



PORTFOLIO UPDATE

# Institutional Large-Cap Growth Fund

As of August 31, 2019



**Portfolio Manager:**  
Taymour Tamaddon

**Managed Fund Since:**  
2017

**Joined Firm:**  
2004

## INVESTMENT OBJECTIVE

The fund seeks to provide long-term capital appreciation through investments in common stocks of growth companies.

## FUND INFORMATION

Symbol	TRLGX
CUSIP	45775L408
Inception Date of Fund	October 31, 2001
Benchmark	Russell 1000 Growth Index
Expense Information (as of the most recent Prospectus)	0.56%
Fiscal Year End	December 31
12B-1 Fee	-

## PERFORMANCE

(NAV, total return)

	One Month	Three Months	Year-to-Date	One Year	Annualized			
					Three Years	Five Years	Ten Years	Fifteen Years
Institutional Large-Cap Growth Fund	-2.08%	5.58%	17.59%	3.02%	20.40%	14.50%	16.68%	11.70%
Russell 1000 Growth Index	-0.77	8.44	23.28	4.27	17.03	13.06	15.42	10.47

The **1-, 5-, and 10-year** annualized returns as of **6/30/19** were **9.96%, 15.13%** and **17.80%** for the fund. **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](http://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](http://troweprice.com). Read it carefully.** The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any. The Fund is subject to the volatility inherent in common stock investing, and its share price may fluctuate more than a Fund investing in income-oriented stocks. The fund(s) may have other share classes available that offer different investment minimums and fees. See the prospectus for details.

## MARKET COMMENTARY

Major U.S. stock indexes declined in August as the deepening trade conflict with China and global growth concerns weighed on sentiment during the month. As measured by various Russell indexes, growth stocks outperformed value shares across all market capitalizations. Within the S&P 500 Index, the typically defensive and rate-sensitive utilities and real estate sectors performed best. Energy stocks fared worst as investors worried about stubbornly high U.S. oil inventories and slowing global demand. Financials shares were also weak as longer-term bond yields fell to three-year lows, threatening banks' lending margins.

On August 1, stocks suffered their biggest intraday plunge since May after President Trump announced that the U.S. would impose a new 10% tariff on the roughly USD\$300 billion in Chinese imports not currently facing duties. Stocks plunged again several days later after Chinese officials allowed the yuan to fall below 7.0 to the U.S. dollar, a threshold that they had avoided breaching over the past decade. The move added to growing concerns that the trade war could devolve into a currency war. Trade tensions cooled briefly but picked back up later in the month after both sides announced new and/or reinstated tariffs on August 23. The tit for tat seemed to end there, however, helping stocks regain some of their losses over the final week of the month. Especially encouraging may have been signs that both sides were preparing to resume negotiations in September.

We believe it is unlikely that the U.S. and China will reach a substantial trade deal before the November 2020 U.S. presidential election. Chinese officials may prefer to wait to negotiate with a potential Democratic successor and may be concerned that, if reelected, President Trump could seek new concessions in 2021. For his part, President Trump may perceive that the political benefits of a tough stance on China outweigh the damage done by a modest economic slowdown, especially considering that perceptions of China among the U.S. public have deteriorated markedly over the past year.

**RISK RETURN CHARACTERISTICS**

(Five Years ended August 31, 2019)

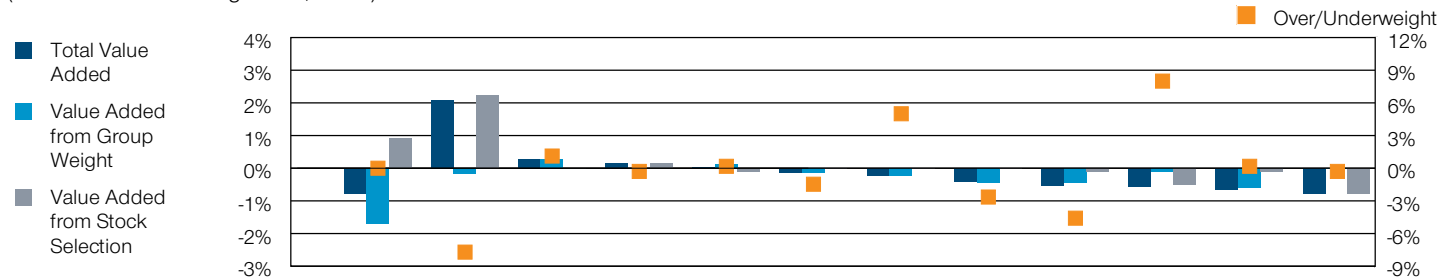
	Active Share* (as of 8/31/19)	Annualized Std. Deviation	Alpha	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error
Institutional Large-Cap Growth Fund	61.6%	13.78%	1.17%	1.02	0.90	0.33	0.98	4.44%
Russell 1000 Growth Index	-	12.81	0.00	1.00	1.00	0.00	0.94	0.00

\* Active Share is a snapshot in time as of the indicated date.

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

**SECTOR ATTRIBUTION DATA VS. RUSSELL 1000 GROWTH INDEX**

(12 months ended August 31, 2019)



	Total	Info Tech	Utilities	Indust & Bus Svcs	Energy	Materials	Consumer Disc	Real Estate	Consumer Staples	Comm Svcs	Health Care	Financials
Over/Underweight	0.00%	-7.67%	1.12%	-0.26%	0.23%	-1.45%	5.03%	-2.62%	-4.56%	8.06%	0.20%	-0.29%
Fund Performance	3.51	18.23	34.51	6.75	-38.99	0.00	0.95	-3.06	-1.98	-1.88	-5.43	-11.75
Index Performance	4.27	7.23	0.00	3.86	-26.53	15.30	1.17	29.07	17.11	0.37	-4.86	8.78
Value Add - Group Weight	-1.67	-0.16	0.29	-0.01	0.13	-0.13	-0.20	-0.41	-0.43	-0.08	-0.58	0.01
Value Add - Stock Selection	0.90	2.25	0.00	0.17	-0.09	0.00	-0.02	0.01	-0.08	-0.47	-0.08	-0.77
Total Contribution	-0.76	2.08	0.29	0.16	0.04	-0.13	-0.22	-0.41	-0.51	-0.55	-0.66	-0.77

**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. 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.

**TOP 10 ISSUERS**

Comprising 49.9% of total net assets.

	<b>Industry</b>	<b>% of Fund</b>
Amazon.com	Internet & Direct Marketing Retail	8.0%
Alphabet	Interactive Media & Services	7.9
Microsoft	Software	7.2
Facebook	Interactive Media & Services	6.1
Boeing	Aerospace & Defense	5.8
Visa	IT Services	5.4
Stryker	Health Care Equip & Supplies	2.4
Intuit	Software	2.4
Alibaba Group Holding	Internet & Direct Marketing Retail	2.4
Tencent Holdings	Interactive Media & Services	2.2

Issuers are as of the date indicated and are subject to change.

**PORTFOLIO CHARACTERISTICS**

	<b>Institutional Large-Cap Growth Fund</b>	<b>Russell 1000 Growth Index</b>
Number of Holdings	71	520
Investment Weighted Median Market Cap (mm)	\$136,873	\$126,452
Price to Earnings (12 Months Forward) (IBES) <sup>°</sup> †	25.8X	24.8X
Price to Book <sup>°</sup>	8.1X	9.8X
Projected Earnings Growth Rate (IBES) <sup>°</sup> †	11.2%	11.4%
Return on Equity (Last 12 Months excl. charges) <sup>°</sup>	26.4%	31.5%
Top 20 Holdings as Percent of Total	66.3%	46.6%
Total Assets (all share classes)	18,734,928,012	-
Percent of Portfolio in Cash	1.5%	-

<sup>°</sup>Investment Weighted Median.

†Based on the fund's underlying holdings and is not a projection of future portfolio performance.

**SECTOR DIVERSIFICATION**

	<b>Info Tech</b>	<b>Cons Disc</b>	<b>Comm Svcs</b>	<b>Health Care</b>	<b>Indust &amp; Bus Svcs</b>	<b>Financials</b>	<b>Utilities</b>	<b>Energy</b>	<b>Cons Stpls</b>	<b>Real Estate</b>	<b>Materials</b>
Institutional Large-Cap Growth Fund	30.1%	19.9%	19.5%	14.6%	9.5%	2.9%	1.1%	0.5%	0.4%	0.0%	0.0%
Russell 1000 Growth Index	37.4	14.5	11.5	14.4	9.8	3.2	0.0	0.3	4.9	2.6	1.5
<b>Over/Underweight</b>	<b>-7.3</b>	<b>5.4</b>	<b>8.1</b>	<b>0.2</b>	<b>-0.3</b>	<b>-0.3</b>	<b>1.1</b>	<b>0.2</b>	<b>-4.6</b>	<b>-2.6</b>	<b>-1.5</b>

## Definitions

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.

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

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 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.

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