



# T. Rowe Price

STRATEGY HIGHLIGHTS | Ticker: PRGFX | CUSIP: 741479109

As of March 31, 2024

## Growth Stock Fund

**Total Large-Cap Growth Assets:** \$278.3 billion | **Total Strategy Assets:**<sup>1</sup> \$103.7 billion | **Total Fund Assets:** \$50.3 billion

### INVESTMENT APPROACH

- Focus on companies with double-digit earnings and cash flow growth - emphasize sustainable growth, not momentum growth.
- Integrate fundamental research - seek high-quality earnings, strong free cash flow growth, and seasoned management teams with a demonstrated history of thoughtful capital allocation.
- Capitalize on differences between cyclical and secular growth - essential to successful growth investing.
- Avoid overpaying for growth, while broadly diversifying portfolios, to help manage portfolio risk.
- Integrate Non-U.S. stocks in a measured fashion to add value versus the benchmarks.
- The fund is subject to the volatility inherent in common stock investing, and its share price may fluctuate more than a fund investing in non-growth oriented stocks. Diversification cannot assure a profit or protect against loss in a declining market. The fund is "nondiversified," meaning it may invest a greater portion of its assets in a single company and own more of the company's voting securities than is permissible for a "diversified" fund. The fund's share price can be expected to fluctuate more than that of a comparable diversified fund.

### PORTFOLIO CONSTRUCTION

- Typically 80-120 stock portfolio
- Individual position sizes are typically +/-5% relative to the S&P 500 Index and Russell 1000 Growth Index.
- Sector weights typically range from 0.5X to 3.0X for primary S&P 500 Index sectors and Russell 1000 Growth Index sectors

### BENCHMARK

- S&P 500 Index
- Russell 1000 Growth Index

### PORTFOLIO MANAGEMENT

#### Joseph Fath, CPA

*Portfolio Manager*

- 23 years of investment experience; 21 years with T. Rowe Price.
- M.B.A., University of Pennsylvania, The Wharton School
- B.S., University of Illinois

### PORTFOLIO SPECIALISTS

#### Craig Watson, CPA

- 28 years of investment experience; 16 years with T. Rowe Price.
- M.B.A., University of Pennsylvania, The Wharton School
- B.S., Hampton University

#### Ronald Taylor

- 35 years of investment experience; 20 years with T. Rowe Price.
- M.B.A., Harvard Business School
- B.A., University of California, Los Angeles

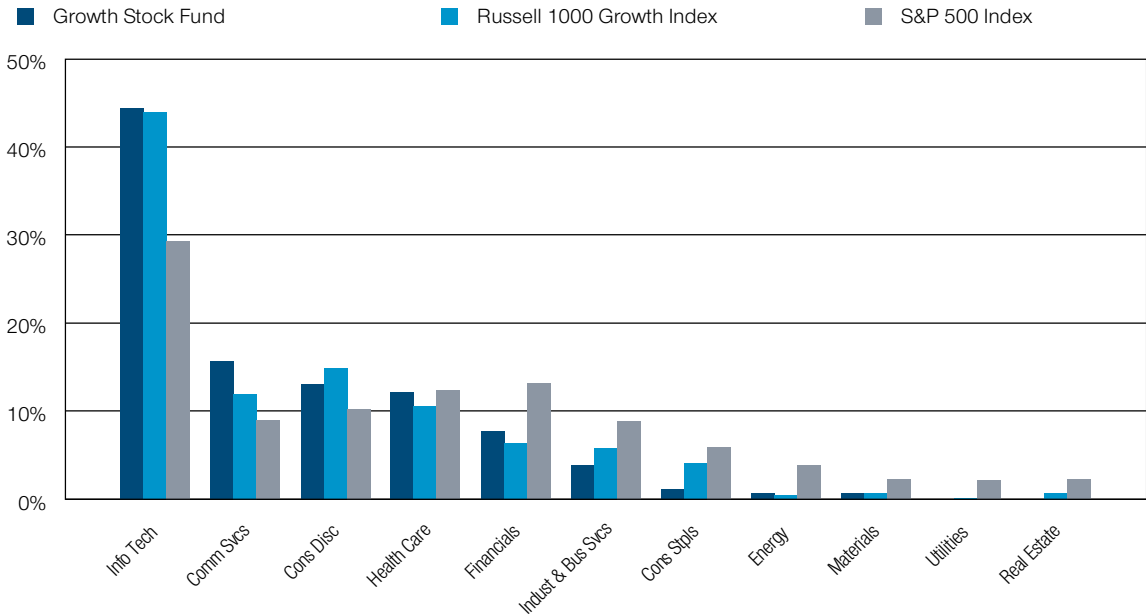
Portfolio Specialists do not assume management responsibilities. For a complete list of the members of the Fund's Investment Advisory Committee, please refer to the Fund's prospectus.

<sup>1</sup> Includes a U.S.-registered mutual fund, a common trust fund, separate accounts, and subadvised portfolios.

TOP 10 ISSUERS

	% of Fund
Microsoft	12.8%
NVIDIA	9.1
Amazon.com	7.9
Apple	7.6
Alphabet	6.9
Meta Platforms	4.6
Eli Lilly and Co	3.3
Visa	2.9
MasterCard	2.3
UnitedHealth Group	2.3
<b>Total</b>	<b>59.7%</b>

SECTOR DIVERSIFICATION



PORTFOLIO CHARACTERISTICS

	Fund	S&P 500 Index	Russell 1000 Growth Index
Projected Earnings Growth Rate (3 - 5 Years)*° †	16.3%	11.8%	16.0%
Price to Earnings (12 Months Forward)*° †	34.5X	24.9X	30.3X
Return on Equity (Last 12 Months excl. charges)°	32.8%	28.4%	39.6%
Price to Book (trailing)°	13.1X	8.2X	13.1X
Investment Weighted Median Market Cap (mm)	\$1,237,940	\$224,445	\$614,223
Investment Weighted Average Market Cap (mm)	\$1,284,912	\$805,239	\$1,217,627
Number of Issuers	86	500	435
Top 20 Issuers as % of Total	72.3%	42.7%	65.5%
Portfolio Turnover ††	28.9%	–	–
Active Share	57.5%	–	–

°Statistics are based on investment-weighted median.

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†These statistics are based on the Fund's underlying holdings and are not a projection of future portfolio performance. Actual results may vary.

††Portfolio Turnover represents 1 year period ending 12/31/2023.

## PERFORMANCE

	Three Months	One Year	Annualized (only pertains to the total return figures)			
			Three Years	Five Years	Ten Years	Fifteen Years
Growth Stock Fund	12.18%	40.33%	4.52%	12.60%	13.14%	16.03%
S&P 500 Index	10.56	29.88	11.49	15.05	12.96	15.63
Russell 1000 Growth Index	11.41	39.00	12.50	18.52	15.98	17.85
Lipper Large-Cap Growth Funds Index	13.14	41.07	9.60	16.31	14.30	16.28
Lipper Large-Cap Growth Funds Average	12.37	39.20	9.06	15.67	13.87	16.05
Lipper Ranking	–	317 of 689	601 of 645	560 of 606	344 of 475	169 of 352
Morningstar Large Growth Category	11.92	36.45	7.95	14.89	13.24	15.69
Morningstar Ranking	–	452 of 1,191	924 of 1,111	856 of 1,037	480 of 807	251 of 600

**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's expense ratio as of the most recent prospectus was **0.67%**. See the prospectus for details.

Lipper rankings are based on cumulative total return. The Lipper Average consists of all share classes; each share class is counted separately.

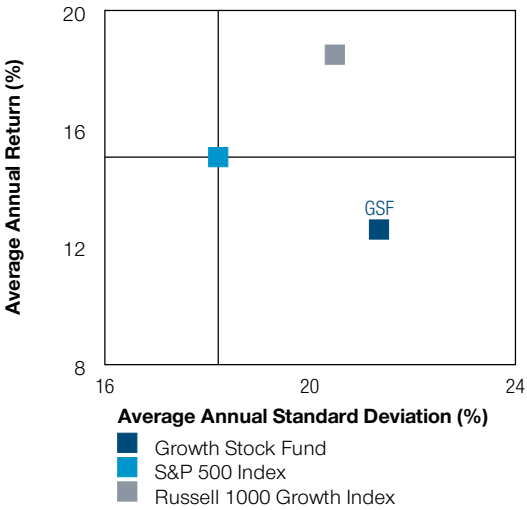
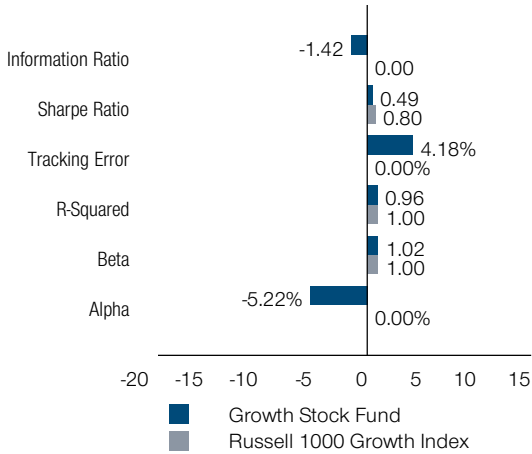
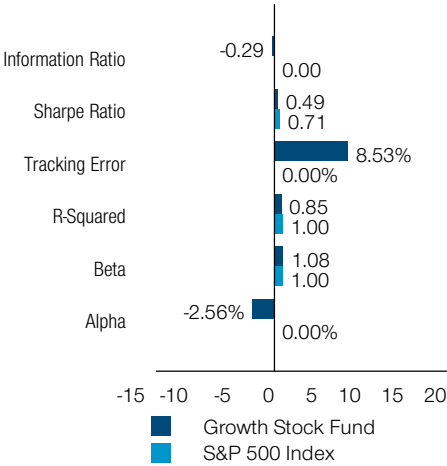
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**Investors should note that the Fund's short-term performance is highly unusual and unlikely to be sustained.**

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

RISK/RETURN CHARACTERISTICS

Five Years ended March 31, 2024



Past performance is not a reliable indicator of future performance. Figures are calculated using monthly data and are net of fees.

## ADDITIONAL DISCLOSURES

Portfolio Construction: There is no guarantee that the investment will remain within the anticipated ranges of exposure.

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.

**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://troweprice.com). Read it carefully.**

Unless indicated otherwise the source of all data is T. Rowe Price.

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

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.

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

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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.

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.

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