



QUARTERLY REVIEW

Global Technology Fund

As of September 30, 2019

PORTFOLIO HIGHLIGHTS

The portfolio posted a negative return and underperformed the MSCI All Country World Index Information Technology Net for the three-month period ended September 30, 2019.

Relative performance drivers:

- Internet detracted the most, driven by an overweight allocation.
- Telecom equipment added the most value, thanks to an underweight and stock selection.
- Regionally, stock choices in North America held back returns the most.

Additional highlights:

- In our view, the software subsector contains some of the highest-quality secular growers in technology. Valuations are demanding, but we took advantage of weakness to add exposure to software-as-a-service companies that we believe have a long growth runway.
- In our view, many of the technology sector's secular growth trends—including software as a service, e-commerce, big data, and artificial intelligence (AI)—remain in play. This belief gives us confidence that the best-positioned tech companies should be able to weather an economic downcycle (whenever that happens) and emerge stronger on the other side.

FUND INFORMATION

Symbol	PRGTX
CUSIP	741494108
Inception Date of Fund	September 29, 2000
Benchmark	MSCI ACWI Information Technology Net
Expense Information (as of the most recent Prospectus)	0.91%
Fiscal Year End	December 31
12B-1 Fee	–
Total Assets (all share classes)	\$4,530,381,681
Percent of Portfolio in Cash	0.2%

PERFORMANCE

(NAV, total return)

	Three Months	Year-to-Date	One Year	Annualized			
				Three Years	Five Years	Ten Years	Fifteen Years
Global Technology Fund	-3.02%	20.90%	8.65%	15.25%	16.54%	18.60%	15.16%
MSCI All Country World Index Information Technology Net	2.61	28.27	6.32	19.30	15.56	14.40	10.85
Lipper Global Science / Technology Funds Index	-1.96	23.53	2.56	18.63	15.24	15.26	12.00

CALENDAR YEAR PERFORMANCE

(NAV, total return)

	Inception Date	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Global Technology Fund	Sep 29 2000	80.28%	22.66%	-1.64%	19.24%	39.92%	23.99%	21.06%	6.64%	47.04%	-9.49%
MSCI All Country World Index Information Technology Net		58.13	11.35	-4.43	15.32	26.51	15.20	3.20	12.20	41.77	-5.81
Lipper Global Science / Technology Funds Index		72.12	23.41	-10.04	15.53	35.10	12.15	7.08	8.06	41.76	-3.28

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.

Technology stocks, historically, have experienced unusually large price swings, both up and down. The stocks in which this fund invests face special risks, such as their products or services not proving commercially successful or becoming obsolete quickly.

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

PERFORMANCE REVIEW

A Mixed Bag for Global Equities

Global equity markets posted mixed returns during a volatile quarter. Markets vacillated between fear of slowing global growth and optimism that accommodative monetary policy and resolutions to various geopolitical and trade tensions could help drive continued economic gains.

U.S. stocks were positive despite several market shocks over the period. Monetary policy expectations were a major driver of market sentiment, as the Federal Reserve reduced short-term interest rates twice. Continued U.S.-China trade tensions and concerns about escalation weighed periodically on world markets, especially in August. However, investors remained optimistic that the resumption of U.S.-China negotiations in October would lead to some tangible progress toward a deal.

Developed European stock markets declined. Shares in Germany fell, as poor manufacturing data suggested that Europe's largest economy was slipping into recession. UK shares also pulled back amid Brexit uncertainty, even as Boris Johnson became the new prime minister in the latter part of July. Johnson's attempt to suspend parliament for several weeks prior to the UK's expected October 31 departure from the European Union was deemed unlawful by the UK's supreme court.

Most developed Asian markets fell, especially Hong Kong, where shares plunged due to widespread protests over a controversial extradition bill and other perceived anti-democratic policies by the government. Despite disappointing economic data, Japanese shares rose. Data released in September showed that Japanese exports have declined for nine consecutive months, thanks in part to weakness in the global economy and the prolonged U.S.-China trade dispute. Near the end of the quarter, Japan signed a limited, tariff-reducing trade deal with the U.S. that takes effect at the beginning of 2020. The two countries are expected to begin working on a wider-reaching trade agreement later next year.

Stocks in emerging equity markets fared worse than stocks in developed markets, as various central banks reduced short-term interest rates to help their slowing economies. Currencies in many developing countries also weakened versus the U.S. dollar. In Asia, most markets declined, but shares in Taiwan bucked the negative trend. Indian shares fell even though the central bank reduced interest rates and the government announced corporate tax rate reductions to boost growth. In emerging Europe, central European markets sagged. However, Turkish shares soared due to declining inflation and the central bank's decision to slash its key interest rate during the quarter. Latin American markets were broadly negative. In Argentina, shares plunged as presidential candidate Alberto Fernandez soundly defeated incumbent President Mauricio Macri in the primary round of the country's presidential election in August. Brazilian stocks also struggled during the quarter, even though pension reform legislation moved closer to becoming law.

Sector performance in the MSCI All Country World Index was mixed. Utilities, consumer staples, and real estate were the strongest performers, while energy, materials, and health care fell the most.

Internet detracted the most.

The drag from the portfolio's above-benchmark allocation to internet more than offset the positive contribution from stock selection. The performance of the portfolio's holdings in this sector was mixed. Concerns about the macroeconomic outlook in China remain a potential overhang for shares of the country's dominant internet platforms, while the prospect of state and federal investigations into data privacy issues and potentially anticompetitive business practices weighed, to varying degrees, on shares of their U.S. counterparts.

- Amazon.com's stock came under pressure after the company's quarterly results disappointed. Top-line growth in Amazon Web Services slowed, and operating earnings took a hit on higher costs related to the expansion of the company's one-day shipping program. We expect the company's logistics investments to pay off in the form of higher volumes eventually and do not believe the slowdown in its cloud business reflects a fundamental shift in the sustainability of that segment's growth prospects. Negative headlines related to the U.S. Federal Trade Commission's antitrust investigation into the company also pressured the stock. We will continue to monitor regulatory developments as part of our holistic assessment of the stock's risk/reward profile. In our view, the scale and strength of Amazon.com's retail and public cloud businesses, coupled with its strong balance sheet and forward-looking management team, give the company the necessary resources to drive innovation and disruption. We believe these core businesses offer leverage to secular growth trends and position the company to expand into adjacent categories. We also think that the market does not fully understand the potential embedded in Amazon.com's advertising business, which boasts high profit margins and has inherent advantages relative to competing ad platforms because of its proximity to the point of sale. We trimmed Amazon.com.

Stock selection in media and entertainment held back results.

We remain selective in media and prefer innovative companies that can leverage their high-quality content and superior user experience to take share as consumers increasingly embrace streaming on-demand services.

- Shares of Netflix, the leader in streaming video on demand, sold off in response to a quarter of disappointing subscriber additions that likely stemmed from price increases in the U.S. and other markets. Concerns about content costs and competition from Apple's and Walt Disney's streaming video services also weighed on the stock. From our perspective, the company's long-term growth story and competitive advantages remain intact. We appreciate Netflix's opportunity to grow its international subscriber base, its robust user data that inform internal content creation, and the potential for significant cash flow generation as the company builds scale and its capital expenditures moderate. We believe that the company's investments in marketing and original programming should further reinforce its position in consumers' entertainment diets and budgets. In our view, the market does not fully appreciate Netflix's scale advantage and its ability to leverage its content on a global basis. We added to this position on weakness.

Software held back relative results.

Stock selection was the biggest factor in this underperformance, though the portfolio's overweight position in this subsector was another source of weakness. We continue to like software companies with scalable, cloud-based solutions that should take market share from legacy providers while benefiting from the wave

of digital transformations underway at enterprises in every economic sector. However, elevated valuations in the subsector reflect the well-understood nature of the growth stories in the space and create a high bar of expectations, which can result in sharper pullbacks on broad-based or stock-specific weakness. During the quarter, several of the portfolio's high-quality software holdings sold off after announcing quarterly results that failed to live up to the market's high expectations. In most instances, we do not view these hiccups as a potential threat to our long-term investment theses. Software-as-a-service names also came under pressure from a broader rotation out of momentum-driven names.

- Workday specializes in cloud-based software solutions that help large enterprises to manage human capital and develop financial plans in a dynamic environment. The stock pulled back after its strong performance in the first half of the year, as a demanding valuation and concerns about the uncertain macroeconomic outlook likely spurred some profit taking. Although Workday reported revenue that beat the consensus estimate for its fiscal second quarter ended July 31, 2019, the market reacted negatively to a slowdown in bookings growth and concerns about the risk of additional deal slippage in the back half of the year. We appreciate Workday's user-friendly technology, commitment to innovation, and improving traction with large enterprises. In our view, the software-as-a-service company should continue to take share in its core market and benefit from significant cross-selling opportunities as uptake of its financial and planning solutions accelerates.
- An underweight in Microsoft weighed on relative performance. The stock gained ground in a difficult market, lifted by the rotation into defensive equities and another quarter of strong financial results. Highlights included expanded margins and solid growth in revenue and operating profits. The company later announced a dividend increase and authorized a \$40 billion share-buyback program. We appreciate Microsoft's smart capital allocation, its leverage to strong corporate spending on digital transformations, the growth prospects of its cloud business, and the potential of its push into analytics and AI. At the same time, we acknowledge that Microsoft could experience some lumpiness in quarterly results as the Windows business slows over time and the transition to new growth drivers takes place. We added to the portfolio's position in Microsoft.
- New Relic specializes in application-monitoring solutions designed to help developer and information technology (IT) operations teams to identify and address performance issues in a timely manner. The stock plunged after the company reported first-quarter billings and customer additions that fell short of expectations. Management attributed this weakness to the reorganization of the company's sales teams, which weighed on business results in international markets, and extended sales cycles that reflect new product launches and increased competition. In our view, the company should be able to grow its core business at a sustainable rate as its cloud-based solutions continue to take market share from legacy products. We appreciate New Relic's commitment to innovation, ongoing investments to improve the user experience, and slate of forthcoming product launches that should expand its addressable market and extend its growth runway.
- Slack Technologies' share price has come under pressure since its direct listing, in part from technical pressure related to an initial wave of insider sales and what we regard as overblown concerns about competitive pressure from

Microsoft's rival Teams product. The stock pulled back further after the company announced quarterly results that disappointed because of a one-time charge related to an unexpected service outage. Although we found this operational miscue disappointing, we believe our investment thesis remains intact. We view Slack Technologies as a highly strategic asset, as the company's focus on messaging solutions and the ease with which its platform integrates services from other cloud-based software providers encourage viral adoption. This, in turn, shortens sales cycles and gives the company a top-tier margin profile. In our view, these qualities also give the company a massive addressable market that spans a wide range of industries, creating a long runway for growth. We added to Slack Technologies on weakness.

Conversely, telecom equipment contributed the most.

An underweight position and stock selection in this subsector contributed to the portfolio's relative performance. We remain highly selective in telecom equipment and prefer names that have diversified successfully into higher-margin software products that offer better revenue visibility.

- Shares of Motorola Solutions, a dominant player in emergency communications solutions and infrastructure, gained ground in a difficult market. The stock received a lift after the company reported quarterly results that beat the consensus estimates on the top and bottom lines, prompting management to raise its full-year guidance. The company's operating margins also expanded at an impressive rate. We like the defensive characteristics of Motorola Solutions' core business and its limited exposure to China. In our view, the market does not fully appreciate the company's potential to increase its proportion of recurring revenue and drive top-line growth by pushing into adjacent products, such as video surveillance and public safety-related software and analytics.

An underweight in financial services added value.

Within this subsector, we like select payments companies that operate strong business models and offer exposure to appealing secular growth trends.

- The portfolio benefited from its underweight position in PayPal Holdings, a leader in digital payments. The stock pulled back after the company lowered the midpoint of its full-year revenue guidance, raising concerns about macro-driven softness and the potential for new initiatives to help pick up the slack when its payments agreement with eBay rolls off in the second half of 2020. We like the company's strong balance sheet, its leverage to growth in e-commerce, impressive technology stack and promising business partnerships. We also appreciate PayPal Holdings' potential to monetize its person-to-person mobile payments application, Venmo.

PORTFOLIO POSITIONING AND ACTIVITY

During the quarter, we added to and diversified the portfolio's positions in high-quality software names, taking advantage of a pullback in momentum stocks and company-specific weakness. At the same time, we reduced the portfolio's allocation to semiconductors, paring holdings with less valuation support and more exposure to China and/or cyclical end markets. We maintained the portfolio's meaningful overweight in internet, though we pared the portfolio's exposure to this subsector slightly. We continue to monitor regulatory developments related to the large U.S. internet companies.

Software

The portfolio remained overweight software, with an emphasis on high-quality names that we believe stand to benefit from the wave of digital transformations underway at enterprises of all sizes and across virtually every industry. We tend to regard demand for cloud-based enterprise software as relatively resilient, as these digital investments drive efficiency gains for customers and help them to maintain their competitive edge. Valuations for high-quality software-as-a-service companies generally appear more demanding and require discipline regarding entry points. However, the combination of elevated valuations and macro uncertainties can create investment opportunities. High bars of expectations mean that hiccups during earnings season can shift the risk/reward profile in our favor, providing appealing entry points. We remain agile and aim to identify and take advantage of these dislocations. During the quarter, we increased the portfolio's exposure to high-quality software-as-a-service stocks on broad-based and company-specific weakness. We also refined our positioning to reflect evolving risk/reward profiles.

- We took advantage of pre-earnings weakness to add to the portfolio's position in Salesforce.com, a leader in cloud-based enterprise software for managing customer relationships. In addition to concerns about the weak macroeconomic environment, the stock came under pressure after the company closed its acquisition of Tableau Software, likely reflecting equity sales by the latter's shareholders and concerns about integration risk. In our view, this weakness overlooked Salesforce.com's execution on previous high-profile acquisitions and does not appreciate Tableau Software's leverage to the accelerating digital transformations underway at enterprises of all sizes and across industries. We also like the potential revenue uplift from cross-selling Tableau Software's highly flexible analytics and visualization solutions to Salesforce.com's extensive customer base. The deal reinforces our belief that Salesforce.com continues to build an impressive end-to-end platform for the sales process at a time when larger enterprises are increasingly adopting high-quality, cloud-based software to control spending on IT infrastructure while improving productivity.
- We added to the portfolio's position in ServiceNow on weakness. The stock sold off after the company's guidance for third-quarter subscription billings came in a bit light. Management attributed this hiccup to a temporary delay in renewal deals with the U.S. federal government. We believe the software-as-a-service company should benefit from the growing importance of information technology to workforce productivity within large enterprises. In our view, ServiceNow's highly scalable, customizable, and easy-to-use cloud-based ticketing platform for managing IT service requests and automating a wide range of workflow processes should continue to take market share. We also value ServiceNow's track record of expanding into adjacent product categories and business functions, a strategy that expands its total addressable market and creates a significant opportunity for cross-selling.
- We bought additional shares of Atlassian. The stock came under pressure during the month on a broader pullback in momentum-driven names and concerns that the company's seasonal price increases could lead to some lumpiness in quarterly results. Atlassian is a leading provider of on-premises and cloud-based workflow and collaboration software for enterprises that has built a strong foothold among application developers. We like the company's opportunity to grow

OpsGenie's user base and improve monetization of Trello through the introduction of new features. We expect Atlassian to benefit as software and application developers become increasingly important at enterprises of all sizes and see the potential for its collaboration and project management tools to gain further traction outside the IT department. In our view, Atlassian is a well-managed, secularly advantaged software company with a disruptive business model that has a long growth runway.

- We added to Twilio, a leader in cloud-based tools that enable enterprises to embed voice, video, and chat communications into their applications. The stock pulled back after the company announced solid quarterly results that beat the consensus estimate, but not by the same margin as in recent quarters. Not only do we value the company's leverage to digital transformations underway across industries and throughout the economy, but we also like the breadth of its opportunity set and investments in potentially high-impact product initiatives. In our view, the company's rapid growth should have a long runway.
- We trimmed the portfolio's stake in Intuit, a leading provider of financial software for consumers, small to mid-size businesses, and professional accountants. We believe the market underappreciates Intuit's dominant position, the durability of its business, and the company's opportunity to drive top-line growth and expand its total addressable market as it transitions to a software-as-a-service model and new features gain traction among business customers.
- We trimmed Synopsys to manage position size and exited Cadence Design Systems on strength. These companies are leading providers of electronic design automation software to the semiconductor industry.

Internet

The portfolio's overweight in internet remained in place at the end of the quarter, though we pared our exposure to reflect evolving risk/reward profiles in the subsector. We acknowledge the risk of increased volatility and remain attuned to the likelihood of stepped-up regulation of Amazon.com, Facebook, and Alphabet, Google's parent company. Anticipation of a protracted legal battle and increased public scrutiny of their business practices could also distract their management teams and/or lead to additional capital expenditures. However, we also strive to take a balanced view and not lose sight of these companies' competitive advantages and long-term prospects. For one, the extent to which these businesses are embedded in our everyday lives means that users have largely shrugged off the stream of negative headlines. By virtue of their scale and penetration rates, we also believe the dominant internet players are best positioned to leverage their popular platforms to pursue adjacent growth opportunities while monetizing their robust troves of data on users and their behavior. To varying degrees, we think strong balance sheets, internal talent, superior computing infrastructure, and valuable data position these companies to drive future innovation. Finally, whereas these internet giants are better positioned to cope with an increased regulatory burden, smaller companies and potential disruptors would feel the pain even more.

- We trimmed Facebook, but the stock remained one of the portfolio's largest positions. The stock finished the quarter lower, reflecting concerns about U.S. federal and state investigations into the company, as well as its exposure to data privacy- and content-related issues and its advertising-centric business model's sensitivity to macroeconomic weakness. We continue to monitor regulatory developments and

acknowledge that developments on this front could increase volatility in Facebook's stock. However, user engagement on Facebook's platforms has remained robust, and we believe the company has multiple levers to pull to unlock value for shareholders. In our view, Facebook's share of consumer time spent on mobile devices, coupled with its ad monetization and targeting capabilities, should help it capture a sizable chunk of the secular growth in online advertising. We also like the company's opportunity to monetize Instagram and the WhatsApp messaging service's long-term potential.

- We exited Sea after the Singapore-based internet platform company reported quarterly results that suggested its popular "Free Fire" video game had lost some of its momentum after ramping up rapidly. Although we like how Sea's video game business balances published and self-developed titles and its e-commerce platform's long-term prospects, we believe the company's upcoming launches of several third-party video games could compress profit margins in future quarters and that these titles are unlikely to deliver the same magnitude of growth as "Free Fire."
- We sold some shares of Alibaba Group Holding to manage the portfolio's position size. We expect Alibaba Group Holding's investments in its cloud business and offline retail to pay off over the long term by expanding the company's total addressable market. The company's rich data on user behavior across its different, but complementary, services create ample opportunity for monetization, while its leadership in online retail and fintech offers exposure to rising household incomes in China and other emerging markets.
- We trimmed Alphabet. Google's parent company boasts leading positions in search, programmatic advertising, mobile, and video. We believe that Alphabet is well placed to deliver sustainable growth as it leverages its rich trove of user data and strength in AI to improve monetization across its platforms. In our view, the company's strong balance sheet, coupled with world-class computing talent and infrastructure, give it a leg up in driving innovation internally and through private investments. We will continue to monitor the risks and uncertainties associated with the state and federal investigations into Alphabet's business practices and incorporate these developments into our holistic assessment of the stock's risk/reward profile.

Semiconductors

The portfolio's allocation to semiconductors (an inherently cyclical industry) has the most exposure to macro conditions and developments in the U.S.-China trade dispute. In our view, the U.S. push to limit technology-related security concerns and curb the transfer of key intellectual property to China likely will motivate the Chinese leadership to place even more of an emphasis on developing the country's domestic technology ecosystem. Over the long term, this scenario could create a tailwind for linchpin companies in the semiconductor value chain that are vital to the design and manufacture of leading-edge chips. However, we believe this dynamic creates a tail risk for companies that specialize in commodified products where it would be easier for China to develop competing capacity. In the third quarter, we reduced the portfolio's position in this subsector, paring holdings with less valuation support and more exposure to China and/or cyclical end markets.

- We reduced the portfolio's position in Microchip Technology to reflect the company's leverage and exposure to developments in U.S.-China trade relations. We like Microchip Technology's

history of profitability across the cycle and maintain our view that, over the long haul, its exposure to favorable end markets and improving pricing dynamics can drive revenue growth.

- We exited Qualcomm in favor of other opportunities. Although we like Qualcomm's leverage to the ramp-up in 5G wireless networks globally, we acknowledge that the timing of this rollout, the chipmaker's exposure to China, and uncertainty surrounding its royalty deals with handset makers Apple and Samsung Electronics could be headwinds for the stock.
- ASML Holding is a semiconductor capital equipment company that specializes in lithography tools, technologies that enable manufacturers to improve memory and logic chip performance by including more transistors on a silicon wafer. The stock surged after the company reported solid quarterly results in a difficult environment for semiconductors, with margin expansion and strong order growth standing out as the highlights. We like ASML Holding's monopoly position in next-generation lithography equipment, tools that we believe will be essential to producing the leading-edge chips needed to power AI and other intensive processes. In our view, the market underestimates the potential for this technology to drive revenue growth and improve profitability. We trimmed ASML Holding on strength to manage position size.
- We eliminated Infineon Technologies on strength and rotated into investment ideas that we believe offer better risk/reward profiles. In our view, the portfolio's position in NXP Semiconductors offers exposure to similar end markets without the potential drag of Infineon Technologies' purchase of Cypress Semiconductors.
- The portfolio's positions in Samsung Electronics and Micron Technology represent bets that the memory market has bottomed and that a restocking cycle should occur when large customers work through their excess chip inventories. Over the long term, we expect Micron Technology and Samsung Electronics to benefit from industry consolidation and robust demand related to the growing importance of big data and AI in a wide range of industries.
- We initiated a position in Applied Materials, a leading provider of semiconductor capital equipment. Over a longer time frame, we believe the company will benefit from rising capital intensity and more rational capital expenditure cycles in the semiconductor industry, which, in turn, should boost its cross-cyclical earnings power. Growing demand for semiconductors related to the so-called internet of things, hyper-scale data centers, and AI should act as another secular tailwind. In the near term, we believe that Applied Materials' undemanding valuation and signs of a bottom in the memory market create a compelling risk/reward setup for the stock.

Financial Services

In this subsector, we like select payments companies that operate strong business models and offer exposure to appealing secular growth trends, especially growth in online transactions. The portfolio ended the quarter significantly underweight financial services, as we see better growth stories and risk/reward profiles elsewhere in our investment universe.

- We added to Visa on weakness. We like the payment network's leverage to the transition away from cash to electronic payments, as well as the business model's pricing power and capacity to generate free cash flow. Visa's reputation as a long-term compounder can also help to lift the stock when the market shifts into risk-off mode.

Hardware

The portfolio finished the quarter underweight the subsector, reflecting our belief that many of these businesses face maturing product lines, the threat of commodification, and pricing pressures related to the transition to cloud computing. That said, the cyclical nature of some hardware industries can create opportunities. We also gravitate toward names where we believe innovation has the potential to drive differentiated financial results and market share gains.

- We believe Pure Storage is well positioned to disrupt the enterprise storage market because of its superior technology and customer service, the revenue visibility and margin benefits that come from providing hardware as a service, and its lack of legacy technologies and other distractions that have limited established players' ability to innovate. In our view, investors do not fully appreciate Pure Storage's potential to sustain an above-market growth rate as it takes share from incumbent providers.

MANAGER'S OUTLOOK

The third quarter brought its fair share of challenges, with more news flow regarding the state and federal investigations into the large U.S. online platforms. However, these developments did not come as a surprise given the increased scrutiny of their business practices and the chatter from recent quarters. Although we acknowledge the risks and uncertainties associated with these inquiries and continue to monitor these developments, we still find these companies' business models, competitive advantages, and long-term growth prospects to be compelling.

High-quality software-as-a-service stocks also came under pressure from a rotation out of momentum-driven names and company-specific earnings hiccups. Albeit painful, we believe that these pullbacks (magnified in part by lofty valuations) ultimately create opportunities for investors with a longer time horizon. In our view, the digital transformations and embrace of cloud computing taking place across industries should result in a long growth runway for the portfolio's innovative software companies.

Even though we continued to reduce the portfolio's exposure to semiconductors, we believe the secular trend of increasing demand for advanced chips in data centers, artificial intelligence, and automobiles and other industrial end-markets remains intact. We would invest behind these tailwinds more heavily when we view risk/reward profiles as favorable.

In refining the portfolio's positioning, we have sought to emphasize linchpin companies, such as Synopsys and ASML Holding, that provide the critical, leading-edge technologies behind the next-generation chips needed to handle these intensive workloads. We believe these technologies will be harder for China to replicate and that these linchpin companies would experience a significant demand bump as the country strives to develop a domestic semiconductor ecosystem and ramp up capacity.

We also see a compelling setup in memory chipmakers' undemanding valuations and the prospect of that market eventually rebalancing. We find mounting evidence that the memory market has likely bottomed. Major memory producers have idled capacity, while nascent signs of improving demand suggest that the cycle is closer to entering the recovery phase with each passing quarter.

Amid all the near-term macroeconomic uncertainty, we remain confident in the portfolio's positioning and the powerful, long-run trends that we believe will drive value creation in the technology sector. These growth stories include software as a service, e-commerce, big data, and AI. As always, we aim to remain opportunistic as we navigate the tech sector's evolution and the ongoing disruption of traditional industries in search of investment ideas.

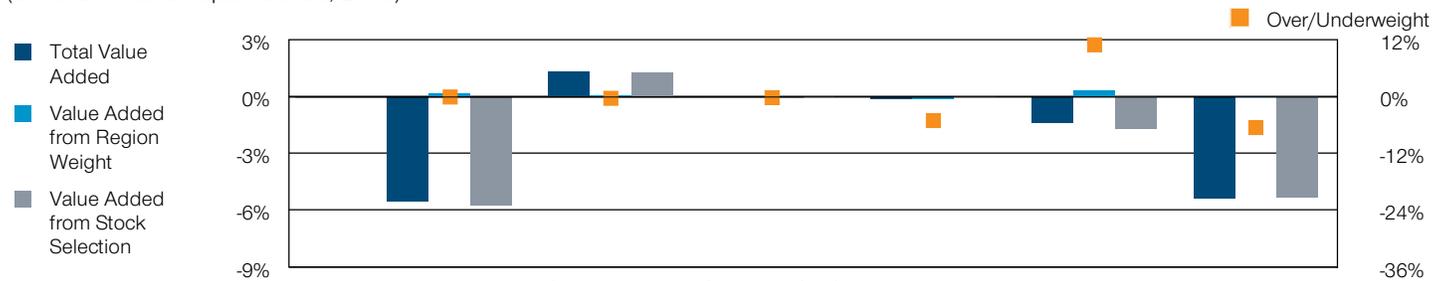
ORGANIZATIONAL UPDATE

The following investment team changes occurred during the third quarter: Additions: Ross MacMillan, U.S. Application Software Analyst; Sam Johnson, U.S. Infrastructure Software Analyst

QUARTERLY ATTRIBUTION

REGION ATTRIBUTION DATA VS. MSCI ALL COUNTRY WORLD INDEX INFORMATION TECHNOLOGY

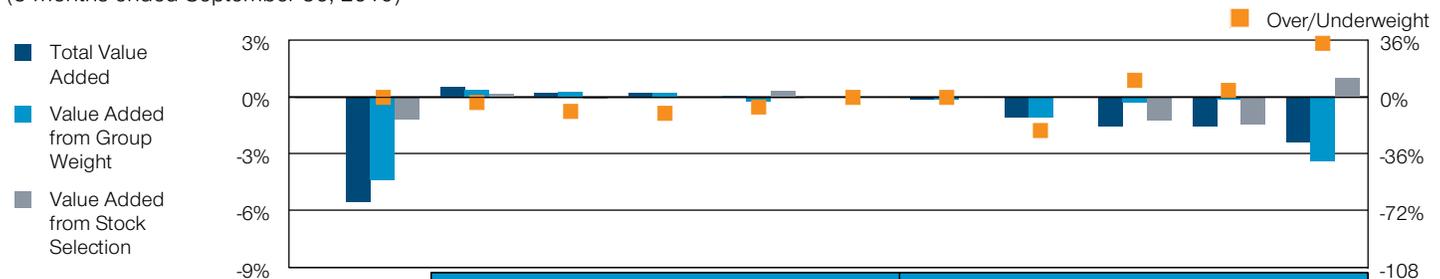
(3 months ended September 30, 2019)



	Total	Developed Europe	Dev. Asia Pacific ex Japan	Japan	Emerging Markets	North America
Over/Underweight	0.00%	-0.34%	-0.23%	-5.07%	10.95%	-6.48%
Fund Performance	-2.80	16.17	-3.94	0.00	-2.00	-4.89
Index Performance	2.73	-3.93	4.33	5.12	5.58	2.81
Value Add - Region Weight	0.19	0.05	-0.02	-0.11	0.34	-0.01
Value Add - Stock Selection	-5.72	1.30	-0.01	0.00	-1.68	-5.33
Total Contribution	-5.53	1.34	-0.02	-0.11	-1.34	-5.34

SECTOR ATTRIBUTION DATA VS. MSCI ALL COUNTRY WORLD INDEX INFORMATION TECHNOLOGY (TOP AND BOTTOM 5 BY TOTAL VALUE ADDED)

(3 months ended September 30, 2019)



	Top Five Total Value Added						Bottom Five Total Value Added				
	Total	Telecom Equipment	Financial Services	IT Services	Semi-conductors	Business Services	Consumer/Retail	Hardware	Software	Media & Entertainment	Internet
Over/Underweight	0.00%	-3.43%	-9.16%	-10.23%	-5.97%	-0.17%	0.00%	-21.27%	10.79%	4.35%	34.13%
Fund Performance	-2.80	2.56	-1.51	0.00	10.14	0.00	-13.70	8.09	-4.88	-27.14	-3.94
Index Performance	2.73	-7.81	-0.13	0.53	8.26	-11.15	0.00	8.17	-1.32	-2.41	-6.97
Value Add - Group Weight	-4.35	0.39	0.26	0.22	-0.25	0.03	-0.12	-1.06	-0.29	-0.10	-3.39
Value Add - Stock Selection	-1.17	0.17	-0.03	0.00	0.32	0.00	0.00	-0.02	-1.23	-1.43	1.04
Total Contribution	-5.53	0.56	0.23	0.22	0.07	0.03	-0.12	-1.07	-1.52	-1.53	-2.35

TOP 5 RELATIVE CONTRIBUTORS VS. MSCI ACWI INFORMATION TECHNOLOGY

(3 months ended September 30, 2019)

Security	% of Equities	Net Contribution (Basis Points)
Asml Holding Nv	4.6%	54
Alphabet Inc.	3.9	44
Cisco Systems, Inc.	0.0	30
Microchip Technology Incorporated	2.9	28
Proofpoint, Inc.	4.0	27

TOP 5 RELATIVE DETRACTORS VS. MSCI ACWI INFORMATION TECHNOLOGY

(3 months ended September 30, 2019)

Security	% of Equities	Net Contribution (Basis Points)
Apple Inc.	0.0%	-167
Netflix, Inc.	4.4	-140
Facebook, Inc.	8.9	-75
Workday, Inc.	4.3	-74
Microsoft Corporation	1.4	-50

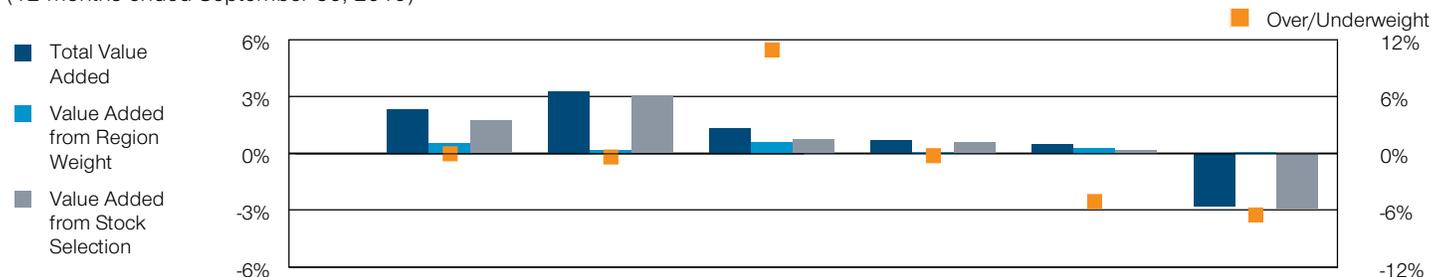
Net contribution is calculated versus a specific benchmark. It is the difference between the security's absolute contribution to the portfolio and the security's absolute contribution to the benchmark. This reflects the amount the security has impacted relative return.

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 2019 FactSet. All Rights Reserved. Analysis by T. Rowe Price Associates, Inc. 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

REGION ATTRIBUTION DATA VS. MSCI ALL COUNTRY WORLD INDEX INFORMATION TECHNOLOGY

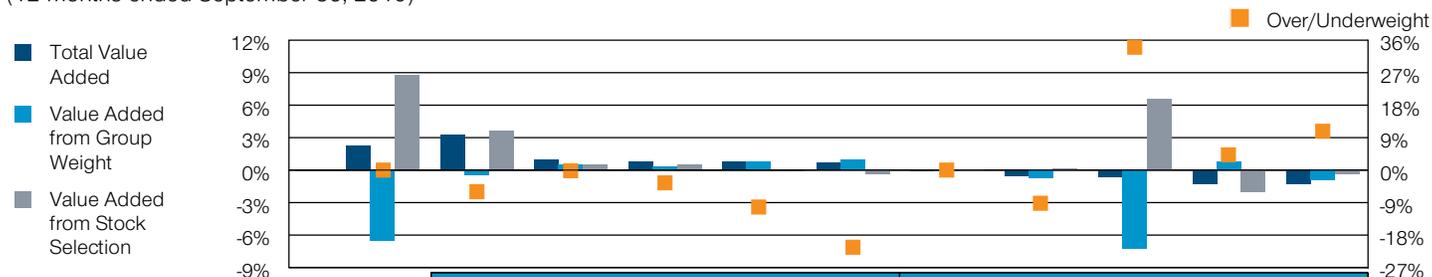
(12 months ended September 30, 2019)



	Total	Developed Europe	Emerging Markets	Dev. Asia Pacific ex Japan	Japan	North America
Over/Underweight	0.00%	-0.34%	10.95%	-0.23%	-5.07%	-6.48%
Fund Performance	9.10	30.95	6.59	44.39	-2.76	9.60
Index Performance	6.79	0.71	4.41	-11.84	4.98	7.76
Value Add - Region Weight	0.57	0.19	0.59	0.09	0.30	0.11
Value Add - Stock Selection	1.74	3.09	0.74	0.62	0.19	-2.90
Total Contribution	2.31	3.28	1.33	0.71	0.49	-2.79

SECTOR ATTRIBUTION DATA VS. MSCI ALL COUNTRY WORLD INDEX INFORMATION TECHNOLOGY (TOP AND BOTTOM 5 BY TOTAL VALUE ADDED)

(12 months ended September 30, 2019)



	Total	Top Five Total Value Added					Bottom Five Total Value Added				
	Total	Semi-conductors	Industri-als	Telecom Equip-ment	IT Serv-ices	Hard-ware	Consum er/Retail	Financial Services	Internet	Media & Enter-tainment	Software
Over/Underweight	0.00%	-5.97%	-0.01%	-3.43%	-10.23%	-21.27%	0.00%	-9.16%	34.13%	4.35%	10.79%
Fund Performance	9.10	20.81	-8.87	25.57	0.00	-25.88	-10.29	30.75	6.46	-34.19	15.86
Index Performance	6.79	8.19	-9.48	0.31	1.08	-0.61	0.00	15.50	-10.43	-4.15	13.37
Value Add - Group Weight	-6.46	-0.39	0.48	0.34	0.79	0.99	-0.02	-0.73	-7.21	0.77	-0.94
Value Add - Stock Selection	8.77	3.64	0.49	0.53	0.00	-0.33	0.00	0.20	6.58	-1.98	-0.35
Total Contribution	2.31	3.24	0.96	0.87	0.79	0.66	-0.02	-0.53	-0.62	-1.21	-1.29

TOP 5 RELATIVE CONTRIBUTORS VS. MSCI ACWI INFORMATION TECHNOLOGY

(12 months ended September 30, 2019)

Security	% of Equities	Net Contribution (Basis Points)
Alphabet Inc.	3.9%	186
Alibaba Group Holding Ltd.	10.2	159
Microchip Technology Incorporated	2.9	156
Asml Holding Nv	4.6	139
Intuit Inc.	5.8	124

TOP 5 RELATIVE DETRACTORS VS. MSCI ACWI INFORMATION TECHNOLOGY

(12 months ended September 30, 2019)

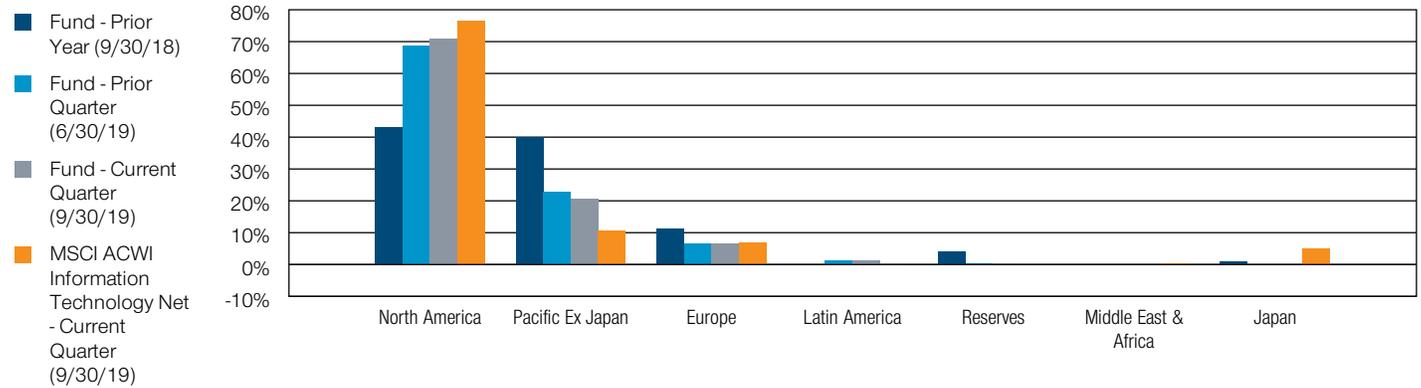
Security	% of Equities	Net Contribution (Basis Points)
Microsoft Corporation	1.4%	-266
Taiwan Semiconductor Manufacturing	1.4	-81
New Relic, Inc.	1.0	-68
Samsung Electronics Co., Ltd.	3.8	-67
Apple Inc.	0.0	-65

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.

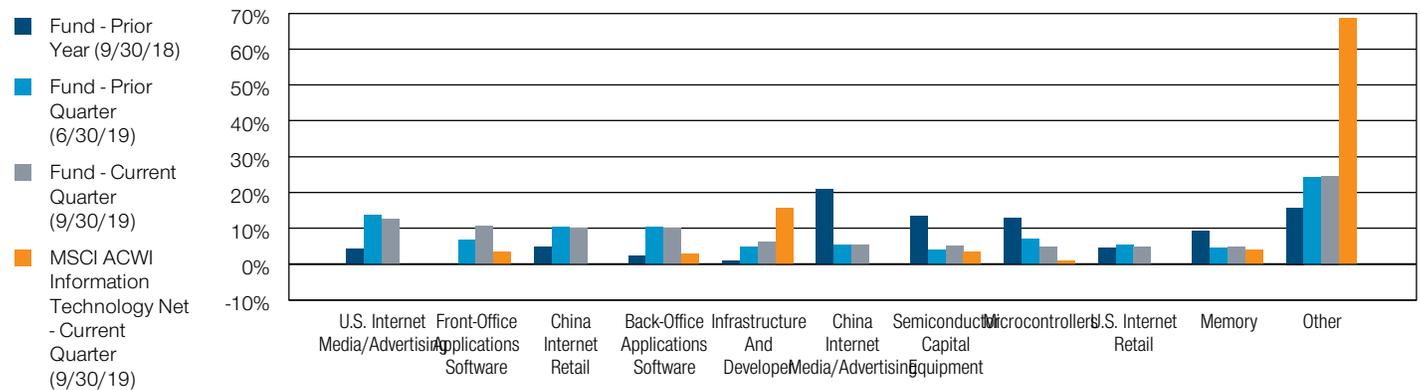
Past performance is not a reliable indicator of future performance. Numbers may not total due to rounding; all other numbers are percentages. Analysis represents the total performance of the portfolio as calculated by the FactSet attribution model and is inclusive of other assets that will not receive 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 2019 FactSet. All Rights Reserved. Analysis by T. Rowe Price Associates, Inc. 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

GEOGRAPHIC DIVERSIFICATION - CHANGES OVER TIME



INDUSTRY DIVERSIFICATION - CHANGES OVER TIME



LARGEST PURCHASES

Issuer	Sector	% of Fund Current Quarter 9/30/19	% of Fund Prior Quarter 6/30/19
Salesforce.com	Software	7.9%	4.8%
Netflix	Media & Entertainment	4.4	4.7
Zendesk	Software	1.7	1.3
ServiceNow	Software	1.6	0.6
Twilio	Software	1.4	1.0
Microsoft	Software	1.4	0.5
Slack Technologies	Software	1.3	0.5
Visa	Financial Services	1.3	0.6
Atlassian	Software	1.2	0.5
Applied Materials (N)	Semiconductors	0.6	0.0

(N) New Position
(E) Eliminated

LARGEST SALES

Issuer	Sector	% of Fund Current Quarter 9/30/19	% of Fund Prior Quarter 6/30/19
Alibaba Group Holding	Internet	10.2%	10.3%
Facebook	Internet	8.9	10.4
Intuit	Software	5.8	6.0
Amazon.com	Internet	4.8	5.4
ASML Holding	Semiconductors	4.6	4.1
Microchip Technology	Semiconductors	2.9	4.6
Sea (E)	Internet	0.0	1.1
Qualcomm (E)	Semiconductors	0.0	1.0
TAL Education (E)	Consumer/Retail	0.0	0.8
Infineon Technologies (E)	Semiconductors	0.0	0.5

HOLDINGS

TOP 10 ISSUERS

Issuer	Industry	% of Fund	% of MSCI ACWI Information Technology Net
Alibaba Group Holding	China Internet Retail	10.2%	0.0%
Facebook	U.S. Internet Media/Advertising	8.9	0.0
Salesforce.com	Front-Office Applications Software	7.9	1.6
Intuit	Back-Office Applications Software	5.8	0.9
Tencent Holdings	China Internet Media/Advertising	5.1	0.0
Amazon.com	U.S. Internet Retail	4.8	0.0
ASML Holding	Semiconductor Capital Equipment	4.6	1.4
Netflix	Direct-To-Consumer Subscription Services	4.4	0.0
Workday	Back-Office Applications Software	4.3	0.4
Proofpoint	Security Software	4.0	0.0

TOP 5 OVER/UNDERWEIGHT POSITIONS VS. MSCI ACWI INFORMATION TECHNOLOGY NET

Issuer	Industry	% of Fund	% of MSCI ACWI Information Technology Net	Over/Underweight
Alibaba Group Holding	China Internet Retail	10.2%	0.0%	10.2%
Facebook	U.S. Internet Media/Advertising	8.9	0.0	8.9
Salesforce.com	Front-Office Applications Software	7.9	1.6	6.3
Tencent Holdings	China Internet Media/Advertising	5.1	0.0	5.1
Intuit	Back-Office Applications Software	5.8	0.9	4.9
Apple	Consumer Electronics	0.0	13.6	-13.6
Microsoft	Infrastructure And Developer Tool Software	1.4	13.3	-12.0
Intel	Processors	0.0	3.0	-3.0
Cisco Systems	Wireline Equipment	0.0	2.8	-2.8
Visa	Payments	1.3	3.9	-2.7

PORTFOLIO MANAGEMENT



Portfolio Manager:

Alan Tu

Managed Fund Since:

2019

Joined Firm:

2014

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 MSCI data: MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed or produced by MSCI.

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 a custom structure for sector and industry reporting for this product. The custom structure changed on 31 August 2019, and historical representations have been restated.

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.

Closed to new investors. Open to subsequent investments.

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.

© 2019 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.

201910-968721