benefit from record-low interest rates, and many consumers appear to have the wherewithal to increase spending as they grow more confident. The biggest boost to confidence, of course, would come from a successful coronavirus vaccine, as well as effective and widely available treatment options. The timing of a commercial rollout of a vaccine and what proportion of the population will choose to take it remain open questions for investors.

INVESTMENT OBJECTIVE

The fund seeks long-term growth of capital.

FUND INFORMATION

Symbol	TQSMX
CUSIP	779917509
Inception Date of Fund	February 26, 2016
Benchmark	Russell 2500 Index
Expense Information (as of the most recent Prospectus)*	1.10% (Gross) 0.87% (Net)
Fiscal Year End	December 31
12B-1 Fee	-

*The Fund operates under a contractual expense limitation that expires on April 30, 2022.

PERFORMANCE

(NAV, total return)

	Annualized					
	One Month	Three Months	Year-to-Date	One Year	Three Years	Since Inception 2/26/16
QM U.S. Small & Mid-Cap Core Equity Fund	-3.09%	4.61%	-8.33%	-1.14%	3.96%	9.95%
Russell 2500 Index	-2.59	5.88	-5.82	2.22	4.45	10.77

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. The fund is subject to the risks of stock investing, including possible loss of principal. The fund's strategy relies heavily on quantitative models to analyze data and construct investment portfolios. Relying on these models entails the risk that the models themselves may be limited or incorrect, that the data the models rely on may be incorrect or incomplete, and that the adviser may not be successful in selecting companies for investment or determining the weighting of particular stocks.

The fund(s) may have other share classes available that offer different investment minimums and fees. See the prospectus for details. For Sourcing Information, please see Additional Disclosures.

RISK RETURN CHARACTERISTICS

(Three Years ended September 30, 2020)

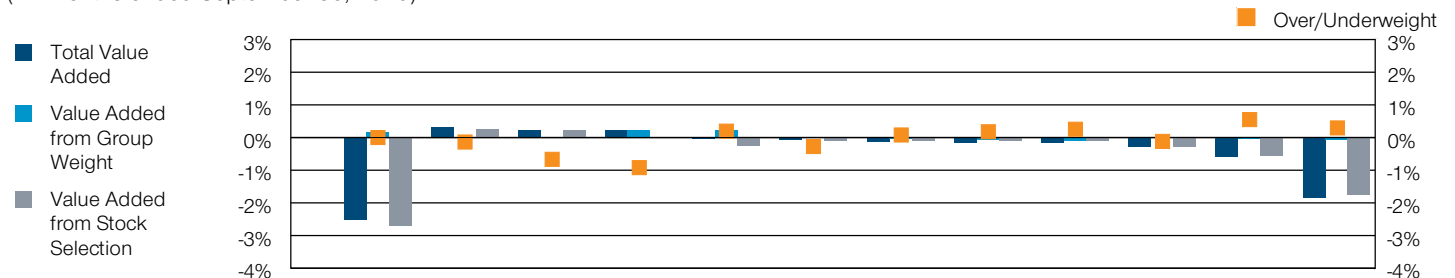
	Active Share* (as of 9/30/20)	Annualized Std. Deviation	Alpha	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error
QM U.S. Small & Mid-Cap Core Equity Fund	71.8%	20.21%	-0.41%	0.90	0.98	-0.14	0.11	3.40%
Russell 2500 Index	-	22.22	0.00	1.00	1.00	0.00	0.12	0.00

* Active Share is a snapshot in time as of the indicated date.

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. RUSSELL 2500 INDEX

(12 months ended September 30, 2020)



	Total	Real Es- tate	Comm Svcs	Finan- cials	Health Care	Energy	Indust & Bus Svcs	Materi- als	Utilities	Con- sumer Staples	Con- sumer Disc	Info Tech
Over/Underweight	0.00%	-0.12%	-0.65%	-0.91%	0.21%	-0.26%	0.09%	0.19%	0.27%	-0.11%	0.55%	0.31%
Fund Performance	-0.31	-18.34	16.49	-20.33	40.18	-61.22	-1.52	-5.30	-22.55	-4.60	2.05	13.38
Index Performance	2.22	-21.54	4.57	-21.35	42.62	-54.58	-1.09	-2.09	-20.35	3.37	8.19	25.86
Value Add - Group Weight	0.16	0.04	0.00	0.23	0.22	0.02	-0.02	-0.05	-0.08	0.01	-0.03	-0.07
Value Add - Stock Selection	-2.69	0.29	0.25	0.00	-0.24	-0.09	-0.11	-0.11	-0.09	-0.27	-0.56	-1.76
Total Contribution	-2.53	0.33	0.25	0.24	-0.02	-0.06	-0.13	-0.16	-0.17	-0.26	-0.59	-1.83

Past performance is not a reliable indicator of future performance. Numbers may not total due to rounding; all other numbers are percentages. Analysis represents the total performance of the portfolio as calculated by the FactSet attribution model and is inclusive of other assets that will not receive a classification assignment in the detailed 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 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 2020 FactSet. All Rights Reserved. MSCI/S&P GICS Sectors; Analysis by T. Rowe Price Associates, Inc. T. Rowe Price uses the current MSCI/S&P Global Industry Classification Standard (GICS) for sector and industry reporting. T. Rowe Price will adhere to all updates to GICS for prospective reporting. Figures are shown gross of fees. Returns would be lower as a result of the deduction of such fees. Performance returns are in USD. For Sourcing Information, please see Additional Disclosures.

TOP 10 ISSUERS

Comprising 6.5% of total net assets.

	Industry	% of Fund
Charles River Laboratories International	Life Sciences Tools & Services	0.7%
Pulte Group	Household Durables	0.7
Fair Isaac	Software	0.7
Teradyne	Semicons & Semicon Equip	0.7
NVR	Household Durables	0.7
Entegris	Semicons & Semicon Equip	0.6
GCI Liberty	Diversified Telecom Services	0.6
Cable One	Media	0.6
Fortune Brands Home & Security	Building Products	0.6
PerkinElmer	Life Sciences Tools & Services	0.6

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

PORTFOLIO CHARACTERISTICS

	QM U.S. Small & Mid-Cap Core Equity Fund	Russell 2500 Index
Number of Issuers	334	2,508
Investment Weighted Median Market Cap (mm)	\$6,084	\$4,537
Price to Earnings (12 Months Forward)*° †	21.9X	25.4X
Price to Book°	3.7X	3.4X
Projected Earnings Growth Rate (3 - 5 Years)*° †	8.9%	8.8%
Return on Equity (Last 12 Months excl. charges)°	14.6%	9.4%
Top 20 Issuers as Percent of Total	11.8%	6.1%
Total Assets (all share classes)	116,807,584	-
Percent of Portfolio in Cash	0.6%	-

°Investment Weighted Median.

*I/B/E/S © 2020 Refinitiv. All rights reserved

†Based on the fund's underlying holdings and is not a projection of future portfolio performance.

SECTOR DIVERSIFICATION

	Info Tech	Health Care	Indust & Bus Svcs	Cons Disc	Financials	Real Estate	Materials	Cons Stpls	Utilities	Comm Svcs	Energy
QM U.S. Small & Mid-Cap Core Equity Fund	17.4%	17.0%	15.4%	13.2%	12.3%	8.0%	5.5%	3.3%	3.2%	2.4%	1.6%
Russell 2500 Index	17.2	16.8	15.3	12.7	13.2	8.1	5.3	3.4	3.1	3.1	1.9
Over/Underweight	0.3	0.2	0.2	0.5	-0.9	-0.1	0.2	-0.1	0.2	-0.6	-0.3

For Sourcing Information, please see Additional Disclosures.

Definitions

Active Share is a holdings based measure of active management representing the percentage of a portfolio's holdings that differ from those in its benchmark. Compared to tracking error, which measures the standard deviation of the difference in a manager's returns versus the Benchmark returns, Active Share allows investors to get a clearer understanding of what a manager is doing to drive performance, rather than drawing conclusions from observed returns. The greater the difference between the asset composition of a product and its benchmark, the greater the active share is.

Additional Disclosures

London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). © LSE Group 2020. FTSE Russell is a trading name of certain of the LSE Group companies. All rights in the FTSE Russell indexes or data vest in the relevant LSE Group company which owns the index or the data. Neither LSE Group nor its licensors accept any liability for any errors or omissions in the indexes or data and no party may rely on any indexes or data contained in this communication. No further distribution of data from the LSE Group is permitted without the relevant LSE Group company's express written consent. The LSE Group does not promote, sponsor or endorse the content of this communication.

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

The information shown does not reflect any Exchange Traded Funds (ETFs) that may be held in the portfolio.

T. Rowe Price uses the current MSCI/S&P Global Industry Classification Standard (GICS) for sector and industry reporting. T. Rowe Price will adhere to all future updates to GICS for prospective reporting.

The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of Morgan Stanley Capital International Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by T. Rowe Price. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any or such standard or classification. Without limiting any or the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Diversification exhibits may not add to 100% due to exclusion or inclusion of cash.

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.

201707-223812 202010-1349042