



QUARTERLY REVIEW

Small-Cap Value Fund

As of September 30, 2020

PORTFOLIO HIGHLIGHTS

The portfolio outperformed the Russell 2000 Value Index for the three-month period ended September 30, 2020.

Relative performance drivers:

- Financials led relative result due to stock choices.
- Stock selection in information technology added value.
- Consumer discretionary weighed on performance due to stock picks.

Additional highlights:

- Trades spanned the various sectors, as we reduced winners and more defensive names and identified attractive value opportunities.
- It is still too early to say that we are out of the woods, but economic data appears to be tracking well and is supportive of a broader recovery. There may be increased volatility leading into the election, but we maintain our focus on the long-term and are taking advantage of opportunities to purchase great businesses at attractive prices.

FUND INFORMATION

Symbol	PRSVX
CUSIP	77957Q103
Inception Date of Fund	June 30, 1988
Benchmark	Russell 2000 Value Index
Expense Information (as of the most recent Prospectus)	0.83%
Fiscal Year End	December 31
12B-1 Fee	-
Total Assets (all share classes)	\$8,815,063,897
Percent of Portfolio in Cash	1.0%

PERFORMANCE

(NAV, total return)

	Three Months	Year-to-Date	One Year	Annualized			
				Three Years	Five Years	Ten Years	Fifteen Years
Small-Cap Value Fund	5.26%	-12.23%	-6.58%	0.32%	8.09%	9.40%	7.14%
Russell 2000 Value Index	2.56	-21.54	-14.88	-5.13	4.11	7.09	4.93
Russell 2000 Index	4.93	-8.69	0.39	1.77	8.00	9.85	7.03

CALENDAR YEAR PERFORMANCE

(NAV, total return)

	Inception Date	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Small-Cap Value Fund	Jun 30 1988	25.25%	-0.60%	17.76%	32.74%	0.14%	-4.70%	28.97%	13.37%	-11.49%	25.84%
Russell 2000 Value Index		24.50	-5.50	18.05	34.52	4.22	-7.47	31.74	7.84	-12.86	22.39
Russell 2000 Index		26.85	-4.18	16.35	38.82	4.89	-4.41	21.31	14.65	-11.01	25.52

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.

Investing in small companies involves greater risk than is customarily associated with larger companies, since small companies often have limited product lines, markets, or financial resources.

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.

PERFORMANCE REVIEW

Economic Rebound and Vaccine Hopes Boost U.S. Stocks

Stocks recorded a second consecutive quarter of strong gains, with investors continuing to focus much of their enthusiasm on the internet and technology giants benefiting from the stay-at-home economy. A faster rebound in the economy than many had expected seemed to play a key role in driving markets higher. Employers added jobs at a record pace beginning in June, and manufacturing signals were generally strong, as firms sought to replenish inventories depleted in the spring. The much larger services sector also began to expand again in June, although airlines and other industries continued to struggle with cautious consumers.

Investors took a renewed rise in U.S. coronavirus infections in July largely in stride, but fears in September of a possible "second wave" in Europe and the U.S. seemed to elicit more concern. Conversely, markets appeared to get a boost from reports of progress in developing vaccines and treatments.

Stock Choices in Financials Led Relative Results

- Mortgage provider and servicer PennyMac Financial Services posted exceptionally strong results in the most recent quarter, coming in well ahead of consensus expectations on strong fundamentals across the board. With a top management team and state-of-the-art mortgage platform, the company is well positioned to gain market share with improved margins amid a favorable housing backdrop.
- Hannon Armstrong is a specialty finance company providing capital and securitization services for renewable energy and energy efficiency-related projects. Shares rose on strong quarterly results and the announcement of a partnership with ENGIE to invest in a portfolio of highly contracted, grid-connected wind and solar assets. We believe the company is well positioned within an attractive, niche market boosted by secular tailwinds.

Information Technology Added Value Due to Stock Picks

- Shares of Entegris, an electronic advance materials supplier to the semiconductor industry, were boosted by strong quarterly results and an increase to forward guidance. The company has executed well through the pandemic and benefited from an accelerated demand for leading-edge solutions. We have a positive view of the company's management team and balance sheet flexibility.
- Shares of leading self-study consumer language solution Rosetta Stone spiked on the announcement that it would be acquired by Cambium Learning, an educational solutions and services company.

Holdings in Health Care Boosted Returns

Stock selection was primarily responsible for strong performance, but an overweight position also proved beneficial.

- Shares of therapeutics company Momenta Pharmaceuticals soared on the news that it would be acquired by Johnson & Johnson.

Consumer Discretionary Detracted From Relative Returns

Weaker relative returns were due mainly to stock choices, but an underweight position also proved detrimental.

- Shares of for-profit educator Strategic Education plunged on quarterly results highlighting a deceleration in enrollment growth. Negative investor reaction to the announcement of the company's acquisition of Laureate Education's Australian portfolio also weighed on the stock, as did uncertainty regarding the results of the upcoming presidential election. We believe the assets acquired from Laureate are high quality and should generate value over the longer term. We continue to view Strategic Education as a best-in-class company within the for-profit education space.
- Cavco Industries produces manufactured homes. The company's most recent results were better than expected, but shares pulled back as investors took profits. Additionally, a number of factors, including a labor shortage further exacerbated by the coronavirus pandemic, negatively affected the broader industry, and an ongoing SEC investigation weighed on Cavco specifically.

Stock Selection in Industrials and Business Services Hindered Performance

- Shares of Triumph Group, a global supplier of aerospace components and systems, were pressured by the coronavirus-related fall in air traffic and the grounding of Boeing's 737 MAX. While these headwinds may persist for some time, our longer-term conviction in the company remains intact.
- FTI Consulting is a professional services firm that is well known for its bankruptcy and economic consulting practices. Shares rose early in the period on better-than-expected quarterly results highlighting growth in its restructuring segment, before giving back gains, likely due to profit taking.

PORTFOLIO POSITIONING AND ACTIVITY

Sector weightings are a result of our bottom-up stock selection process and not particularly driven by the macroeconomic environment or themes within any given sector. Trades spanned the various sectors, as we reduced winners and more defensive names and identified attractive value opportunities with some of the more significant purchases and sales occurring within consumer discretionary, health care, industrials and business services, and information technology.

Consumer Discretionary

The consumer discretionary sector represents a diverse mix of businesses, and we have investments in a number of attractive industries within the segment. The portfolio has significant allocations to the specialty retail; hotels, restaurants, and leisure; and auto components industries. We remain positive on the prospects for our investments in companies with durable business models and product offerings. This sector, composed of many of the industries hit hardest by the coronavirus pandemic, presented attractive buying opportunities.

- We initiated a position in Planet Fitness, the country's biggest franchisor of low-cost gyms. Though the pandemic will impact near-term trends, we maintain a favorable long-term view of the company, which benefits from having a much larger scale and first-mover advantage over its competitors in the value gym segment.
- Meritage Homes Corporation is a holding company engaged in the development and sale of residential properties. We added to the position, which we originally initiated last quarter

during the downturn. We have a favorable long-term view of the company and its focus on entry-level consumers in attractive markets. A favorable housing market environment characterized by record-low interest rates provide strong tailwinds.

Health Care

Within the sector, the portfolio's largest allocations are to the more value-oriented health care equipment and supplies and health care providers and services industries. Political rhetoric around the sector regarding drug prices and health care costs will likely continue through the 2020 election cycle, but our focus is on fundamental, bottom-up selection within the space and identifying investments that will thrive regardless of the direction of regulatory winds.

- Two of the larger sales for the period were trims to Quidel and West Pharmaceutical Services, health care equipment and supplies companies that benefited from the increased focus on testing and vaccine distribution in the wake of the coronavirus pandemic. We trimmed into strength but maintain positions in both companies.
- We increased the portfolio's position in Option Care Health. Its merger with BioScrip, completed last year, created the largest home infusion company in the country. Option Care is poised to benefit from merger synergies, the shift of health care to the home, and the potential for additional mergers and acquisitions in a fragmented industry.

Industrials and Business Services

This segment has been a relatively good performer in the procyclical environment of the past few years. Investors have generally bid up the space over the past few years on views that the current economic environment will provide the necessary tailwinds for strong performance amid the pro-growth agenda of the current administration, including limiting regulation and cutting taxes. The largest allocations are within the machinery, commercial services and supplies, and professional services industries. We focused on industrials pressured by the pandemic but positioned well to weather the storm.

- We added a new position in Hillenbrand, a diversified industrial company engaged in the development, manufacture, and sale of engineered industrial equipment. The company's most recent quarterly results reflected a substantial revenue increase, boosted by the ongoing integration of Milacron, acquired at the end of 2019. We believe the company is executing well on its strategic efforts to strengthen its portfolio, as demonstrated by the aforementioned acquisition as well as its recently announced decision to eliminate two of the poorer-performing businesses.
- We increased the portfolio's position in Enerpac, a pure-play industrials tool company. The company has made good progress in streamlining the business to focus on its core strengths. With a solid balance sheet and the potential to generate good cash flow, we believe the company can add value to the core business via strategic acquisitions.

Information Technology

We see many outstanding opportunities in this space, specifically in companies with strong balance sheets and the ability to fund growth initiatives internally. Due in part to the sharp pullback many technology companies endured in the early 2000s, many companies in this sector are better suited to navigating the low-growth environment that has occurred over the past decade. Our largest absolute allocations in the space are to the

semiconductor and semiconductor equipment and electronic equipment, instruments, and components industries. The semiconductor space is experiencing a surge in demand from expanded applications in automobiles and increased needs on mobile devices, and some of the near-term cyclical challenges appear to be subsiding.

- Shares of leading self-study consumer language solution Rosetta Stone spiked on the announcement that it would be acquired by Cambium Learning, an educational solutions and services company. We exited the portfolio's position on strength.
- The software industry was boosted by an acceleration in digital platforms in the wake of the coronavirus pandemic. Sales of cloud-based solutions providers included the elimination of Coupa and the paring of Cloudflare, on valuation and market capitalization considerations.

MANAGER'S OUTLOOK

U.S. equities continued their rally in the third quarter. All indices posted positive returns on the quarter and we saw a shift back to what we have seen for much of the last decade, large-cap and growth stocks outpacing their smaller and value peers.

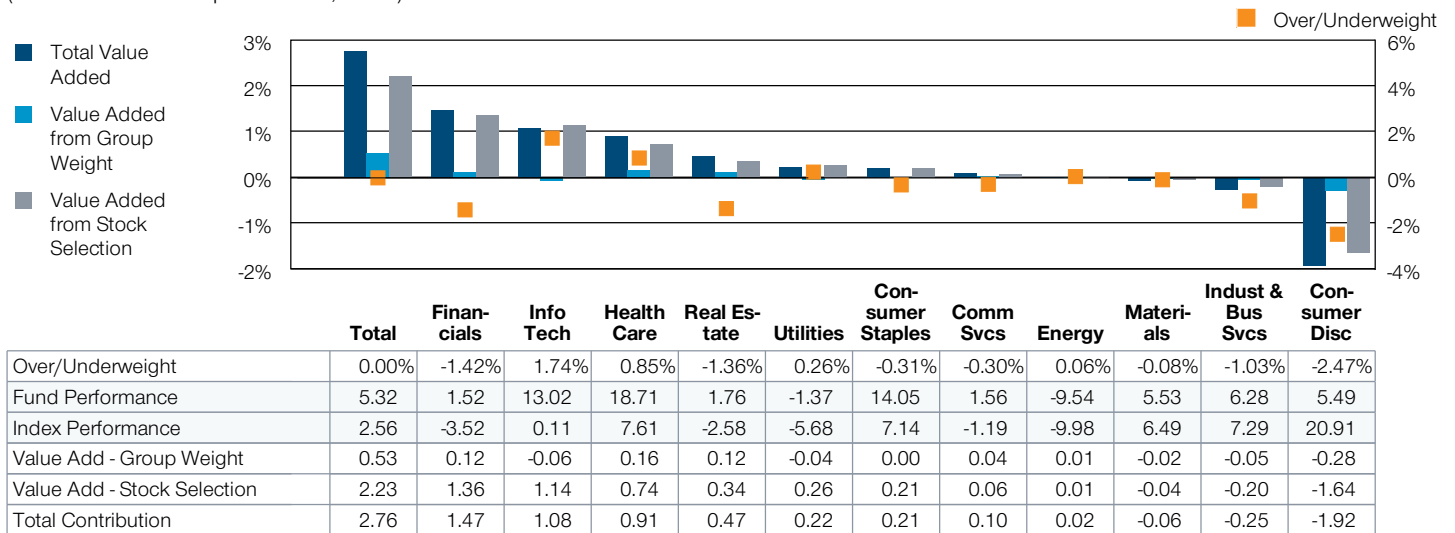
During the quarter, the Russell 2000 Value Index returned 2.56% as sector performance was mixed. Consumer discretionary, industrials and health care were the largest contributors to Russell 2000 Value performance. Financials, energy, real estate and utilities all weighed on index performance.

It is still too early to say that we are out of the woods, but economic data appears to be tracking well and is supportive of a broader recovery. There may be increased volatility leading into the election, but we maintain our focus on the long-term and are taking advantage of opportunities to purchase great businesses at attractive prices.

QUARTERLY ATTRIBUTION

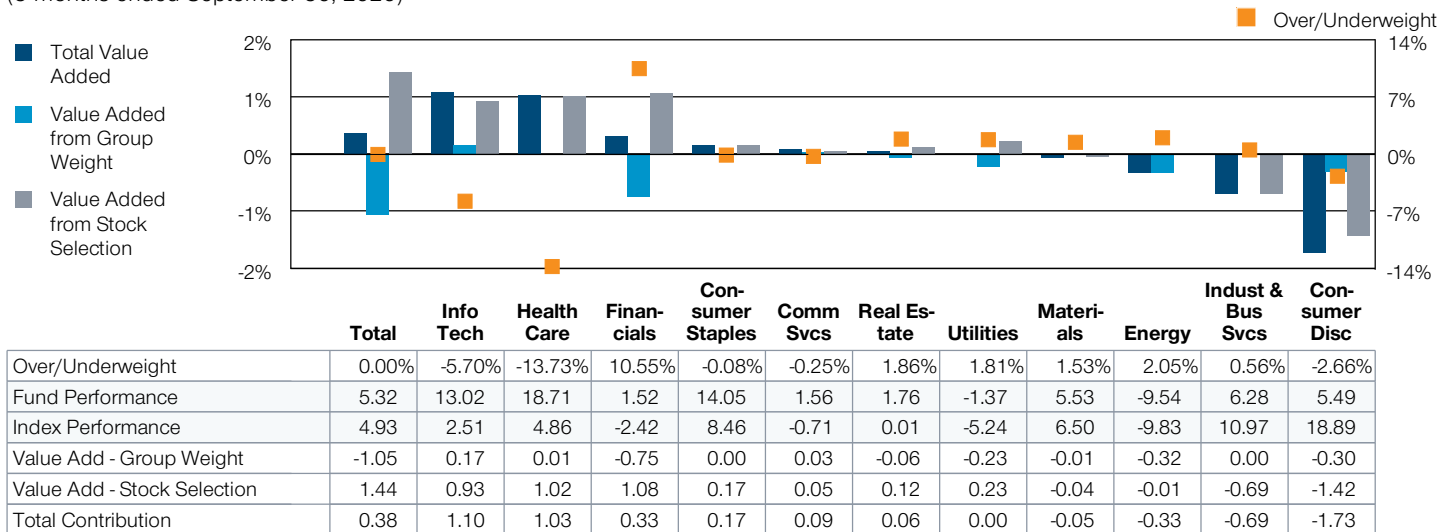
SECTOR ATTRIBUTION DATA VS. RUSSELL 2000 VALUE INDEX

(3 months ended September 30, 2020)



SECTOR ATTRIBUTION DATA VS. RUSSELL 2000 INDEX

(3 months ended September 30, 2020)



TOP 5 RELATIVE CONTRIBUTORS VS. RUSSELL 2000 VALUE INDEX

(3 months ended September 30, 2020)

Security	% of Equities	Net Contribution (Basis Points)
Pennymac Financial Services, Inc.	1.6%	41
Hannon Armstrong Sustainable	1.1	26
Live Oak Bancshares, Inc.	0.6	24
Momenta Pharmaceuticals, Inc.	0.5	23
Entegris, Inc.	0.8	22

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. 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 5 RELATIVE DETRACTORS VS. RUSSELL 2000 VALUE INDEX

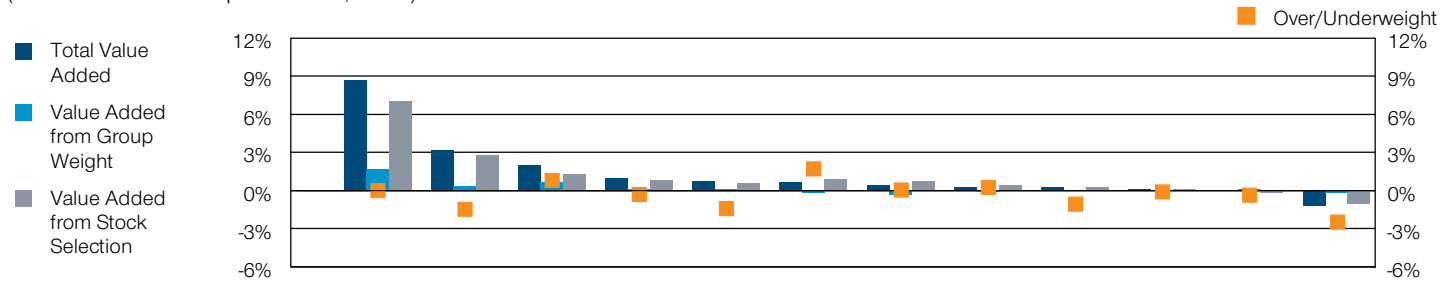
(3 months ended September 30, 2020)

Security	% of Equities	Net Contribution (Basis Points)
Strategic Education, Inc.	0.5%	-36
Penn National Gaming, Inc.	0.0	-33
Darling Ingredients Inc.	0.0	-21
Western Alliance Bancorporation	0.7	-14
Bmc Stock Holdings, Inc.	0.0	-14

12-MONTH ATTRIBUTION

SECTOR ATTRIBUTION DATA VS. RUSSELL 2000 VALUE INDEX

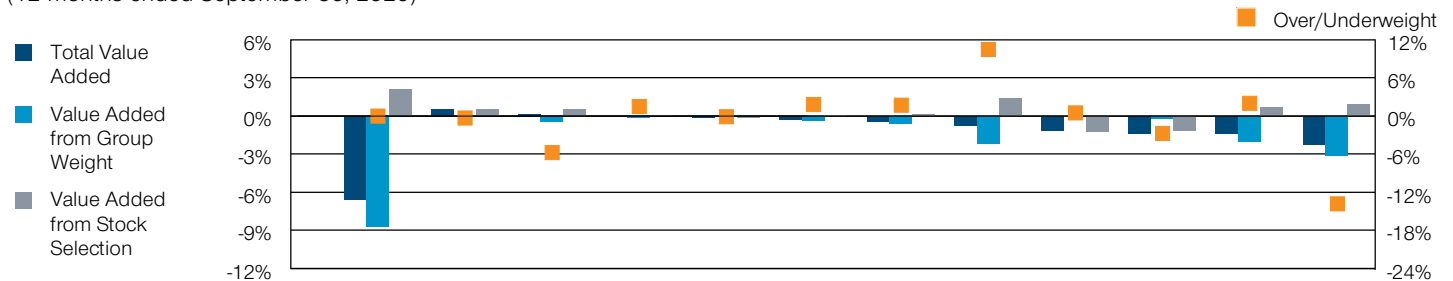
(12 months ended September 30, 2020)



	Total	Financials	Health Care	Comm Svcs	Real Estate	Info Tech	Energy	Utilities	Indust & Bus Svcs	Materials	Consumer Staples	Consumer Disc
Over/Underweight	0.00%	-1.42%	0.85%	-0.30%	-1.36%	1.74%	0.06%	0.26%	-1.03%	-0.08%	-0.31%	-2.47%
Fund Performance	-6.12	-18.38	54.10	17.97	-18.05	19.20	-47.77	-17.98	-6.99	-6.03	10.99	5.16
Index Performance	-14.88	-28.43	26.18	-29.79	-25.17	7.66	-52.99	-23.92	-8.23	-9.02	14.42	9.50
Value Add - Group Weight	1.69	0.40	0.69	0.10	0.17	-0.19	-0.31	-0.10	0.01	0.01	0.13	-0.20
Value Add - Stock Selection	7.07	2.80	1.34	0.86	0.63	0.94	0.76	0.42	0.26	0.17	-0.13	-0.97
Total Contribution	8.76	3.20	2.04	0.96	0.80	0.75	0.45	0.32	0.27	0.17	-0.01	-1.17

SECTOR ATTRIBUTION DATA VS. RUSSELL 2000 INDEX

(12 months ended September 30, 2020)



	Total	Comm Svcs	Info Tech	Materials	Consumer Staples	Real Estate	Utilities	Financials	Indust & Bus Svcs	Consumer Disc	Energy	Health Care
Over/Underweight	0.00%	-0.25%	-5.70%	1.53%	-0.08%	1.86%	1.81%	10.55%	0.56%	-2.66%	2.05%	-13.73%
Fund Performance	-6.12	17.97	19.20	-6.03	10.99	-18.05	-17.98	-18.38	-6.99	5.16	-47.77	54.10
Index Performance	0.39	-16.27	11.99	-7.48	9.73	-20.23	-21.57	-23.70	1.73	13.80	-52.81	36.79
Value Add - Group Weight	-8.62	0.04	-0.41	-0.10	-0.04	-0.34	-0.60	-2.12	0.03	-0.18	-1.99	-3.12
Value Add - Stock Selection	2.11	0.53	0.60	0.08	-0.06	0.09	0.20	1.40	-1.16	-1.14	0.66	0.92
Total Contribution	-6.51	0.58	0.19	-0.02	-0.10	-0.26	-0.41	-0.71	-1.14	-1.32	-1.33	-2.19

TOP 5 RELATIVE CONTRIBUTORS VS. RUSSELL 2000 VALUE INDEX

(12 months ended September 30, 2020)

Security	% of Equities	Net Contribution (Basis Points)
Quidel Corporation	1.0%	155
Pennymac Financial Services, Inc.	1.6	68
Momenta Pharmaceuticals, Inc.	0.5	52
Cable One, Inc.	1.2	45
Entegris, Inc.	0.8	37

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. 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.

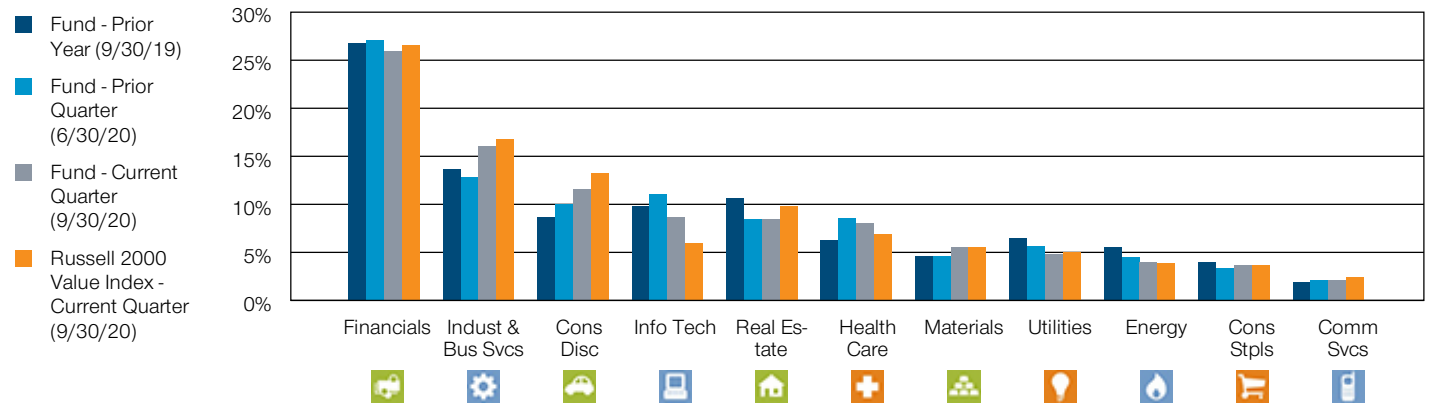
TOP 5 RELATIVE DETRACTORS VS. RUSSELL 2000 VALUE INDEX

(12 months ended September 30, 2020)

Security	% of Equities	Net Contribution (Basis Points)
Triumph Group, Inc.	0.3%	-71
Belden Inc.	0.9	-50
Penn National Gaming, Inc.	0.0	-41
BankUnited, Inc.	0.7	-31
Novavax, Inc.	0.0	-28

PORTFOLIO POSITIONING

SECTOR DIVERSIFICATION – CHANGES OVER TIME



LARGEST PURCHASES

Issuer	Sector	% of Fund Current Quarter 9/30/20	% of Fund Prior Quarter 6/30/20
Meritage		0.7%	0.2%
Lumber Liquidators		0.5	0.2
SPX		0.4	0.2
Enerpac Tool		0.4	0.2
Carpenter Technology		0.4	0.3
Option Care Health		0.3	0.1
Safehold (N)		0.3	0.0
Planet Fitness (N)		0.2	0.0
Hillenbrand (N)		0.2	0.0
Univar Solutions (N)		0.2	0.0

(N) New Position
(E) Eliminated

LARGEST SALES

Issuer	Sector	% of Fund Current Quarter 9/30/20	% of Fund Prior Quarter 6/30/20
Quidel		1.0%	2.0%
Entegris		0.8	0.9
Afterpay		0.2	0.4
CloudFlare		0.2	0.5
West Pharmaceutical Services		0.1	0.5
Rosetta Stone (E)		0.0	0.3
Portland General Electric (E)		0.0	0.4
EverQuote (E)		0.0	0.5
Coupa Software (E)		0.0	0.3
Endava (E)		0.0	0.3

For Sourcing Information, please see Additional Disclosures.

HOLDINGS

TOP 10 ISSUERS

Issuer	Industry	% of Fund	% of Russell 2000 Value Index
PennyMac Financial Services	Thriffs & Mortgage Finance	1.6%	0.2%
Cable One	Media	1.2	0.0
PNM Resources	Electric Utilities	1.1	0.4
Hannon Armstrong Sustainabl Infrstrc Cap	Mortgage Real Estate Investment Trusts (REITs)	1.1	0.3
Aaron's	Specialty Retail	1.1	0.4
Terreno Realty	Equity REITs	1.0	0.2
Quidel	Health Care Equip & Supplies	1.0	0.0
Home Bancshares	Banks	1.0	0.3
Belden	Electronic Equip, Instr & Cmpts	0.9	0.2
ONE Gas	Gas Utilities	0.9	0.4

TOP 5 OVER/UNDERWEIGHT POSITIONS VS. RUSSELL 2000 VALUE INDEX

Issuer	Industry	% of Fund	% of Russell 2000 Value Index	Over/Underweight
PennyMac Financial Services	Thriffs & Mortgage Finance	1.6%	0.2%	1.4%
Cable One	Media	1.2	0.0	1.2
Quidel	Health Care Equip & Supplies	1.0	0.0	1.0
Pool	Distributors	0.9	0.0	0.9
Littelfuse	Electronic Equip, Instr & Cmpts	0.9	0.0	0.9
Darling Ingredients	Food Products	0.0	0.7	-0.7
Penn National Gaming	Hotels Restaurants & Leisure	0.0	0.6	-0.6
Novavax	Biotechnology	0.0	0.5	-0.5
Performance Food	Food & Staples Retailing	0.0	0.5	-0.5
STAG Industrial	Equity REITs	0.0	0.5	-0.5

PORTFOLIO MANAGEMENT



Portfolio Manager:
David Wagner

Managed Fund Since:
2014

Joined Firm:
2000

For Sourcing Information, please see Additional Disclosures.

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 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.

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 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.

202010-1340124