



MONTHLY UPDATE

31 July 2019

T.ROWE PRICE FUNDS SICAV US Smaller Companies Equity Fund

Curt Organt

Portfolio Manager

23 Years investment experience
27 Years at T. Rowe Price

FUND SNAPSHOT

Seeks capital appreciation using both value and growth approaches.

KEY FUND DATA

Indicative Benchmark:	Russell 2500 Net 30% Index
Base Currency:	USD
ISIN Class A:	LU0133096635
ISIN Class A (EUR):	LU0918140210
ISIN Class Ah (EUR):	LU1582221328
ISIN Class I:	LU0133096981
ISIN Class Ih (EUR):	LU1047868630
ISIN Class Q:	LU0929966207
ISIN Class Q (GBP):	LU0860350650
ISIN Class Qh (GBP):	LU1562330560

	Annualised				
	One Month	Year-to-Date	One Year	Three Years	Five Years
Class I	3.96%	31.17%	14.97%	15.44%	12.67%
Russell 2500 Net 30% Index*	1.02%	20.18%	0.40%	10.34%	8.50%

	Calendar Years				
	2014	2015	2016	2017	2018
Class I	11.1	-1.4	14.8	18.1	-5.6
Russell 2500 Net 30% Index*	6.6	-3.3	17.0	16.3	-10.4

Past performance is not a reliable indicator of future performance.

* The index shown is not a formal benchmark. It is shown only for comparison purposes.

I Class Inception: 28-Sep-2001

Source for performance: T.Rowe Price.

Fund performance is calculated using the official NAV with distributions reinvested, if any. The value of your investment will vary and is not guaranteed. It will be affected by changes in the exchange rate between the base currency of the fund and the currency in which you subscribed, if different. Sales charges, taxes and other locally applied costs have not been deducted and if applicable, they will reduce the performance figures.

Indicative Benchmark Data Source: Russell. Frank Russell Company ("Russell") is the source and owner of the Russell Index data contained or reflected in these materials and all trademarks and copyrights related thereto. Russell® is a registered trademark of Russell. Russell is not responsible for the formatting or configuration of this materials or for any inaccuracy in T. Rowe Price Associates' presentation thereof.

PORTFOLIO HIGHLIGHTS

- Major U.S. stocks produced positive returns in July, with several indices hitting new closing highs throughout the month. Investor sentiment benefitted from hopes of a resolution in the U.S.- China trade conflict and expectations of accommodative policy from the U.S. Federal Reserve. At the portfolio level, industrials and business services was the greatest contributor to relative results, primarily due to stock selection. Here, our position in Costar Group, the leading provider of commercial real estate information, analytic, and internet marketing services, added value. Shares rose on second-quarter results that exceeded consensus, bolstered by record bookings growth, especially within the Apartments.com segment. We believe this is an attractive business with recurring demand, high barriers to entry, and low competition. Conversely, health care was the only sector to hold back relative returns for the period. Shares of PerkinElmer, a maker of diagnostic and life sciences testing equipment, dropped off sharply following the release of second-quarter earnings and revenues that fell short of consensus as foreign exchange headwinds weighed on the company. Nevertheless, the results demonstrated strength in the company's core diagnostics business and we continue to favour PerkinElmer for its exposure to the attractive medical technology industry and diversified end markets.



- Information technology, financials, industrials and business services, and health care remain the dominating sectors in the portfolio, all with greater than 10% of the equity allocation. We continue to invest in select companies across various industries where we feel valuations may underestimate the sustainability of their growth or turnaround potential. This included boosting positions within equity real estate investment trusts and personal and food products.
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We seek to capitalise on opportunities across the broad range of the small- and mid-cap U.S. equity market. Overall, we remain modestly overweight high-quality companies that compound their earnings. We also look for select investments in “deeper-value” opportunities – those stocks that we believe are significantly undervalued - and hold a number of income-oriented dividend growth companies.

MAIN RISKS:

Equity risk - in general, equities involve higher risks than bonds or money market instruments.

Geographic concentration risk - to the extent that a fund invests a large portion of its assets in a particular geographic area, its performance will be more strongly affected by events within that area.

Hedging risk - a fund's attempts to reduce or eliminate certain risks through hedging may not work as intended.

Investment fund risk - investing in funds involves certain risks an investor would not face if investing in markets directly.

Management risk - the investment manager or its designees may at times find their obligations to a fund to be in conflict with their obligations to other investment portfolios they manage (although in such cases, all portfolios will be dealt with equitably).

Market risk - prices of many securities change daily, and can fall based on a wide variety of factors.

Operational risk - operational failures could lead to disruptions of fund operations or financial losses.

Small and mid-cap risk - stocks of small and mid-size companies can be more volatile than stocks of larger companies.

Important Information

The Funds are sub-funds of the T. Rowe Price Funds SICAV, a Luxembourg investment company with variable capital which is registered with Commission de Surveillance du Secteur Financier and which qualifies as an undertaking for collective investment in transferable securities ("UCITS"). Full details of the objectives, investment policies and risks are located in the prospectus which is available with the key investor information documents in English and in an official language of the jurisdictions in which the Funds are registered for public sale, together with the annual and semiannual reports (together "Fund Documents"). Any decision to invest should be made on the basis of the Fund Documents which are available free of charge from the local representative, local information/paying agent or from authorised distributors and via www.troweprice.com.

Please note that the Fund typically has a risk of high volatility.

The views contained herein are as of 31 July 2019 and may have changed since that time. Unless indicated otherwise the source of all data is T.Rowe Price.

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