

FIDELITY MONITOR & INSIGHTS

JANUARY 2025

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MESSAGE FROM JACK

What To Expect In 2025

Making predictions about the coming year carries more uncertainty than usual, and as a result it seems like there are fewer prognosticators stepping up. But I'm going to give it a go as there are enough well-established trends for making reasonable forecasts.



Jack Bowers

Inflation

Progress toward the Fed's 2% inflation target has stalled a bit, though odds are that we'll see a neutral-to-favorable trend in 2025. While money supply (M2) is growing again, its 5% pace is well below the pandemic-era rate of 20-25%. At this point, the main component keeping inflation (CPI) above 2% is housing. And because the housing calculation has a long lag due to lease renewal cycles, there is some potential for it to decline in 2025.

Of course, expanded use of tariffs could pose an inflation risk. Then again, imported goods account for only about 12% of GDP, and most of that is autos, machinery, electronics and commodities. Tariffing the first two items would likely result in production being moved to the U.S., with relatively small price increases (thanks to automation, modern factories do not need much labor).

On the commodity side, global prices have been in a sharp downward trend the last 12 months, so even with a 25% tariff, many prices could remain below year-ago levels. Bottom line: tariffs are likely to be more bark than bite in 2025.

Interest Rates

The latest FOMC dot-plot suggests the Fed will deliver two quarter-point easing moves in 2025. But if federal spending gets reined in, or if job-growth continues to weaken, we might end up with as many as four cuts. That suggests investors will still keep up with inflation simply by holding a money market fund. More likely than not, we'll see the return of a mildly upward-sloping yield curve. It's possible that mortgage rates will ease a bit, but I wouldn't count on it. We would need to see a smaller federal deficit, and lenders would have to become less concerned about pre-payment risk.

Jack's Message cont'd on page 3

2025 MARKET OUTLOOK

Despite Headwinds, Higher Earnings Could Extend Stock Gains

Let me start with a *mea culpa*... In this space last year, I wrote: "While market history is replete with examples of significant market declines followed by multi-year recoveries and bull markets (just as we've just had), there are no examples of the S&P 500 returning 25% followed by another annual gain of nearly the same magnitude. Bottom line: temper your expectations."

While we did temper our expectations, our five equity model portfolios stayed true to their respective missions and long-term objectives by not market-timing (staying fully invested),

managing risk, and investing in well-managed stock funds. As a result, they largely kept pace with the S&P 500's 25.0% return.

That they fared as well as they did without undo risk was another plus. (Lest we forget, the Nasdaq Composite is about 25% more volatile - riskier - than the S&P 500!)

2024 was *unexceptional* in that every year provides plenty of surprises (see *Fund Commentary* on p. 5). But it was *exceptional* for stocks in that it was the first time since the 1990s to score outsized back-to-back annual gains. And it was an historic first return-wise because corporate earnings growth exceeded expectations. In that regard, the Magnificent Seven remained largely magnificent! (You can view their performance on p. 5.)

While inflation and unemployment didn't fully match the Fed's idealized levels, the country's central bankers reckoned the economy had cooled enough to warrant three rate-cuts. Silencing naysayers, Chairman Powell executed a soft landing (no recession). In fact, GDP accelerated in the third quarter to an annualized rate of 3.1% — its fastest pace of 2024.



John Bonnanzio

| Equity Model Portfolios | | |
|-------------------------|--------|----------|
| | % Ret. | Risk* |
| | 2024 | Rel Vol. |
| S&P 500 | 25.0 | 1.00 |
| Unique Opp's | 23.2 | 1.02 |
| Select | 26.6 | 1.16 |
| Growth | 24.7 | 0.96 |
| <i>Annuity Models</i> | | |
| Sector | 27.4 | 1.15 |
| Growth | 27.5 | 0.99 |

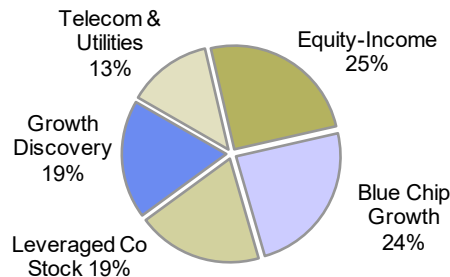
*Relative volatility vs. S&P 500 over last 36 months.

Market Outlook cont'd on page 3

Unique Opportunities Target Risk: 1.20 (Current: 1.02) Foreign Holdings: 9.1% **2024 Return: 23.2%**

Stocks: 95.2% Bonds: 0.0% Cash: 4.7% Alternatives*: 0.0% Yield: 1.0%

| Holdings | Ticker | NAV | Shares | Value | Dec Ret |
|---------------------|--------|---------|----------|-----------|---------|
| Equity-Income | FEQIX | \$73.67 | 4,373.99 | \$322,232 | -6.1% |
| Blue Chip Growth | FBGRX | 227.17 | 1,367.48 | 310,651 | 1.3 |
| Leveraged Co Stock | FLVCX | 38.25 | 6,510.99 | 249,045 | -5.6 |
| Growth Discovery | FDSVX | 61.64 | 3,854.66 | 237,601 | -1.6 |
| Telecom & Utilities | FIUIX | 32.92 | 5,096.14 | 167,765 | -6.3 |



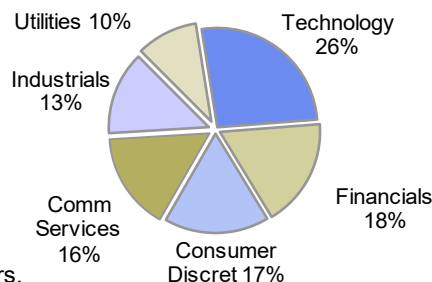
Current Value (3/31/99 = \$100,000) **\$1,287,294** **-3.5%**

For aggressive members who have no need for income or principal for more than 10 years.

Select Target Risk: 1.20 (Current: 1.16) Foreign Holdings: 4.4% **2024 Return: 26.6%**

Stocks: 98.9% Bonds: 0.0% Cash: 1.1% Alternatives*: 0.0% Yield: 0.5%

| Holdings | Ticker | NAV | Shares | Value | Dec Ret |
|--------------------|--------|---------|------------|-------------|---------|
| Technology | FSPTX | \$36.88 | 69,402.60 | \$2,559,568 | -0.1% |
| Financials | FIDSX | 14.91 | 115,046.15 | 1,715,338 | -5.8 |
| Consumer Discret | FSCPX | 68.12 | 24,202.79 | 1,648,694 | 1.4 |
| Communication Svcs | FBMPX | 111.30 | 13,812.01 | 1,537,277 | 1.5 |
| Industrials | FCYIX | 40.48 | 32,609.50 | 1,320,032 | -8.7 |
| Utilities | FSUTX | 120.94 | 7,998.44 | 967,331 | -7.6 |



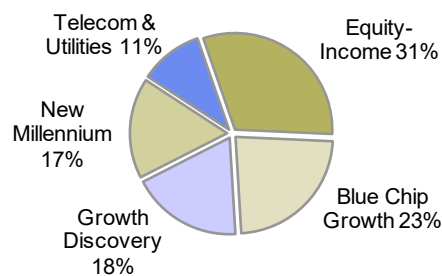
Current Value (12/31/88 = \$100,000) **\$9,748,241** **-2.7%**

For aggressive members who have no need for income or principal for more than 10 years.

Growth Target Risk: 1.00 (Current: 0.96) Foreign Holdings: 8.2% **2024 Return: 24.7%**

Stocks: 95.9% Bonds: 0.0% Cash: 4.1% Alternatives*: 0.0% Yield: 1.0%

| Holdings | Ticker | NAV | Shares | Value | Dec Ret |
|---------------------|--------|---------|-----------|-------------|---------|
| Equity-Income | FEQIX | \$73.67 | 28,017.58 | \$2,064,055 | -6.1% |
| Blue Chip Growth | FBGRX | 227.17 | 6,837.70 | 1,553,320 | 1.3 |
| Growth Discovery | FDSVX | 61.64 | 19,877.06 | 1,225,222 | -1.6 |
| New Millennium | FMLIX | 59.38 | 18,829.30 | 1,118,084 | -2.4 |
| Telecom & Utilities | FIUIX | 32.92 | 21,182.35 | 697,323 | -6.3 |



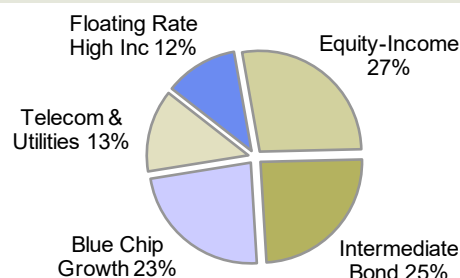
Current Value (12/31/86 = \$100,000) **\$6,658,004** **-3.0%**

For moderately aggressive members who want equity-dominated portfolios and have no income needs for at least 10 years.

Growth & Income Target Risk: 0.66 (Current: 0.68) Foreign Holdings: 11.3% **2024 Return: 15.7%**

Stocks: 59.7% Bonds: 24.6% Cash: 4.8% Alternatives*: 10.9% Yield: 2.8%

| Holdings | Ticker | NAV | Shares | Value | Dec Ret |
|------------------------|--------|---------|-----------|-----------|---------|
| Equity-Income | FEQIX | \$73.67 | 4,682.04 | \$344,926 | -6.1% |
| Intermediate Bond | FTHR X | 10.07 | 30,538.22 | 307,520 | -0.8 |
| Blue Chip Growth | FBGRX | 227.17 | 1,295.87 | 294,382 | 1.3 |
| Telecom & Utilities | FIUIX | 32.92 | 5,040.94 | 165,948 | -6.3 |
| Floating Rate High Inc | FFRH X | 9.29 | 15,723.11 | 146,068 | 0.4 |



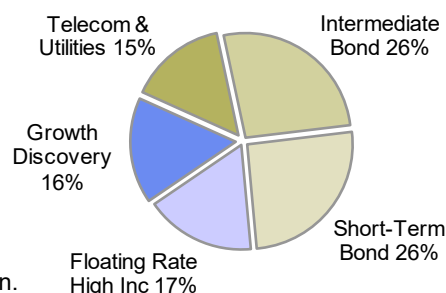
Current Value (12/31/93 = \$100,000) **\$1,258,842** **-2.4%**

A good choice for members retiring in 5-10 years looking for less volatility than the market.

Income Target Risk: 0.33 (Current: 0.39) Foreign Holdings: 13.2% **2024 Return: 8.9%**

Stocks: 27.8% Bonds: 51.7% Cash: 4.6% Alternatives*: 15.9% Yield: 4.1%

| Holdings | Ticker | NAV | Shares | Value | Dec Ret |
|------------------------|--------|---------|-----------|-----------|---------|
| Intermediate Bond | FTHR X | \$10.07 | 14,235.34 | \$143,350 | -0.8% |
| Short-Term Bond | FSHBX | 8.44 | 16,381.09 | 138,256 | 0.1 |
| Floating Rate High Inc | FFRH X | 9.29 | 9,856.49 | 91,567 | 0.4 |
| Growth Discovery | FDSVX | 61.64 | 1,439.45 | 88,728 | -1.6 |
| Telecom & Utilities | FIUIX | 32.92 | 2,454.71 | 80,809 | -6.3 |



Current Value (12/31/91 = \$100,000) **\$542,710** **-1.4%**

For members needing income and protection of their purchasing power against inflation.

Jack's Message *cont'd from page 1*

Best guess, bond fund returns in 2025 will be roughly on par with their current yields, with active funds continuing to outperform their index equivalents by a small amount (active managers are better able to sort out credit risk). Staying on the short end of the yield curve still makes the most sense, especially when you consider the fact that bond fund volatility scores are running about 50% higher than their end-of-2022 levels.

Productivity

With productivity back up around the 2% level, it's clear the economy is in a better place than it was before the pandemic. Big investments in technology, automation, warehouses, data centers, and infrastructure are paying off. Even as the nation's workforce returns to the office and travels more, cloud services and improving access to high-speed internet are continuing to make it easier for employees to get things done (even remotely).

Thanks to AI, this new-age productivity boom should continue for many years to come. Doubling the productivity of software developers by itself is big. Add to that the benefit of writing and proofreading business reports, wide deployment of self-driving vehicles, automated vision-based inspection, and learning robots capable of taking over simple factory jobs. If anything, that 2% productivity number is probably heading higher.

Productivity growth is important, because it allows wages to rise faster than prices, improving the standard of living for almost everyone who is willing to work. It is also the reason the U.S. economy is pull-

Jack's Message *cont'd on page 16*

Model Portfolios Key:

*Alternative investments include such areas as high-yield bonds, commodities, real estate; asset allocations and yields are approximate based on most current data available. Portfolio trades and total returns do not take taxes into account. Some percentage figures may not sum to 100 due to rounding. Dividends are reinvested. Consider the tax implications of trades before you decide to buy or sell any fund. Any trades are detailed on p. 3 and are announced on regularly scheduled Friday evening Hotline updates via e-mail and web. **Annuity Model Portfolios** are on p. 10.

FUNDS YOU SHOULD BUY NOW

Growth: **Blue Chip Growth** and **Growth Company** are aggressive, volatile large-cap options. **Contrafund**, **Growth Discovery** and **New Millennium** are more conservatively positioned.

Growth & Income: **Equity-Income** and **Equity Dividend Income** hold attractively valued, dividend-producing stocks.

Taxable Bond: **Conservative Income Bond** is a money market alternative. **Short-Term Bond** holds higher-yielding corporates while limiting interest-rate-risk. For those willing to assume more rate-risk consider **Limited Term Bond** and **Intermediate Bond**.

High Yield Funds: **Floating Rate High Income** has very limited interest-rate-risk; it's our preferred way to boost income with risk that's much less than other funds in its asset class.

Muni Bond Funds: **Conservative Income Muni** is a tax-free alternative to a muni money market fund. **Limited Term Muni Income** is a nationally-diversified choice; it presently provides a tax-equivalent yield of over 5% for the most highly taxed investors. ■

Market Outlook *cont'd from page 1*

There's also the matter of valuations. If you recall 1998 to early 2000, tech valuations were sky-high, until they weren't. The dot.com bust took the Nasdaq Composite from a peak of just over 5,000 in March 2000 to 1,100 by October 2002. In retrospect, the Nasdaq's collapse shouldn't have surprised anyone as its P/E (price-to-earnings) surpassed 70! Today, it's an elevated 46, up roughly a third from a year ago. As for the S&P 500, its P/E of 29 is about 13% higher from last year, though much of that is also driven by the Magnificent Seven.

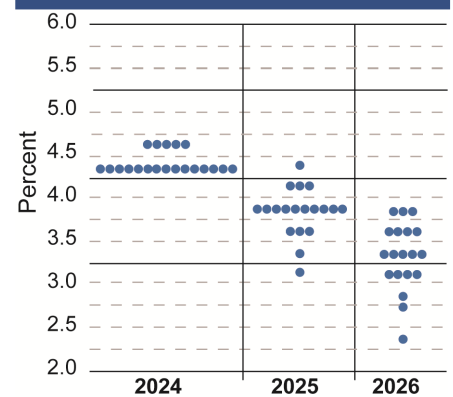
While concerning, companies with new technologies and disruptive business models behind them often sustain high valuations. So while this is a cautionary tale about having too much large-cap growth fund exposure, it is not an argument for abandoning stocks.

Downside Risks

Several things concern me.

While the second Trump Admin-

INTEREST-RATE OUTLOOK



The FOMC's "dot plot" graphs each member's interest-rate outlook. With the Fed Funds rate now 4.25 - 4.50%, all members expect to vote rates lower in the next two years.

istration appears genuinely resolved to downsize government and cut spending, the first fight over the debt ceiling comes within weeks of the next president's swearing-in.

For whatever one thinks about government shutdowns, the stakes have never been bigger (because deficits have never been larger) and financial markets may no longer view the matter with indifference.

Market Outlook *cont'd on page 4*

Inflation is another worry, and that ties directly to the former matter. Deficit spending in excess of \$2 trillion annually forces money into the economy. In the short term, markets love the increased demand for goods and services. But eventually, prices rise.

While that's an addressable problem, this one's tougher: An indirect contributor to inflation is the \$75 trillion in accumulated wealth that 65 million baby boomers are slowly transferring to their children. At the very least, the "Great Wealth Transfer" is contributing to higher home prices as parents and even grandparents provide financial assistance to Millennials who are both house and cash poor.

Tariffs and trade barriers are also inflationary. But if used, I hope they're deployed judiciously and mostly for national security.

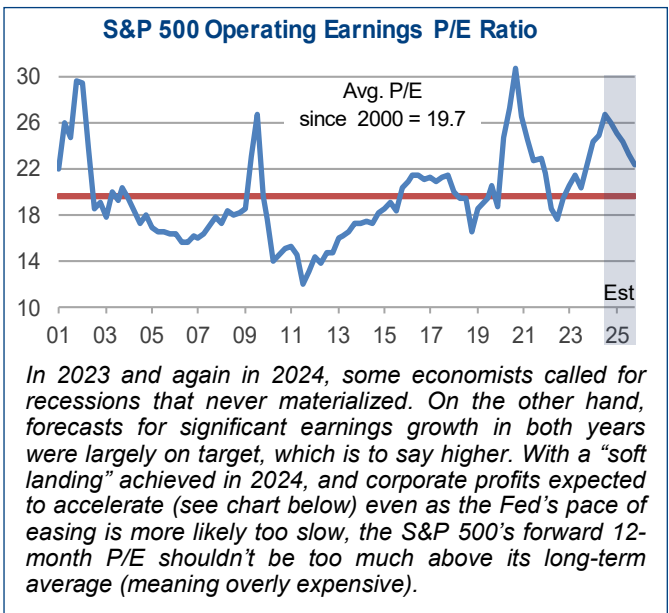
The bottom line is that late in 2024, inflation started to tick higher, and the Fed's rate setting committee is already reconsidering the pace and depth of future cuts. In other words, if the dot plot on page 3 is optimistic, there would be downward pressure on stocks (especially small- and mid-caps) as well as bonds.

My greater concerns, however, are interconnected: productivity, the promise of AI, and earnings growth.

As noted throughout this issue, the Magnificent Seven have disproportionately lifted stock indexes in both 2023 and 2024. While I know AI's promise is great, NVIDIA and others must start delivering what investors want most: earnings that not only justify the valuations of a handful of AI stocks, but of the broader market, too. Indeed, small hiccups in sales and earnings may be amplified across the broader market.

Notwithstanding those concerns, the long-term trend for U.S. stocks has always been up. So, as stated in the outset, trying to market-time (even when feeling uneasy about valuations, earnings, inflation, recession and political uncertainty), typically leads to regret.

Indeed, the past 50 years or so have seen 10 recessions and, by my

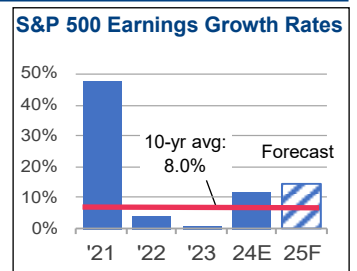
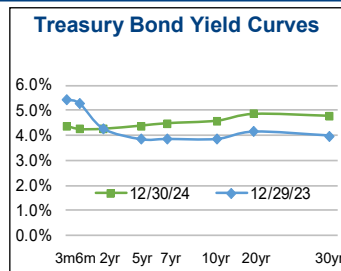
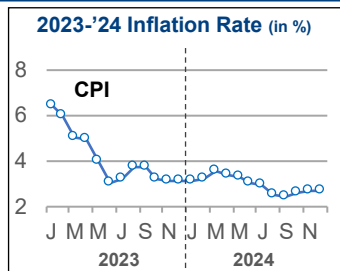
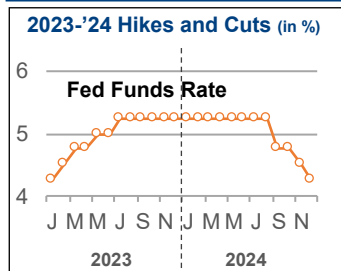


count, a half-dozen bear markets. (The two often coincide.) Yet if you invested just \$100 in the S&P 500 in 1975 you'd have nearly \$32,000 today. With that in mind, even as bitcoin topped \$100,000 last year, I suspect that my brand-new grandson won't see its value reach \$32,000,000 in 2050 (there's a higher chance of it going to zero!).

I've digressed a bit, but I hope I've made my point. Keep your long-term money (10-plus years) in the stocks of tangible businesses and, as best you can, tune out the "noise." As the saying goes, time in the market beats timing the market. ■

— John Bonnazio

HIGHER EARNINGS FORECAST RAISE PROSPECTS FOR STOCKS



Eleven rate hikes brought the low end of the Fed Funds rate from 0% in early 2022 to 5.25% in July '23. With inflation easing, the first cut came in Sept. '24. Although investors initially expected cuts to come earlier and deeper, recent price pressures suggest that the current 4.25% rate is about right.

Fed tightening successfully arrested inflation which briefly topped 9% in June 2022 (not shown); it bottomed in September at 2.4%. But owing primarily to sky-high housing costs for owners and renters, CPI has ticked higher. As such, the Fed must once again be guarded in reaching its 2% inflation target.

Thanks to last year's rate cuts, short-term Treasury yields fell a full percentage point. However, with the economy growing and concern mounting over the federal deficit's size, intermediate and long-term bond yields backed up: the benchmark 10-year Treasury rose 70 basis points to 4.58%

2024's estimated earnings growth rate may reach 11.8%, with tech the largest contributor. If forecasts hold, 2025 may not only see earnings rise 14.8%, but that growth should broaden to other sectors. Such a development suggests that investors would be wise to diversify beyond tech.

2024 FUND COMMENTARY

A Banner Year For Stocks — Not Bonds

If the past is truly prologue, 2024’s economy should have delivered President Biden a second term. But, of course, he withdrew from his fourth White House bid, and now Donald Trump is the first former president in 132 years to win non-consecutive terms.

While avoiding political commentary is admirable, the intersection of politics and the financial markets is irrefutable. So it’s incumbent upon me to share this observation: 2024’s presidential firsts exemplify how investors simply tuned out political tumult and pushed major U.S. stock indexes to a series of record highs. (The S&P 500 had 57 record closes!)

If there was euphoria in the air, it was for the promise of AI. Not only for the handful of companies whose investments are best positioned to drive its development, but also for those gargantuan-cap companies that can best afford to buy vast quantities of the chips and deploy them for new services and

(see table). But their outsized returns come with a very important caveat: because of their huge market caps, they disproportionately influence the performance of the S&P 500 and Nasdaq. In fact, with these seven stocks accounting for half of

benchmarks that have minimal exposures to tech, created a performance chasm between smaller stocks and the more widely followed Nasdaq and S&P.

“Smid-caps” also wilted in the fourth quarter. Indeed, rising inflation spooked investors who fretted that more interest-rate-sensitive holdings would suffer at the hand of a Fed which might be forced to play whack-a-mole with inflation. But despite their December declines of 7% to 8%, Russell’s mid- and small-cap (2000) indexes wrung out, respectively, gains of 15.3% and 11.5% for the year.

2024’S BEST & WORST FUNDS* (BY ASSET CLASS - RETURNS IN %)

| | |
|---------------------|-------|
| Telecom & Utilities | 30.3% |
| Nasdaq Comp Idx | 29.5% |
| 500 Idx | 25.0% |
| Mid Cap Idx | 15.3% |
| Gold | 14.9% |
| Small Cap Idx | 11.7% |
| High Income | 9.6% |
| Emerging Mkts Idx | 6.8% |
| Money Market | 5.0% |
| Real Estate Idx | 5.0% |
| International Idx | 3.7% |
| Global Comm Stock | 3.0% |
| Inflation-Prot Idx | 2.0% |
| U.S. Bond Idx | 1.3% |
| Municipal Bond Idx | 1.3% |

*Fidelity funds.

Stock Funds

Fidelity’s 54 actively managed and index-oriented stock funds returned, on average, 20.6% last year. Gains ranged from 40.2% for **Trend** (a large cap growth fund) to a miserly 2.9% for the “blended” **Small Cap Discovery**.

Thanks to their rich exposures in technology, generally, while also laden with shares of the Magnificent Seven, Fidelity’s large-cap growth funds enjoyed commanding performance leads over all other investment styles.

With their average gain of 32.1% in 2024, many of Fidelity’s most popular offerings (asset-wise) delivered spectacular returns. Chief among them were **Blue Chip Growth** (up 39.7%), **Growth Company** (up 37.2%), **Contrafund** (up 36.0%) and **OTC** (up 34.6%). In several cases, tech accounted for about half of their assets — often with NVIDIA as a top holding.

To that end, it’s noteworthy that Fidelity’s actively run funds, plus

the S&P’s gains last year, managers who underweighted them were again more likely to trail their benchmarks and/or their peers. (See facing Stock Funds.)

Market Indexes

Thanks largely to the aforementioned seven stocks, which collectively account for 53% of the Nasdaq Composite’s market cap, that index soared 29.5% last year. (Lest we forget, it skyrocketed 44.6% in 2023!) For much the same reason, the S&P 500 zoomed 25.0% in 2024 having had a none-too-shabby 26.3% return the year before.

For its part, the Dow Jones Industrial Average (whose constituents include four of the Magnificent Seven) rose 15.0%. Of course, their absence from mid- and small-cap indexes, and value-oriented stock

Still Magnificent

2024 Return (in %)*

| | |
|---------------------------|-----|
| NVIDIA | 171 |
| Meta Platforms (Facebook) | 66 |
| Tesla | 63 |
| Amazon | 46 |
| Alphabet (Google) | 36 |
| Apple | 31 |
| Microsoft | 14 |

*Share price change, rounded, in %.

productivity gains (meaning higher profit margins). That list very closely aligns with the Magnificent Seven. Having already enjoyed huge gains in 2023, 2024 was only a relative disappointment for Microsoft

[Fund Commentary cont’d on page 11](#)

January Scorecard Rating Change

| Mutual Funds | Ticker | Ratings | | Comments |
|-----------------|--------|---------|-----|---|
| | | Old | New | |
| Blue Chip Value | FBCVX | H | S ↓ | Performance falling behind its benchmark owing to its overw eight in health care. |

B = Buy; **B** = OK to Buy; **H** = Hold; **S** = OK to Sell; **S** = Sell; **N/C** = No Change; **NR** = No Rating (↑) Rating upgraded; (↓) Rating downgraded.

FIDELITY SCORECARD

DECEMBER 31, 2024

| Fund No. | Fund Ticker | Fund Name | \$Price (NAV) | Advice | Total Return (%) | | | Avg Annual (%) | | | | | Rel Vol (Risk) ¹ |
|-------------------------|-------------|------------------------------|---------------|-------------|------------------|-------------|-------------|----------------|-------------|------------|-----------------------------|----------------|-----------------------------|
| | | | | | Dec | 2024 | 3 Mo. | 1 Yr | 3 Yr | 5 Yr | 10 Yr | 15 Yr | |
| Comparative Indexes | | S&P 500 | 5881.6 | | -2.4 | 25.0 | 2.4 | 25.0 | 8.9 | 14.5 | 13.1 | 13.9 | 1.00 |
| | | Nasdaq Composite | 19310.8 | | 0.5 | 29.5 | 6.3 | 29.5 | 8.1 | 17.5 | 16.2 | 16.5 | 1.25 |
| | | Dow Jones Industrials | 42544.2 | | -5.1 | 15.0 | 0.9 | 15.0 | 7.6 | 10.6 | 11.6 | 12.4 | 0.97 |
| | | Russell 2000 (Small Caps) | 2230.2 | | -8.3 | 11.5 | 0.3 | 11.5 | 1.2 | 7.4 | 7.8 | 10.3 | 1.36 |
| | | Bloomberg Barclays Agg Bond* | | | -1.6 | 1.3 | -3.1 | 1.3 | -2.4 | -0.3 | 1.4 | 1.3 | 0.45 |
| Model Portfolios | | Unique Opportunities | | | -3.5 | 23.2 | 1.9 | 23.2 | 6.0 | 15.1 | 12.2 | 12.6 | 1.02 |
| | | Select | | | -2.7 | 26.6 | 5.1 | 26.6 | 7.8 | 14.7 | 12.9 | 14.0 | 1.16 |
| | | Growth | | | -3.0 | 24.7 | 1.9 | 24.7 | 7.0 | 15.1 | 12.7 | 12.9 | 0.96 |
| | | Growth & Income | | | -2.4 | 15.7 | 0.8 | 15.7 | 3.8 | 9.9 | 8.9 | 9.5 | 0.68 |
| | | Income | | | -1.4 | 8.9 | -0.3 | 8.9 | 2.1 | 4.5 | 4.3 | 5.3 | 0.39 |
| | | | | | | | | | | | Rel Vol (Risk) ¹ | Assets (\$Mil) | |
| LARGE CAP GROWTH | | | | | Average | -1.2 | 32.1 | 4.7 | 32.1 | 9.1 | 17.9 | 15.5 | 1.18 |
| 312 | FBGRX | Blue Chip Growth | 227.17 | Buy | 1.3 | 39.7 | 9.1 | 39.7 | 10.2 | 21.6 | 18.1 | 1.41 | \$67,043 |
| 307 | FDCAX | Capital Appreciation | 42.17 | OK to Buy | -3.3 | 25.3 | 1.1 | 25.2 | 8.3 | 16.2 | 13.0 | 1.05 | 6,565 |
| 22 | FCNTX | Contrafund | 21.03 | Buy | -0.9 | 36.0 | 3.6 | 36.0 | 10.8 | 17.5 | 15.3 | 1.08 | 140,404 |
| 3 | FFIDX | Fidelity Fund | 94.69 | OK to Buy | -2.2 | 27.1 | 1.5 | 27.1 | 7.3 | 15.8 | 13.4 | 1.07 | 8,035 |
| 333 | FTQGX | Focused Stock | 37.86 | Buy | -3.9 | 36.9 | 1.5 | 36.9 | 9.0 | 17.0 | 15.4 | 1.13 | 4,474 |
| 3336 | FIFNX | Founders Fund | 23.38 | OK to Buy | -2.8 | 32.1 | 6.1 | 32.1 | 9.1 | 17.8 | -- | 1.20 | 119 |
| 25 | FDGRX | Growth Company (closed) | 40.34 | Buy | 0.8 | 37.2 | 7.5 | 37.2 | 10.2 | 22.4 | 19.0 | 1.33 | 60,148 |
| 339 | FDSVX | Growth Discovery | 61.64 | Buy | -1.6 | 30.1 | 2.1 | 30.1 | 10.1 | 18.7 | 16.4 | 1.09 | 5,743 |
| 2826 | FSPGX | Lg Cap Growth Index | 39.17 | Hold | 0.9 | 33.3 | 7.1 | 33.3 | 10.5 | 18.9 | -- | 1.19 | 31,567 |
| 21 | FMAGX | Magellan | 14.83 | Hold | -2.9 | 28.0 | 1.1 | 28.0 | 6.9 | 14.8 | 13.1 | 1.16 | 35,250 |
| 1282 | FNCMX | Nasdaq Composite Index | 244.77 | Hold | 0.5 | 29.5 | 6.3 | 29.5 | 8.3 | 17.6 | 16.1 | 1.24 | 18,883 |
| 93 | FOCPX | OTC | 21.47 | Buy | 2.8 | 34.6 | 8.2 | 34.6 | 9.2 | 19.1 | 17.7 | 1.18 | 24,049 |
| 320 | FDSSX | Stock Selector All Cap | 79.13 | Hold | -3.6 | 19.8 | 2.6 | 19.8 | 7.0 | 13.5 | 12.1 | 1.01 | 2,407 |
| 5 | FTRNX | Trend | 181.97 | Buy | -2.3 | 40.2 | 7.9 | 40.2 | 10.3 | 19.4 | 16.4 | 1.39 | 3,988 |
| LARGE CAP BLEND | | | | | Average | -3.1 | 23.3 | 1.7 | 23.3 | 8.9 | 13.4 | 12.1 | 1.00 |
| 2328 | FXAIX | 500 Index | 204.19 | OK to Buy | -2.4 | 25.0 | 2.4 | 25.0 | 8.9 | 14.5 | 13.1 | 1.00 | 619,448 |
| 315 | FDEQX | Disciplined Equity | 67.13 | OK to Buy | -2.6 | 25.0 | 2.2 | 25.0 | 6.4 | 14.9 | 11.9 | 1.13 | 1,991 |
| 330 | FDGFX | Dividend Growth | 38.22 | Buy | -2.5 | 27.5 | 1.8 | 27.5 | 9.9 | 11.7 | 10.3 | 0.91 | 7,077 |
| 27 | FGRIX | Growth & Income | 61.86 | OK to Buy | -4.3 | 22.1 | 1.0 | 22.1 | 11.2 | 13.3 | 11.4 | 0.97 | 9,594 |
| 338 | FLCSX | Large Cap Stock | 54.50 | OK to Buy | -3.2 | 26.3 | 2.6 | 26.3 | 12.8 | 14.5 | 12.1 | 1.00 | 5,203 |
| 361 | FGRTX | Mega Cap Stock | 25.65 | OK to Buy | -2.5 | 25.9 | 2.5 | 25.9 | 13.2 | 15.6 | 12.7 | 1.02 | 2,195 |
| 300 | FMLX | New Millennium | 59.38 | Buy | -2.4 | 28.8 | 3.4 | 28.8 | 16.7 | 15.8 | 12.6 | 0.96 | 4,963 |
| 6391 | FSEBX | Sustainable U.S. Equity | 13.17 | Hold | -3.3 | 20.2 | 0.3 | 20.2 | 6.4 | -- | -- | 1.07 | 26 |
| 2361 | FSKAX | Total Market Index | 161.27 | OK to Buy | -3.0 | 23.9 | 2.7 | 23.9 | 7.9 | 13.8 | 12.5 | 1.03 | 104,683 |
| 5029 | FULVX | U.S. Low Volatility Equity | 11.87 | Hold | -5.6 | 14.3 | -1.9 | 14.3 | 2.9 | 5.9 | -- | 0.76 | 34 |
| 2941 | FITLX | U.S. Sustainability Index | 25.94 | OK to Buy | -2.9 | 23.6 | 1.9 | 23.6 | 8.3 | 14.7 | -- | 1.02 | 4,444 |
| 3396 | FWOMX | Women's Leadership | 16.99 | OK to Sell | -3.7 | 13.7 | -1.1 | 13.7 | 3.4 | 10.6 | -- | 1.09 | 113 |
| 3231 | FNILX | Zero Large Cap Index | 20.92 | OK to Buy | -2.4 | 25.5 | 2.9 | 25.5 | 8.8 | 14.6 | -- | 1.01 | 12,070 |
| 3227 | FZROX | Zero Total Market Index | 20.37 | OK to Buy | -3.0 | 23.9 | 2.7 | 23.9 | 8.1 | 13.9 | -- | 1.03 | 25,295 |
| LARGE CAP VALUE | | | | | Average | -6.7 | 12.1 | -2.7 | 12.1 | 5.9 | 8.8 | 8.2 | 0.89 |
| 1271 | FBCVX | Blue Chip Value | 23.92 | OK to Sell↓ | -8.3 | 4.8 | -4.8 | 4.8 | 4.5 | 6.3 | 6.6 | 0.86 | 653 |
| 319 | FEQTX | Equity Dividend Income | 28.14 | OK to Buy | -6.2 | 12.5 | -3.2 | 12.5 | 7.5 | 9.1 | 8.6 | 0.88 | 5,377 |
| 23 | FEQIX | Equity-Income | 73.67 | Buy | -6.1 | 15.3 | -2.7 | 15.3 | 6.6 | 10.0 | 9.2 | 0.84 | 8,122 |
| 2830 | FLCOX | Lg Cap Value Index | 18.14 | Hold | -6.8 | 14.4 | -2.0 | 14.4 | 5.6 | 8.7 | -- | 0.97 | 9,534 |
| 708 | FSLVX | Stock Sel Large Cap Value | 27.25 | Buy | -5.8 | 17.2 | 0.1 | 17.2 | 8.2 | 10.7 | 8.9 | 0.97 | 522 |
| 832 | FVDFX | Value Discovery | 36.15 | Hold | -6.7 | 8.4 | -3.4 | 8.4 | 3.2 | 8.1 | 7.6 | 0.83 | 3,080 |
| MID-CAP GROWTH | | | | | Average | -7.0 | 24.3 | 7.7 | 24.3 | 4.0 | 11.7 | 11.2 | 1.31 |
| 324 | FDEGX | Growth Strategies | 66.37 | OK to Buy | -7.7 | 26.6 | 7.4 | 26.6 | 4.0 | 12.1 | 11.2 | 1.34 | 3,331 |
| 3403 | FMDGX | Mid Cap Growth Index | 32.88 | OK to Buy | -6.2 | 22.0 | 8.1 | 22.0 | 4.0 | 11.3 | -- | 1.29 | 1,549 |
| MID-CAP BLEND | | | | | Average | -7.1 | 14.4 | 1.4 | 14.4 | 3.9 | 10.0 | 9.6 | 1.20 |
| 2365 | FSMAX | Extended Market Index | 90.88 | OK to Buy | -7.0 | 17.0 | 4.7 | 17.0 | 2.6 | 9.9 | 9.5 | 1.32 | 40,782 |
| 2352 | FSMDX | Mid Cap Index | 33.77 | Hold | -7.0 | 15.3 | 0.6 | 15.3 | 3.8 | 10.0 | 9.6 | 1.16 | 37,020 |
| 337 | FMCSX | Mid-Cap Stock | 42.39 | OK to Buy | -6.6 | 14.6 | 0.4 | 14.6 | 6.1 | 11.3 | 10.2 | 1.05 | 6,745 |
| 2412 | FSSMX | Stock Selector Mid Cap | 45.05 | Hold | -7.2 | 12.5 | 0.1 | 12.5 | 4.3 | 9.6 | 9.2 | 1.21 | 366 |
| 3230 | FZIPX | Zero Extended Market Index | 13.61 | OK to Buy | -7.5 | 12.4 | 0.9 | 12.4 | 2.9 | 9.0 | -- | 1.27 | 1,793 |

Notes: Fund yields, durations and assets are the most current available. *Fidelity's U.S. Bond Index used as a proxy for the Barclays Aggregate Bond Index. ¹Relative Volatility (Rel Vol) versus the S&P 500 over the last 36 months; 1.50 means the fund has been 50% more volatile. ²Duration is a measure of interest rate sensitivity. ³Stated yield is actual distributed yield over prior 12 months. ⁴Almost a Specialty fund with 30%+ typically in foreign stocks. (p) Partial year; (↑) Rating upgraded; (↓) Rating downgraded.

FIDELITY SCORECARD DECEMBER 31, 2024

| Fund No. | Fund Ticker | Fund Name | \$Price (NAV) | Advice | Total Return (%) | | | Avg Annual (%) | | | | Rel Vol (Risk) ¹ | Assets (\$Mil) | |
|-------------------------|-------------|----------------------------------|---------------|------------|------------------|-------------|-------------|----------------|-------------|------------|-------------|-----------------------------|----------------|--|
| | | | | | Dec | 2024 | 3 Mo. | 1 Year | 3 Year | 5 Year | 10Year | | | |
| MID-CAP VALUE | | | | | Average | -7.2 | 10.8 | -2.2 | 10.8 | 5.9 | 10.7 | 8.9 | 1.20 | |
| 316 | FLPSX | Low-Priced Stock ⁵ | 40.75 | OK to Buy | -5.8 | 7.1 | -4.4 | 7.1 | 4.9 | 9.4 | 8.7 | 0.94 | \$21,617 | |
| 762 | FSMVX | Mid Cap Value | 30.15 | OK to Buy | -7.7 | 14.4 | -2.0 | 14.4 | 7.9 | 11.2 | 7.9 | 1.27 | 1,291 | |
| 3404 | FIMVX | Mid Cap Value Index | 27.15 | Hold | -7.3 | 13.0 | -1.8 | 13.0 | 3.9 | 8.5 | -- | 1.15 | 950 | |
| 39 | FDVLX | Value | 13.60 | Hold | -7.3 | 10.4 | -1.6 | 10.4 | 6.3 | 12.2 | 9.3 | 1.33 | 7,989 | |
| 14 | FSLSX | Value Strategies | 54.71 | Hold | -7.8 | 9.2 | -1.5 | 9.2 | 6.8 | 12.0 | 9.7 | 1.27 | 739 | |
| SMALL CAP GROWTH | | | | | Average | -8.3 | 17.9 | 0.8 | 17.9 | 1.4 | 8.5 | 12.3 | 1.35 | |
| 1388 | FCPGX | Small Cap Growth | 33.47 | OK to Buy | -8.3 | 20.5 | -0.1 | 20.5 | 2.3 | 10.1 | 12.3 | 1.30 | 3,292 | |
| 3405 | FECGX | Small Cap Growth Index | 27.71 | Hold | -8.2 | 15.3 | 1.7 | 15.3 | 0.4 | 6.9 | -- | 1.40 | 840 | |
| SMALL CAP BLEND | | | | | Average | -7.9 | 9.6 | -2.3 | 9.6 | 1.8 | 8.5 | 8.3 | 1.29 | |
| 384 | FSCRX | Small Cap Discovery | 24.14 | Hold | -7.0 | 2.8 | -4.3 | 2.8 | 1.4 | 8.6 | 7.3 | 1.23 | 2,228 | |
| 2358 | FSSNX | Small Cap Index | 27.68 | Hold | -8.2 | 11.7 | 0.4 | 11.7 | 1.4 | 7.5 | 8.0 | 1.36 | 27,093 | |
| 340 | FSLCX | Small Cap Stock | 18.48 | OK to Buy | -7.5 | 9.3 | -2.8 | 9.3 | 0.4 | 6.7 | 7.6 | 1.28 | 1,165 | |
| 336 | FDSCX | Stock Selector Small Cap | 37.28 | Buy | -8.8 | 14.5 | -2.7 | 14.5 | 3.8 | 11.2 | 10.1 | 1.28 | 2,134 | |
| SMALL CAP VALUE | | | | | Average | -7.7 | 8.7 | -0.8 | 8.7 | 2.9 | 9.3 | 9.0 | 1.33 | |
| 1389 | FCPVX | Small Cap Value | 20.36 | Buy | -7.2 | 9.3 | -0.7 | 9.3 | 3.8 | 11.4 | 9.0 | 1.29 | 2,659 | |
| 3406 | FISVX | Small Cap Value Index | 25.60 | Hold | -8.3 | 8.2 | -0.9 | 8.2 | 2.0 | 7.3 | -- | 1.37 | 1,313 | |
| REAL ESTATE | | | | | | | | | | | | | | |
| 1368 | FIREX | International Real Estate | 8.88 | OK to Sell | -5.2 | -9.5 | -14.5 | -9.5 | -11.6 | -4.0 | 2.2 | 1.04 | 134 | |
| 833 | FRIFX | Real Estate Income | 11.93 | Hold | -2.1 | 7.9 | -2.3 | 7.9 | 0.3 | 3.5 | 5.3 | 0.58 | 1,080 | |
| 2355 | FSRNX | Real Estate Index | 16.11 | Hold | -8.2 | 5.0 | -7.6 | 5.0 | -4.6 | 1.6 | 4.0 | 1.26 | 2,686 | |
| 303 | FRESX | Real Estate Investment | 38.59 | Hold | -7.7 | 5.8 | -7.3 | 5.8 | -3.9 | 3.1 | 5.2 | 1.22 | 3,004 | |
| ASSET ALLOCATION | | | | | | | | | | | | | | |
| 328 | FASIX | Asset Manager 20% | 13.55 | Hold | -1.6 | 5.3 | -1.5 | 5.3 | 0.7 | 2.9 | 3.4 | 0.41 | 3,037 | |
| 1957 | FTANX | Asset Manager 30% | 11.83 | Hold | -1.9 | 6.3 | -1.8 | 6.3 | 0.8 | 3.8 | 4.4 | 0.50 | 1,302 | |
| 1958 | FFANX | Asset Manager 40% | 12.94 | Hold | -2.2 | 7.4 | -1.8 | 7.4 | 1.1 | 4.8 | 5.2 | 0.58 | 1,496 | |
| 314 | FASMX | Asset Manager 50% | 20.44 | Hold | -2.5 | 8.5 | -1.9 | 8.5 | 1.4 | 5.6 | 5.9 | 0.65 | 7,038 | |
| 1959 | FSANX | Asset Manager 60% | 15.49 | Hold | -2.7 | 9.5 | -2.0 | 9.5 | 1.7 | 6.5 | 6.7 | 0.73 | 2,200 | |
| 321 | FASGX | Asset Manager 70% | 27.31 | Hold | -2.8 | 10.8 | -1.8 | 10.8 | 2.4 | 7.5 | 7.4 | 0.79 | 4,118 | |
| 347 | FAMRX | Asset Manager 85% | 26.43 | Hold | -3.1 | 12.6 | -1.8 | 12.6 | 2.9 | 8.8 | 8.6 | 0.89 | 2,278 | |
| 304 | FBALX | Balanced | 29.56 | OK to Buy | -2.3 | 16.1 | 0.6 | 16.1 | 4.9 | 10.8 | 9.6 | 0.79 | 38,911 | |
| 3083 | FMSDX | Multi-Asset Income | 14.13 | Hold | -4.4 | 9.9 | -0.4 | 9.9 | 2.3 | 8.0 | -- | 0.63 | 1,205 | |
| 355 | FFNOX | Multi-Asset Index | 57.75 | Hold | -2.8 | 13.1 | -2.0 | 13.1 | 3.4 | 8.5 | 8.6 | 0.90 | 8,300 | |
| 4 | FPURX | Puritan | 24.85 | Buy | -1.9 | 18.9 | 1.7 | 18.9 | 5.7 | 11.1 | 9.6 | 0.77 | 28,629 | |
| 6477 | FYMRX | Sustainable Multi-Asset | 10.31 | Hold | -2.7 | 11.1 | -3.0 | 11.1 | -- | -- | -- | -- | 27 | |
| INTERNATIONAL | | | | | Average | -2.8 | 7.8 | -6.6 | 7.8 | 0.1 | 5.6 | 6.7 | 1.08 | |
| 309 | FICDX | Canada | 65.68 | Hold | -5.9 | 9.2 | -2.9 | 9.2 | 5.5 | 9.3 | 6.3 | 0.96 | 853 | |
| 352 | FHKCX | China Region | 38.89 | Hold | 0.9 | 23.2 | -4.8 | 23.2 | -2.2 | 3.6 | 6.3 | 1.60 | 889 | |
| 325 | FDIVX | Diversified International | 42.16 | Hold | -3.3 | 6.6 | -7.1 | 6.5 | -1.5 | 5.1 | 5.9 | 1.06 | 9,762 | |
| 351 | FSEAX | Emerging Asia | 48.66 | Hold | -2.7 | 21.8 | -3.9 | 21.8 | -1.7 | 7.0 | 8.3 | 1.34 | 972 | |
| 322 | FEMKX | Emerging Markets | 38.08 | Hold | -1.5 | 7.1 | -6.4 | 7.1 | -3.6 | 3.7 | 6.1 | 1.14 | 4,575 | |
| 2374 | FEDDX | Emerging Mkts Discovery | 15.24 | OK to Sell | -1.2 | -3.7 | -10.2 | -3.7 | 0.8 | 5.0 | 5.6 | 0.92 | 372 | |
| 2344 | FPADX | Emerging Markets Index | 10.46 | OK to Sell | -0.9 | 6.8 | -7.4 | 6.8 | -2.2 | 1.3 | 3.4 | 1.04 | 8,062 | |
| 5031 | FEOPX | Enduring Opportunities | 16.14 | OK to Buy | -4.3 | 14.6 | -2.3 | 14.6 | 0.2 | 9.6 | -- | 1.15 | 14 | |
| 301 | FIEUX | Europe | 34.68 | Hold | -2.0 | 4.2 | -7.9 | 4.2 | -2.0 | 3.5 | 4.5 | 1.04 | 524 | |
| 2406 | FGILX | Global Equity Income | 20.16 | OK to Buy | -3.9 | 13.1 | -2.9 | 13.1 | 4.7 | 9.4 | 8.9 | 0.85 | 182 | |
| 2348 | FSGGX | Global ex U.S. Index | 14.42 | Hold | -2.5 | 5.3 | -7.6 | 5.3 | 0.9 | 4.2 | 4.9 | 0.98 | 10,814 | |
| 335 | FIVFX | International Cap App | 27.54 | Hold | -2.9 | 8.0 | -5.1 | 8.0 | 0.5 | 6.8 | 8.2 | 1.22 | 3,473 | |
| 305 | FIGRX | International Discovery | 47.91 | Hold | -3.0 | 11.0 | -6.2 | 11.0 | -1.6 | 5.1 | 5.9 | 1.04 | 3,598 | |
| 1979 | FIGFX | International Growth | 19.94 | Hold | -3.7 | 4.9 | -5.9 | 4.9 | -0.9 | 5.6 | 7.4 | 1.16 | 1,522 | |
| 2363 | FSPSX | International Index | 47.54 | Hold | -2.8 | 3.7 | -8.4 | 3.7 | 1.7 | 4.9 | 5.4 | 1.02 | 51,283 | |
| 818 | FISMX | International Small Cap | 30.59 | Hold | -1.8 | 0.1 | -8.2 | 0.1 | -0.1 | 4.5 | 6.9 | 0.94 | 1,558 | |
| 1504 | FSCOX | Int'l Small Cap Opps (closed) | 19.57 | Hold | -2.3 | 4.1 | -5.0 | 4.1 | -4.7 | 4.0 | 7.2 | 1.21 | 633 | |
| 2988 | FNIDX | International Sustainability Idx | 12.09 | Hold | -2.7 | 5.7 | -8.1 | 5.7 | -0.5 | 3.6 | -- | 1.02 | 479 | |
| 1597 | FIVLX | International Value | 10.06 | Hold | -3.5 | 5.3 | -8.1 | 5.3 | 4.9 | 6.5 | 4.9 | 1.00 | 865 | |
| 350 | FJPNX | Japan | 16.49 | Hold | -3.1 | 7.5 | -6.8 | 7.5 | -1.1 | 4.6 | 6.9 | 1.08 | 168 | |
| 360 | FJSCX | Japan Smaller Companies | 15.60 | Hold | -2.6 | 8.1 | -5.7 | 8.1 | 2.1 | 2.1 | 6.7 | 0.96 | 405 | |
| 342 | FNORX | Nordic | 56.75 | Hold | -6.1 | -4.5 | -14.5 | -4.5 | -2.3 | 8.5 | 7.7 | 1.17 | 292 | |
| 94 | FOSFX | Overseas | 62.60 | Hold | -3.4 | 5.2 | -8.4 | 5.2 | -1.6 | 5.6 | 7.1 | 1.14 | 4,815 | |
| 302 | FPBFX | Pacific Basin | 30.57 | Hold | -3.3 | 9.3 | -8.3 | 9.3 | -1.7 | 5.3 | 7.9 | 1.18 | 664 | |
| 6468 | FSYJX | Sustainable Emerg Mkts Eqty | 8.56 | Hold | -1.6 | 5.9 | -7.6 | 5.9 | -- | -- | -- | -- | 4 | |
| 6462 | FSYRX | Sustainable Int'l Equity | 9.37 | Hold | -2.6 | 7.9 | -7.3 | 7.9 | -- | -- | -- | -- | 9 | |
| 1978 | FTIEX | Total International Equity | 11.38 | Hold | -2.8 | 6.6 | -7.1 | 6.6 | 0.9 | 6.2 | 6.6 | 1.00 | 178 | |
| 2834 | FTIHX | Total International Index | 13.43 | Hold | -2.5 | 5.0 | -7.6 | 5.0 | 0.5 | 4.1 | -- | 0.98 | 13,179 | |
| 318 | FWWFX | Worldwide | 34.80 | OK to Buy | -3.1 | 27.6 | -0.1 | 27.6 | 5.8 | 13.0 | 11.7 | 1.06 | 2,864 | |
| 3228 | FZILX | Zero International Index | 11.33 | Hold | -2.6 | 5.3 | -7.4 | 5.3 | 1.0 | 4.3 | -- | 0.99 | 4,461 | |

FIDELITY SCORECARD

DECEMBER 31, 2024

| Fund No. | Fund Ticker | Fund Name | \$Price (NAV) | Advice | Total Return (%) | | | Avg Annual (%) | | | | Rel Vol (Risk) ¹ | Assets (\$Mil) |
|--------------------------|-------------|--------------------------------|---------------|------------|------------------|-------------|-------------|----------------|-------------|------------|-------------|-----------------------------|----------------|
| | | | | | Dec | 2024 | 3 Mo. | 1 Year | 3 Year | 5 Year | 10Year | | |
| SPECIALTY | | | | | | | | | | | | | |
| 6041 | FARMX | Agricultural Productivity | 17.06 | OK to Sell | -8.3 | -4.8 | -4.8 | -4.8 | -1.5 | -- | -- | 1.25 | \$39 |
| 6385 | FCAEX | Climate Action | 12.27 | OK to Buy | -3.2 | 24.1 | -1.0 | 24.1 | 3.3 | -- | -- | 1.17 | 35 |
| 308 | FCVXS | Convertible Securities | 34.36 | Hold | -4.8 | 13.9 | 4.1 | 13.9 | 2.4 | 11.0 | 8.4 | 0.76 | 1,569 |
| 2120 | FFGCX | Global Commodity Stock | 17.95 | OK to Sell | -6.2 | 3.0 | -5.4 | 3.0 | 5.6 | 9.5 | 6.1 | 1.33 | 339 |
| 6553 | FAPHX | Healthy Future Fund | 13.26 | OK to Buy | -4.3 | 17.2 | -2.8 | 17.2 | -- | -- | -- | -- | 8 |
| 6875 | FEQHX | Hedged Equity | 13.18 | OK to Sell | -1.6 | 19.5 | 1.9 | 19.5 | -- | -- | -- | -- | 249 |
| 3488 | FNSTX | Infrastructure Fund | 13.72 | Hold | -6.0 | 14.4 | -0.7 | 14.4 | 4.7 | 6.8 | -- | 0.98 | 49 |
| 122 | FLVCX | Leveraged Company Stock | 38.25 | Buy | -5.6 | 26.7 | 2.4 | 26.7 | 7.1 | 14.4 | 10.5 | 1.23 | 2,320 |
| 6519 | FAQAX | Macro Opportunities (closed) | 8.83 | Sell | -0.7 | -3.3 | -5.0 | -3.3 | -- | -- | -- | -- | 1 |
| 6513 | FAPSX | Risk Parity | 9.60 | OK to Sell | -3.3 | 6.9 | -4.2 | 6.9 | -- | -- | -- | -- | 2 |
| 1329 | FSDIX | Strategic Dividend & Income | 16.82 | OK to Buy | -5.3 | 11.5 | -2.7 | 11.5 | 3.2 | 7.8 | 7.9 | 0.74 | 3,040 |
| 1505 | FSRRX | Strategic Real Return | 8.41 | Hold | -1.9 | 5.9 | -1.4 | 5.9 | 2.3 | 5.1 | 3.7 | 0.50 | 273 |
| 311 | FIUIX | Telecom & Utilities | 32.92 | Buy | -6.3 | 30.3 | -1.7 | 30.3 | 12.3 | 9.1 | 9.2 | 0.94 | 1,766 |
| 6042 | FLOWX | Water Sustainability | 16.99 | Hold | -7.0 | 8.8 | -5.1 | 8.8 | 1.1 | -- | -- | 1.28 | 105 |
| SELECT PORTFOLIOS | | | | | Average | -5.3 | 16.7 | -0.3 | 16.7 | 5.7 | 11.3 | 10.6 | 1.29 |
| 502 | FSAVX | Automotive | 55.65 | Hold | -0.8 | 6.1 | 4.2 | 6.1 | -4.2 | 13.0 | 9.2 | 1.44 | 71 |
| 507 | FSRBX | Banking | 31.18 | OK to Buy | -8.4 | 30.1 | 9.3 | 30.1 | 7.2 | 8.4 | 9.1 | 1.65 | 493 |
| 42 | FBIOX | Biotechnology | 18.90 | Hold | -8.8 | 7.3 | -10.2 | 7.3 | -0.2 | 3.8 | 5.0 | 1.28 | 4,248 |
| 68 | FSLBX | Brokerage & Investment | 181.66 | OK to Buy | -5.9 | 35.7 | 11.5 | 35.7 | 12.7 | 19.8 | 13.2 | 1.40 | 1,245 |
| 69 | FSCHX | Chemicals | 13.44 | Hold | -11.5 | -6.1 | -13.0 | -6.1 | -3.0 | 7.2 | 5.8 | 1.28 | 515 |
| 503 | FBMPX | Communication Services | 111.30 | Buy | 1.5 | 33.0 | 6.7 | 33.0 | 8.8 | 15.1 | 12.1 | 1.24 | 1,466 |
| 511 | FSHOX | Construction & Housing | 119.03 | Hold | -10.8 | 15.3 | -7.3 | 15.3 | 5.2 | 18.2 | 14.6 | 1.44 | 823 |
| 517 | FSCPX | Consumer Discretionary | 68.12 | Buy | 1.4 | 24.6 | 10.3 | 24.6 | 4.8 | 13.2 | 12.1 | 1.49 | 565 |
| 9 | FDFAV | Consumer Staples | 89.68 | Hold | -4.3 | 5.6 | -6.3 | 5.6 | 2.7 | 6.7 | 6.1 | 0.81 | 751 |
| 67 | FSDAX | Defense & Aerospace | 18.21 | Hold | -4.4 | 15.8 | -2.1 | 15.8 | 12.9 | 6.8 | 11.0 | 1.16 | 1,723 |
| 60 | FSENX | Energy | 56.79 | Hold | -7.6 | 4.3 | -2.0 | 4.3 | 19.7 | 12.5 | 4.4 | 1.63 | 1,924 |
| 353 | FBSOX | Enterprise Technology Services | 60.37 | Hold | -3.1 | 15.1 | 9.1 | 15.1 | 0.3 | 6.3 | 12.4 | 1.22 | 1,751 |
| 516 | FSLEX | Environment & Alt Energy | 39.41 | Hold | -3.8 | 20.0 | -1.0 | 20.0 | 3.9 | 12.1 | 10.9 | 1.25 | 564 |
| 66 | FIDSX | Financials | 14.91 | Buy | -5.8 | 32.8 | 9.4 | 32.8 | 11.8 | 13.4 | 11.3 | 1.27 | 976 |
| 98 | FSVLX | FinTech | 19.38 | OK to Buy | -3.8 | 22.0 | 10.3 | 22.0 | 2.2 | 6.0 | 8.0 | 1.35 | 122 |
| 41 | FSAGX | Gold | 24.58 | OK to Sell | -7.5 | 14.9 | -10.0 | 14.9 | -0.3 | 2.4 | 5.7 | 1.75 | 1,059 |
| 63 | FSPHX | Health Care | 27.25 | Hold | -7.5 | 4.9 | -8.0 | 4.9 | -1.6 | 5.7 | 8.2 | 0.96 | 6,775 |
| 505 | FSHCX | Health Care Services | 99.55 | Hold | -12.3 | -13.2 | -15.7 | -13.2 | -3.9 | 4.8 | 8.6 | 0.98 | 1,043 |
| 515 | FCYIX | Industrials | 40.48 | Buy | -8.7 | 23.3 | -1.5 | 23.3 | 10.8 | 12.2 | 10.1 | 1.28 | 636 |
| 45 | FSPCX | Insurance | 90.18 | Buy | -7.7 | 28.4 | -0.5 | 28.4 | 16.1 | 15.1 | 12.6 | 0.99 | 945 |
| 62 | FDLSX | Leisure | 20.54 | OK to Buy | -4.9 | 20.2 | 5.4 | 20.2 | 9.8 | 13.8 | 12.4 | 1.23 | 688 |
| 509 | FSDPX | Materials | 84.04 | Hold | -11.3 | -2.9 | -10.9 | -2.9 | -2.1 | 8.5 | 5.3 | 1.31 | 440 |
| 354 | FSMEX | Medical Tech & Devices | 62.19 | Hold | -3.6 | 9.9 | -2.1 | 9.9 | -6.0 | 6.1 | 11.6 | 1.19 | 4,974 |
| 514 | FNARX | Natural Resources | 41.60 | Hold | -8.1 | 3.8 | -7.0 | 3.8 | 15.9 | 11.4 | 4.7 | 1.51 | 564 |
| 580 | FPHAX | Pharmaceuticals | 25.36 | Hold | -6.9 | 9.4 | -13.6 | 9.4 | 7.5 | 9.1 | 8.0 | 0.88 | 1,264 |
| 46 | FSRPX | Retailing | 20.47 | OK to Buy | -1.2 | 23.4 | 5.1 | 23.4 | 3.4 | 13.5 | 14.5 | 1.24 | 3,026 |
| 8 | FSELX | Semiconductors | 33.47 | OK to Buy | 1.5 | 43.5 | 3.7 | 43.5 | 18.3 | 30.6 | 26.0 | 2.16 | 20,588 |
| 28 | FSCSX | Software & IT Services | 27.43 | Hold | -2.9 | 9.5 | 8.6 | 9.5 | 5.6 | 15.1 | 17.3 | 1.25 | 10,767 |
| 7 | FDCPX | Tech Hardware | 107.91 | OK to Buy | 0.6 | 22.4 | 3.0 | 22.4 | 5.3 | 16.1 | 14.0 | 1.15 | 1,017 |
| 64 | FSPTX | Technology | 36.88 | Buy | -0.1 | 35.3 | 8.2 | 35.3 | 10.9 | 22.2 | 21.1 | 1.46 | 17,064 |
| 96 | FSTCX | Telecommunications | 54.22 | OK to Buy | -5.9 | 21.2 | 0.4 | 21.2 | 2.6 | 4.8 | 6.0 | 1.13 | 178 |
| 512 | FSRFX | Transportation | 103.89 | Hold | -8.3 | 6.3 | -1.8 | 6.3 | 4.4 | 10.3 | 8.0 | 1.24 | 516 |
| 65 | FSUTX | Utilities | 120.94 | Buy | -7.6 | 28.7 | -2.8 | 28.7 | 10.2 | 9.6 | 9.7 | 1.07 | 1,900 |
| 963 | FWRLX | Wireless | 12.49 | OK to Buy | -2.9 | 17.2 | 0.6 | 17.2 | 2.1 | 9.7 | 10.8 | 1.08 | 328 |
| SECTOR ETFs | | | | | Average | -5.7 | 16.8 | -0.7 | 16.8 | 5.9 | 10.8 | 10.5 | 1.20 |
| | FCOM | MSCI Communication Services | 58.70 | OK to Buy | -0.1 | 33.0 | 6.8 | 33.0 | 5.5 | 11.4 | 10.5 | 1.20 | 1,330 |
| | FDIS | MSCI Consumer Discretionary | 97.46 | Buy | -0.0 | 24.4 | 10.4 | 24.4 | 4.2 | 16.0 | 14.0 | 1.48 | 2,010 |
| | FSTA | MSCI Consumer Staples | 49.43 | OK to Buy | -4.9 | 13.3 | -2.6 | 13.3 | 4.4 | 8.2 | 8.1 | 0.76 | 1,250 |
| | FENY | MSCI Energy | 23.84 | Hold | -9.1 | 6.6 | -0.3 | 6.6 | 20.3 | 12.6 | 4.2 | 1.61 | 1,640 |
| | FNCL | MSCI Financials | 68.68 | Buy | -5.9 | 30.4 | 8.0 | 30.4 | 9.3 | 11.5 | 11.3 | 1.24 | 2,120 |
| | FHLC | MSCI Health Care | 65.35 | Hold | -6.5 | 2.5 | -9.9 | 2.5 | -0.2 | 7.2 | 8.8 | 0.83 | 2,830 |
| | FIDU | MSCI Industrials | 70.31 | Buy | -8.7 | 16.5 | -2.0 | 16.5 | 9.4 | 12.5 | 11.2 | 1.20 | 1,310 |
| | FTEC | MSCI Information Technology | 184.88 | Buy | -0.1 | 29.4 | 6.1 | 29.4 | 11.8 | 21.6 | 20.5 | 1.34 | 13,020 |
| | FMAT | MSCI Materials | 48.19 | Hold | -11.1 | 0.5 | -10.7 | 0.5 | 0.4 | 9.0 | 7.8 | 1.30 | 574 |
| | FREL | MSCI Real Estate | 27.02 | Hold | -8.2 | 5.0 | -7.6 | 5.0 | -4.7 | 3.0 | -- | 1.26 | 1,100 |
| | FUTY | MSCI Utilities | 48.77 | Buy | -8.0 | 23.2 | -5.2 | 23.2 | 4.9 | 6.1 | 8.2 | 1.03 | 1,800 |

FIDELITY SCORECARD DECEMBER 31, 2024

| Fund No. | Fund Ticker | Fund Name | \$Price (NAV) | Advice | Total Return (%) | | | Avg Annual (%) | | | | SEC %Yield | Dur ² (Yrs) | Rel Vol (Risk) ¹ | |
|------------------------|-------------|-----------------------------|---------------|------------|------------------|-------------|------------|----------------|------------|-------------|------------|------------|------------------------|-----------------------------|-------------|
| | | | | | Dec | 2024 | 3 Mo. | 2024 | 3 Yr | 5 Yr | 10 Yr | | | | |
| TAXABLE BOND | | | | | Average | -1.2 | 2.5 | -2.1 | 2.5 | -1.4 | 0.3 | 1.4 | 4.37 | 5.1 | 0.38 |
| 2268 | FCNVX | Conservative Income Bond | 10.07 | Buy | 0.4 | 5.4 | 1.2 | 5.4 | 4.2 | 2.7 | 2.1 | 4.65 | 0.3 | 0.04 | |
| 2208 | FCBFX | Corporate Bond | 10.41 | Hold | -1.9 | 2.8 | -3.0 | 2.8 | -2.2 | 0.4 | 2.5 | 5.03 | 7.0 | 0.55 | |
| 6379 | FFEBX | Environmental Bond | 8.35 | Hold | -1.8 | 1.4 | -3.1 | 1.4 | -2.6 | -- | -- | 4.19 | 6.1 | 0.45 | |
| 2423 | FGBFX | Global Credit | 7.91 | Hold | -1.2 | 8.4 | -1.2 | 8.4 | -2.3 | 0.1 | 1.7 | 4.27 | 6.4 | 0.54 | |
| 15 | FGMNX | GNMA (Ginnie Mae) | 9.98 | Hold | -1.5 | 1.0 | -3.1 | 1.0 | -1.9 | -0.6 | 0.8 | 3.71 | 4.8 | 0.48 | |
| 54 | FGOVX | Government Income | 8.99 | Hold | -1.5 | 0.6 | -3.2 | 0.6 | -2.9 | -0.9 | 0.6 | 4.00 | 5.9 | 0.43 | |
| 2418 | FIPDX | Inflation-Protected Index | 8.89 | OK to Sell | -1.6 | 2.0 | -2.9 | 2.0 | -2.4 | 1.8 | 2.2 | 3.75* | 6.7 | 0.41 | |
| 32 | FTHRXX | Intermediate Bond | 10.07 | Buy | -0.8 | 3.2 | -1.6 | 3.2 | -0.2 | 1.0 | 1.8 | 4.45 | 3.7 | 0.29 | |
| 452 | FSTGX | Intermediate Gov't Income | 9.66 | Hold | -0.6 | 2.2 | -1.7 | 2.2 | -0.9 | 0.1 | 0.9 | 3.92 | 3.6 | 0.28 | |
| 3045 | FUAMX | Intermediate Treasury Index | 9.45 | Hold | -1.8 | 0.4 | -3.9 | 0.4 | -3.0 | -0.7 | 1.0 | 4.40 | 6.1 | 0.45 | |
| 4506 | FBIIX | International Bond Index | 9.30 | Hold | -0.1 | 4.6 | 0.9 | 4.6 | 0.1 | 0.5 | -- | 2.68 | 6.9 | 0.30 | |
| 26 | FBNDX | Investment Grade Bond | 7.08 | OK to Buy | -1.8 | 1.6 | -3.1 | 1.6 | -2.2 | 0.4 | 1.9 | 4.63 | 6.2 | 0.45 | |
| 2622 | FJRLX | Limited Term Bond | 11.36 | Buy | -0.2 | 4.9 | -0.5 | 4.9 | 1.6 | 1.7 | 2.1 | 4.92 | 2.6 | 0.21 | |
| 662 | FFXSX | Limited Term Government | 9.56 | OK to Buy | -0.1 | 3.1 | -0.8 | 3.1 | 0.2 | 0.6 | 1.0 | 4.03 | 2.6 | 0.21 | |
| 3047 | FNBGX | Long-Term Treasury Index | 9.17 | OK to Sell | -5.4 | -6.2 | -8.7 | -6.2 | -11.9 | -5.2 | -0.7 | 4.84 | 15.0 | 0.92 | |
| 40 | FMSFX | Mortgage Securities | 9.63 | Hold | -1.8 | 1.0 | -3.4 | 1.0 | -2.4 | -0.8 | 0.9 | 4.08 | 5.6 | 0.51 | |
| 450 | FSHBX | Short-Term Bond | 8.44 | Buy | 0.1 | 4.7 | -0.0 | 4.7 | 2.1 | 1.8 | 1.8 | 4.44 | 1.8 | 0.14 | |
| 3041 | FNSOX | Short-Term Bond Index | 9.86 | OK to Buy | -0.1 | 3.9 | -0.7 | 3.9 | 1.0 | 1.3 | -- | 4.45 | 2.5 | 0.20 | |
| 3049 | FUMBX | Short-Term Treasury Index | 10.15 | OK to Buy | -0.2 | 3.3 | -0.8 | 3.3 | 0.6 | 1.0 | 1.3 | 4.29 | 2.6 | 0.20 | |
| 3086 | FNDSX | Sustainability Bond Index | 9.13 | Hold | -1.6 | 1.2 | -3.1 | 1.2 | -2.4 | -0.4 | -- | 4.47 | 5.9 | 0.44 | |
| 6541 | FIAEX | Sustainable Core Plus Bond | 9.15 | Hold | -1.7 | 1.6 | -2.9 | 1.6 | -- | -- | -- | 4.59 | 6.0 | -- | |
| 6526 | FAPGX | Sustainable Low Dur Bond | 10.19 | Buy | 0.4 | 5.3 | 1.1 | 5.3 | -- | -- | -- | 4.72 | 0.5 | -- | |
| 6502 | FBAGX | Tactical Bond | 8.67 | Hold | -2.2 | 1.5 | -3.2 | 1.5 | -- | -- | -- | 4.77 | 6.5 | -- | |
| 820 | FTBFX | Total Bond | 9.40 | OK to Buy | -1.7 | 2.5 | -2.7 | 2.5 | -1.4 | 0.9 | 2.3 | 4.95 | 5.9 | 0.45 | |
| 2326 | FXNAX | U.S. Bond Index | 10.22 | Hold | -1.6 | 1.3 | -3.1 | 1.3 | -2.4 | -0.3 | 1.4 | 4.44 | 6.0 | 0.45 | |
| HIGH-YIELD BOND | | | | | Average | -0.7 | 8.0 | 0.3 | 8.0 | 2.9 | 3.6 | 4.3 | 6.10 | 3.0 | 0.45 |
| 38 | FAGIX | Capital & Income | 10.15 | OK to Buy | -1.4 | 10.7 | 1.2 | 10.7 | 3.9 | 6.6 | 6.6 | 5.15 | 2.3 | 0.52 | |
| 814 | FFRHXX | Floating Rate High Income | 9.29 | Buy | 0.4 | 8.6 | 2.6 | 8.6 | 6.8 | 5.5 | 4.8 | 7.28 | 0.2 | 0.22 | |
| 1366 | FHIFX | Focused High Income | 8.08 | OK to Buy | -0.7 | 6.0 | -0.5 | 6.0 | 1.3 | 2.3 | 3.9 | 5.75 | 3.1 | 0.48 | |
| 455 | SPHIX | High Income | 7.87 | OK to Buy | -0.5 | 9.6 | 0.5 | 9.6 | 2.3 | 2.7 | 4.3 | 6.89 | 2.9 | 0.51 | |
| 331 | FNMIX | New Markets Income | 12.65 | Hold | -1.2 | 6.8 | -1.7 | 6.8 | 1.1 | 1.2 | 3.2 | 6.53 | 6.5 | 0.63 | |
| 2580 | FSAHX | Short Duration High Income | 8.96 | OK to Buy | -0.0 | 8.2 | 1.1 | 8.2 | 3.9 | 3.8 | 3.8 | 6.30 | 1.9 | 0.32 | |
| 3082 | FADMXX | Strategic Income | 11.59 | OK to Buy | -1.4 | 6.0 | -0.9 | 6.0 | 1.1 | 2.9 | 3.7 | 4.79 | 4.2 | 0.43 | |
| MUNICIPAL BOND | | | | | Average | -1.1 | 1.7 | -1.0 | 1.7 | -0.3 | 0.9 | 2.0 | 3.21 | 5.3 | 0.38 |
| 434 | FSAZX | Arizona Muni Income | 11.44 | Hold | -1.3 | 1.8 | -1.1 | 1.8 | -0.5 | 0.8 | 2.1 | 3.16 | 5.6 | 0.40 | |
| 1534 | FCSTX | Calif Limited Term Tax Free | 10.31 | Hold | -0.6 | 1.7 | -0.7 | 1.7 | 0.2 | 0.8 | 1.3 | 2.76 | 3.1 | 0.24 | |
| 91 | FCTFX | California Muni Income | 12.16 | Hold | -1.4 | 1.9 | -1.3 | 1.9 | -0.4 | 1.0 | 2.2 | 3.19 | 6.6 | 0.43 | |
| 407 | FICNX | Connecticut Muni Income | 10.86 | Hold | -1.3 | 0.8 | -1.3 | 0.8 | -0.6 | 0.9 | 2.0 | 2.96 | 5.0 | 0.41 | |
| 2579 | FMNDX | Conservative Income Muni | 10.04 | Buy | 0.1 | 3.3 | 0.5 | 3.3 | 2.4 | 1.7 | 1.4 | 3.19 | 0.7 | 0.05 | |
| 36 | FLTMX | Interm Municipal Income | 10.06 | OK to Buy | -0.9 | 1.4 | -1.0 | 1.4 | 0.1 | 1.2 | 2.0 | 3.16 | 4.9 | 0.33 | |
| 404 | FSTFX | Limited Term Muni Income | 10.39 | Buy | -0.4 | 2.3 | -0.4 | 2.3 | 0.5 | 1.0 | 1.4 | 3.06 | 2.6 | 0.22 | |
| 429 | SMDMX | Maryland Muni Income | 10.72 | Hold | -1.3 | 1.3 | -1.3 | 1.3 | -0.7 | 0.7 | 2.0 | 3.07 | 5.8 | 0.43 | |
| 70 | FDMMX | Mass Muni Income | 11.33 | Hold | -1.3 | 1.2 | -1.3 | 1.3 | -0.9 | 0.6 | 1.9 | 3.18 | 6.0 | 0.40 | |
| 81 | FMHTX | Michigan Muni Income | 11.50 | Hold | -1.3 | 2.0 | -1.0 | 2.0 | -0.6 | 0.9 | 2.1 | 3.34 | 5.9 | 0.42 | |
| 82 | FIMIX | Minnesota Muni Income | 11.00 | Hold | -1.2 | 1.2 | -1.3 | 1.2 | -0.6 | 0.7 | 1.9 | 3.11 | 5.7 | 0.38 | |
| 3469 | FMBIX | Municipal Bond Index | 18.47 | Hold | -1.3 | 1.3 | -1.1 | 1.3 | -0.9 | 0.3 | -- | 3.42 | 6.1 | 0.45 | |
| 7330 | FMBAX | Municipal Core Plus | 10.15 | Hold | -1.2 | 1.8 | -1.2 | 1.8 | -- | -- | -- | 3.40 | 5.1 | -- | |
| 37 | FHIGX | Municipal Income | 12.19 | Hold | -1.4 | 1.7 | -1.4 | 1.7 | -0.7 | 1.0 | 2.4 | 3.40 | 6.5 | 0.47 | |
| 416 | FNJHX | New Jersey Muni Income | 11.53 | Hold | -1.2 | 1.5 | -1.1 | 1.5 | -0.1 | 1.4 | 2.6 | 3.15 | 6.0 | 0.45 | |
| 71 | FTFMX | New York Muni Income | 12.30 | Hold | -1.8 | 1.5 | -1.3 | 1.5 | -0.8 | 0.9 | 2.2 | 3.34 | 7.2 | 0.48 | |
| 88 | FOHFX | Ohio Muni Income | 11.36 | Hold | -1.2 | 2.0 | -1.0 | 2.0 | -0.6 | 0.8 | 2.2 | 3.21 | 5.6 | 0.44 | |
| 402 | FPXTX | Pennsylvania Muni Income | 10.47 | Hold | -1.2 | 1.8 | -1.0 | 1.8 | -0.7 | 0.9 | 2.2 | 3.40 | 6.0 | 0.41 | |
| 6532 | FSIKX | Sustainable Intermed Muni | 10.07 | Hold | -1.0 | 1.4 | -1.1 | 1.4 | -- | -- | -- | 3.15 | 4.8 | -- | |
| 90 | FTABX | Tax-Free Bond | 10.94 | Hold | -1.4 | 1.8 | -1.2 | 1.8 | -0.6 | 1.2 | 2.5 | 3.47 | 6.5 | 0.47 | |

Yields on municipal funds are not directly comparable to yields on taxable funds. In muni funds shareholders' effective yield will be higher as their tax-bracket increases. *12-month distributed yield; ¹Closed to new accounts; ²Name changed to Premium Class shares (formerly AMT).

| TAXABLE GOV'T MONEY MARKETS | | | Total Return (%) | | SEC %Yield | NATIONAL MUNICIPAL MONEY MKTS | | | Total Return (%) | | SEC %Yield |
|--|-------|---------------------|------------------|------|------------|--|-------|------------------------------------|------------------|------|------------|
| | | | Dec | YTD | | | | | Dec | YTD | |
| 55 | FDRXX | Gov't Cash Reserves | 0.36 | 4.95 | 4.19 | 10 | FTEXX | Municipal Money Market | 0.23 | 3.14 | 3.23 |
| 458 | SPAXX | Government MM | 0.36 | 4.92 | 4.14 | 275 | FMOXX | Tax-Exempt MM | 0.23 | 3.05 | 3.17 |
| 2742 | FZFX | Treasury MM | 0.35 | 4.90 | 4.10 | STATE MUNICIPAL MONEY MARKETS | | | | | |
| 415 | FDLXX | Treasury Only MM | 0.35 | 4.90 | 4.12 | 457 | FSPXX | California Muni MM ² | 0.22 | 2.91 | 3.06 |
| PRIME MONEY MARKETS | | | | | | 426 | FMSXX | Massachusetts Muni MM ² | 0.23 | 3.01 | 3.18 |
| 454 | SPRXX | Money Market | 0.36 | 4.98 | 4.16 | 423 | FSJXX | New Jersey Muni MM ² | 0.23 | 3.07 | 3.18 |
| NOTE: SPRXX is available in premium class shares (ticker: FZDXX) with a \$100,000 minimum investment (\$10,000 for certain Fidelity retirement accounts and lower expenses). | | | | | | 422 | FSNXX | New York Muni MM ² | 0.24 | 3.15 | 3.25 |
| | | | | | | Funds removed due to insufficient data available at the time of close: AZ Muni MM [FSAXX], CT Muni MM [FCMXX], MI Muni MM [FMIXX], OH Muni MM [FOMXX], PA Muni MM [FPTXX]. | | | | | |

FIDELITY SCORECARD DECEMBER 31, 2024

| Fund No. | Fund Ticker | Fund Name | Style | \$Price (NAV) | Advice | Total Return (%) | | | Avg Annual (%) | | | | Rel Vol (Risk) ¹ |
|--|-------------------------------|-----------------------------------|-------------------|---------------|------------|------------------|-------|-------|----------------|--------|--------|---------|-----------------------------|
| | | | | | | Dec | 2024 | 3 Mo. | 1 Year | 3 Year | 5 Year | 10 Year | |
| FIDELITY PERSONAL RETIREMENT ANNUITY PORTFOLIOS | | | | | | | | | | | | | |
| Model Portfolios | Annuity Sector Model | | | | | -2.7 | 27.4 | 5.7 | 27.4 | 8.4 | 15.0 | 13.7 | 1.15 |
| | Annuity Growth Model | | | | | -3.3 | 27.5 | 1.9 | 27.5 | 7.3 | 15.1 | 12.6 | 0.99 |
| | Annuity Growth & Income Model | | | | | -2.7 | 16.6 | 0.8 | 16.6 | 3.9 | 9.5 | 8.1 | 0.74 |
| | Annuity Income Model | | | | | -1.7 | 7.9 | -0.7 | 7.9 | 0.9 | 4.3 | 4.2 | 0.43 |
| 9067 | FLRQC | Fid VIP Asset Manager | Allocation | 29.09 | Hold | -2.5 | 8.1 | -2.0 | 8.1 | 1.1 | 5.3 | 5.3 | 0.65 |
| 9066 | FAECC | Fid VIP Asset Manager: Growth | Allocation | 33.66 | Hold | -2.8 | 10.5 | -1.9 | 10.5 | 2.0 | 7.1 | 6.7 | 0.79 |
| 9069 | FJBAC | Fid VIP Balanced | Allocation | 47.23 | OK to Buy | -2.3 | 15.5 | 0.5 | 15.5 | 4.6 | 10.5 | 9.3 | 0.79 |
| 9461 | FBIQC | Fid VIP Bond Index | Bond | 10.63 | Hold | -1.6 | 1.0 | -3.1 | 1.0 | -2.7 | -0.7 | -- | 0.45 |
| 9173 | FVTAC | Fid VIP Communication Services | Sector | 41.96 | Buy | 1.5 | 33.6 | 6.7 | 33.6 | 8.9 | 15.0 | 12.3 | 1.24 |
| 9081 | FVHAC | Fid VIP Consumer Discretionary | Sector | 69.01 | Buy | 1.3 | 24.3 | 10.3 | 24.3 | 4.7 | 13.1 | 11.9 | 1.49 |
| 9171 | FCSAC | Fid VIP Consumer Staples | Sector | 40.40 | Hold | -4.4 | 5.2 | -6.3 | 5.2 | 2.3 | 6.3 | 6.8 | 0.81 |
| 9065 | FPDFC | Fid VIP Contrafund | Large Growth | 71.92 | Buy | -1.7 | 33.4 | 3.1 | 33.4 | 9.2 | 16.7 | 13.2 | 1.07 |
| 9148 | FPRGC | Fid VIP Disciplined Small Cap | Small Blend | 37.08 | OK to Buy | -8.6 | 16.5 | 1.0 | 16.5 | 4.6 | 10.2 | 8.3 | 1.33 |
| 9074 | FZAMC | Fid VIP Dynamic Capital App | Large Growth | 74.16 | OK to Buy | -3.2 | 25.1 | 1.2 | 25.1 | 8.3 | 16.0 | 12.7 | 1.05 |
| 9198 | FEMAC | Fid VIP Emerging Markets | Emg Mkts | 14.95 | OK to Sell | -0.5 | 9.6 | -8.0 | 9.6 | -1.6 | 4.0 | 5.7 | 1.18 |
| 9085 | FJLLC | Fid VIP Energy | Sector | 23.69 | Hold | -7.7 | 3.9 | -2.1 | 3.9 | 19.4 | 12.1 | 4.1 | 1.63 |
| 9061 | FLOLC | Fid VIP Equity-Income | Large Value | 40.25 | Buy | -6.2 | 15.0 | -2.8 | 15.0 | 6.3 | 9.7 | 8.9 | 0.84 |
| 9469 | FEMJC | Fid VIP Extended Market Index | Mid Blend | 15.94 | Hold | -7.6 | 12.0 | 0.8 | 12.0 | 2.3 | 8.5 | -- | 1.27 |
| 9083 | FONNC | Fid VIP Financials | Sector | 30.76 | Buy | -5.7 | 32.4 | 9.3 | 32.4 | 11.4 | 13.0 | 11.0 | 1.26 |
| 9361 | FFLCC | Fid VIP Floating Rate High Income | High-Yield Bond | 15.54 | Buy | 0.3 | 8.1 | 2.4 | 8.1 | 6.3 | 5.2 | 4.6 | 0.22 |
| 9157 | FMPAC | Fid VIP FundsManager 20 | Allocation | 18.98 | Hold | -1.5 | 5.3 | -1.6 | 5.3 | 0.8 | 2.7 | 3.1 | 0.41 |
| 9158 | FMPBC | Fid VIP FundsManager 50 | Allocation | 26.12 | Hold | -2.4 | 8.2 | -1.9 | 8.2 | 1.5 | 5.5 | 5.6 | 0.66 |
| 9197 | FMPCC | Fid VIP FundsManager 60 | Allocation | 26.21 | Hold | -2.6 | 9.3 | -2.1 | 9.3 | 1.8 | 6.3 | 6.4 | 0.73 |
| 9159 | FMPDC | Fid VIP FundsManager 70 | Allocation | 30.74 | Hold | -2.8 | 10.6 | -1.9 | 10.6 | 2.4 | 7.3 | 7.2 | 0.79 |
| 9160 | FMPDC | Fid VIP FundsManager 85 | Allocation | 34.02 | Hold | -3.2 | 12.2 | -1.9 | 12.2 | 2.9 | 8.5 | 8.3 | 0.89 |
| 9059 | FTNJC | Fid VIP Gov't Money Market | Money Mkt | 12.99 | -- | 0.4 | 4.8 | 1.1 | 4.8 | 3.5 | 2.1 | 1.3 | 0.03 |
| 9062 | FMNDC | Fid VIP Growth | Large Growth | 89.28 | Buy | -1.6 | 30.0 | 2.1 | 30.0 | 9.9 | 18.5 | 16.2 | 1.10 |
| 9070 | FLFNC | Fid VIP Growth & Income | Large Blend | 55.62 | OK to Buy | -4.3 | 21.9 | 0.9 | 21.9 | 11.0 | 13.0 | 11.0 | 0.97 |
| 9068 | FIDPC | Fid VIP Growth Opportunities | Large Growth | 106.07 | Buy | -0.1 | 38.4 | 7.1 | 38.4 | 7.4 | 18.4 | 17.8 | 1.39 |
| 9084 | FPDRC | Fid VIP Health Care | Sector | 70.22 | Hold | -7.5 | 4.8 | -8.1 | 4.8 | -1.7 | 5.1 | 7.6 | 0.96 |
| 9060 | FBBLC | Fid VIP High Income | High-Yield Bond | 25.82 | OK to Buy | -0.4 | 8.8 | 0.6 | 8.8 | 1.9 | 2.5 | 3.9 | 0.49 |
| 9064 | FXVLT | Fid VIP Index 500 | Large Blend | 65.46 | OK to Buy | -2.4 | 24.6 | 2.3 | 24.6 | 8.6 | 14.1 | 12.7 | 1.00 |
| 9082 | FBALC | Fid VIP Industrials | Sector | 67.42 | Buy | -8.8 | 23.2 | -1.5 | 23.2 | 10.6 | 12.1 | 10.0 | 1.28 |
| 9473 | FFIQC | Fid VIP International Index | Diversified Int'l | 12.64 | Hold | -2.6 | 4.8 | -7.5 | 4.8 | 0.6 | 3.8 | -- | 0.98 |
| 9076 | FVJIC | Fid VIP Int'l Capital App | Diversified Int'l | 33.12 | Hold | -2.9 | 7.9 | -5.1 | 7.9 | 0.2 | 6.5 | 7.9 | 1.21 |
| 9063 | FTLKC | Fid VIP Investment Grade Bond | Inv Grd Bond | 17.91 | OK to Buy | -1.8 | 1.5 | -3.1 | 1.5 | -2.3 | 0.2 | 1.6 | 0.45 |
| 9172 | FVMAC | Fid VIP Materials | Sector | 30.33 | Hold | -11.3 | -2.8 | -11.0 | -2.8 | -2.1 | 8.6 | 5.2 | 1.31 |
| 9071 | FNBC | Fid VIP Mid Cap | Mid Blend | 51.16 | OK to Buy | -7.6 | 17.1 | -0.5 | 17.1 | 4.5 | 11.0 | 8.9 | 1.17 |
| 9088 | FEMMC | Fid VIP Overseas | Diversified Int'l | 25.65 | Hold | -3.5 | 4.7 | -8.6 | 4.7 | -1.8 | 5.4 | 6.0 | 1.14 |
| 9072 | FFWKC | Fid VIP Real Estate | Sector | 29.74 | Hold | -7.8 | 6.1 | -6.6 | 6.1 | -5.3 | 1.9 | 3.6 | 1.27 |
| 9075 | FGDQC | Fid VIP Strategic Income | High-Yield Bond | 23.86 | OK to Buy | -1.5 | 5.7 | -1.0 | 5.7 | 0.7 | 2.5 | 3.3 | 0.43 |
| 9086 | FYENC | Fid VIP Technology | Sector | 171.36 | Buy | -0.2 | 35.1 | 7.9 | 35.1 | 10.9 | 23.4 | 21.5 | 1.45 |
| 9465 | FTMJC | Fid VIP Total Market Index | Large Blend | 22.08 | OK to Buy | -3.0 | 23.4 | 2.5 | 23.4 | 7.7 | 13.5 | -- | 1.03 |
| 9087 | FXRRC | Fid VIP Utilities | Sector | 56.24 | Buy | -7.5 | 28.6 | -2.7 | 28.6 | 10.1 | 9.2 | 9.4 | 1.07 |
| 9079 | FKMSC | Fid VIP Value | Large Value | 45.75 | OK to Buy | -7.0 | 11.0 | -0.9 | 11.0 | 8.2 | 11.7 | 9.6 | 1.16 |
| 9073 | FRBSC | Fid VIP Value Strategies | Mid Value | 46.89 | OK to Buy | -7.8 | 9.1 | -1.5 | 9.1 | 6.8 | 11.9 | 9.3 | 1.27 |
| 9347 | FBMEC | Black Rock Global Allocation | Global Allocation | 19.56 | Hold | -2.5 | 8.8 | -2.1 | 8.8 | 0.8 | 5.6 | 5.2 | 0.70 |
| 9349 | FTMEC | Franklin Templeton Global Bond | Global Bond | 8.82 | OK to Sell | -5.2 | -11.6 | -12.3 | -11.6 | -4.9 | -5.1 | -2.3 | 0.67 |
| 9348 | FFMEC | Franklin Templeton US Gov't | Intermed Gov't | 10.49 | Hold | -1.2 | 1.1 | -2.6 | 1.1 | -1.7 | -0.8 | 0.3 | 0.38 |
| 9285 | FIGXC | Invesco Global Core Eqty | Global Stock | 21.84 | Hold | -3.0 | 16.6 | -2.3 | 16.5 | 3.3 | 7.6 | 6.9 | 0.97 |
| 9147 | FPRLC | Lazard Retirement Emerging Mkts | Emg Mkts | 20.43 | Hold | -1.3 | 7.4 | -9.3 | 7.4 | 3.7 | 3.0 | 3.3 | 0.99 |
| 9143 | FPRMC | Morgan Stanley Emerg Mkt Debt | Emg Mkt Bond | 21.21 | Hold | -0.6 | 10.9 | -0.1 | 10.9 | 0.1 | 0.6 | 2.7 | 0.73 |
| 9144 | FPRNC | Morgan Stanley Emerg Mkt Equity | Emg Mkts | 16.55 | OK to Sell | -1.1 | 7.5 | -7.0 | 7.5 | -3.5 | 1.0 | 2.8 | 1.05 |
| 9146 | FPRPC | Morgan Stanley Global Strategist | Diversified Int'l | 18.70 | Hold | -2.9 | 7.2 | -3.4 | 7.2 | 0.4 | 3.9 | 4.2 | 0.80 |
| 9346 | FPMEC | Pimco Commodity Real Return | Commodities | 8.12 | OK to Sell | 0.2 | 3.9 | -2.3 | 3.9 | 1.1 | 6.8 | 1.4 | 0.94 |
| 9276 | FPMBC | Pimco VIT Low Duration | Shrt-Term Bond | 12.60 | Buy | 0.2 | 4.2 | -0.1 | 4.2 | 0.9 | 0.8 | 1.0 | 0.17 |
| 9277 | FPNBC | Pimco VIT Real Return | TIPS | 15.08 | OK to Sell | -1.7 | 1.9 | -3.1 | 1.9 | -2.5 | 1.7 | 1.9 | 0.42 |
| 9278 | FPOBC | Pimco VIT Total Return | Intermed Bond | 14.26 | Hold | -1.5 | 2.3 | -2.9 | 2.3 | -2.6 | -0.3 | 1.3 | 0.46 |

| Annuity Sector | | Annuity Growth | | Annuity Growth & Income | | Annuity Income | |
|-------------------------------|------------|-------------------------------|------------|-------------------------------|------------|------------------------------|------------|
| Fund | Allocation | Fund | Allocation | Fund | Allocation | Fund | Allocation |
| VIP Technology | 27% | VIP Equity-Income | 28% | VIP Equity-Income | 28% | VIP Invest Grade Bond | 31% |
| VIP Financials | 17 | VIP Growth | 23 | VIP Invest Grade Bond | 23 | Pimco VIT Low Duration | 23 |
| VIP Consumer Discret | 17 | VIP Growth Opps | 22 | VIP Growth Opps | 20 | VIP Floating Rt High Inc | 17 |
| VIP Comm Services | 15 | VIP Contrafund | 16 | VIP Total Market | 16 | VIP Growth | 15 |
| VIP Industrials | 13 | VIP Utilities | 11 | VIP Floating Rt High Inc | 13 | VIP Equity-Income | 14 |
| VIP Utilities | 11 | | | | | | |
| Total Return: | | Total Return: | | Total Return: | | Total Return: | |
| Dec: -2.7% 2024: 27.4% | | Dec: -3.3% 2024: 27.5% | | Dec: -2.7% 2024: 16.6% | | Dec: -1.7% 2024: 7.9% | |

their index offerings as overseen by their affiliate Geode Capital Management, hold roughly 1.5 billion of NVIDIA's outstanding shares, or 6% of the company.

As with their corresponding indexes, small-cap funds, and especially the value-oriented variety, generated positive returns, though often in the single digits.

As noted, **Small Cap Discovery**, which holds a mix of growth and value stocks, gained 2.9%. For its part, the team-managed **Low-Priced Stock** fund fared comparatively better, but not well. Up 7.1% for the year, its mix of small-cap value holdings and significant foreign stake kept its performance in check.

Performance detractors for value funds (from a sector perspective) included economically sensitive cyclical (including energy), consumer staples and most areas of health care.

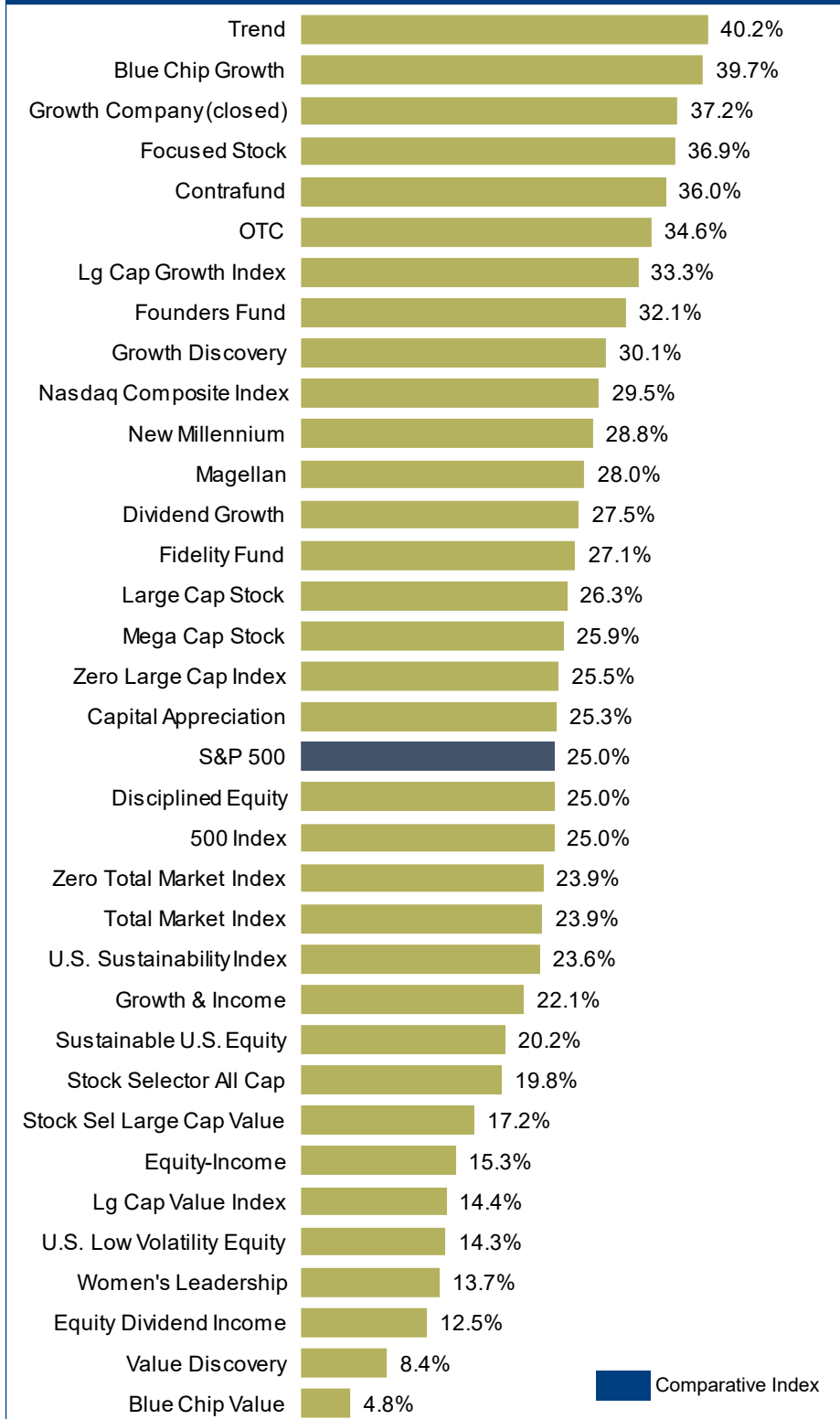
On the other hand, financial services, consumer discretionary and utilities worked in their favor. (See Select/ETF Sector comments below.) Nevertheless, the average large-cap value fund rose a relatively scant 12.1% last year. Downgraded this month to *OK to Sell* from *Hold*, **Blue Chip Value** (up 4.8%) was the category laggard.

Select/ETF Sector Funds

Last year's top-performing fund was (no drumroll needed) **Select Semiconductors**. Up 43.5%, naturally, it also had the best performance among Fidelity's 45 Select and Sector ETF offerings.

How it racked up such returns should be of no surprise: Manager Adam Benjamin allocated a quarter of the fund's holdings to NVIDIA, the world's leading manufacturer of the chips, software and systems that large data centers will continue to rely upon for generative AI. Of course, with other chip makers determined to make inroads, the entire

2024 LARGE-CAP STOCK RETURNS



subsector of tech surged in 2024.

In fact, **Select Technology** (which Adam also runs) and **MSCI Information Technology** jumped 35.3% and 29.4%, respectively last year. In the former's case, NVIDIA is just over 20% of assets; semiconductors account for over 40%.

Of course, many other areas of the market also generated historically strong results.

For example, while **Financials** jumped 32.8%, **Brokerage & Investment** fared even better: up 35.7%.

Market Outlook *cont'd on page 12*

Fueling those results was the bull market itself: Fee income rises with asset growth. At the same time, Manager Nadim Rabaia invested heavily in wealth managers and alternative asset managers, whose fortunes last year also improved. 2024 also saw stepped-up M&A activity.

Within the broad financial sector were the improved fortunes of **Insurance** (up 28.4%). While climate change disasters are driving up homeowner premiums, auto underwriters are faring particularly well these days as they have dramatically boosted the price of coverage while also being more selective of policyholders.

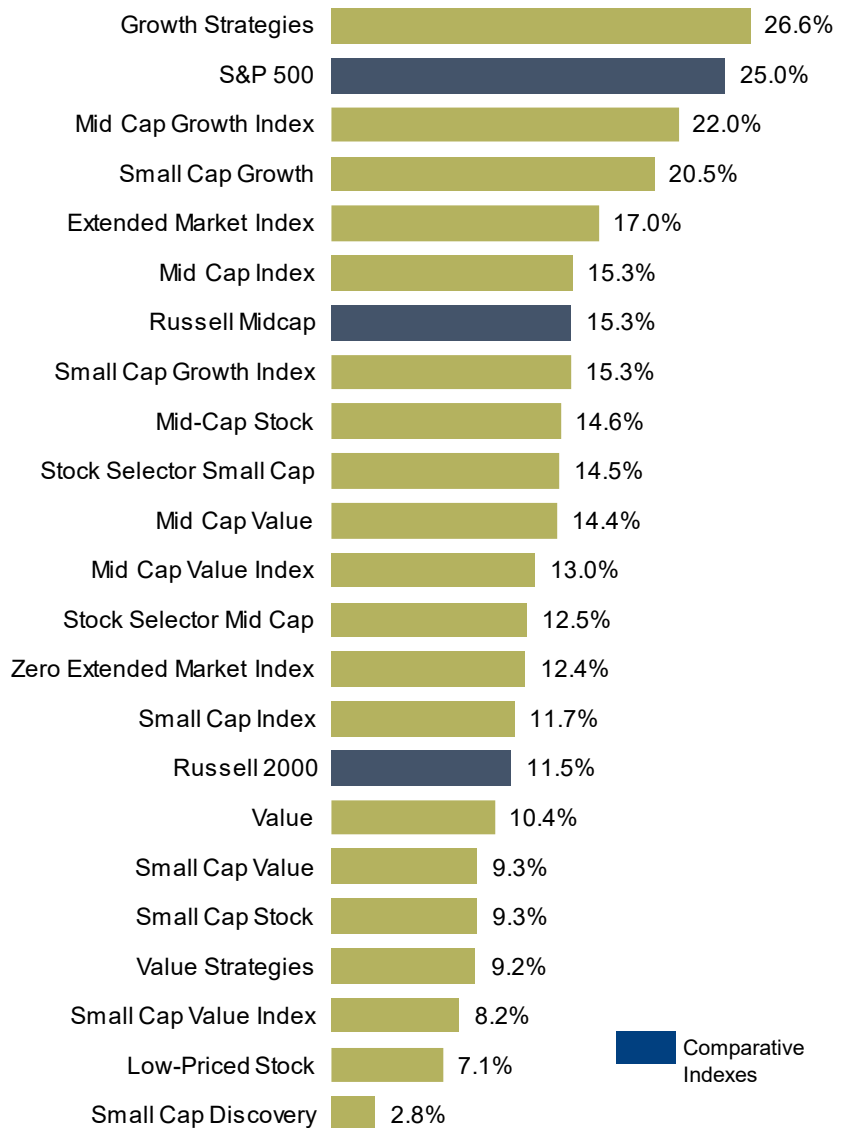
As for relative laggards, there were plenty. While the S&P 500 returned 25.0% last year, only eight of Fidelity's 34 Selects surpassed that result — many by a wide margin.

The year's worst performer was **Health Care Services**. Down 13.2% in 2024, almost all of that red ink came late in the year following the high-profile murder of a UnitedHealth Group executive. (The stock accounts for a quarter of the fund's assets.)

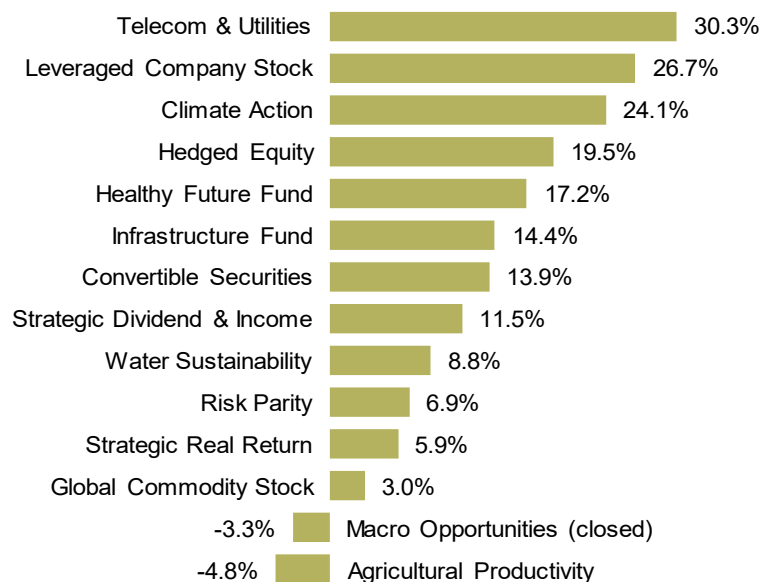
And, as earlier noted, Selects investing in economically sensitive cyclicals were also poor performers. While the U.S. completely sidestepped recession, global demand for natural resources used in manufacturing and construction waned (see International Funds). To that end, **Materials** and **Chemicals** retreated 2.9% and 6.1%, respectively.

Finally, **Gold** rose 14.9% last year. That was the result of the precious metal surging 27.4% to \$2,641.00 a troy ounce. While there are many forces driving the metal's performance (including investors' "safe-haven" perception and consumer demand), in recent years, central banks, especially China's, have been increasing their stores.

2024 MID- AND SMALL-CAP STOCK RETURNS



2024 SPECIALTY RETURNS



Specialty Funds

As one would expect, Fidelity's 14 Specialty funds generate disparate results every year. (That several are kept open with barely any assets is a conversation for another day.) Last year's returns ranged from 30.3% for **Telecom & Utilities** to -4.8% for **Agricultural Productivity**. (**Macro Opportunities** fell 3.3% last year and was closed to investors.)

As for their more popular Specialty funds, **Leveraged Company Stock** (up 26.7%) fared especially well for the same positive macroeconomic reasons that high yield bond funds advanced (see p. 14). Ditto for **Convertible Securities** (up 13.9%), though the funds' managers sought to benefit directly from AI (via a small stake in NVIDIA) and through infrastructure-related investments.

Returning to Telecom & Utilities, telecommunication stocks benefited from reduced competition and therefore stepped-up pricing power. As for the fund's 40%-plus weight in electric utilities, the anticipated growth in power has little to do with electric vehicles, and everything to do with AI's seemingly insatiable appetite for electric power.

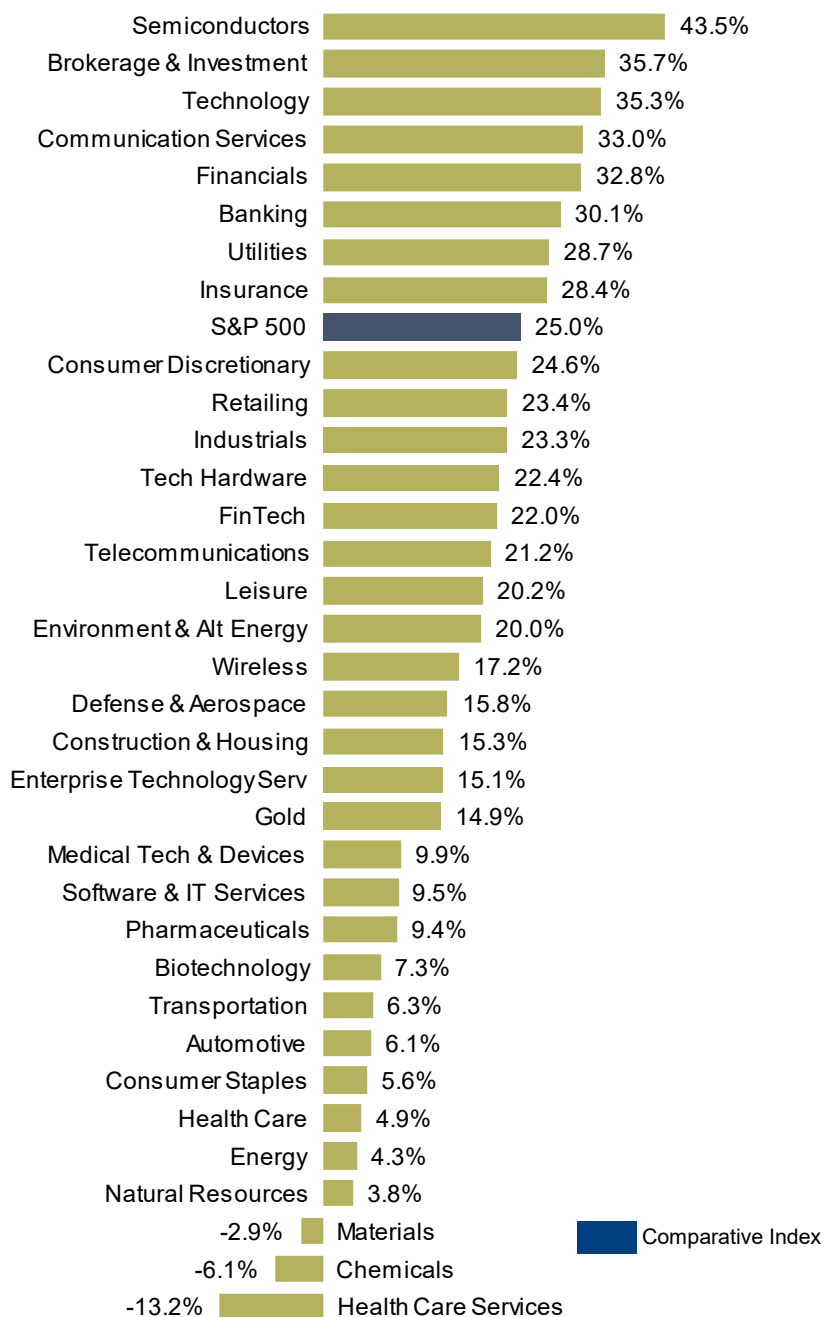
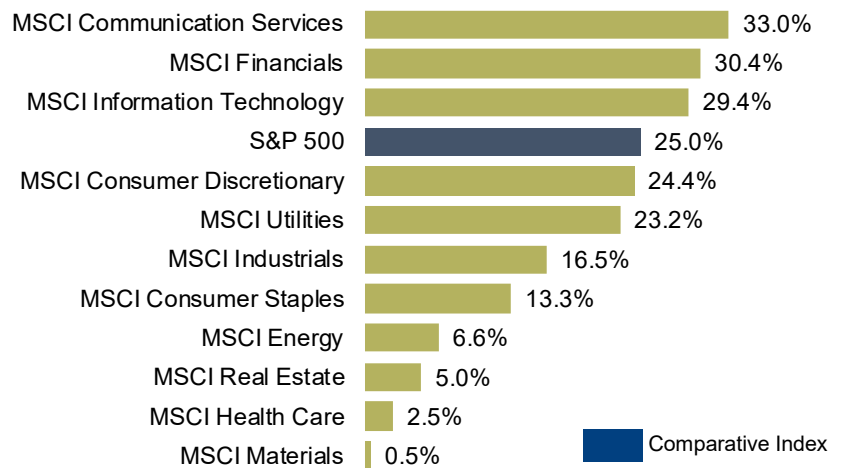
International Funds

As has been the case for some time, we've not been recommending international funds. While a few of their 30 offerings fared well in absolute terms last year, only one outpaced the S&P 500. Moreover, even some funds that came close (**China Region** and **Emerging Asia**, which gained 23.2% and 21.8%, respectively) took on far more risk than the S&P.

With that in mind, **Worldwide** was last year's standout "international" fund performer (up 27.6%). However, about 30% of its assets are in U.S. stocks while NVIDIA is its largest holding at around 5%.

Fund Commentary *cont'd on page 14*

2024 ETF SECTOR & SELECT RETURNS



Fund Commentary *cont'd from page 13*

So why were almost all international funds relative laggards? Once again, there was the outsized performance and allure of U.S. tech, both as developers and adopters of AI. And, as implied from the productivity chart on page 16, for all of this country's economic challenges, the U.S. economy enjoys exceptional rates of GDP growth and productivity relative to Europe, Japan and many developing economies.

International Index (a proxy for developed-market performance) rose 3.7% last year; **Europe** gained 4.2% and **Japan** rose 7.5%.

Note: On a trade-weighted basis, the U.S. dollar appreciated just over 7% against foreign currencies. Because these funds do not hedge currency exposure, a strong dollar tends to diminish their returns.

High-Yield Bond Funds

These economically sensitive funds had the wind to their backs last year. The expanding economy, the Fed and other central banks relaxed interest rates, and demand for yield never waned even as investors enjoyed outsized gains from stocks.

In this environment, lower-quality credits (rated CCC and below) fared best within the high-yield universe. **High Income** produced an equity-like return of 9.6%. **Capital & Income** (which holds some stocks of distressed companies, though mostly bonds) gained 10.7%.

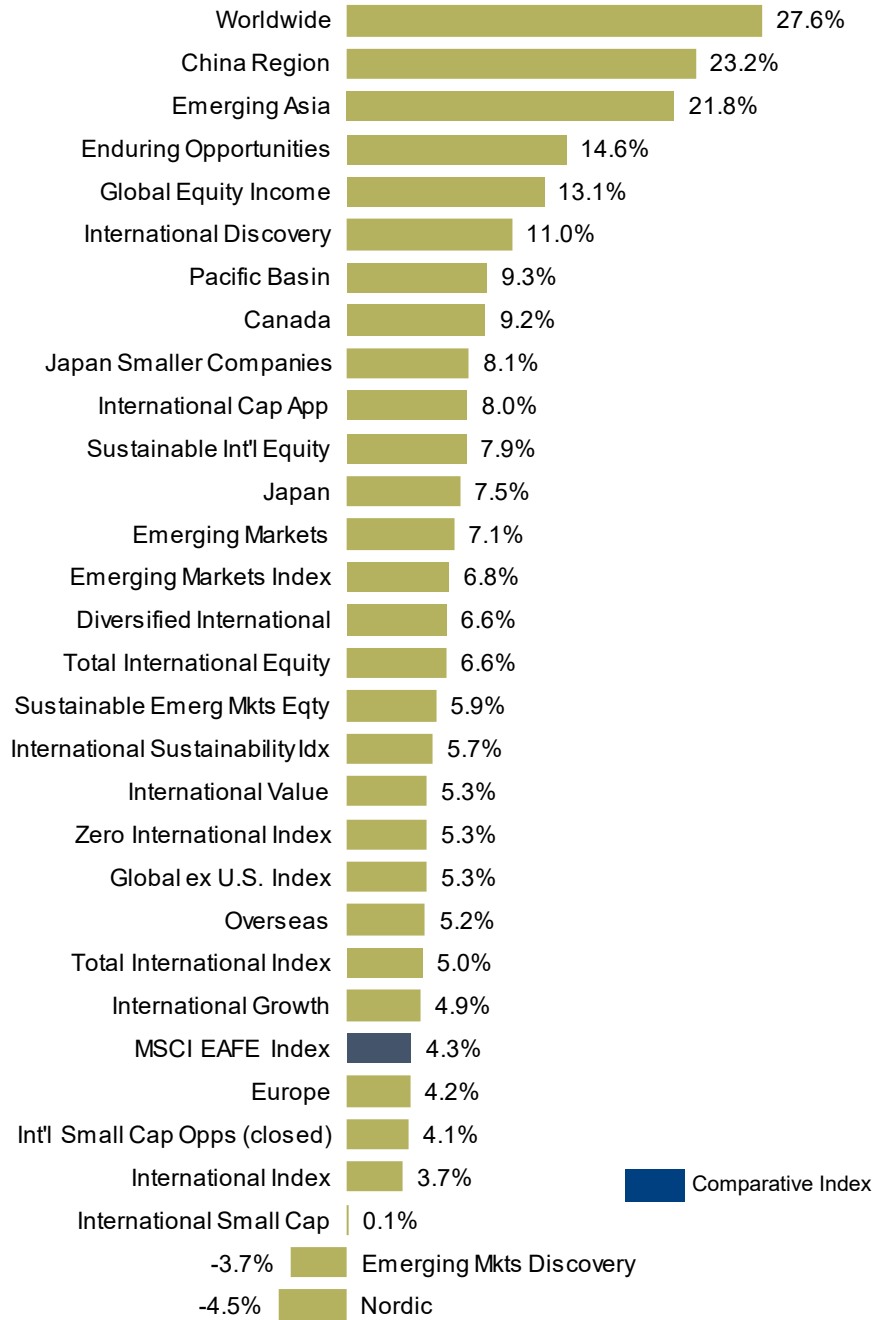
Global monetary easing also proved beneficial to **New Markets Income** (up 6.8%) which holds emerging market corporate bonds and sovereign debt. Tightening credit spreads, which typically occurs when default rates fall, benefited high-yield funds.

Taxable Bond Funds

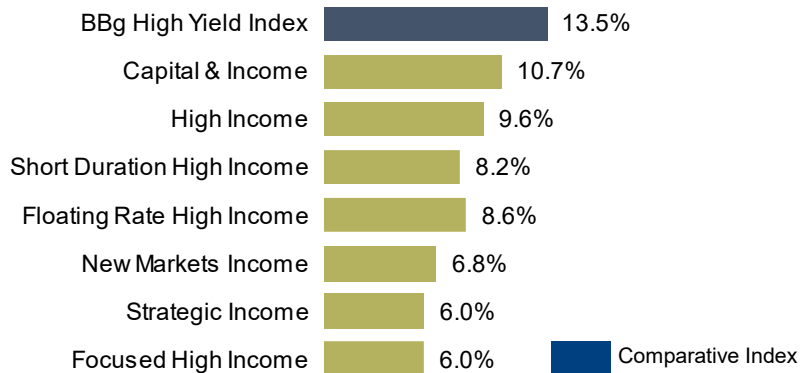
It paid best to be "short" last year — at least in terms of interest-rate-sensitivity.

Thanks to the Fed cutting rates

2024 INTERNATIONAL RETURNS



2024 HIGH YIELD BOND RETURNS



three times (for a total of 100 basis points) to a range of 4.25% to 4.50%, short-term bond funds were among the best performing.

To that end, the yield on the 3-month Treasury bill fell 103 basis points to 4.37%. With bond yields moving inversely to their price, **Conservative Income Bond** (which attempts to maintain a fairly stable NAV) rose 5.4%. And with its similarly short maturity (minimal rate-risk), **Sustainable Low Duration Bond** gained 5.3%.

For investors stalking higher-yielding taxable bonds last year, the risk did not equal the reward. Because the Fed largely controls short-term rates and the market controls longer-term interest rates, the combination of healthy economic growth, sticky inflation and untamed federal deficits conspired to send yields higher across most of the Treasury market.

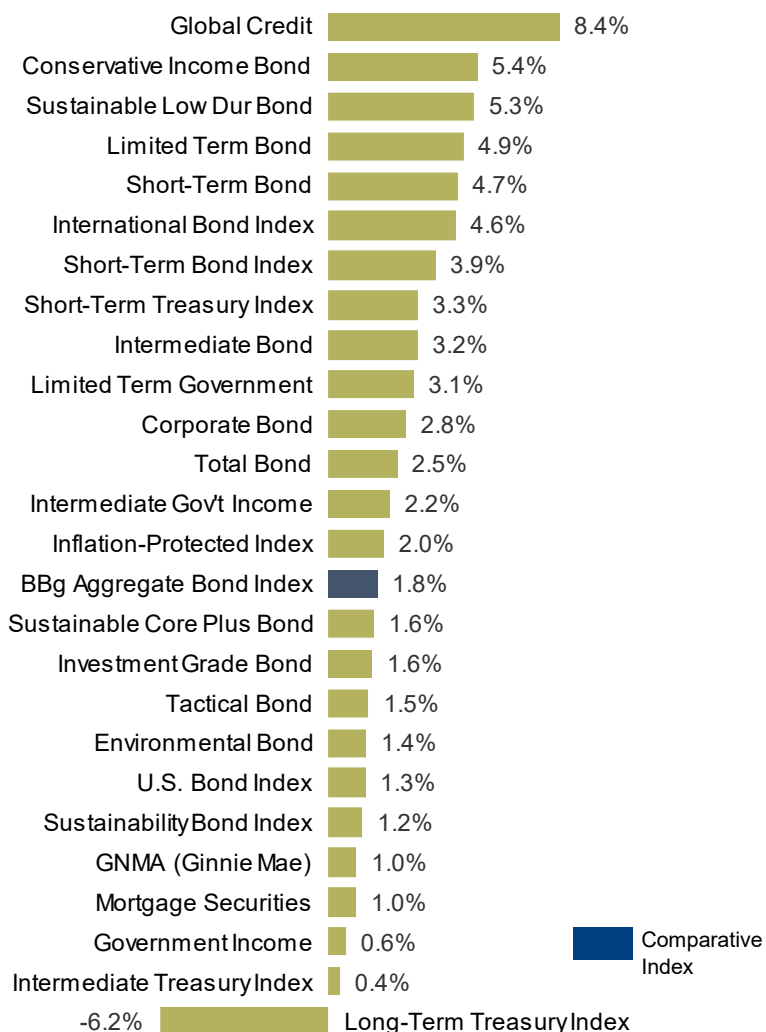
Most conspicuously, prospective homeowners hoping for falling mortgage rates were frustrated that they instead rose. With fixed-rate mortgages often benchmarked against the 10-year Treasury, it rose 70 basis points to 4.58%. As a result, **U.S. Bond Index** managed a gain of just 1.3% owing to reinvested income. As for Fidelity's most interest-rate-sensitive fund, **Long-Term Treasury Index** dropped 6.2% for the year.

Municipal Bond Funds

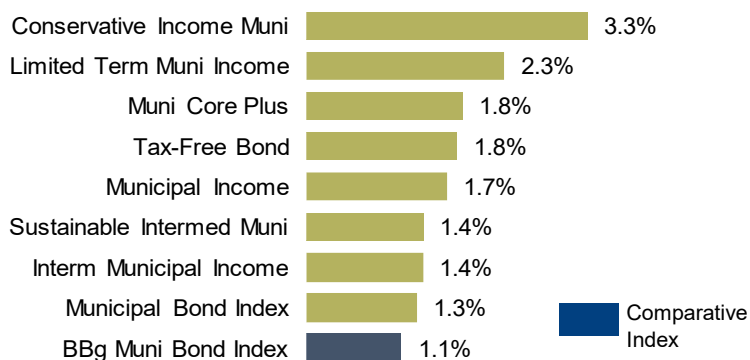
While muni are also rate-sensitive, this asset class is also affected by the health of state and local governments, and fee-dependent agencies. With the economy solid and covid-era lockdowns a distant memory, nationally diversified and state-specific funds fared in line with their taxable counterparts.

Conservative Income Muni returned 3.3%. For investors in the top tax brackets, its 3.19% SEC yield translates into a tax-equivalent yield of over 5%. Lastly, **Municipal Bond Index** returned 1.3%. Its

2024 TAXABLE BOND RETURNS



2024 MUNICIPAL BOND RETURNS



year-end yield was 3.42%.

Money Market Funds

Last year's cut to the Fed Funds rate pulled "risk-free" money market yields lower. In the Treasury market, yields on 1-, 2- and 3-year notes began the year at 5.55%, 5.54% and 5.46%, respectively. At year end,

they were about one full percentage point lower. Naturally, **Gov't Cash Reserves** and **Money Market** saw their yields decline in kind to 4.19% and 4.16%, respectively. On the tax-free side, **Municipal MM** yielded 3.23% at year-end, down from last year's 3.94%. ■

— John Bonnanzio

Jack's Message *cont'd from page 3*

ing ahead of other major world economies (see table), many of which remain stuck in a period of stagnation.

Economy

Even with restrictive monetary policy, U.S. GDP growth has remained robust (3% annualized in the third quarter), with no recession in sight. The main reason for this has been the large and growing federal deficit, though the wealth effect has also played a role. U.S. household net worth, now at \$160 trillion, is up nearly 50% from just prior to the pandemic. Rising real estate values and robust stock market gains have prompted some consumers to open their wallets, with perhaps 1-2% of the asset appreciation increase (since the pandemic) being added to their discretionary spending budgets each year. These folks do not necessarily have to worry about increased credit card debt because they should ultimately have an easy way to service it.

For 2025, we may see a new consumer spending surge in the first quarter, driven partly by the increase in consumer confidence that followed the election, but also by a rush to lock in pending purchases of high-priced imported goods before any new tariffs take effect. But that boost could wear off quickly, mean-

DIVIDEND UPDATE

Apart from the monthly dividends paid by bond, money market funds, and Asset Mgr: 20%/30%, there are no other funds scheduled for a distribution in January 2024.

See our website for 2024's year-end distributions:

fmandi.com

ing that weakness could set in later in the year.

As for the federal deficit, with Trump's new cost-cutting czars creating a renewed sense of urgency for balancing the budget, we might actually see the deficit starting to shrink in the coming year. While that might slow economic growth, there are still plenty of infrastructure projects (funded with previous stimulus programs) to keep things hum-

| Labor Productivity* | |
|-------------------------------------|-------------|
| (Ranked by \$ value of total trade) | |
| U.S. | 69.7 |
| Canada | 56.9 |
| Mexico | 20.2 |
| China | 15.4 |
| Japan | 41.6 |
| Germany | 68.1 |
| S. Korea | 42.0 |
| U.K. | 59.0 |
| Taiwan | 57.0 |
| India | 7.9 |
| Vietnam | 9.8 |

*GDP per hour worked in U.S. \$

Capital investments in tech help drive U.S. labor productivity to among the very highest level in the world, while also making many of our exports competitive with top trading partners (ranked by country above).

ming along. As such, the most likely economic scenario is a continuation of robust GDP growth (above 3%) through the early part of the first quarter, with GDP dropping into the 1-2% range for the balance of the year.

Stock Market

Although the Magnificent Seven have enjoyed robust earnings growth, the market's P/E ratio expanded, resulting in the second strong year of market gains. As such, 2025 is likely to usher in a period where earnings catch up to stock prices. That doesn't necessarily imply a market pullback, because improving productivity, lower short-

term interest rates and robust consumer spending could propel earnings growth above long-term averages. Best guess, we will see a sideways trend in the market, one that could be tilted up or down depending on what the Fed ends up doing and whether corporate earnings come in above or below forecast. If the Fed goes slow and the benefits of AI take longer than expected to reach the bottom line, we could see a down year. But if we get more than two rate cuts and earnings are above expectations, the bull market would likely continue.

One thing seems reasonably certain: There will be lots of winners and losers, and the delta between them could be magnified relative to the past 15 years. When it comes to AI, the devil is in the details. Some companies will take big steps forward while others waste a lot of money. Worse, some will sit back and do nothing, which won't cost them now but could put them out of business later. Bottom line: the risks are elevated but so are the rewards.

That means active stock funds may have increased potential for beating their index counterparts. And, as expected, our continuing strategy will be to hold active Fidelity stock funds with smart stock pickers who aren't afraid to deviate from their benchmarks.

Given stretched valuations among growth-oriented stocks, and elevated expectations among individual investors, we are running our model portfolios with greater emphasis on value stocks, and in some cases we're maintaining risk scores that are below target levels. As we see what 2025 has in store, both from a risk and opportunity standpoint, we will adjust accordingly. ■

— Jack Bowers

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