



PORTFOLIO UPDATE

# Science & Technology Fund

As of February 28, 2023



**Portfolio Manager:**  
Ken Allen

**Managed Fund Since:**  
2009

**Joined Firm:**  
2000

## INVESTMENT OBJECTIVE

The fund seeks to provide long-term capital appreciation.

## FUND INFORMATION

Symbol	PRSCX
CUSIP	77957M102
Inception Date of Fund	September 30, 1987
Benchmark	S&P 500 Index
Expense Information (as of the most recent Prospectus)	0.75%
Fiscal Year End	December 31
12B-1 Fee	-

## MARKET COMMENTARY

U.S. stocks fell in February as signs of reaccelerating inflation weighed on investor sentiment. As measured by various Russell indexes, small-cap equities performed best, followed by large-cap and mid-cap. Growth outperformed value across all market capitalizations.

Early in the month, stocks were buoyed by strong jobs and unemployment numbers. Stocks began a persistent downward slide at mid-month, however, as further data suggested that inflationary pressures were still intact, if not rising. Investors were concerned that persistent price pressures could force the Federal Reserve to continue raising interest rates and keep borrowing costs elevated for some time, thus increasing the potential for slower economic and corporate earnings growth, and possibly a recession.

Federal Reserve policy, and the market's reaction to their signals, will likely continue to influence U.S. equity markets going forward as the market seeks clarity on whether it can execute a "soft landing"-with slower but still positive growth-or its efforts result in a full-fledged recession that drags down earnings. While there are good reasons for caution in 2023, excessive pessimism and volatility can create value for agile investors. In difficult markets, security selection will be critical.

Within the S&P 500 Index, the energy sector fared worst, with the real estate and utilities sectors also performing poorly. Only information technology stocks advanced, albeit modestly. The Lipper Science and Technology Funds Index posted negative returns but outperformed the broader equity market, as represented by the S&P 500 Index. Overall, performance within major science and technology subsectors was negative during the month, with the internet, financial services and IT services subsectors losing the most ground, while semiconductors outperformed with gains.

## PERFORMANCE

(NAV, total return)

	One Month	Three Months	Year-to-Date	One Year	Annualized			
					Three Years	Five Years	Ten Years	Fifteen Years
Science & Technology Fund	-2.33%	5.21%	13.93%	-14.07%	5.56%	7.57%	14.88%	12.17%
S&P 500 Index	-2.44	-2.28	3.69	-7.69	12.15	9.82	12.25	9.76
Lipper Science & Technology Funds Index	-0.77	2.23	10.49	-18.36	9.25	9.53	14.72	11.98

The 1-, 5-, and 10-year annualized returns as of 12/31/22 were -35.21%, 6.20% and 13.96% for the fund. **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](http://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](http://troweprice.com). Read it carefully.** The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any.

Technology stocks, historically, have experienced unusually large price swings, both up and down. The stocks in which this fund invests face special risks, such as their products or services not proving commercially successful or becoming obsolete quickly.

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**

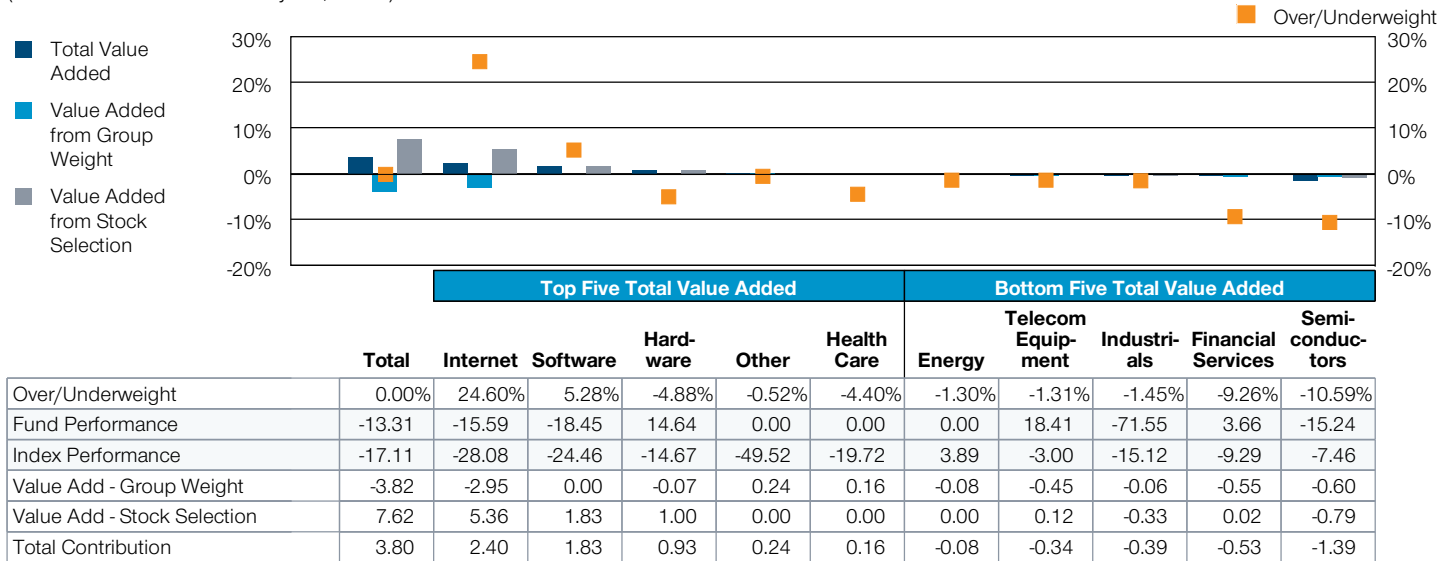
(Five Years ended February 28, 2023)

	Annualized Std. Deviation	Alpha	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error
Science & Technology Fund	23.33%	-1.90%	1.08	0.74	-0.19	0.26	12.05%
S&P 500 Index	18.51	0.00	1.00	1.00	0.00	0.45	0.00
Science & Technology Fund	23.33	-1.23	0.95	0.87	-0.23	0.26	8.61
LPR Science & Technology Ix	22.74	0.00	1.00	1.00	0.00	0.36	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 SCIENCE & TECHNOLOGY FUNDS INDEX (TOP AND BOTTOM 5 BY TOTAL VALUE ADDED)**

(12 months ended February 28, 2023)



**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 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 2023 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. For Sourcing Information, please see Additional Disclosures.

**TOP 10 ISSUERS**

Comprising 57.3% of total net assets.

	<b>Industry</b>	<b>% of Fund</b>
Microsoft	Infrastructure and Developer Tool Software	12.5%
Salesforce	Front-Office Applications Software	9.6
Alphabet	U.S. Internet Media/Advertising	8.7
Amazon.com	U.S. Internet Retail	5.1
Zalando	Rest Of World Internet Retail	4.1
Meta Platforms	U.S. Internet Media/Advertising	4.0
NVIDIA	Processors	3.6
Texas Instruments	Analog Semiconductors	3.4
Accenture	IT Services	3.4
Advanced Micro Devices	Processors	2.9

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

**PORTFOLIO CHARACTERISTICS**

	<b>Science &amp; Technology Fund</b>	<b>S&amp;P 500 Index</b>	<b>LPR Science &amp; Technology Ix</b>
Number of Issuers	61	500	579
Investment Weighted Median Market Cap (mm)	\$163,610	\$150,838	\$65,580
Price to Earnings (12 Months Forward)*° †	25.2X	20.4X	25.2X
Price to Book (trailing)°	7.1X	6.0X	8.7X
Projected Earnings Growth Rate (3 - 5 Years)*° †	13.4%	9.0%	14.1%
Return on Equity (Last 12 Months excl. charges)°	23.6%	26.8%	26.8%
Top 20 Issuers as Percent of Total	76.5%	36.3%	44.3%
Total Assets (all share classes)	5,707,616,339	-	-
Percent of Portfolio in Cash	3.7%	-	-

°Investment Weighted Median.

\*I/B/E/S © 2023 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>Software</b>	<b>Semi-cons</b>	<b>Hardware</b>	<b>IT Services</b>	<b>Media &amp; Entertainment</b>	<b>Tele-com Equipment</b>	<b>Industri-als</b>	<b>Con-sumer / Retail</b>	<b>Real Es-tate</b>	<b>Other</b>
Science & Technology Fund	35.7%	29.9%	17.5%	4.8%	3.4%	1.6%	1.5%	0.9%	0.8%	0.3%	0.0%
LPR Science & Technology Ix	10.0	24.6	27.8	9.5	4.9	1.4	2.8	1.5	0.4	0.0	17.1
<b>Over/Underweight</b>	<b>25.6</b>	<b>5.4</b>	<b>-10.3</b>	<b>-4.7</b>	<b>-1.5</b>	<b>0.2</b>	<b>-1.3</b>	<b>-0.6</b>	<b>0.4</b>	<b>0.3</b>	<b>-17.1</b>

For Sourcing Information, please see Additional Disclosures.

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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 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.

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