



QUARTERLY REVIEW

Institutional Mid-Cap Equity Growth Fund

As of March 31, 2024

PORTFOLIO HIGHLIGHTS

The portfolio underperformed the Russell Midcap Growth Index for the three-month period ended March 31, 2024.

Relative performance drivers:

- Stock selection in health care weighed on relative results.
- Consumer discretionary held back returns due to stock choices.
- Stock picks and an underweight in information technology aided performance.

Additional highlights:

- We remain focused on quality companies with durable growth prospects and prudent balance sheets and found compelling investment opportunities in a variety of industries.
- High price momentum stocks were a driving factor of benchmark performance, but we would be surprised to see that group continue its dominance for an extended period. We still see pockets of excess that are hard for us to reconcile, and we continue to be judicious in deploying capital.

PERFORMANCE

(NAV, total return)

	Three Months	One Year	Annualized			
			Three Years	Five Years	Ten Years	Fifteen Years
Institutional Mid-Cap Equity Growth Fund	8.57%	21.92%	4.07%	10.38%	11.56%	15.95%
Russell Midcap Growth Index	9.50	26.28	4.62	11.82	11.35	15.64

CALENDAR YEAR PERFORMANCE

(NAV, total return)

	Inception Date	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Institutional Mid-Cap Equity Growth Fund	Jul 31 1996	13.79%	6.94%	6.94%	26.02%	-2.23%	33.09%	23.87%	15.52%	-23.17%	20.62%
Russell Midcap Growth Index		11.90	-0.20	7.33	25.27	-4.75	35.47	35.59	12.73	-26.72	25.87

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.

The Fund is subject to the volatility inherent in common stock investing, and its share price may fluctuate more than a Fund investing in the stocks of larger companies.

The fund(s) may have other share classes available that offer different investment minimums and fees. See the prospectus for details.

PERFORMANCE REVIEW

Earnings strength, bullish sentiment fueled equity rally

U.S. equities advanced in the quarter, continuing to ride tailwinds of soft-landing sentiment in anticipation of interest rate cuts despite mixed economic signals throughout the period. While market performance broadened, large-caps fared best.

Performance was mixed in January as expectations for aggressive interest rate cuts were tempered by strong economic data and comments from the U.S. Federal Reserve indicating that the first of its expected round of interest rates cuts wasn't likely to come in March. Still, equities climbed through February, supported by some favorable corporate earnings reports and continued optimism about companies expected to benefit from demand for artificial intelligence. Inflation and other economic data steadied in March, creating a more constructive backdrop for investors. While the Federal Reserve held rates at its March meeting, commentary continued to indicate multiple rate cuts could occur in 2024, potentially beginning as early as June.

Stock Selection in Health Care Detracted

- Teleflex is a medical technology company that makes single-use medical devices used for diagnostic and therapeutic procedures in critical care and surgery. Despite posting a revenue and earnings beat in the most recent quarter, shares of the company declined on conservative forward guidance. The company cited factors including the dilutive effect of the recent Palette Life Sciences acquisition and the loss of revenue from the termination of the manufacturing services agreement associated with the divestiture of certain assets to Medline, which occurred earlier than anticipated. We maintain a favorable long-term view of the company and its ability to continue improving the quality of its medical portfolio through mergers and acquisitions and organic growth.
- Shares of health care equipment company QuidelOrtho fell after posting quarterly results that came in well below expectations, driven primarily by weaker-than-expected revenues in the company's respiratory business. Despite its current challenges, we like the company's free cash flow conversion profile and significant margin expansion opportunities.

Consumer Discretionary Weighed on Results Due to Stock Choices

- Quarterly results reflecting a slowdown in U.S. sales sent shares of Lululemon lower. The company attributed the weakness in the U.S. market to inventory challenges related to size and color offerings. The full-year guide reflects the company's assumption that increased marketing spend and product launches will accelerate sales. We like Lululemon's ability to drive growth via existing and new customer opportunities in the core business, as well as growth from China.
- Shares of specialty value retailer Five Below plunged on quarterly results that fell short of consensus and a disappointing forward outlook. Weak results were attributed to headwinds from elevated shrink, poor weather, and a slower tax return season. While we believe the company offers a good value proposition for an underserved teen/preteen customer, we will monitor the effects of the company's newly announced efforts to reduce inventory loss related to retail shrinkage.

Stock Picks and an Underweight Allocation to Financials Hindered Performance

- Shares of MarketAxess Holdings, the leading U.S. electronic trading platform for U.S. high grade and U.S. high yield bonds, plunged on quarterly results highlighting disappointing January market share data. We believe a convergence of situations made January a particularly challenging month, including robust new issuance, compromised ETF activity due to low volatility, and heightened distressed activity. The risk/reward prospects are favorable at current valuations, in our view, and tailwinds including beneficial lower rates and a new platform that should help MarketAxess capture share in the electronifying corporate bond trading market.

Information Technology Contributed Due to Stock Choices and an Underweight Allocation

- Shares of semiconductor company Marvell Technology climbed higher on investor enthusiasm related to its artificial intelligence (AI) capabilities before pulling back slightly at period-end following disappointing forward guidance. Weakness in the enterprise networking, carrier infrastructure, and consumer end markets drove the lower-than-expected revenue and earnings guide. Quarterly results highlighted strong AI-driven growth in data center end market revenue, however. As Marvell is a critical enabler of accelerated infrastructure for AI, we anticipate the company will continue to win share in its custom silicon and optics segments, spurring a favorable mix shift toward higher-margin products.
- Shares of Lattice Semiconductor advanced despite mixed quarterly results and a lower guide. Positive commentary related to the company's AI capabilities, with USD 100 million in AI revenue derived from AI in 2023 and the expectation that number would double in two to three years, along with progress in the midrange field programmable gate array chip market, likely lifted investor sentiment. We view Lattice as a scarce, high-quality semiconductor asset benefiting from accelerating growth in its end markets.

Communication Services Added Value Due to Stock Selection

- Shares of Spotify, the world's largest streaming audio service, were lifted by quarterly guidance that far exceeded consensus. Management commentary prioritized monetization and efficiency, with an expectation for sequential margin expansion throughout 2024. The company's scaled platform offers multiple growth drivers, and we believe Spotify is positioned well to accelerate margin expansion following a heavy investment cycle.
- The Trade Desk is the world's largest independent demand-side platform; advertisers use the company's software platform to programmatically purchase ad inventory across different channels (display, video, in app) and devices. Shares surged on another quarter of strong outperformance relative to digital advertising peers. The Trade Desk also provided a favorable forward guide. The company stands to benefit from the proliferation of and investment in ad-supported tiers and a shift in ad spend toward digital platforms.

PORTFOLIO POSITIONING AND ACTIVITY

We remain focused on quality companies with durable growth prospects and prudent balance sheets and found compelling

investment opportunities in a variety of industries in the period. Sales were motivated by valuation and market capitalization considerations, along with weakened conviction. Some of the larger trades occurred within consumer discretionary, health care, information technology, and financials.

Consumer Discretionary

Our approach toward consumer discretionary is selective in a sector that has faced persistent headwinds in recent years. We focus on companies with strong brands and innovative management teams that are capable of navigating an uneven recovery and taking share from competitors.

- We purchased shares of Ulta, the largest beauty retailer in the U.S. We believe the company is well positioned to continue taking share in a growing but fragmented industry.
- We sold shares of MGM Resorts. In our view, the company's capital allocation profile had become more complex, especially MGM's venture into international online gambling. We opted to redeploy proceeds into Caesar's, a name in which we have greater conviction.

Health Care

Our positive outlook for health care is based on several long-term growth drivers, including the rapid pace of scientific advances leading to safer and more effective drugs, an aging U.S. population, and consumers' willingness to spend more on health care to improve their daily lives. We believe that companies that can successfully develop innovative therapies or deliver high-quality, lower-cost services have strong upside potential.

- We bought shares of clinical-stage biotech company Cytokinetics. The company's aficamten, a novel cardiac myosin inhibitor for the treatment of hypertrophic cardiomyopathy, recently showed best-in-class data for a high-profile Phase 3 readout. We believe the drug's differentiated features relative to a competitor's treatment, including improved safety and easier dosing, position it well to take share in a large addressable market.
- We opportunistically purchased shares of neuroscience-focused biotech company Biogen. Despite recent headwinds, we maintain long-term conviction in the company given the blockbuster potential for its Leqembi treatment for Alzheimer's disease. Accelerating uptake for the drug, along with progress in cost management efforts, are driving operating income and earnings per share growth.
- Catalent is a contract development and manufacturing organization in the drug industry. We sold shares following the announcement that the company would be acquired by Novo Holdings, the controlling company of Novo Nordisk.

Information Technology

The information technology sector is the second-largest area of investment in the portfolio. As valuations became stretched in the rally leading into the quarter, we returned to a more cautious approach within the sector. We favor companies in the semiconductor industry, where we have a long-term positive view and like the industry structure and where we have been able to find high-quality companies trading at reasonable valuations. We remain interested in the companies with strong balance sheets and shareholder-minded management teams that are well positioned.

- We sold shares of semiconductor company KLA as the company has moved out of our market capitalization range.

- Shares of CrowdStrike Holdings, a leader in the growing cybersecurity market, appreciated on strong quarterly results that exceeded elevated expectations as the company's win rate versus competitors continued to rise. We sold shares on valuation and market capitalization considerations.

Financials

Within financials, the majority of our exposure is in the capital markets and insurance industries. Deregulation remains a tailwind for the sector, and while increasingly common natural disasters can impact near-term earnings of insurance carriers, we expect insurance demand and pricing power to rise as a result.

Meanwhile, property and casualty insurance brokers, which have no underwriting risk, are true winners of this rising demand and pricing.

- CBOE is the largest U.S. options exchange and third-largest U.S. equities exchange. We have confidence in new management's ability to improve execution via more prudent capital allocation. We purchased shares.
- We sold shares of electronic trading platform Tradeweb Markets following share price appreciation on valuation considerations.

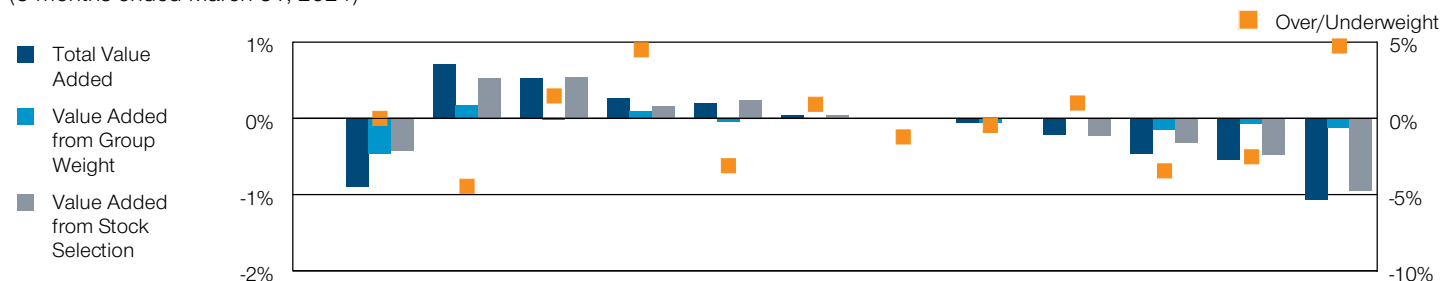
MANAGER'S OUTLOOK

The first quarter was a continuation of what we saw in the fourth quarter of last year, and while there were some fundamental underpinnings of the market's strong return, it was coupled with the valuation expansion we saw for much of 2023. We are not surprised to have trailed the benchmark in a strong up quarter where high price momentum stocks were a driving factor of benchmark performance, but we would be surprised to see that group continue its dominance for an extended period. As the Fed continues to see additional cards turned over in their fight against inflation, their late-2023 dovish pivot in anticipation of a soft landing has led the market to drive up asset prices on the hopes of multiple rate cuts this year. As we have said for a while now, we still see pockets of excess that are hard for us to reconcile, and we continue to be judicious in deploying capital. Regardless of the macroeconomic environment, our focus remains on owning quality companies with durable growth prospects and prudent balance sheets. We pay careful attention to risk and valuation relative to growth prospects and believe that this disciplined approach will continue to serve clients well over the long term.

QUARTERLY ATTRIBUTION

SECTOR ATTRIBUTION DATA VS. RUSSELL MIDCAP GROWTH INDEX

(3 months ended March 31, 2024)



	Total	Info Tech	Comm Svcs	Materials	Indust & Bus Svcs	Energy	Real Estate	Utilities	Consumer Staples	Financials	Consumer Disc	Health Care
Over/Underweight	0.00%	-4.45%	1.48%	4.52%	-3.09%	0.96%	-1.19%	-0.43%	1.02%	-3.44%	-2.49%	4.78%
Fund Performance	8.61	8.93	18.86	14.68	12.82	7.02	10.54	0.00	3.15	10.28	8.78	3.90
Index Performance	9.50	5.98	7.74	11.59	11.17	6.08	8.25	24.11	8.97	14.58	12.92	7.73
Value Add - Group Weight	-0.47	0.18	-0.02	0.10	-0.04	0.00	0.00	-0.05	0.01	-0.15	-0.06	-0.12
Value Add - Stock Selection	-0.42	0.53	0.55	0.16	0.24	0.05	0.00	0.00	-0.22	-0.31	-0.48	-0.95
Total Contribution	-0.89	0.72	0.53	0.27	0.21	0.04	0.01	-0.05	-0.22	-0.46	-0.54	-1.07

TOP 5 RELATIVE CONTRIBUTORS VS. RUSSELL MIDCAP GROWTH INDEX

(3 months ended March 31, 2024)

Security	% of Equities	Net Contribution (Basis Points)
Marvell Technology, Inc.	2.8%	44
Ingersoll Rand Inc.	1.6	34
Textron Inc.	2.0	34
Martin Marietta Materials, Inc.	1.5	31
Bruker Corporation	1.6	31

TOP 5 RELATIVE DETRACTORS VS. RUSSELL MIDCAP GROWTH INDEX

(3 months ended March 31, 2024)

Security	% of Equities	Net Contribution (Basis Points)
Palantir Technologies Inc.	0.0%	-36
Apollo Global Management, Inc.	0.0	-33
Doordash, Inc.	0.0	-30
W.W. Grainger, Inc.	0.0	-27
Quidelortho Corporation	0.5	-27

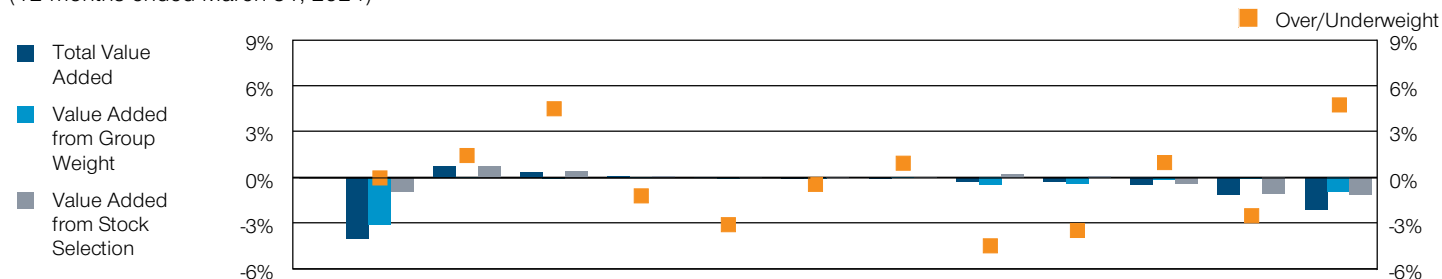
Net contribution is calculated versus a specific benchmark. It is the difference between the security's absolute contribution to the portfolio and the security's absolute contribution to the benchmark. This reflects the amount the security has impacted relative return.

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. MSCI/S&P GICS Sectors; Analysis by T. Rowe Price. T. Rowe Price uses the current MSCI/S&P Global Industry Classification Standard (GICS) for sector and industry 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.

12-MONTH ATTRIBUTION

SECTOR ATTRIBUTION DATA VS. RUSSELL MIDCAP GROWTH INDEX

(12 months ended March 31, 2024)



	Total	Comm Svcs	Materials	Real Estate	Indust & Bus Svcs	Utilities	Energy	Info Tech	Financials	Consumer Staples	Consumer Disc	Health Care
Over/Underweight	0.00%	1.48%	4.52%	-1.19%	-3.09%	-0.43%	0.96%	-4.45%	-3.44%	1.02%	-2.49%	4.78%
Fund Performance	22.32	37.30	30.53	40.31	33.40	0.00	17.63	37.64	37.29	2.20	24.41	2.59
Index Performance	26.28	18.89	23.08	24.92	32.68	34.53	18.38	36.25	36.27	8.92	33.88	6.67
Value Add - Group Weight	-3.04	0.00	-0.06	0.01	-0.06	-0.04	-0.02	-0.48	-0.37	-0.14	-0.07	-0.96
Value Add - Stock Selection	-0.91	0.75	0.39	0.11	0.04	0.00	-0.02	0.21	0.09	-0.35	-1.05	-1.10
Total Contribution	-3.96	0.76	0.33	0.13	-0.01	-0.04	-0.04	-0.27	-0.28	-0.48	-1.12	-2.06

TOP 5 RELATIVE CONTRIBUTORS VS. RUSSELL MIDCAP GROWTH INDEX

(12 months ended March 31, 2024)

Security	% of Equities	Net Contribution (Basis Points)
Marvell Technology, Inc.	2.8%	130
Ingersoll Rand Inc.	1.6	103
Martin Marietta Materials, Inc.	1.5	78
Kkr & Co. Inc.	1.2	67
Textron Inc.	2.0	65

TOP 5 RELATIVE DETRACTORS VS. RUSSELL MIDCAP GROWTH INDEX

(12 months ended March 31, 2024)

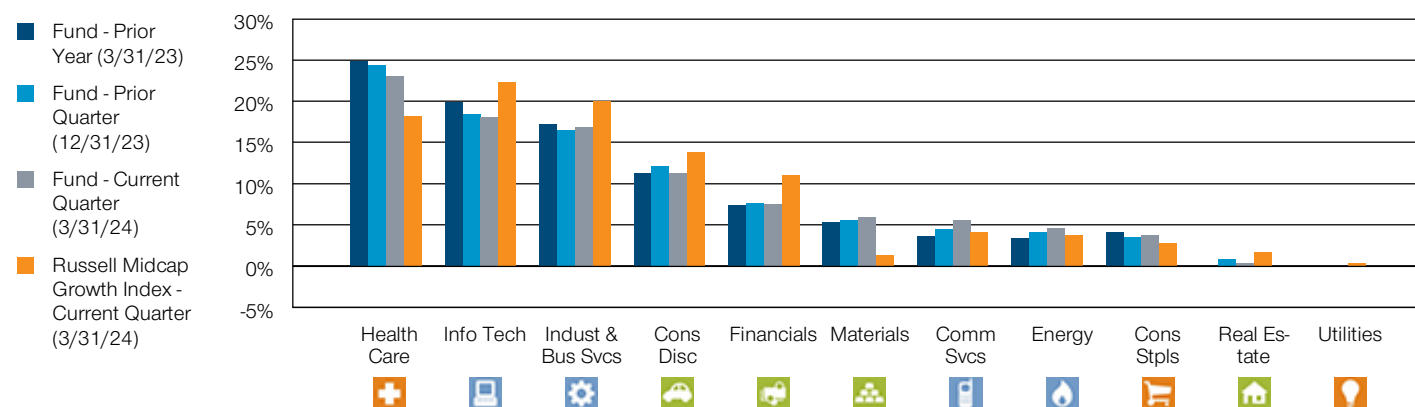
Security	% of Equities	Net Contribution (Basis Points)
Palantir Technologies Inc.	0.0%	-91
Apollo Global Management, Inc.	0.0	-89
Cintas Corporation	0.0	-64
Doordash, Inc.	0.0	-63
Copart, Inc.	0.0	-59

Net contribution is calculated versus a specific benchmark. It is the difference between the security's absolute contribution to the portfolio and the security's absolute contribution to the benchmark. This reflects the amount the security has impacted relative return.

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PORTFOLIO POSITIONING

SECTOR DIVERSIFICATION – CHANGES OVER TIME



LARGEST PURCHASES

Issuer	Sector	% of Fund Current Quarter 3/31/24	% of Fund Prior Quarter 12/31/23
Ferguson (N)		0.4%	0.0%
Cboe Global Markets		0.5	0.2
Cytokines (N)		0.2	0.0
Weatherford International		0.4	0.1
Match		0.6	0.3
McCormick (N)		0.2	0.0
Ulta Beauty		0.8	0.6
Biogen		0.8	0.8
Chesapeake Energy		0.5	0.3
Yum! Brands		1.3	1.1

LARGEST SALES

Issuer	Sector	% of Fund Current Quarter 3/31/24	% of Fund Prior Quarter 12/31/23
KLA (E)		0.0%	0.7%
CrowdStrike Holdings		1.7	1.9
Catalent		0.4	0.7
MGM Resorts International (E)		0.0	0.5
Tradeweb Markets		0.7	1.1
KKR		1.2	1.5
Ingersoll-Rand		1.6	1.8
United Rentals		0.8	1.0
CoStar Group		0.5	0.9
Chipotle Mexican Grill		0.1	0.4

(N) New Position

(E) Eliminated

A purchase or sale that occurred as a result of a corporate action where the Portfolio Manager had no discretion, if any, will not be displayed. Securities are shown in order by their total net cost and proceed values. Net is defined as total cost of purchases less total proceeds of sales.

HOLDINGS

TOP 10 ISSUERS

Issuer	Industry	% of Fund	% of Russell Midcap Growth Index
Microchip Technology	Semicons & Semicon Equip	3.0%	1.0%
Marvell Technology	Semicons & Semicon Equip	2.8	0.0
Hologic	Health Care Equip & Supplies	2.6	0.0
Agilent Technologies	Life Sciences Tools & Services	2.3	1.0
The Trade Desk	Media	2.0	1.1
Textron	Aerospace & Defense	2.0	0.0
Ball	Containers & Packaging	1.9	0.0
Teleflex	Health Care Equip & Supplies	1.8	0.0
Spotify Technology	Entertainment	1.8	1.1
Domino's Pizza	Hotels Restaurants & Leisure	1.8	0.5

TOP 5 OVER/UNDERWEIGHT POSITIONS VS. RUSSELL MIDCAP GROWTH INDEX

Issuer	Industry	% of Fund	% of Russell Midcap Growth Index	Over/Underweight
Marvell Technology	Semicons & Semicon Equip	2.8%	0.0%	2.8%
Hologic	Health Care Equip & Supplies	2.6	0.0	2.6
Textron	Aerospace & Defense	2.0	0.0	2.0
Microchip Technology	Semicons & Semicon Equip	3.0	1.0	1.9
Ball	Containers & Packaging	1.9	0.0	1.9
Apollo Global Management	Financial Services	0.0	1.7	-1.7
Dexcom	Health Care Equip & Supplies	0.0	1.6	-1.6
Cintas	Commercial Services & Supplies	0.0	1.6	-1.6
Copart	Commercial Services & Supplies	0.0	1.5	-1.5
W. W. Grainger	Trading Companies & Distributors	0.0	1.3	-1.3

PORTFOLIO MANAGEMENT



Portfolio Manager:
Brian Berghuis

Managed Fund Since:
1996

Joined Firm:
1985

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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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.

The manager's views and portfolio holdings are historical and subject to change. This material should not be deemed a recommendation to buy or sell any of the securities mentioned. The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the Fund and no assumptions should be made that the securities identified and discussed were or will be profitable.

T. Rowe Price uses the current MSCI/S&P Global Industry Classification Standard (GICS) for sector and industry reporting. Effective March 17, 2023, the GICS structure changed. Sector/industry diversification data prior to that date have not been restated. Historical attribution data has been restated.

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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.

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