T.RowePrice®
INVEST WITH CONFIDENCE

QUARTERLY REVIEW

Dividend Growth Fund – Multi-Class

As of September 30, 2019

PORTFOLIO HIGHLIGHTS

The portfolio posted strong absolute returns and outperformed the S&P 500 Index during the three-month period ended September 30, 2019.

Relative performance drivers:

- Stock selection and an underweight in the consumer discretionary sector contributed to relative performance.
- In the financials sector, stock selection generated a solid relative performance contribution.
- Stock selection in consumer staples detracted from relative returns.

Additional highlights:

- We continue to rely on our expertise in stock selection to navigate the market. Our focus is on investing in high-quality companies trading at relatively attractive valuations that offer a combination of durable earnings growth, steady cash flows, and increasing dividends.
- Overall, we remain constructive on the U.S. economy, which continues to benefit from healthy consumer spending. However, given the market's broadly full valuations, we are in an environment where there are not a lot of obvious opportunities until we see some signs of improvement in global economic growth.

FUND INFORMATION

Symbol	PRDGX
CUSIP	779546100
Inception Date of Fund	December 30, 1992
Benchmark	S&P 500 Index
Expense Information (as of the most recent Prospectus)	0.64%
Fiscal Year End	December 31
12B-1 Fee	–
Total Assets (all share classes)	$12,750,345,479
Percent of Portfolio in Cash	5.3%

Please refer to the detailed Fund Information section, at the end of the report, for additional expense information and available share classes.

PERFORMANCE

(NAV, total return)

					Annualized			
	Inception Date	**Three Months**	**Year-to-Date**	**One Year**	**Three Years**	**Five Years**	**Ten Years**	**Fifteen Years**
Dividend Growth Fund	Dec 30 1992	2.45%	22.84%	11.56%	14.01%	12.01%	13.18%	9.47%
Dividend Growth Fund - Advisor Class	Dec 29 2005	2.37	22.59	11.25	13.70	11.71	12.88	9.19
Dividend Growth Fund - I Class	Dec 17 2015	2.49	22.94	11.71	14.17	12.11	13.23	9.51
S&P 500 Index		1.70	20.55	4.25	13.39	10.84	13.24	9.01
Lipper Large-Cap Core Funds Index		1.17	18.47	2.80	12.28	9.56	11.82	8.15
NASDAQ US Broad Dividend Achievers Index		3.73	21.86	10.03	12.25	10.22	12.55	7.91

CALENDAR YEAR PERFORMANCE

(NAV, total return)

	Inception Date	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Dividend Growth Fund	Dec 30 1992	26.15%	13.26%	3.53%	14.85%	30.35%	12.34%	2.36%	11.62%	19.32%	-1.06%
Dividend Growth Fund - Advisor Class	Dec 29 2005	25.88	12.94	3.26	14.54	29.96	12.07	2.08	11.33	19.03	-1.35
Dividend Growth Fund - I Class	Dec 17 2015	26.15	13.26	3.53	14.85	30.35	12.34	2.36	11.74	19.47	-0.93
S&P 500 Index		26.46	15.06	2.11	16.00	32.39	13.69	1.38	11.96	21.83	-4.38
Lipper Large-Cap Core Funds Index		28.15	12.77	0.09	15.32	31.82	11.33	-0.67	12.28	20.90	-5.13
NASDAQ US Broad Dividend Achievers Index		11.95	15.59	9.71	11.42	26.31	11.76	-2.58	15.22	18.02	-3.94

PERFORMANCE REVIEW

Trade and Fed Hopes Fade as Quarter Progresses
U.S. stocks generated mixed third-quarter performance. Optimism about a trade deal with China drove stocks higher early in the period, helped by news of a truce in the trade war at the G-20 summit on the last weekend of June. Hopes for a decisively "dovish" turn in Federal Reserve policy also boosted sentiment.

Disappointments on both the China and monetary policy fronts soon derailed the market's gains, however. On August 1, stocks suffered their biggest intraday plunge since May, after President Donald Trump announced that the U.S. would impose a new 10% tariff on Chinese imports. China retaliated with new tariffs of its own, although both sides made conciliatory gestures as the quarter came to an end. The Fed cut rates by a quarter point at each of its two meetings in the quarter, less than many had hoped, while officials suggested that further cuts might be on hold.

Stock Selection Powered Relative Performance in the Consumer Discretionary Sector

- Shares of discount retailer Dollar General traded higher on strong same-store sales growth driven by both an increase in store traffic and average transaction size. We remain positive on the company for its below-average cyclicality, lower exposure to the threat of e-commerce, and management's impressive operational execution.
- Amid a challenging retail environment, off-price retailer Ross Stores benefited from solid same-store sales growth driven by its men's category, while its ladies' apparel category showed signs of improvement. We continue to like the company for its strong position in the attractive off-price segment, robust cash generation, and prospects for longer-term earnings growth driven by increasing its store base and continued same store-sales growth.
- Yum! Brands, through its subsidiaries (KFC, Pizza Hut, and Taco Bell), develops and franchises fast food restaurants worldwide. The restaurant operator is viewed as defensive, and the portfolio has an overweight allocation. We are confident that Yum!'s refranchising activities can generate higher returns and reduce its capital needs, allowing the company to direct its cash flow to shareholders in the form of dividends and share repurchases.

Financials Posted Solid Relative Results in a Volatile Quarter

- Global insurer Chubb, a best-in-class property and casualty insurer, benefited from a firming pricing environment and management commentary that the upcycle in pricing is likely to continue. We remain positive on Chubb given its market-leading position amid a general rise in insurance pricing, and its more defensive business model relative to many sector peers.
- JP Morgan Chase enjoyed a solid quarter as recession fears receded, and it seemed like President Donald Trump was making progress on a U.S.-China trade deal. JP Morgan is among the largest U.S. money center banks with an even mix or retail and wholesale businesses. We believe it is the firm is a leader in each of its market segments, and we are confident in its seasoned management team. The biggest risks are it is in a cyclical business, garners a well-deserved premium valuation, and banks face the risk of credit surprises. However, we are comfortable with our large position and the company's long-term prospects for revenue and earnings expansion. We added shares over the quarter.
- Similarly, Wells Fargo, the third-largest U.S. bank with exposure to most retail and corporate assets classes, performed well. The company hired a new CEO and it seems that investors have warmed to the stock's total return potential. We think the company's multiyear revenue and earnings potential is solid and the risk/reward characteristics are attractive.

Stock Selection and an Overweight to Utilities Contributed to Relative Returns

- Vertically integrated utility holding company NextEra Energy outperformed on strong earnings growth and a massive renewable development backlog. We remain positive on the company for its combination of steady, low-risk growth potential through Florida Power & Light, one of the largest electric utilities in the U.S., and significant growth potential in contracted renewables and pipelines.
- New England-based Eversource Energy benefited from solid operational execution and from news it has won contracts for a few large offshore wind projects. We remain positive on this utility for its strong management team and durable growth outlook driven by grid modernization programs and additional offshore wind projects.

Stock Selection in Consumer Staples Detracted

- Diageo, a high-quality, UK-based spirits distributor, with products including Johnnie Walker, Smirnoff, and Guinness, is one of the most attractive global consumer staples companies. It seems that investors rotated away from the safety in noncyclical companies like Diageo in favor of growthier names as the period progressed.
- Keurig Dr Pepper has a U.S.-based integrated beverage business (bottler and concentrates) that makes the majority of its revenues from soft drinks. The company appears poised to generate solid earnings growth for the next few years and benefit from merger synergies and rapid deleveraging. Management is solid, and we expect the team to look to grow through emerging market acquisitions and partnerships.
- Shares of tobacco giant Philip Morris International declined after the company confirmed it was discussing a merger with Altria Group. The potential deal fell through in September. Increased controversy over vaping also weighed on sentiment. We think Philip Morris International offers an attractive underlying business model and solid fundamentals, which, along with promising reduced-risk products, should drive durable earnings growth.

PORTFOLIO POSITIONING AND ACTIVITY

In our view, the portfolio is well positioned for an uncertain economic and political environment. We believe that stocks are relatively richly priced after the solid year-to-date rally, and we are maintaining a defensive stance as the corporate earnings environment could cause equities to be volatile. We intend to remain selective and opportunistic in our long-term approach to stock ownership. As always, we maintain a disciplined adherence to our rigorous process, which is rooted in bottom-up stock selection and our reliance on fundamental research.

Communication Services
The communication services sector is composed of a wide range of media and entertainment and telecommunication services companies. The sector remains our largest underweight position relative to the S&P 500 Index, as several of the largest positions in the benchmark do not pay dividends. Our largest sector holdings are in Walt Disney, Comcast, and AT&T. We bought shares of Comcast and Walt Disney during the quarter.

Consumer Discretionary
We continue to think that certain companies in this sector have the potential for consistent, durable earnings growth at broadly favorable risk/reward profiles. We prefer companies that demonstrate pricing power in their industry and provide products or services at a reasonable value. Our largest industry weight is in hotels, restaurants, and leisure, including McDonald's, Yum! Brands, and Marriott. We also own a sizable position in specialty retail, including Home Depot and Ross Stores. During the quarter, we added to our stake in discount retailer Dollar General.

Financials
Financials remains one of our larger absolute sector weights. We are focused on investing in high-quality companies that are well capitalized, have diversified revenue streams, and leading industry positions. Our largest industry weights are in banks, including JP Morgan Chase and Wells Fargo, and in insurance, including Chubb and Marsh & McLennan. We added to our position in JP Morgan and eliminated Bank of New York Mellon during the period.

Health Care
The health care sector continues to play a significant role in the portfolio. We believe that our favored holdings offer compelling, relatively stable growth potential and can perform well in multiple economic scenarios. Our largest industry weight is in health care equipment and supplies, including Danaher; Becton, Dickinson & Company; and Stryker. We also hold a sizable position in pharmaceuticals, including Pfizer and Zoetis. During the quarter, we bought shares of Thermo Fisher Scientific and Pfizer.

Information Technology
Although the information technology sector is among our largest underweight positions relative to the S&P 500 Index, it remains one of our top absolute allocations. While we view many names in the sector as cyclical, we believe certain information technology companies are poised for strong secular growth. Our holdings are largely focused in IT services and software companies that we believe will benefit from the increasing demand for business technology solutions. We added to our positions in Microsoft and Apple during the quarter.

Industrials and Business Services
Within the industrials and business services sector we seek to invest in companies with exposure to many different end markets that feature relatively solid business models, durable earnings growth, and high free cash flow yields. Our largest industry weight is in industrial conglomerates, including Roper Technologies and Honeywell International. During the quarter, we added to our substantial stakes in Boeing and GE, and we eliminated our position in Hubbell.

MANAGER'S OUTLOOK

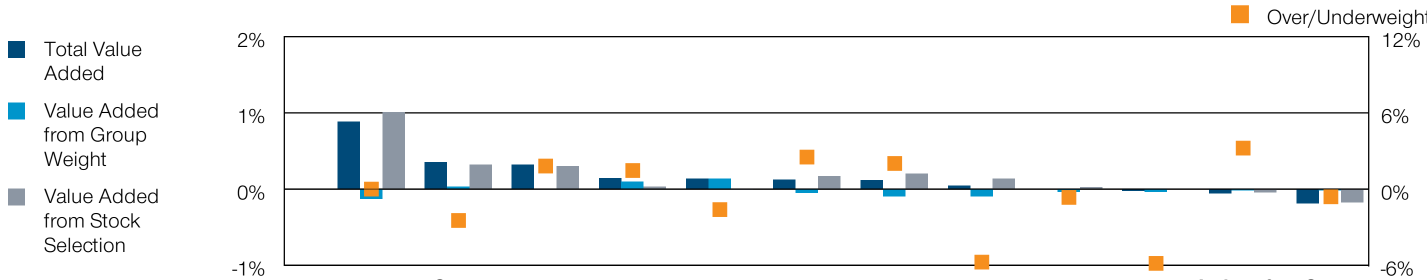
We believe that the current environment of positive U.S. economic growth, low inflation, and accommodative monetary policies could support financial asset prices as we head toward 2020. However, there are potential market headwinds, including generally full equity valuations, the implications of the ongoing U.S.-China trade dispute, and the political maneuverings emanating from Washington, D.C., that lend to our generally cautious stance. Given these considerations and the Federal Reserve's dovish pivot, dividend-paying and dividend-growing stocks are all the more attractive for yield-starved investors.

We will continue to rely on our expertise to navigate the market, focusing on investing in high-quality companies trading at relatively attractive valuations that offer a combination of stable earnings growth, durable cash flow generation, and increasing dividends. While we monitor the political and economic big picture, our focus is on buying and holding well-managed, market-leading companies. We are confident that our strategy can continue generating superior risk-adjusted returns for our investors, especially when measured over complete market cycles.

QUARTERLY ATTRIBUTION

SECTOR ATTRIBUTION DATA VS. S&P 500 INDEX

(3 months ended September 30, 2019)



	Total	Consumer Disc	Financials	Utilities	Energy	Materials	Health Care	Info Tech	Real Estate	Comm Svcs	Indust & Bus Svcs	Consumer Staples
Over/Underweight	0.00%	-2.43%	1.83%	1.49%	-1.57%	2.53%	2.06%	-5.72%	-0.62%	-5.81%	3.24%	-0.59%
Fund Performance	2.58	4.83	4.18	10.10	-6.30	3.32	-1.00	4.23	9.01	2.39	0.71	3.56
Index Performance	1.70	0.51	2.01	9.33	-6.30	0.04	-2.25	3.34	7.71	2.22	0.99	5.98
Value Add - Group Weight	-0.12	0.03	0.01	0.11	0.14	-0.04	-0.09	-0.09	-0.03	-0.03	-0.01	-0.01
Value Add - Stock Selection	1.01	0.32	0.31	0.04	0.00	0.17	0.21	0.14	0.03	0.00	-0.04	-0.17
Total Contribution	0.89	0.36	0.32	0.14	0.14	0.13	0.12	0.04	0.00	-0.02	-0.05	-0.18

TOP 5 RELATIVE CONTRIBUTORS VS. S&P 500 INDEX

(3 months ended September 30, 2019)

Security	% of Equities	Net Contribution (Basis Points)
Amazon.Com, Inc.	0.0%	27
Dollar General Corporation	1.5	20
Netflix, Inc.	0.0	18
Facebook, Inc.	0.0	15
Chubb Limited	1.5	11

TOP 5 RELATIVE DETRACTORS VS. S&P 500 INDEX

(3 months ended September 30, 2019)

Security	% of Equities	Net Contribution (Basis Points)
Alphabet Inc.	0.0%	-34
Apple Inc.	2.1	-22
Procter & Gamble Company	0.0	-16
Pfizer Inc.	1.5	-15
Fortive Corporation	0.7	-12

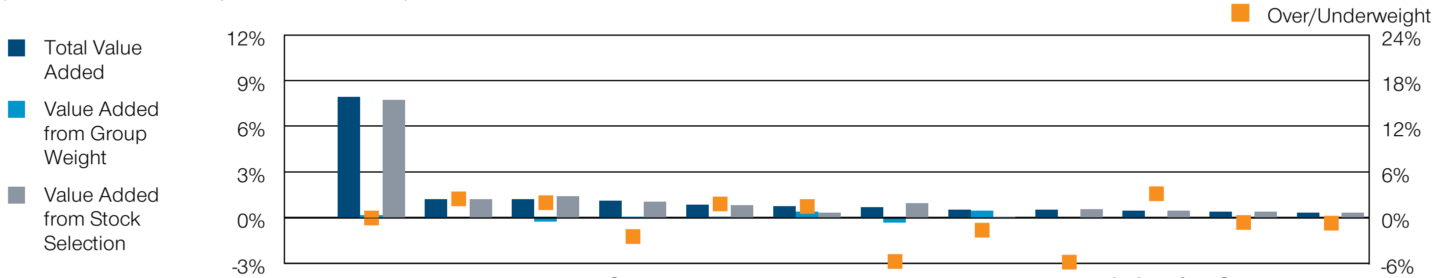
Net contribution is calculated versus a specific benchmark. It is the difference between the security's absolute contribution to the portfolio and the security's absolute contribution to the benchmark. This reflects the amount the security has impacted relative return.

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. 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.

12-MONTH ATTRIBUTION

SECTOR ATTRIBUTION DATA VS. S&P 500 INDEX

(12 months ended September 30, 2019)



	Total	Materi-als	Health Care	Con-sumer Disc	Finan-cials	Utilities	Info Tech	Energy	Comm Svcs	Indust & Bus Svcs	Con-sumer Staples	Real Es-tate
Over/Underweight	0.00%	2.53%	2.06%	-2.43%	1.83%	1.49%	-5.72%	-1.57%	-5.81%	3.24%	-0.59%	-0.62%
Fund Performance	12.20	33.39	4.33	17.89	9.52	34.96	15.34	-17.55	21.48	5.33	23.61	41.26
Index Performance	4.25	3.40	-3.57	2.36	3.92	27.10	8.59	-19.21	5.69	1.39	16.58	24.74
Value Add - Group Weight	0.15	0.01	-0.23	0.08	0.04	0.41	-0.29	0.45	-0.04	0.00	0.01	-0.02
Value Add - Stock Selection	7.79	1.22	1.45	1.06	0.83	0.33	0.99	0.10	0.57	0.46	0.40	0.36
Total Contribution	7.94	1.23	1.23	1.15	0.88	0.74	0.70	0.55	0.54	0.47	0.41	0.34

TOP 5 RELATIVE CONTRIBUTORS VS. S&P 500 INDEX

(12 months ended September 30, 2019)

Security	% of Equities	Net Contribution (Basis Points)
Ball Corporation	1.4%	68
Danaher Corporation	2.2	59
Dollar General Corporation	1.5	48
Amazon.Com, Inc.	0.0	44
American Tower Corporation	1.2	41

TOP 5 RELATIVE DETRACTORS VS. S&P 500 INDEX

(12 months ended September 30, 2019)

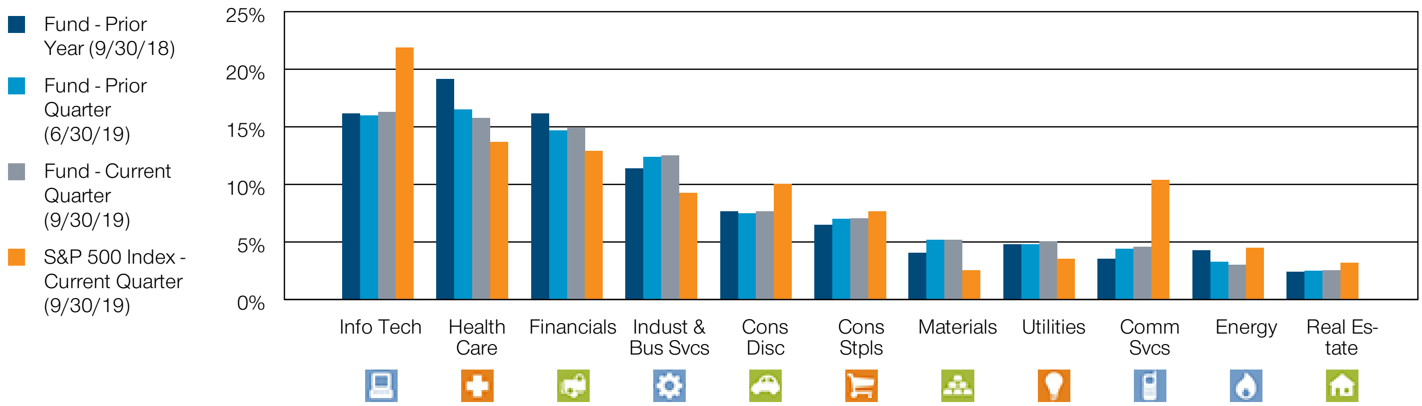
Security	% of Equities	Net Contribution (Basis Points)
Procter & Gamble Company	0.0%	-46
Occidental Petroleum Corporation	0.6	-43
Unitedhealth Group Incorporated	1.5	-27
State Street Corporation	0.5	-22
Mastercard Incorporated	0.0	-19

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. 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.

PORTFOLIO POSITIONING

SECTOR DIVERSIFICATION – CHANGES OVER TIME



LARGEST PURCHASES

Issuer	Sector	% of Fund Current Quarter 9/30/19	% of Fund Prior Quarter 6/30/19
Microsoft		4.0%	4.0%
JPMorgan Chase		2.9	2.7
Visa		2.8	2.9
Apple		2.1	1.8
Wells Fargo		1.6	1.4
Comcast, Special Class A		1.4	1.2
Boeing		1.3	1.0
UPS		0.8	0.5
GE		0.7	0.6
Amphenol		0.5	0.4

LARGEST SALES

Issuer	Sector	% of Fund Current Quarter 9/30/19	% of Fund Prior Quarter 6/30/19
UnitedHealth Group		1.5%	1.9%
Roper Technologies		1.5	1.6
Ball		1.4	1.5
Waste Connections		1.0	1.1
Illinois Tool Works		0.8	0.8
Occidental Petroleum		0.6	0.8
Tyson Foods		0.2	0.2
Bank of New York Mellon (E)		0.0	0.3
Hubbell (E)		0.0	0.2
C.H. Robinson Worldwide (E)		0.0	0.2

(E) Eliminated

HOLDINGS

TOP 10 ISSUERS

Issuer	Industry	% of Fund	% of S&P 500 Index
Microsoft	Software	4.0%	4.3%
JPMorgan Chase	Banks	2.9	1.5
Visa	IT Services	2.8	1.2
Danaher	Health Care Equip & Supplies	2.2	0.4
Apple	Technology Hardware, Storage & Peripherals	2.1	3.9
Becton, Dickinson & Company	Health Care Equip & Supplies	1.8	0.3
Thermo Fisher Scientific	Life Sciences Tools & Services	1.8	0.5
Accenture	IT Services	1.6	0.5
Wells Fargo	Banks	1.6	0.8
UnitedHealth Group	Health Care Providers & Svcs	1.5	0.8

TOP 5 OVER/UNDERWEIGHT POSITIONS VS. S&P 500 INDEX

Issuer	Industry	% of Fund	% of S&P 500 Index	Over/Underweight
Danaher	Health Care Equip & Supplies	2.2%	0.4%	1.9%
Visa	IT Services	2.8	1.2	1.6
Becton, Dickinson & Company	Health Care Equip & Supplies	1.8	0.3	1.5
JPMorgan Chase	Banks	2.9	1.5	1.4
Roper Technologies	Industrial Conglomerates	1.5	0.2	1.3
Alphabet	Interactive Media & Services	0.0	3.0	-3.0
Amazon.com	Internet & Direct Marketing Retail	0.0	2.9	-2.9
Facebook	Interactive Media & Services	0.0	1.7	-1.7
Apple	Technology Hardware, Storage & Peripherals	2.1	3.9	-1.7
Berkshire Hathaway	Diversified Financial Services	0.0	1.7	-1.7

PORTFOLIO MANAGEMENT

Portfolio Manager:
Thomas Huber

Managed Fund Since:
2000

Joined Firm:
1994

FUND INFORMATION

	Dividend Growth Fund	Dividend Growth Fund - Advisor Class	Dividend Growth Fund - I Class
Symbol	PRDGX	TADGX	PDGIX
Expense Information	0.64%	0.91%	0.51%
Fiscal Year End Date	12/31/18	12/31/18	12/31/18
12B-1 Fee	–	0.25%	–

The expense ratios shown are as of the most recent prospectus. The stated expense ratio for the Advisor Class includes the applicable 12b-1 fee.

Additional Disclosures

Source for Lipper data: Lipper Inc.
Lipper Data (excluding Performance and Risk Return exhibits) is estimated by T. Rowe Price based on information provided by Lipper, Inc., and LionShares. T. Rowe Price identifies the funds that compose the Lipper index and builds an aggregate portfolio for the index based on each fund's holdings as provided by LionShares. Please note that the portfolio holdings for each fund within the index are based on the most recent public information that is available, and since the funds have different reporting periods, some of this information may not be current.
Source for S&P data: S&P. "Standard & Poor's®", "S&P®", "S&P 500®", "Standard & Poor's 500", and "500" are trademarks of Standard & Poor's, and have been licensed for use by T. Rowe Price. The fund is not sponsored, endorsed, sold or promoted by Standard & Poor's and Standard & Poor's makes no representation regarding the advisability of investing in the fund.
Source for NASDAQ data: NASDAQ
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.
Source for Sector Diversification: 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.
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.

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2016-US-26799