



# Communications & Technology Fund (PRMTX)

As of March 31, 2026

## Portfolio Highlights

The portfolio underperformed its benchmark for the three-month period ended March 31, 2026.

Relative performance drivers (versus its benchmark):

- + Media and Entertainment (underweight)
- + Telecom Equipment (overweight)
- Telecom Services (underweight)
- Internet (stock selection and overweight)

Additional details:

- Looking ahead, we see select higher-beta exposures within the portfolio-particularly AI infrastructure-related holdings-as attractive over a three-year horizon. In contrast, we are less constructive on telecom, where rising competitive intensity may continue to pressure returns.
- We will continue to proactively navigate through a shifting macroeconomic backdrop and evolving trends while our focus remains on investing in durable growth companies with the potential to compound value over the long term.

## Fund Information

CUSIP	741454102
Inception Date of Fund	October 13, 1993
Benchmark	MSCI WRLD IMI COMSVC 10/40NET
Expense Information (as of the most recent Prospectus) <sup>(1)</sup>	0.81%(Gross) 0.77%(Net)
Total Assets (all share classes)	\$8,068,151,776
Percent of Portfolio in Cash	0.1%

<sup>(1)</sup>The Fund operates under a contractual expense limitation that expires on February 28, 2027.

## Performance (%) (NAV, total return performance > 1 year is annualized)

	3m	1yr	3yrs	5yrs	10yrs	15yrs
Communications & Technology Fund	-7.10	3.04	18.63	4.46	13.82	13.59
Linked Benchmark <sup>(2)</sup>	-3.20	12.86	17.39	5.71	9.69	8.92
MSCI World IMI Communication Services 10/40 Net	-3.30	12.40	17.20	4.02	6.03	6.24

## Calendar Year Performance (%) (NAV, total return)

	Inception Date	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Communications & Technology Fund	Oct 13 1993	7.49	32.99	-1.83	33.95	53.66	9.68	-40.58	39.28	38.12	7.05
Linked Benchmark <sup>(2)</sup>		10.01	16.17	-7.37	25.94	28.80	9.28	-31.79	29.12	27.19	14.48
MSCI World IMI Communication Services 10/40 Net		0.01	9.56	-11.57	24.50	21.78	2.21	-32.86	30.75	22.99	19.69

**Past performance is not a guarantee or a reliable indicator of 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](http://troweprice.com).**

The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any.

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

**Risks: Communications and technology companies:** A fund that focuses its investments in specific industries or sectors is more susceptible to adverse developments affecting those industries and sectors than a more broadly diversified fund. **Private placements and IPOs:** Investments in the stocks of privately held companies and in companies that only recently began to publicly trade, such as initial public offerings or IPOs, involve greater risks than investments in stocks of companies that have traded publicly on an exchange for extended time periods. See the prospectus for more detail on the fund's principal risks.

<sup>(2)</sup>See Additional Disclosures for more information on the Linked Benchmark.

## Performance Review

### Markets Decline Amid Geopolitical Uncertainty and Artificial Intelligence Disruption Fears

Global equity markets experienced a volatile first quarter, with strong early gains giving way to a sharp downturn by March. January and February were characterized by generally favorable economic data and resilient corporate earnings, which supported risk sentiment despite ongoing geopolitical uncertainty and artificial intelligence (AI) disruption fears. However, conditions deteriorated late in the quarter as escalating conflict in the Middle East triggered an oil price shock, reigniting inflation concerns and clouding the global growth outlook. This shift led to broad-based equity declines and heightened market volatility across regions.

### Relative Contributors

#### Media and Entertainment (underweight)

- The portfolio's underweight allocation to media and entertainment contributed to relative performance as the subsector trailed index during the quarter.
- **Walt Disney:** An underweight position in media conglomerate Walt Disney aided relative returns as shares were pressured by a drop in profits from its most recent quarter, higher operating costs and content spending, declining linear television revenues and subscribers, and investor concerns about leadership success after following reports that Chief Executive Officer Bob Iger could be stepping down before his contract ends in December. We are underweight as we believe the combination of accelerating subscriber declines in the company's linear networks segment combined with the company's flattening content spend increases the probability of future earnings cuts.

#### Telecom Equipment (overweight)

- Our overweight allocation to telecom equipment added value as the subsector outperformed the benchmark during the period. Our stock selection in subsector was also positive.
- **Ciena:** Ciena is a manufacturer of optical network equipment, which supports the delivery of video, data, and voice traffic. Shares advanced during the period due to growing evidence that optical networking will play a critical role in scaling AI infrastructure, particularly as data center interconnect demand accelerates, which may lead to favorable supply/demand dynamics for manufacturers. The stock was also boosted after the company beat earnings expectations and increased visibility to top-line growth acceleration over the next two years. We are constructive on this growth potential, driven by the success of its data center interconnect and the company's entrance into new optical data center markets.

### Relative Detractors

#### Telecom Services (underweight)

- Our underweight allocation to telecom services weighed on relative returns as the subsector outperformed the benchmark during the quarter. Our stock selection in the subsector was also negative.
- **Verizon Communications:** Not owning wireless operator Verizon Communications weighed on relative returns. Shares rose after the company reported mixed fourth-quarter results that included better-than-expected subscriber growth and provided an aggressive 2026 framework for free cash flow, capital expenditures, and capital returns. We are underweight as we believe the company is facing increasing competitive pressures from T-Mobile US's lead position in 5G as well as limited free cash flow growth opportunity in its wireless operations due to competition from cable.

#### Internet (stock selection and overweight)

- **AppLovin:** Shares of AppLovin, a leading mobile gaming-focused app marketing platform, fell early in the period after the company came under scrutiny due to a short report alleging the app was being used for potential money laundering and compliance-related issues in Southeast Asia. Shares were also pressured by increasing competition, misplaced concerns about AI disruption, and broader volatility across software and internet names. We think the launch of AXON, AppLovin's e-commerce engine, can help add upside to an already-attractive company that we think has the potential to grow software platform revenue at an attractive rate in the coming years, particularly with growth in its mobile gaming market and incremental growth as the company continues to add mobile gaming users. Despite a demanding valuation given its recent run of performance, we believe the market materially underestimates AppLovin's user growth potential and its pending expansion into e-commerce as catalysts for further earnings growth.
- **Sea:** Shares of Southeast Asian e-commerce and gaming platform Sea declined on a mixed quarterly earnings report-while revenue beat consensus estimates and e-commerce segment Shopee saw strong order and gross merchandise value growth, full-year 2026 earnings guidance for Shopee was disappointing. The company is also entering a meaningful investment cycle to counter intensifying competition in Asia and South America, sparking concerns over margin pressure. We believe these concerns are overblown, and we remain constructive on Sea, which we think is still early in an attractive secular growth story.

### Portfolio Positioning And Activity

We remain focused on our clearly defined investment process rooted in bottom-up stock selection and balanced positioning while seeking out idiosyncratic stories beyond the broad secular themes. We favor companies that are share gainers and leaders in their respective industries and demonstrate free cash flow per share growth from expanding return on invested capital.

### Significant Purchases

- **AppLovin:** We added shares of AppLovin, a leading mobile gaming-focused app marketing platform. We think the launch of AXON, AppLovin's e-commerce engine, can help add upside to an already-attractive company that we think has the potential to grow software platform revenue at an attractive rate in the coming years, particularly with growth in its mobile gaming market and incremental growth as the company continues to add mobile gaming users. We believe AI will enhance, rather than disrupt, AppLovin's platform by increasing the supply of content and improving monetization through stronger network effects. Despite a demanding valuation given its recent run of performance, we believe the market materially underestimates AppLovin's user growth potential and its pending expansion into e-commerce as catalysts for further earnings growth.
- **Advanced Micro Devices:** We bought shares of Advanced Micro Devices on weakness. The stock was under pressure following the company's quarterly results in January due to investor concerns regarding its first-quarter and full-year outlook, as well as elevated operating expenses. However, we believe these concerns are immaterial and remain constructive on the chipmaker, which we believe will likely be the primary beneficiary of a data center-driven central processing unit supercycle.

- **Roblox:** We added to our position in interactive gaming platform Roblox given its compelling risk/reward profile and attractive setup primarily driven by overblown fears of the company's inability to continually generate viral hits, age verification headwinds, and the misconception of terminal value risk from Project Genie. We think the company's past hits validate that Roblox can retain users by redistributing engagement across the broader catalog while its age verification will enable cleaner age segmentation, better merchandising, and higher-value ad targeting that supports "aging up." Additionally, we think Project Genie will help position Roblox to capture significant value as the leading user-generated content platform.
- **Broadcom:** Broadcom is a large digital semiconductor company with a communications focus. We added shares during the period as we continue to believe the company's custom segment could be resilient going forward if spending on artificial intelligence infrastructure slows. More broadly, we like the company's application-specific integrated circuits and networking switch technology as well as its meaningfully improving fundamentals. We think the company is positioned to capture durable demand from hyperscalers seeking optimized, high-performance solutions beyond standard compute.

#### Significant Sales

- **Apple:** We sold shares of Apple to manage our position size during the period. We continue to appreciate the company's potentially impactful refresh cycle due to announced product and software updates, while recognizing the preponderance of headwinds that could pressure margins.
- **Koninklijke KPN:** We trimmed our position in Dutch telecom operator Koninklijke KPN. While we still see the company as a strong fiber play in Europe and think the stock could be a good compounder with a steady dividend yield and accelerating shareholder returns, we believe its valuation is full and the risk/reward profile has become less attractive after recent outperformance.
- **DoorDash:** We sold shares of food delivery platform DoorDash on concerns about the possibility of slowing margin expansion, the company's investment cycle that could spill over into 2027, and top-line growth that is likely to decelerate over the coming quarters. However, we continue to have conviction in DoorDash due to its leading position in one of the largest segments of the U.S. economy, where digital penetration rates are forecast to triple over the next five to seven years.
- **Microsoft:** We trimmed our position in Microsoft based on more fundamental concerns, including questions around its AI strategy and the potential for rising capital expenditures to pressure returns. Still, we continue to appreciate the potential of the company as it layers artificial intelligence capabilities into its already-attractive suite of products, which creates new growth opportunities, in our view. In addition to the potential to lead AI integration, we also like the company's diverse business model and its leverage in the growing cloud computing market with its Azure and Office 365 platforms.

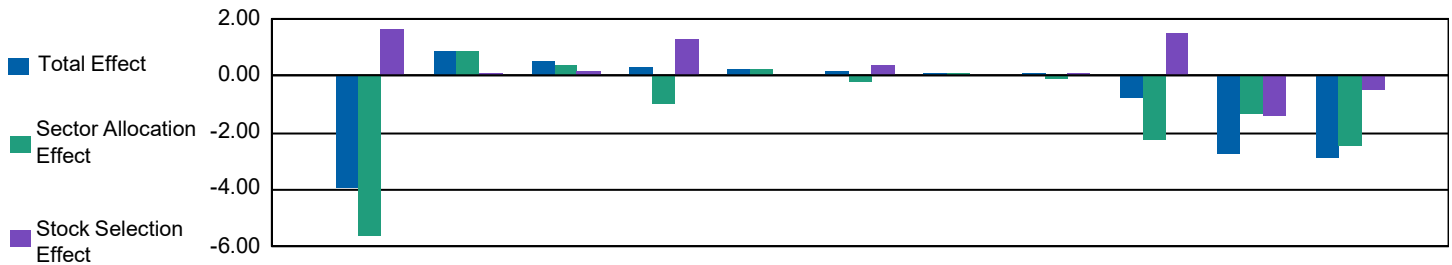
#### Manager's Outlook

During the first quarter, early optimism-driven by expectations for fiscal stimulus under the "One Big Beautiful Bill," midterm elections, and strong enthusiasm for AI-gave way to rising concerns. These included potential AI-driven disruption, increasing scrutiny of hyperscaler capital expenditure trends, and uncertainty surrounding the evolving conflict involving the U.S., Israel, and Iran. We remain mindful of the risks this environment poses across the technology, media, and telecommunications space, particularly if geopolitical tensions begin to weigh on global growth. Such a backdrop could pressure digital advertising and enterprise IT spending, and in turn, constrain the pace of investment in AI infrastructure. Looking ahead, we see select higher-beta exposures within the portfolio-particularly AI infrastructure-related holdings-as attractive over a three-year horizon. In contrast, we are less constructive on telecom, where rising competitive intensity may continue to pressure returns.

While market sentiment may wax and wane, we remain committed to our disciplined, risk-aware framework. Our clearly defined investment process is rooted in bottom-up stock selection and balanced positioning while seeking out idiosyncratic stories beyond the broad secular themes. We favor companies that are leaders in their respective industries and demonstrate free cash flow per share growth from expanding return on invested capital. We will continue to proactively navigate through a shifting macroeconomic backdrop and evolving trends while our focus remains on investing in durable growth companies with the potential to compound value over the long term.

Quarterly Attribution

Sector Attribution Data: Fund vs Linked Benchmark (Top and Bottom Five By Total Effect) (3 months ended March 31, 2026) (%)



	Total	Media & Telecom	Entertainment	Equipment	Financial Services	Semiconductors	Business Services	Miscellaneous	Consumer/Retail	Software	Internet	Telecom Services
Over/Under Weight	N/A	-12.17	2.19	1.82	12.10	0.94	-0.28	0.28	5.15	10.11	-21.47	
Fund Performance	-7.16	-9.21	25.38	13.93	0.07	12.74	0.00	-1.19	-15.15	-17.39	5.72	
Index Performance	-3.18	-9.64	16.23	-42.89	0.00	-36.88	-8.13	-14.07	-34.68	-13.71	8.81	
Sector Allocation Effect	-5.64	0.87	0.38	-0.98	0.27	-0.21	0.02	-0.03	-2.22	-1.31	-2.43	
Stock Selection Effect	1.66	0.01	0.15	1.32	0.00	0.36	0.00	0.04	1.49	-1.43	-0.46	
Total Effect	-3.98	0.88	0.53	0.34	0.27	0.15	0.02	0.01	-0.73	-2.74	-2.89	

Top 5 Relative Contributors vs. Linked Benchmark (3 Months ended March 31, 2026)

Security	% of Equities	Net Contribution (bps)
Walt Disney Company	0.0	73
Softbank Group Corp.	0.0	60
Ciena Corporation	1.2	52
Taiwan Semiconductor Manufacturing Company Limited	4.3	38
Deutsche Telekom Ag	7.5	31

Top 5 Relative Detractors vs. Linked Benchmark (3 Months ended March 31, 2026)

Security	% of Equities	Net Contribution (bps)
Verizon Communications Inc.	0.0	-109
Applovin Corporation	2.0	-85
At&T Inc.	1.1	-61
Sea Limited	1.2	-60
Carvana Co.	2.0	-52

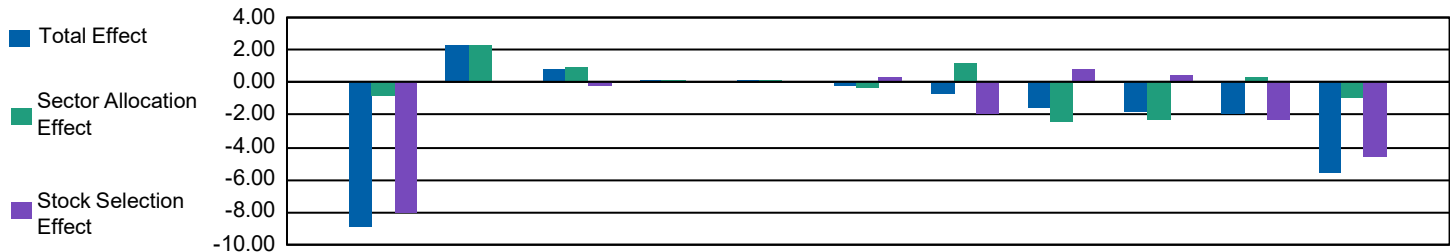
Net contribution is calculated versus a specific benchmark. It is the difference between the security's absolute contribution to the portfolio and the security's absolute contribution to the benchmark. This reflects the amount the security has impacted relative return.

**Past performance is not a guarantee or a reliable indicator of future results.** 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.

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12-Month Attribution

Sector Attribution Data: Fund vs Linked Benchmark (Top and Bottom Five By Total Effect) (12 months ended March 31, 2026) (%)



	Total	Semiconductors	Equipment	Miscellaneous	Real Estate	Business Services	Media & Entertainment	Financial Services	Software	Internet	Telecom Services
Over/Under Weight	N/A	12.10	2.19	-0.28	-0.03	0.94	-12.17	1.82	5.15	10.11	-21.47
Fund Performance	3.83	86.59	71.69	0.00	0.00	-4.01	-2.63	-3.82	-13.47	14.78	-7.31
Index Performance	12.75	0.00	99.65	-21.01	-66.06	-36.88	3.18	-41.12	-22.99	22.43	14.47
Sector Allocation Effect	-0.88	2.25	0.94	0.13	0.08	-0.27	1.23	-2.40	-2.27	0.33	-0.93
Stock Selection Effect	-8.04	0.00	-0.10	0.00	0.00	0.25	-1.91	0.85	0.44	-2.30	-4.58
Total Effect	-8.92	2.25	0.85	0.13	0.08	-0.02	-0.68	-1.55	-1.83	-1.98	-5.51

Top 5 Relative Contributors vs. Linked Benchmark (12 Months ended March 31, 2026)

Security	% of Equities	Net Contribution (bps)
Taiwan Semiconductor Manufacturing Company Limited	4.3	141
Ciena Corporation	1.2	93
Comcast Corporation	0.0	60
Carvana Co.	2.0	56
Trade Desk, Inc.	0.0	55

Top 5 Relative Detractors vs. Linked Benchmark (12 Months ended March 31, 2026)

Security	% of Equities	Net Contribution (bps)
Softbank Group Corp.	0.0	-189
Alphabet Inc.	9.2	-153
Warner Bros. Discovery, Inc.	0.0	-149
Sea Limited	1.2	-101
Verizon Communications Inc.	0.0	-95

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**Portfolio Positioning**

**Sector Diversification - Changes Over Time vs. Linked Benchmark (%)**

Sector	Fund 3/31/25	Fund 12/31/25	Fund 3/31/26	Benchmark 3/31/26
Internet	29.1	32.8	30.8	20.7
Media & Entertainment	22.2	23.6	23.2	35.4
Telecom Services	20.7	19.3	21.2	42.8
Semicons	2.4	9.2	12.1	0.0
Software	9.7	6.5	5.2	0.1
Telecom Equipment	0.0	1.9	2.4	0.1
Financial Services	7.7	2.0	1.8	0.0
Hardware	4.0	3.7	1.4	0.4
Business Services	0.7	0.3	1.1	0.1
Industrials	1.8	0.2	0.3	0.0
Other	0.7	0.3	0.3	0.4

**Largest Purchases**

Issuer	Sector	% of Fund 3/31/26	% of Fund 12/31/25
AppLovin	Internet	2.0	1.6
Advanced Micro Devices	Semiconductors	1.9	0.9
Meta Platforms	Internet	8.5	8.1
ROBLOX	Media & Entertainment	1.3	1.2
Broadcom	Semiconductors	1.9	1.5
Spotify Technology	Media & Entertainment	4.4	4.3
T-Mobile US	Telecom Services	7.1	5.8
Bharti Airtel	Telecom Services	1.8	1.8
InterDigital	Telecom Equipment	0.9	0.7
Fabrinet	Hardware	0.4	0.2

**Largest Sales**

Issuer	Sector	% of Fund 3/31/26	% of Fund 12/31/25
Apple	Hardware	0.4	2.9
Koninklijke KPN	Telecom Services	0.6	1.4
DoorDash	Internet	0.7	1.9
Alphabet	Internet	9.2	9.6
Microsoft	Software	0.6	1.8
KDDI	Telecom Services	0.6	1.1
Deutsche Telekom	Telecom Services	7.5	6.2
Nintendo	Media & Entertainment	1.5	2.1
Liberty Media Corp-Liberty Formula One	Media & Entertainment	1.5	2.0
Netflix	Media & Entertainment	7.6	7.0

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 Linked Benchmark
Alphabet	U.S. Internet Media/Advertising	9.2	8.8
Meta Platforms	U.S. Internet Media/Advertising	8.5	8.4
Netflix	Direct-To-Consumer Subscription Services	7.6	9.5
Deutsche Telekom	European Telecom	7.5	4.7
T-Mobile US	U.S. Wireless	7.1	3.6
Spotify Technology	Direct-To-Consumer Subscription Services	4.4	2.6
Taiwan Semiconductor Manufacturing	Foundry	4.3	0.0
NVIDIA	Digital Systems	3.1	0.0
TKO Group Holdings	Live Entertainment	2.6	0.5
Arista Networks	Infrastructure and Developer Tool Software	2.1	0.0

### Top 5 Over/Underweight Positions vs. Linked Benchmark

Issuer	Industry	% of Fund	% of Benchmark	Over/Underweight (%)
Taiwan Semiconductor Manufacturing	Foundry	4.3	0.0	4.3
T-Mobile US	U.S. Wireless	7.1	3.6	3.5
NVIDIA	Digital Systems	3.1	0.0	3.1
Deutsche Telekom	European Telecom	7.5	4.7	2.9
TKO Group Holdings	Live Entertainment	2.6	0.5	2.1
Verizon Communications	U.S. Wireless	0.0	4.8	-4.8
Walt Disney	Diversified Media	0.0	4.3	-4.3
AT&T	U.S. Wireless	1.1	4.7	-3.7
Comcast	U.S. Cable/Satellite	0.0	3.6	-3.6
SOFTBANK GROUP CORP	Rest Of The World Telecom	0.0	2.5	-2.5

**Portfolio Management**

	<b>Managed Since</b>	<b>Joined Firm</b>
Daniel Shear	2025	2020

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

Visit [Troweprice.com/glossary](http://Troweprice.com/glossary) for a glossary of financial terminology.

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Portfolio holdings in this report are presented gross of any non-reclaimable withholding tax. Any non-reclaimable withholding tax is included in position market values. Portfolio diversification data is calculated net of any non-reclaimable withholding tax. Any non-reclaimable tax withheld is not reflected in category market values.

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.

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

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.

The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the portfolio, and no assumptions should be made that investments in the securities identified and discussed were or will be profitable.

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.

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Linked Benchmark: Effective March 1, 2025, the linked benchmark for the fund changed to the MSCI World IMI Communication Services 10/40 Net.

Prior to this change, the benchmark was Lipper Telecommunication Funds Index. Historical benchmark representations have not been restated.

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