

# FIDELITY MONITOR & INSIGHT

FEBRUARY 2020

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## MESSAGE FROM JACK

### Sustainability And Disruption Go Hand In Hand

U.S. technology disruptor firms owe their success to high levels of labor-efficiency and/or capital-efficiency. In the coming decade, many of them will become highly energy-efficient as well, further boosting their profit margins as they lay the groundwork for becoming carbon-neutral (or carbon-negative). This renewable future is evident in Europe, where Alphabet, Amazon, Facebook and Microsoft have launched large solar and wind projects to offset the electricity used by their data centers.



Jack Bowers

Until recently, going carbon-neutral meant reducing earnings. But thanks to declining costs of photovoltaic solar panels, wind turbines, and lithium batteries, renewable electricity has become less costly than conventional power. And if used in a battery-powered vehicle, people and goods can be moved around at a cost per mile some 2-3 times lower than today's prevailing rates. As Amazon creates a domestic shipping company from scratch, there is little doubt that renewable electricity will play a major role.

From the standpoint of eliminating climate change risk, this is all great news, because it means powerful competitive forces will do the heavy lifting, eliminating the need for draconian government mandates that weigh on global GDP or put upward pressure on inflation. But it may be bad news for energy-intensive companies and industries who might suddenly face sustainable competitors with the ability to undercut them on cost.

For some time now, our *Select Model* has excluded the energy, materials, and utility groups. Clearly these are the most carbon-heavy of industries, but that's not our main reason for avoiding them. Rather it is fear of widespread disruption. Generating and storing renewable power has become so cheap and easy that almost any business can do it. While it might take several decades of investment before this kind of energy is running the global economy, the advantages of doing so are likely to become very obvious to investors over the next ten years.

## MARKET OUTLOOK

### Coronavirus Market Impact Is Likely Only Short-Term

Fear over a new strain of coronavirus (similar to SARS) gripped the stock market leading to a selloff that trimmed 734 points (2.5%) off the Dow in the last week of the month. While strong earnings reports helped to ease those losses, they were no match for the rising tide of fear. We are just in the early stages of this outbreak, so we don't know how significant it will become. The good news is that this virus appears to be far less deadly than SARS (the mortality rate is estimated to be about 3% or 4% vs. 10% for SARS). The bad news is that it seems to be spreading more easily. There are more cases of this virus in China after one month than there were SARS cases in six.



John M. Boyd

Will this lead to a much bigger market decline? I believe that the market will remain at risk of a steeper correction, but probably not a bear market, should things worsen significantly. But, unless this morphs into a pandemic like the 1918-'19 Spanish flu, which killed 50 million worldwide (by comparison, SARS resulted in about 800 deaths), history suggests the markets will regain any lost ground quickly. As shown in the table below, the impacts of similar outbreaks have been very short-lived. *Dow Jones Market Data* examined 12 epidemics since 1981, and on average the market was up 9.3% over the next 6 months and up 14.2% over the next year.

Epidemic	Month Of 1st Occurrence	S&P 500 % Change	
		6 Months	12 Months
HIV/AIDS	Jun-81	-0.2	-10.7
Pneumonic plague	Sep-94	8.2	26.3
SARS	Apr-03	14.6	20.8
Avian flu	Jun-06	11.7	18.4
Dengue Fever	Sep-06	6.4	14.3
Swine flu	Apr-09	18.7	36.0
Cholera	Nov-10	14.0	5.6
MERS	May-13	10.7	18.0
Ebola	Mar-14	5.3	10.4
Measles/Rubeola	Dec-14	0.2	-0.7
Zika	Jan-16	12.0	17.5
Measles/Rubeola	Jun-19	9.8	na
Average		9.3	14.2

Market Outlook *cont'd on page 3*

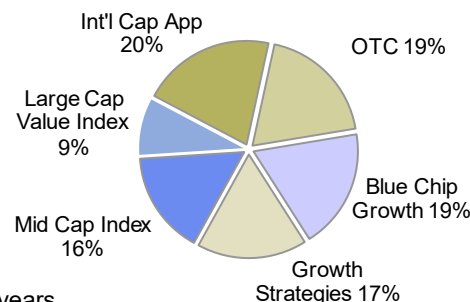
**Unique Opportunities** Target Risk: 1.20 (Current: 1.03) Foreign Holdings: 23.7% **YTD Return: 1.0%**

Stocks: 98.9% Bonds: 0.0% Cash: 1.1% Alternatives\*: 0.0% Yield: 0.6%

Holdings	Ticker	NAV	Shares	Value	Jan Ret
Int'l Cap App	FIVFX	\$22.90	5,792.35	\$132,645	-0.2%
OTC	FOCPX	13.11	9,316.01	122,133	2.5
Blue Chip Growth	FBGRX	111.14	1,080.15	120,048	3.2
Growth Strategies	FDEGX	50.88	2,149.23	109,353	1.7
Mid Cap Index	FSMDX	23.44	4,383.95	102,760	-0.8
Large Cap Value Index	FLCOX	12.93	4,383.84	56,683	-2.1

**Current Value (3/31/99 = \$100,000) \$643,621 1.0%**

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



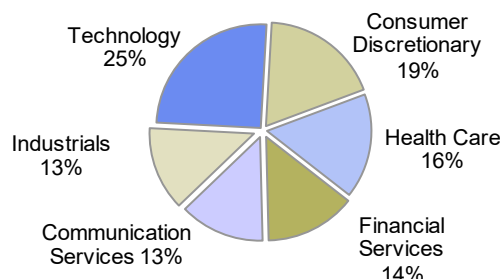
**Select** Target Risk: 1.20 (Current: 1.12) Foreign Holdings: 5.7% **YTD Return: 0.5%**

Stocks: 99.0% Bonds: 0.0% Cash: 1.1% Alternatives\*: 0.0% Yield: 0.4%

Holdings	Ticker	NAV	Shares	Value	Jan Ret
Technology	FSPTX	\$20.78	59,597.61	\$1,238,438	4.4%
Consumer Discretionary	FSCPX	49.28	18,437.50	908,600	-0.2
Health Care	FSPHX	28.25	28,549.10	806,512	-1.2
Financial Services	FIDSX	10.59	65,458.81	693,209	-2.5
Communication Services	FBMPX	64.15	10,140.48	650,512	0.0
Industrials	FCYIX	35.41	18,226.48	645,400	0.5

**Current Value (12/31/88 = \$100,000) \$4,942,671 0.5%**

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



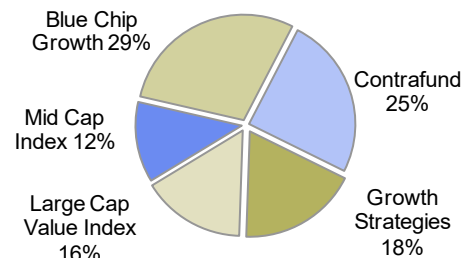
**Growth** Target Risk: 1.00 (Current: 1.06) Foreign Holdings: 4.9% **YTD Return: 1.3%**

Stocks: 99.3% Bonds: 0.0% Cash: 0.7% Alternatives\*: 0.0% Yield: 0.6%

Holdings	Ticker	NAV	Shares	Value	Jan Ret
Blue Chip Growth	FBGRX	\$111.14	8,693.94	\$966,245	3.2%
Contrafund	FCNTX	14.00	59,108.37	827,517	2.1
Growth Strategies	FDEGX	50.88	11,933.81	607,192	1.7
Large Cap Value Index	FLCOX	12.93	40,624.16	525,270	-2.1
Mid Cap Index	FSMDX	23.44	17,577.87	412,025	-0.8

**Current Value (12/31/86 = \$100,000) \$3,338,250 1.3%**

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



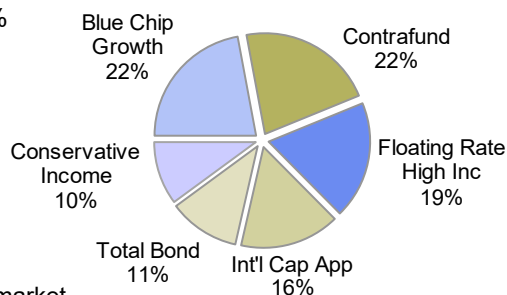
**Growth & Income** Target Risk: 0.66 (Current: 0.67) Foreign Holdings: 28.3% **YTD Return: 1.4%**

Stocks: 59.4% Bonds: 19.7% Cash: 1.8% Alternatives\*: 19.1% Yield: 1.3%

Holdings	Ticker	NAV	Shares	Value	Jan Ret
Blue Chip Growth	FBGRX	\$111.14	1,579.33	\$175,526	3.2%
Contrafund	FCNTX	14.00	12,321.04	172,495	2.1
Floating Rate High Inc	FFRHX	9.47	15,818.20	149,798	0.2
Int'l Cap App	FIVFX	22.90	5,523.40	126,486	-0.2
Total Bond	FTBFX	11.09	8,115.06	89,996	1.9
Conservative Income	FCONX	10.05	8,015.83	80,559	0.2

**Current Value (12/31/93 = \$100,000) \$794,860 1.4%**

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



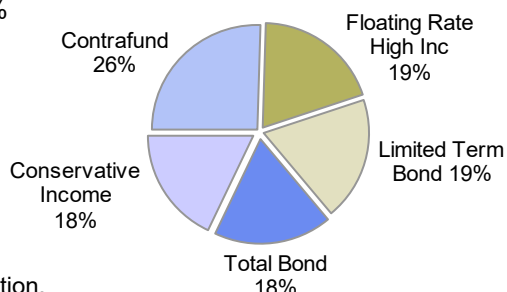
**Income** Target Risk: 0.33 (Current: 0.33) Foreign Holdings: 26.1% **YTD Return: 1.1%**

Stocks: 25.5% Bonds: 51.7% Cash: 4.4% Alternatives\*: 18.4% Yield: 1.9%

Holdings	Ticker	NAV	Shares	Value	Jan Ret
Contrafund	FCNTX	\$14.00	7,999.74	\$111,996	2.1%
Floating Rate High Inc	FFRHX	9.47	9,014.77	85,370	0.2
Limited Term Bond	FJRLX	11.76	7,122.96	83,766	1.0
Total Bond	FTBFX	11.09	7,188.47	79,720	1.9
Conservative Income	FCONX	10.05	7,845.80	78,850	0.2

**Current Value (12/31/91 = \$100,000) \$439,703 1.1%**

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



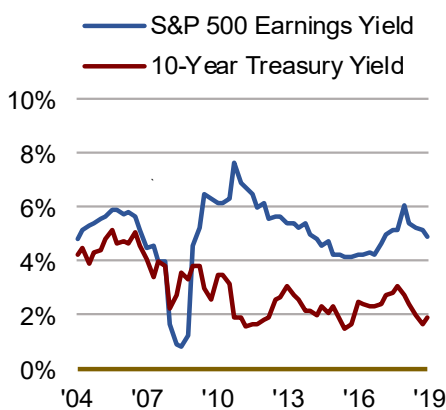
This is not to downplay the ultimate human cost of this outbreak, nor the potential damage to China's economy and the impact that it may have on global growth. But, the U.S. economy and stock market should be relatively unscathed.

### Stocks Still Your Best Bet

There are several reasons why stocks remain attractive. First and foremost, as I have noted before, is a Fed that has the market's back. They have made it clear that they are not raising rates this year even if that means letting inflation run in excess of their 2% target for some time. And they're poised to cut them if the economy deteriorates. But there are some fundamental reasons as well.

#### ■ Stocks Cheap vs. Bonds

One way to value stocks versus bonds is to compare the yield on the 10-year Treasury bond (1.51%) to the earnings yield on the S&P 500 (4.88%). Typically the ratio between the two is close to 1.0 (see chart below) but today that ratio is over 3-1 in favor of stocks. Another way to



gauge relative value is to calculate a "P/E" for the 10-year by dividing 100 (par price) by its yield (earnings) which gives us 66.2, compared to 20.5 for the S&P 500!

## FUNDS YOU SHOULD BUY NOW

**Growth:** **Blue Chip Growth**, **Growth Co.** and **OTC** are aggressive large-cap options; **Contrafund** is more conservatively positioned. **Growth Strategies** provides active mid-cap exposure. **Mid Cap Index** is a lower-cost way to hold companies with market caps of \$2-10 billion.

**Growth & Income:** **Large Cap Value Index** holds attractively valued stocks such as financials (24%) and health care (13%), which also help to boost its yield (2.5%) above the S&P 500 (1.9%).

**International:** **International Cap App** invests about three-quarters of its assets in developed foreign markets; the balance is in emerging markets.

**High-Yield:** **Floating Rate High Income's** lower-quality bank loans drive its 4.46% yield (see p. 4).

**Taxable Bond:** **Conservative Income Bond** limits interest-rate risk with its extremely short duration; **Limited-Term Bond** reaches further for yield with more rate-risk. **Total Bond** provides the broadest exposure to the bond market, including some high-yield and emerging market debt (p. 4).

**Muni Funds:** Tax-equivalent yields marginally attractive in top brackets. ■

Which means stocks are selling for less than one third of the 10-year. (Note: We often hear pundits comparing today to the dot.com bubble in the late 90's. However back then, stocks were selling for 183% more than bonds.)

Despite this valuation difference, money is still flowing out of stocks and into bonds. Not what you typically see at market tops. In fact, assets in money market funds (where investors go when scared) are nearing the peak reached during the Great Recession! This is usually seen at market bottoms.

#### ■ Stocks Prosper With Low Rates

Stocks generally outperform bonds over the long term, but they do particularly well when interest rates are low. When the 10-year Treasury yield is greater than 3%, stocks have bettered bonds by an average of 2.3 percentage points per year. But when the 10-year is below 3% (it was 1.51% at the end of January), stock returns have been more than six times better.

#### ■ Earnings Picture Improving

The main reason why stocks haven't reacted more severely to the coronavirus is that fourth quarter earnings so far have been better-than-expected, including blowout earnings from Apple and Microsoft and Amazon. Moreover, we are seeing the first indications that analysts are feeling better about earnings for 2020 as, so far, reductions in those estimates have been much less than we saw for the back half of 2019.

#### Stick With Your Plan

The coronavirus outbreak is very likely to get worse before it gets contained. Expect continued bouts of selling until then (some of the excess bullish sentiment I spoke of last month dissipated with the recent selloff, but there is likely more to go). But, unless it becomes a major pandemic like the Spanish flu (in which case we all have more to worry about than our investment portfolios) it should not derail this market longer term. ■

— John M. Boyd

### Model Portfolios Key:

<sup>1</sup>Alternative investments include such areas as high-yield bonds, commodities, real estate. 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 **Annuit Model Portfolios** are on p. 10.

## INCOME STRATEGIES

### Taxable Bonds Should Earn Their Yields

As we all know, 2019 was a historically great year to own bond funds. **U.S. Bond Index** (a proxy for the broad taxable market) gained 8.5% — its biggest rise since 2000, and significantly more than bonds' expected long-term returns of 4-5%.

Last year's bond bonanza was preceded by the Fed's four overzealous rate-hikes in 2018 (which resulted in bond prices falling that year), followed by three rate cuts in 2019. That about-face in monetary policy yielded last year's out-sized gains.

This year, a flight to safety has helped. But even before the coronavirus spread, sales of investment-grade bonds were running at multi-year highs and the pace of junk-bond issuance hit a 10-year high. While the former has continued to be met by strong demand, high yield has sold off (along with other risk assets, including stocks).

For its part, U.S. Bond Index rose 2.1% in January (whereas **High Income** slipped 0.5%). And, for the record, its tax-free counterpart, **Municipal Bond Index**, gained 1.6%. Of course, January's gains matter more if strong demand continues.

#### Looking Ahead

While bond investors had the wind to their backs last year (three rate cuts, for example) and now into January, it's quite hard to imagine any more easing this year. Indeed, the economy would really have to hit the skids for the Fed to reduce rates from its already-low range of 1.50% to 1.75%. Certainly, a pandemic could slash global GDP growth (it's already a possibility in China). In that case, we'd expect safe-harbor bonds to hold up quite well indeed.

On the other hand, with a true

pandemic, we'd all have far more to worry about than our bond-fund performance! So how best to invest in taxables this year?

Keeping in mind that there are already solid gains priced in, we still prefer corporates over Treasuries. Decent GDP growth, low inflation and solid earnings provide corporates solid support. Over the course of the year, that should give taxable funds a performance edge over lower-yielding government and Treasury bond funds (though the latter outperformed as the virus spread).

In practical terms, we presently prefer **Investment Grade Bond** over **Gov't Income**, and we have a *slight* preference for **Intermediate Bond** and **Limited Term** over lower-yielding **Intermediate Gov't Income** and **Intermediate Treasury Income** (their interest-rate risks are similar).

We also recommend the expertly managed and well-diversified **Total Bond**. A close cousin to Limited Term, its yield is higher (2.30% ver-

income fund. Although it's Fidelity's least-volatile offering within that group, 58% of its assets are in B-rated bonds with another 5% in CCC- and below rated bonds. So the fund's overall credit quality is very low. (Then again, Fidelity's credit analysts are among the best in the business at sniffing out and avoiding trouble!) It's also important to recognize that almost all of this fund's assets are very, very short-term bank notes where default rates are normally minuscule. Held in our income-oriented models, Floating Rate yields a considerable 4.46%.

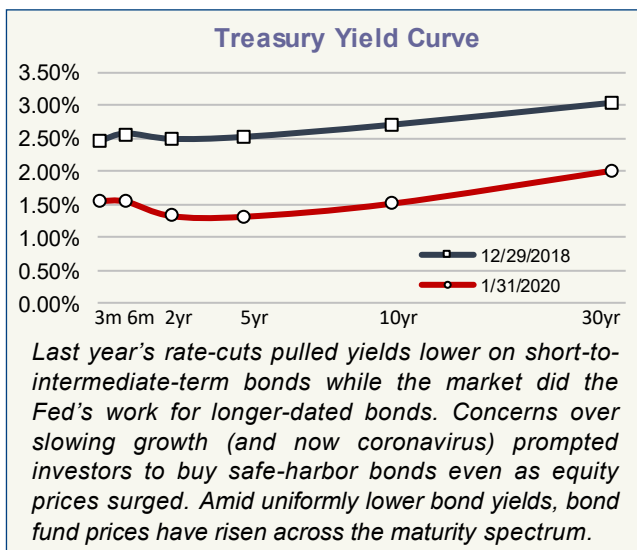
Finally, for the risk-averse, Conservative Income is an ultra-short-term bond fund that's very-nearly a money market (though not technically as its NAV is not as stable!). Yielding 1.64% versus 1.44% for **Money Market** (Fidelity's only retail-available prime money market fund), it mostly holds high-quality corporate debt. In last year's falling rate environment, Floating Rate was swimming upstream. But with minimal interest-rate and credit-risk, Conservative Income still returned 2.9% — almost a full percentage point more than Money Market. (Top-bracket investors should hold **Conservative Income Muni**.)

#### Word To The Wise

With Fidelity's average taxable bond fund returning 7.6% in 2019 (gains ranged from 2.9% for Conservative Income Bond to 14.5% for the far riskier Corporate Bond), bond investors of every stripe would be wise to temper their

return expectations for the year ahead. Especially in light of a very strong start this year, a reasonable expectation for your taxable funds for calendar year 2020 is for them to return their current yields and maybe a bit more. But as for a repeat of 2019's gains, well, that strikes us as unlikely. ■

— John Bonnanzio



sus 1.77%) owing to its smallish stakes in high-yield and emerging-market bonds (at 12% and 4%, respectively).

For less interest-rate risk our preferred funds are **Floating-Rate High Income** and **Conservative Income Bond**.

To be clear, we classify Floating Rate in our *Scorecard* as a high-

FUND COMMENTARY

## Earnings No Match For Spreading Virus

Until Friday came along, strong corporate earnings and a benign Fed had been the best antidote for a market fearful of the fast-spreading coronavirus. But on the very last day of an otherwise solid (though increasingly volatile) month for stocks, fear dominated Wall Street's mood. After all, how does one quantify the downside risk to the economy and corporate profits amid a global health emergency with rising mortalities?



John Bonnanzio

### Market Indexes

In a single day, a month's worth of gains were, in most cases, wiped away: the Dow Industrials skidded 2.1% and the S&P 500 retreated 1.8%. Both were sufficient to push the indexes into the red for the month: down 0.9% and down 0.04%, respectively. (Owing to rounding, our *Scorecard* shows the S&P 500's January return as unchanged at 0.0%.) And with investors souring on Apple last Friday (China is both a large customer and supplier), its shares dropped 4.4%. That, in turn, helped pull the Nasdaq Composite down 1.6% on Friday, though the tech-rich index managed to finish the month up 2.1%.

### Stock Funds

Owing to their large tech exposures (see p. 11), Fidelity's 15 large-cap growth funds managed to return an average of 2.2% last month. The top-performer was the high-turnover **Trend** (up 3.5%), which benefitted mightily from its 44% stake in technology. For much the same reason, **Blue Chip Growth** gained 3.2%.

On the other hand, large-cap blend (typically benchmarked against the S&P 500) and large-cap

value funds were less fortunate as most of the former and all of the latter have started the new year in the red for the month. The worst performer was **Blue Chip Value**. It's January drop of 5.4% was largely the result of its overweight in financials, including large bank shares, which were pummeled owing to their Asia exposures.

Among some of Fidelity's other popular funds by assets, **Contrafund** rose 2.1% for the month, **Growth Company** gained 2.8% and **OTC** rose 2.5%. As for **Low-Priced Stock**, its exposures to smaller-cap stocks and foreign equities pulled it down 4.4%.

### International Funds

Funds with the closest economic ties to China paid the biggest price last month for that relationship. **Emerging Asia** (down 2.6%) fared comparatively well as it has equity exposures in India (16%) and even the U.S. (4%). That said, its biggest country bet at 38% is China. And on that note, **China Region** dropped 4.4% in January as 65% of its assets are in mainland Chinese stocks, while another 23% consists of Taiwanese and Hong Kong shares. Elsewhere in the region, **Japan Smaller Companies** (down 4.9%) also struggled. More broadly, **International Index** fell 2.5% in January whereas **Emerging Markets Index** was down 5.6%.

### Select Funds & REITs

On average, Fidelity's 38 Select funds retreated 1.9% in January.

With oil prices down 16% last month (prices had actually been rising before coronavirus hit the news), energy-related sector funds mostly provided double-digit losses. The worst was **Energy Service**; it plunged 16.9% in January and is now down more than 29% through the past 12 months.

On the other hand, **Software & IT Services** was the top-performer (up 5.8%), though it was quite unusual that safe-harbor **Utilities** (up 5.1%) was right behind it.

And speaking of safe-harbor investments, investors cozied-up to real estate investment trusts for both their high yields and their perceived safety of "hard assets." **Real Estate Index** gained 0.4% while the actively run **Real Estate Investment** rose 1.7%.

### Bond Funds

Though we have much more to say about bonds on the facing page, suffice it to say that with the yield on the benchmark 10-year Treasury plunging 41 basis points in January to 1.51%, every single taxable and muni bond fund soared last month (with the exception of those in the high-yield category). **U.S. Bond Index** jumped 2.1% while **Municipal Bond Index** gained 1.6%. ■

— John Bonnanzio

February Scorecard Rating Changes				
Fund	Ratings			Comments
	Old		New	
Blue Chip Value	H	S	↓	Persistently poor stockpicking has weighed on returns.
Emerging Asia	H	B	↑	Fund is a less risky alternative to China Region.
Emg Eur, MidEast Afr	H	S	↓	Big energy stake and geopolitical risks warrant concern.
Enduring Opp's	-	B		New international fund, though U.S stocks dominate.
Event Driven Opp's	S	S	N/C	Owing to poor returns, fund now closed to new investors.
Independence	H	B	↑	Manager has been making positive changes (see p. 12).
Infrastructure	-	S		New Specialty fund with large foreign component.
Magellan	H	B	↑	Manager has been making positive changes (see p. 12).
U.S. Low Volatility	-	H		Monitoring how fund's risk-averse strategy plays out.
Value Discovery	B	H	↓	Persistently poor stockpicking has weighed on returns.

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

JANUARY 31, 2020

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)					Rel Vol (Risk) <sup>1</sup>
					Jan	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr	15 Yr	
Comparative Indexes		S&P 500	3225.5		-0.0	-0.0	6.7	21.7	14.5	12.4	14.0	9.2	1.00
		Nasdaq Composite	9150.9		2.1	2.1	10.7	27.1	19.0	15.9	16.9	11.6	1.19
		Dow Jones Industrials	28256.0		-0.9	-0.9	5.1	15.8	15.1	13.2	13.7	9.6	1.00
		Russell 2000 (Small Caps)	1614.1		-3.2	-3.2	3.7	9.2	7.3	8.2	11.9	8.0	1.33
		Bloomberg Barclays Agg Bond*			2.1	2.1	1.8	9.6	4.6	3.0	3.7	2.5	0.25
Model Portfolios		Unique Opportunities			1.0	1.0	8.3	21.2	12.1	10.1	11.9	8.8	1.03
		Select Growth			0.5	0.5	9.0	23.2	14.7	12.0	14.6	10.7	1.12
		Growth & Income			1.3	1.3	8.7	20.1	14.3	11.1	12.4	8.2	1.06
		Income			1.4	1.4	6.4	15.2	10.1	8.5	9.6	7.1	0.67
					1.1	1.1	3.5	10.3	4.8	4.2	5.6	4.6	0.33
											Rel Vol (Risk) <sup>1</sup>	Assets (\$Mil)	
<b>LARGE CAP GROWTH</b>					<b>Average</b>	<b>2.2</b>	<b>2.2</b>	<b>10.1</b>	<b>25.4</b>	<b>18.4</b>	<b>13.7</b>	<b>15.2</b>	<b>1.13</b>
312	FBGRX	Blue Chip Growth	111.14	Buy	3.2	3.2	12.8	25.5	21.8	15.6	16.9	1.20	\$24,838
307	FDCAX	Capital Appreciation	34.22	Hold	1.1	1.1	7.8	22.3	14.5	10.4	13.6	1.02	4,817
22	FCNTX	Contrafund	14.00	Buy	2.1	2.1	9.6	21.3	18.1	13.9	14.7	1.14	98,205
3	FFIDX	Fidelity Fund	51.84	Hold	2.2	2.2	9.1	27.1	16.0	12.1	13.2	1.01	4,376
333	FTQGX	Focused Stock	26.42	Buy	1.3	1.3	9.4	23.8	21.2	14.5	15.8	1.14	3,011
25	FDGRX	Growth Company (Closed)	21.95	Buy	2.8	2.8	13.4	28.6	21.2	16.4	17.7	1.34	29,863
339	FDSVX	Growth Discovery	40.75	Buy	2.5	2.5	10.5	26.3	20.4	14.9	16.4	1.10	1,904
73	FDFFX	Independence	37.65	OK to Buy↑	2.9	2.9	9.0	24.9	16.0	9.8	13.1	1.08	3,641
1829	FLGEX	Lrge Cap Growth Enhcd Index	21.88	OK to Buy	1.8	1.8	9.2	22.6	16.9	13.2	14.8	1.07	1,206
2826	FSPGX	Lrge Cap Growth Index	17.90	Buy	2.2	2.2	10.0	27.9	20.0	--	--	1.09	3,722
21	FMAGX	Magellan	10.49	OK to Buy↑	2.8	2.8	9.0	24.2	16.3	12.6	12.8	1.07	17,086
1282	FNCMX	Nasdaq Composite Index	114.83	OK to Buy	1.9	1.9	10.4	26.9	18.7	15.7	16.7	1.19	7,638
93	FOCPX	OTC	13.11	Buy	2.5	2.5	12.1	30.0	21.9	17.0	18.2	1.26	14,767
320	FDSSX	Stock Selector All Cap	47.93	OK to Sell	0.1	0.1	7.8	20.8	13.6	11.1	13.1	1.10	8,566
5	FTRNX	Trend	111.83	Buy	3.5	3.5	11.8	28.9	19.2	14.7	16.0	1.12	2,142
<b>LARGE CAP BLEND</b>					<b>Average</b>	<b>-0.5</b>	<b>-0.5</b>	<b>6.4</b>	<b>18.9</b>	<b>12.0</b>	<b>10.4</b>	<b>12.7</b>	<b>1.05</b>
2328	FXAIX	500 Index	111.98	OK to Buy	-0.0	-0.0	6.7	21.7	14.5	12.4	14.0	1.00	236,283
315	FDEQX	Disciplined Equity	40.81	OK to Buy	2.0	2.0	9.4	24.4	12.9	9.9	11.8	1.02	1,272
330	FDGFX	Dividend Growth	29.90	Hold	-3.5	-3.5	3.9	14.3	11.1	8.9	11.6	1.11	5,701
332	FEXPX	Export and Multinational	21.06	Hold	-3.7	-3.7	3.4	13.5	10.4	9.6	10.8	1.12	1,373
3336	FIFNX	Founders Fund	11.99	Hold	3.5	3.5	11.3	--	--	--	--	--	19
27	FGRIX	Growth & Income	41.22	Hold	-2.5	-2.5	4.7	17.1	10.2	9.9	12.5	1.10	6,153
1827	FLCEX	Lrge Cap Core Enhcd Index	16.46	OK to Buy	--	--	6.7	18.5	14.0	11.2	13.5	0.98	927
338	FLCSX	Large Cap Stock	32.66	Hold	-2.7	-2.7	5.0	17.2	10.7	10.2	13.2	1.16	2,527
361	FGRTX	Mega Cap Stock	15.18	Hold	-2.1	-2.1	5.5	19.2	11.7	10.6	12.9	1.05	1,276
300	FMLX	New Millennium	36.85	Hold	-2.0	-2.0	3.6	13.8	10.8	9.9	12.7	0.98	2,901
2361	FSKAX	Total Market Index	90.47	OK to Buy	-0.1	-0.1	6.6	20.4	13.8	11.8	13.8	1.02	50,057
5029	FULVX	U.S. Low Volatility Equity	10.54	Hold	1.4	1.4	--	--	--	--	--	--	7
2941	FITLX	U.S. Sustainability Index	13.97	OK to Buy	0.8	0.8	7.5	23.3	--	--	--	--	288
3396	FWOMX	Women's Leadership	11.07	Hold	1.4	1.4	7.8	--	--	--	--	--	23
3231	FNILX	Zero Large Cap Index	11.25	Buy	0.1	0.1	6.9	22.0	--	--	--	--	1,691
3227	FZROX	Zero Total Market Index	11.31	OK to Buy	-0.3	-0.3	6.5	20.5	--	--	--	--	5,171
<b>LARGE CAP VALUE</b>					<b>Average</b>	<b>-3.1</b>	<b>-3.1</b>	<b>3.0</b>	<b>12.8</b>	<b>7.7</b>	<b>7.7</b>	<b>10.7</b>	<b>0.97</b>
1271	FBCVX	Blue Chip Value	19.84	OK to Sell↓	-5.4	-5.4	1.3	7.9	5.5	6.3	9.2	0.96	479
319	FEQTX	Equity Dividend Income	24.78	OK to Buy	-3.7	-3.7	3.3	13.5	8.1	8.1	10.4	1.00	4,835
23	FEQIX	Equity-Income	59.35	OK to Buy	-2.1	-2.1	3.8	16.7	8.9	8.8	10.5	0.95	5,381
1828	FLVEX	Lrge Cap Value Enhcd Index	13.41	OK to Buy	-2.1	-2.1	3.4	12.6	9.1	8.8	12.2	0.99	4,112
2830	FLCOX	Lrge Cap Value Index	12.93	Buy	-2.1	-2.1	3.7	14.9	8.7	--	--	1.00	2,850
708	FSLVX	Stock Sel Large Cap Value	21.11	Hold	-2.0	-2.0	3.7	13.2	7.4	7.6	10.6	1.00	432
832	FVDFX	Value Discovery	28.96	Hold↓	-4.4	-4.4	2.1	10.6	6.5	6.9	11.1	0.92	2,068
<b>MID-CAP GROWTH</b>					<b>Average</b>	<b>1.3</b>	<b>1.3</b>	<b>7.7</b>	<b>27.3</b>	<b>14.9</b>	<b>11.2</b>	<b>13.4</b>	<b>1.04</b>
324	FDEGX	Growth Strategies	50.88	Buy	1.7	1.7	8.4	27.3	14.9	11.2	13.4	1.04	2,946
3403	FMDGX	Mid Cap Growth Index	21.14	Buy	1.0	1.0	7.1	--	--	--	--	--	44
<b>MID-CAP BLEND</b>					<b>Average</b>	<b>-1.3</b>	<b>-1.3</b>	<b>4.7</b>	<b>14.0</b>	<b>10.2</b>	<b>9.0</b>	<b>12.7</b>	<b>1.09</b>
2365	FSMAX	Extended Market Index	64.72	Buy	-0.6	-0.6	6.2	14.1	10.1	9.3	13.1	1.21	25,030
2012	FMEIX	Mid Cap Enhanced Index	15.11	OK to Buy	-1.8	-1.8	4.4	12.6	8.7	7.9	12.9	1.10	1,295
2352	FSMDX	Mid Cap Index	23.44	Buy	-0.8	-0.8	5.1	16.9	10.8	9.5	--	1.08	13,575
337	FMCSX	Mid-Cap Stock	35.40	OK to Buy	-1.1	-1.1	3.8	14.3	10.7	9.3	12.6	0.91	5,299
2412	FSMX	Stock Selector Mid Cap	36.93	OK to Buy	-1.6	-1.6	4.7	14.6	10.9	8.9	12.3	1.15	369
3230	FZIPX	Zero Extended Market Index	9.88	Hold	-2.2	-2.2	4.2	11.4	--	--	--	--	551

**Notes:** \*Fidelity's U.S. Bond Index used as a proxy for the Bloomberg Barclays Aggregate Bond Index. <sup>1</sup>Relative Volatility (Rel Vol) versus the S&P 500 over the last 36 months; 1.50 means the fund has been 50% more volatile. <sup>2</sup>Duration is a measure of interest rate sensitivity. <sup>3</sup>Stated yield is actual distributed yield over prior 12 months. <sup>5</sup>Almost a Specialty fund with 30%+ typically in foreign stocks. (p) Partial year; (↑) Rating upgraded; (↓) Rating downgraded.

# FIDELITY SCORECARD

JANUARY 31, 2020

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) <sup>1</sup>	Assets (\$Mil)	
					Jan	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year			
<b>MID-CAP VALUE</b>					<b>Average</b>	<b>-3.8</b>	<b>-3.8</b>	<b>3.4</b>	<b>11.1</b>	<b>6.2</b>	<b>6.2</b>	<b>11.2</b>	<b>1.20</b>	
316	FLPSX	Low-Priced Stock <sup>5</sup>	47.86	Buy	-4.4	-4.4	4.2	10.9	8.6	7.6	11.4	0.99	\$23,652	
762	FSMVX	Mid Cap Value	22.09	OK to Sell	-4.5	-4.5	2.0	6.0	3.2	4.2	11.1	1.24	1,157	
3404	FIMVX	Mid Cap Value Index	20.81	OK to Sell	-1.9	-1.9	3.7	--	--	--	--	--	41	
39	FDVLX	Value	10.59	OK to Buy	-4.3	-4.3	3.4	12.1	5.7	6.0	11.1	1.32	6,135	
14	FSLSX	Value Strategies	37.39	Hold	-3.8	-3.8	3.9	15.3	7.4	7.1	11.1	1.23	341	
<b>SMALL CAP GROWTH</b>					<b>Average</b>	<b>-0.0</b>	<b>-0.0</b>	<b>8.8</b>	<b>22.6</b>	<b>17.9</b>	<b>15.1</b>	<b>15.7</b>	<b>1.32</b>	
1388	FCPGX	Small Cap Growth (Closed)	27.65	Buy	1.1	1.1	10.6	22.6	17.9	15.1	15.7	1.32	2,899	
3405	FECGX	Small Cap Growth Index	21.10	OK to Buy	-1.1	-1.1	7.1	--	--	--	--	--	25	
<b>SMALL CAP BLEND</b>					<b>Average</b>	<b>-2.2</b>	<b>-2.2</b>	<b>3.6</b>	<b>11.6</b>	<b>6.8</b>	<b>7.8</b>	<b>11.6</b>	<b>1.26</b>	
384	FSCRX	Small Cap Discovery (Closed)	22.54	Hold	-2.6	-2.6	2.6	10.8	4.7	6.2	12.4	1.16	2,741	
2011	FCPEX	Small Cap Enhanced Index	12.60	Hold	-3.6	-3.6	1.2	7.1	3.7	6.5	11.8	1.37	589	
2358	FSSNX	Small Cap Index	20.35	Hold	-3.2	-3.2	3.7	9.3	7.4	8.4	--	1.33	10,694	
340	FSLCX	Small Cap Stock	18.07	OK to Buy	-0.3	-0.3	5.3	14.4	8.7	9.1	9.9	1.18	1,496	
336	FDSCX	Stock Selector Small Cap	25.15	OK to Buy	-1.4	-1.4	5.0	16.3	9.3	9.1	12.5	1.24	1,012	
<b>SMALL CAP VALUE</b>					<b>Average</b>	<b>-4.3</b>	<b>-4.3</b>	<b>0.6</b>	<b>7.7</b>	<b>3.7</b>	<b>6.6</b>	<b>11.0</b>	<b>1.16</b>	
1389	FCPVX	Small Cap Value	14.84	OK to Sell	-3.1	-3.1	1.0	7.7	3.7	6.6	11.0	1.16	1,501	
3406	FISVX	Small Cap Value Index	20.45	OK to Sell	-5.4	-5.4	0.2	--	--	--	--	--	59	
<b>REAL ESTATE</b>														
1368	FIREX	International Real Estate	13.08	Hold	0.5	0.5	4.7	18.1	14.4	8.5	9.5	0.76	266	
833	FRIFX	Real Estate Income	12.68	Hold	1.4	1.4	1.9	13.3	8.2	6.9	9.4	0.42	2,409	
2355	FSRNX	Real Estate Index	17.01	Hold	0.4	0.4	-1.8	10.9	7.4	5.1	--	0.99	2,551	
303	FRESX	Real Estate Investment	45.68	Hold	1.7	1.7	-0.4	14.4	9.0	6.4	13.0	0.95	4,378	
<b>ASSET ALLOCATION</b>														
328	FASIX	Asset Manager 20%	13.74	Hold	0.9	0.9	2.5	8.9	5.2	4.0	4.8	0.24	5,362	
1957	FTANX	Asset Manager 30%	11.47	Hold	0.7	0.7	3.2	10.5	6.2	4.9	5.9	0.33	1,873	
1958	FFANX	Asset Manager 40%	12.06	Hold	0.6	0.6	3.7	11.8	7.1	5.7	6.8	0.43	1,883	
314	FASMX	Asset Manager 50%	18.70	Hold	0.4	0.4	4.2	13.0	7.9	6.3	7.6	0.53	9,633	
1959	FSANX	Asset Manager 60%	13.03	Hold	0.2	0.2	4.7	14.1	8.7	6.9	8.3	0.63	3,038	
321	FASGX	Asset Manager 70%	22.66	Hold	-0.2	-0.2	5.1	14.9	9.4	7.5	9.0	0.74	5,297	
347	FAMRX	Asset Manager 85%	19.98	Hold	-0.5	-0.5	5.9	16.5	10.6	8.5	10.0	0.89	2,528	
304	FBALX	Balanced	24.82	Buy	0.9	0.9	6.1	17.7	11.2	8.8	10.3	0.73	27,405	
355	FFNOX	Four-in-One Index	48.81	Hold	-0.4	-0.4	4.7	16.4	10.8	8.8	10.3	0.81	6,915	
3083	FMSDX	Multi-Asset Income	11.57	OK to Buy	-1.1	-1.1	3.7	15.6	7.6	--	--	0.51	69	
4	FPURX	Puritan	22.97	Buy	1.0	1.0	5.8	15.9	10.8	8.5	10.2	0.72	22,001	
<b>INTERNATIONAL</b>					<b>Average</b>	<b>-2.8</b>	<b>-2.8</b>	<b>3.3</b>	<b>13.8</b>	<b>9.8</b>	<b>7.0</b>	<b>7.5</b>	<b>1.06</b>	
309	FICDX	Canada	52.47	Hold	-0.4	-0.4	5.0	12.8	6.0	5.2	5.3	0.98	809	
352	FHKCX	China Region	37.81	Hold	-4.4	-4.4	4.9	17.2	14.9	7.9	8.9	1.48	1,167	
325	FDIVX	Diversified International	40.01	OK to Buy	-1.2	-1.2	4.9	21.4	10.1	6.2	7.0	0.95	9,062	
351	FSEAX	Emerging Asia	44.25	OK to Buy	-2.6	-2.6	4.7	19.3	14.4	8.6	8.5	1.21	1,039	
2053	FEMEX	Emerg Europe, MidEast, Africa	9.61	OK to Sell	-5.7	-5.7	0.5	4.8	6.8	6.2	4.8	1.23	75	
322	FEMKX	Emerging Markets	33.79	OK to Buy	-3.4	-3.4	4.2	17.8	13.8	7.7	5.7	1.17	3,398	
2374	FEDDX	Emerging Mkts Discovery	13.99	Hold	-3.3	-3.3	2.9	7.5	6.7	5.4	--	1.08	210	
2344	FPADX	Emerging Markets Index	10.37	Hold	-5.6	-5.6	1.7	2.4	7.3	4.2	--	1.21	3,113	
5031	FEOPX	Enduring Opportunities	10.53	OK to Buy	0.0	0.0	--	--	--	--	--	--	5	
301	FIEUX	Europe	35.18	OK to Buy	-3.0	-3.0	4.5	12.7	8.1	4.6	6.2	1.12	853	
2406	FGILX	Global Equity Income	15.37	OK to Buy	-1.5	-1.5	5.2	21.1	11.2	8.3	--	0.86	74	
2348	FSGGX	Global ex U.S. Index	12.96	Hold	-3.2	-3.2	1.9	9.3	7.4	4.9	--	0.96	5,737	
335	FIVFX	International Cap App	22.90	Buy	-0.2	-0.2	5.6	22.9	14.9	9.4	10.1	0.94	3,947	
305	FIGRX	International Discovery	44.43	Hold	-2.2	-2.2	4.2	18.2	9.6	5.9	6.8	0.96	6,967	
2010	FIENX	International Enhanced Index	9.46	Hold	-2.5	-2.5	2.2	7.7	6.6	5.1	6.3	0.95	1,596	
1979	FIGFX	International Growth	15.79	OK to Buy	-0.9	-0.9	5.2	24.7	13.4	8.7	9.4	0.94	1,274	
2363	FSPSX	International Index	41.87	Hold	-2.5	-2.5	1.7	11.7	7.7	5.2	5.9	0.91	30,168	
818	FISMX	International Small Cap	27.01	Hold	-3.8	-3.8	3.0	10.1	7.8	8.6	9.4	0.92	1,330	
1504	FSCOX	Int'l Small Cap Opps (Closed)	19.91	OK to Buy	-3.4	-3.4	4.6	18.0	11.7	9.6	10.8	0.97	1,086	
2988	FNIDX	International Sustainability Idx	10.89	Hold	-2.9	-2.9	2.2	10.6	--	--	--	--	96	
1597	FIVLX	International Value	8.04	Hold	-3.6	-3.6	1.0	7.9	3.6	2.3	3.7	1.01	450	
350	FJPNX	Japan	15.75	Hold	-3.3	-3.3	0.5	14.3	8.8	8.1	5.9	0.97	390	
360	FJSCX	Japan Smaller Companies	16.39	Hold	-4.9	-4.9	-0.2	10.9	8.5	9.7	10.3	0.87	664	
349	FLATX	Latin America	28.31	OK to Sell	-3.7	-3.7	2.5	15.3	13.9	7.0	0.4	1.85	532	
342	FNORX	Nordic	46.80	OK to Sell	-2.0	-2.0	5.0	8.6	7.0	6.1	9.4	1.12	263	
94	FOSFX	Overseas	51.08	OK to Buy	-1.4	-1.4	4.6	19.3	10.9	8.1	8.0	0.95	6,564	
302	FPBFX	Pacific Basin	33.16	OK to Buy	-4.0	-4.0	2.4	19.0	11.9	9.4	10.6	1.11	915	
2369	FTEMX	Total Emerging Markets	12.98	Hold	-3.4	-3.4	3.9	8.7	7.7	6.4	--	0.98	205	
1978	FTIEX	Total International Equity	9.55	OK to Buy	-2.7	-2.7	3.7	15.5	9.8	6.4	6.6	0.98	72	
2834	FTIHX	Total International Index	12.01	Hold	-3.3	-3.3	2.0	9.3	7.3	--	--	0.96	3,850	
318	FWWFX	Worldwide	28.30	Buy	-0.2	-0.2	7.2	20.4	15.6	10.5	11.5	1.01	2,098	
3228	FZILX	Zero International Index	10.08	Hold	-3.3	-3.3	1.8	9.6	--	--	--	--	1,523	

# FIDELITY SCORECARD

JANUARY 31, 2020

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) <sup>1</sup>	Assets (\$Mil)		
					Jan	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year				
<b>SPECIALTY</b>															
308	FCV SX	Convertible Securities	31.52	OK to Buy	1.0	1.0	7.8	20.4	11.3	6.6	9.3	0.72	\$1,421		
2624	FARNX	Event Driven Opps (Closed)	10.50	Sell	-5.2	-5.2	2.3	-5.8	-2.9	3.6	--	1.13	97		
2120	FFGCX	Global Commodity Stock	11.78	OK to Sell	-7.9	-7.9	-0.0	-0.7	2.0	1.4	0.2	1.30	233		
3488	FNSTX	Infrastructure Fund	10.99	OK to Sell	4.6	4.6	--	--	--	--	--	--	7		
122	FLVCX	Leveraged Company Stock	31.98	OK to Buy	-1.4	-1.4	7.2	17.4	9.1	7.2	11.1	1.30	1,920		
1329	FSDIX	Strategic Dividend & Income	15.37	Hold	-0.5	-0.5	3.5	14.5	9.1	7.9	10.8	0.67	3,160		
1505	FSRRX	Strategic Real Return	8.32	OK to Sell	-0.8	-0.8	0.5	5.0	2.9	1.8	3.4	0.35	194		
311	FIUIX	Telecom & Utilities	28.73	Hold	2.6	2.6	3.9	21.0	12.3	9.9	12.8	0.71	1,148		
<b>SELECT PORTFOLIOS</b>					<b>Average</b>			<b>-1.9</b>	<b>-1.9</b>	<b>5.6</b>	<b>15.5</b>	<b>10.1</b>	<b>8.8</b>	<b>11.9</b>	<b>1.39</b>
34	FSAIX	Air Transportation	71.05	OK to Buy	-2.7	-2.7	-0.8	6.7	8.9	7.9	14.9	1.45	266		
502	FSAVX	Automotive	37.38	Hold	1.1	1.1	7.6	18.6	9.8	6.0	10.8	1.25	38		
507	FSRBX	Banking	26.47	Hold	-6.6	-6.6	1.8	12.1	5.0	10.3	10.4	1.67	438		
42	FBIOX	Biotechnology	21.11	OK to Buy	-4.4	-4.4	12.6	15.1	11.7	3.8	17.6	1.89	6,787		
68	FSLBX	Chemicals & Investment	82.83	Hold	2.6	2.6	11.8	24.5	13.5	9.3	9.8	1.14	350		
69	FSCHX	Chemicals	11.28	OK to Sell	-8.9	-8.9	-3.1	-7.7	-1.4	3.0	10.6	1.57	735		
518	FSDCX	Communications Equipment	33.76	Hold	-3.7	-3.7	-2.0	-4.6	6.7	6.4	8.6	1.26	161		
503	FBMPX	Communication Services	64.15	Buy	0.0	0.0	6.1	19.2	10.2	10.7	16.0	1.15	623		
7	FDCPX	Computers	84.77	OK to Buy	1.2	1.2	12.1	28.4	19.6	13.5	14.9	1.35	595		
511	FSHOX	Construction & Housing	63.17	Hold	1.9	1.9	1.9	31.5	14.7	11.5	15.7	1.23	366		
517	FSCPX	Consumer Discretionary	49.28	Buy	-0.2	-0.2	4.6	15.4	14.0	11.7	15.5	1.19	450		
98	FSVLX	Consumer Finance	18.02	OK to Buy	1.7	1.7	6.4	22.0	14.5	12.1	12.6	1.18	170		
9	FDFA X	Consumer Staples	87.18	Hold	-1.2	-1.2	3.6	19.7	6.0	5.1	10.2	1.01	851		
67	FSDAX	Defense & Aerospace	18.92	Buy	3.2	3.2	6.0	22.5	19.8	15.7	17.1	1.44	3,233		
60	FSENX	Energy	31.46	OK to Sell	-11.9	-11.9	-3.8	-13.8	-10.4	-5.0	0.1	1.99	789		
43	FSESX	Energy Service	20.46	OK to Sell	-16.9	-16.9	0.7	-29.2	-26.3	-14.9	-7.3	2.86	185		
516	FSLEX	Environment & Alt Energy	25.89	OK to Sell	-3.3	-3.3	3.5	12.2	9.0	9.7	9.7	1.33	197		
66	FIDSX	Financial Services	10.59	Buy	-2.5	-2.5	5.1	19.3	9.9	10.1	9.2	1.26	554		
41	FSAGX	Gold	24.45	Sell	0.3	0.3	7.4	27.8	4.3	5.8	-2.6	1.73	1,409		
63	FSPHX	Health Care	28.25	Buy	-1.2	-1.2	13.1	17.9	17.9	10.0	17.9	1.38	7,764		
505	FSHCX	Health Care Services	100.86	OK to Buy	-3.8	-3.8	10.8	5.6	15.2	11.6	15.1	1.55	1,100		
515	FCYIX	Industrials	35.41	Buy	0.5	0.5	6.6	16.2	8.7	8.8	13.0	1.28	601		
45	FSPCX	Insurance	64.58	Hold	-0.1	-0.1	4.9	21.3	9.9	11.8	13.2	1.00	249		
353	FBSOX	IT Services	79.05	OK to Buy	5.1	5.1	12.0	34.4	27.3	20.8	19.9	1.20	4,509		
62	FDSLX	Leisure	15.60	OK to Buy	-0.3	-0.3	7.0	19.2	14.9	11.0	15.5	1.09	499		
509	FSDPX	Materials	64.58	OK to Sell	-6.6	-6.6	-2.2	-2.4	-1.3	1.2	6.7	1.42	452		
354	FSMEX	Medical Tech & Devices (Closed)	60.34	OK to Buy	0.3	0.3	9.1	19.6	21.3	17.0	17.4	1.24	6,732		
513	FSNGX	Natural Gas	15.91	OK to Sell	-12.7	-12.7	1.0	-20.0	-16.8	-10.8	-4.9	2.11	136		
514	FNARX	Natural Resources	23.84	OK to Sell	-9.9	-9.9	-1.3	-3.7	-6.5	-3.6	0.5	1.73	385		
580	FPHAX	Pharmaceuticals	23.17	Buy	-0.6	-0.6	10.6	26.3	15.6	6.4	14.0	1.09	825		
46	FSRPX	Retailing	16.65	OK to Buy	-1.2	-1.2	0.8	14.0	17.0	15.7	18.7	1.28	2,991		
8	FSELX	Semiconductors	12.24	Buy	-2.2	-2.2	10.8	43.1	23.2	21.5	20.0	1.91	4,216		
28	FSCSX	Software & IT Services	20.97	OK to Buy	5.8	5.8	13.8	36.4	26.0	22.2	20.6	1.14	8,444		
64	FSPTX	Technology	20.78	Buy	4.4	4.4	15.4	47.0	26.2	21.3	18.7	1.41	7,014		
96	FSTCX	Telecommunications	60.61	Hold	-1.0	-1.0	1.7	12.3	3.1	7.3	9.9	0.92	220		
512	FSRFX	Transportation	92.36	Hold	-3.1	-3.1	1.2	3.9	7.3	6.4	14.7	1.47	366		
65	FSUTX	Utilities	100.98	OK to Sell	5.1	5.1	7.4	25.3	17.2	10.8	13.2	0.74	1,378		
963	FWRLX	Wireless	11.22	Hold	0.1	0.1	7.8	33.5	16.8	12.3	12.7	0.98	382		
<b>SECTOR ETFs</b>					<b>Average</b>			<b>-1.0</b>	<b>-1.0</b>	<b>4.5</b>	<b>16.4</b>	<b>10.5</b>	<b>9.6</b>	<b>1.20</b>	
	FCOM	MSCI Communication Services	36.00	OK to Buy	0.6	0.6	6.4	15.9	7.6	10.1	--	1.08	474		
	FDIS	MSCI Consumer Discretionary	48.91	Buy	1.4	1.4	6.3	17.3	14.9	13.0	--	1.17	770		
	FSTA	MSCI Consumer Staples	37.65	Hold	-0.1	-0.1	3.8	20.1	8.9	8.2	--	0.93	561		
	FENY	MSCI Energy	14.16	OK to Sell	-11.6	-11.6	-4.3	-13.6	-8.0	-5.0	--	1.83	410		
	FNCL	MSCI Financials	43.28	Buy	-2.6	-2.6	4.7	17.4	10.0	11.8	--	1.29	1,050		
	FHLC	MSCI Health Care	48.44	OK to Buy	-2.6	-2.6	6.7	12.0	14.6	9.5	--	1.13	1,600		
	FIDU	MSCI Industrials	41.85	Buy	-0.5	-0.5	4.1	16.7	10.4	10.6	--	1.33	461		
	FTEC	MSCI Information Technology	75.17	Buy	3.7	3.7	14.0	42.8	26.4	21.2	--	1.31	2,940		
	FMAT	MSCI Materials	32.16	Hold	-6.3	-6.3	-0.4	7.6	4.0	5.7	--	1.27	194		
	FREL	MSCI Real Estate	28.19	Hold	1.2	1.2	0.7	16.7	10.7	--	--	0.96	998		
	FUTY	MSCI Utilities	44.87	OK to Sell	6.1	6.1	7.2	27.7	15.4	11.2	--	0.84	893		

# FIDELITY SCORECARD

JANUARY 31, 2020

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				SEC %Yield	Dur <sup>2</sup> (Yrs)	Rel Vol (Risk) <sup>1</sup>	
					Jan	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr				
<b>TAXABLE BOND</b>					<b>Average</b>	<b>1.8</b>	<b>1.8</b>	<b>1.6</b>	<b>8.6</b>	<b>4.1</b>	<b>2.6</b>	<b>3.4</b>	<b>1.72</b>	<b>4.9</b>	<b>0.24</b>
2267	FCONX	Conservative Income Bond	10.05	Buy	0.2	0.2	0.5	2.6	2.0	1.5	--	1.64	0.2	0.02	
2208	FCBFX	Corporate Bond	12.43	OK to Buy	2.7	2.7	2.9	14.7	6.8	4.5	--	2.43	7.5	0.32	
2423	FGBFX	Global Credit	9.86	Hold	2.6	2.6	3.0	15.0	7.0	4.0	--	1.70	7.1	0.28	
15	FGMNX	GNMA (Ginnie Mae)	11.58	OK to Buy	0.5	0.5	0.6	5.4	2.8	2.1	3.1	2.24	2.9	0.16	
54	FGOVX	Government Income	10.69	Hold	2.2	2.2	1.5	8.2	3.7	2.1	3.0	1.63	5.6	0.27	
2418	FIPDX	Inflation-Protected Index <sup>3</sup>	10.30	Hold	2.2	2.2	2.8	9.2	3.7	2.3	--	0.40	5.4	0.26	
32	FTHRXX	Intermediate Bond	11.23	Buy	1.7	1.7	1.5	7.9	3.7	2.7	3.4	1.72	3.9	0.18	
452	FSTGX	Intermediate Gov't Income	10.78	OK to Buy	1.6	1.6	1.1	6.1	2.8	1.7	2.3	1.32	3.8	0.19	
3045	FUAMX	Intermediate Treasury Index	11.37	Hold	2.8	2.8	1.7	9.6	4.4	2.5	4.0	1.65	6.4	0.34	
4506	FBII	International Bond Index	10.04	Hold	1.7	1.7	1.0	--	--	--	--	0.68	--	--	
26	FBNDX	Investment Grade Bond	8.33	Buy	1.9	1.9	1.9	10.2	4.9	3.4	4.3	2.00	5.5	0.24	
2622	FJRLX	Limited Term Bond	11.76	Buy	1.0	1.0	1.1	6.1	3.1	2.4	3.1	1.77	2.5	0.11	
662	FFXSX	Limited Term Government	10.11	OK to Buy	0.9	0.9	0.8	4.4	2.1	1.3	1.5	1.27	2.7	0.13	
3047	FNBGX	Long-Term Treasury Index	15.13	Sell	7.5	7.5	3.7	22.1	9.2	3.7	7.4	2.13	18.1	0.92	
40	FMSFX	Mortgage Securities	11.42	OK to Buy	0.7	0.7	1.0	6.3	3.4	2.5	3.4	2.22	3.1	0.17	
450	FSHBX	Short-Term Bond	8.74	OK to Buy	0.6	0.6	0.8	4.3	2.4	1.7	1.8	1.59	1.8	0.07	
3041	FNSOX	Short-Term Bond Index	10.15	OK to Buy	1.0	1.0	1.1	5.4	--	--	--	1.67	2.6	--	
3049	FUMBX	Short-Term Treasury Index	10.61	OK to Buy	0.9	0.9	0.9	4.8	2.3	1.6	1.6	1.54	2.6	0.12	
3086	FNDX	Sustainability Bond Index	10.70	Hold	1.9	1.9	1.8	9.2	--	--	--	2.07	5.6	--	
820	FTBFX	Total Bond	11.09	Buy	1.9	1.9	2.1	10.0	4.8	3.7	4.6	2.30	5.3	0.22	
2326	FXNAX	U.S. Bond Index	12.13	Hold	2.1	2.1	1.8	9.6	4.6	3.0	3.7	2.15	5.8	0.25	
<b>HIGH-YIELD BOND</b>					<b>Average</b>	<b>0.2</b>	<b>0.2</b>	<b>2.3</b>	<b>8.0</b>	<b>5.1</b>	<b>5.1</b>	<b>6.1</b>	<b>3.61</b>	<b>2.8</b>	<b>0.35</b>
38	FAGIX	Capital & Income	10.18	OK to Buy	-0.4	-0.4	3.3	10.9	6.8	6.3	7.9	3.42	3.2	0.54	
814	FFRHXX	Floating Rate High Income	9.47	Buy	0.2	0.2	2.3	5.9	4.1	4.2	4.1	4.46	0.2	0.23	
1366	FHIFX	Focused High Income	8.88	Buy	-0.0	-0.0	1.4	10.2	5.8	5.3	6.3	2.99	2.5	0.32	
2297	FGHXX	Global High Income	9.57	OK to Buy	-0.0	-0.0	2.2	8.4	5.6	5.5	--	3.95	2.7	0.34	
455	SPHIX	High Income	8.88	OK to Buy	-0.5	-0.5	1.7	8.6	5.9	5.7	6.7	3.96	2.3	0.36	
331	FNMIX	New Markets Income	15.23	OK to Buy	1.4	1.4	4.2	6.4	3.9	5.7	6.3	4.54	5.8	0.51	
2580	FSAHX	Short Duration High Income	9.40	OK to Buy	-0.1	-0.1	0.9	5.6	3.9	3.9	--	2.66	1.5	0.24	
3082	FADMXX	Strategic Income	12.54	OK to Buy	0.9	0.9	2.4	8.3	5.1	4.6	5.3	2.92	4.2	0.25	
<b>MUNICIPAL BOND</b>					<b>Average</b>	<b>1.6</b>	<b>1.6</b>	<b>2.0</b>	<b>7.7</b>	<b>4.6</b>	<b>3.0</b>	<b>4.0</b>	<b>1.22</b>	<b>5.2</b>	<b>0.20</b>
434	FSAZX	Arizona Muni Income	12.59	Hold	1.7	1.7	2.1	8.2	4.8	3.3	4.5	1.08	5.8	0.22	
1534	FCSTX	Calif Limited Term Tax Free	10.84	OK to Buy	1.0	1.0	1.3	4.4	2.7	1.8	2.2	0.80	3.1	0.12	
91	FCFTX	California Muni Income	13.46	Hold	1.9	1.9	2.2	8.8	5.1	3.4	5.0	1.23	6.1	0.23	
407	FICNX	Connecticut Muni Income	11.96	Hold	1.7	1.7	2.2	8.7	4.8	3.1	3.9	1.27	5.4	0.21	
2578	FCRDXX	Conservative Income Muni	10.07	Buy	0.3	0.3	0.5	1.9	1.4	1.0	--	0.89	0.6	0.03	
36	FLTMX	Interm Municipal Income	10.78	Buy	1.6	1.6	2.0	7.4	4.5	2.9	3.6	1.21	4.7	0.19	
404	FSTFX	Limited Term Muni Income	10.78	Buy	0.9	0.9	1.3	4.5	2.7	1.7	2.0	0.98	2.8	0.12	
429	SMDMX	Maryland Muni Income	11.85	Hold	1.8	1.8	2.3	8.0	4.8	3.2	3.9	1.12	5.6	0.22	
70	FDMXX	Mass Muni Income	12.62	Hold	1.8	1.8	2.2	8.4	4.7	3.1	4.3	1.21	5.6	0.22	
81	FMHTX	Michigan Muni Income	12.66	Hold	1.7	1.7	2.1	8.2	5.0	3.4	4.2	1.27	5.7	0.21	
82	FIMIX	Minnesota Muni Income	12.08	Hold	1.6	1.6	2.0	8.1	4.5	3.1	3.7	1.11	5.7	0.21	
3469	FMBIX	Municipal Bond Index	20.37	Hold	1.6	1.6	2.0	--	--	--	--	1.50	5.7	--	
37	FHIGX	Municipal Income	13.64	Hold	2.0	2.0	2.6	9.8	5.8	3.8	4.9	1.52	6.5	0.25	
416	FNJHX	New Jersey Muni Income	12.48	Hold	1.9	1.9	2.3	9.6	6.2	3.8	4.4	1.26	5.8	0.23	
71	FTFMX	New York Muni Income	13.72	Hold	1.9	1.9	2.4	8.9	4.9	3.4	4.3	1.26	6.2	0.24	
88	FOHFX	Ohio Muni Income	12.56	Hold	1.7	1.7	2.1	8.1	4.9	3.4	4.4	1.30	5.8	0.23	
402	FPXTX	Pennsylvania Muni Income	11.56	Hold	1.7	1.7	2.1	8.7	5.1	3.5	4.4	1.39	6.2	0.22	
90	FTABX	Tax-Free Bond	12.13	Hold	2.0	2.0	2.6	9.9	5.7	3.8	4.9	1.61	6.4	0.24	

Yields on municipal funds are not directly comparable to yields on taxable funds. In muni funds your effective yield will be higher as your tax-bracket increases. \*12 month distributed yield.

TAXABLE GOV'T MONEY MARKETS		Total Return (%)		SEC	
		Jan	YTD	%Yield	
55	FDRXX	Gov't Cash Reserves	0.11	0.11	1.27
458	SPAXX	Government MM	0.10	0.10	1.21
2742	FZFX	Treasury MM	0.10	0.10	1.23
415	FDLXX	Treasury Only MM	0.10	0.10	1.19
<b>PRIME MONEY MARKETS</b>					
454	SPRXX	Money Market*	0.12	0.12	1.44
*Available in premium class shares (FZDXX) with a \$100,000 minimum (\$10,000 for certain Fidelity retirement accounts) and lower expenses.					
<b>NATIONAL MUNICIPAL MONEY MARKETS</b>					
10	FTEXX	Municipal Money Market	0.06	0.06	0.64
275	FMOXX	Tax-Exempt MM	0.05	0.05	0.53

STATE MUNICIPAL MONEY MARKETS			Total Return (%)		SEC
			Jan	YTD	%Yield
433	FSAXX	Arizona Muni MM	0.05	0.05	0.46
97	FCFXX	California Muni MM	0.05	0.05	0.43
457	FSPXX	California AMT Tax-Free	0.06	0.06	0.61
418	FCMXX	Connecticut Muni MM	0.05	0.05	0.53
426	FMSXX	Mass AMT Tax-Free	0.06	0.06	0.69
74	FDMXX	Massachusetts Muni MM	0.05	0.05	0.55
420	FMIXX	Michigan Muni MM	0.04	0.04	0.42
417	FNJXX	New Jersey Muni MM	0.05	0.05	0.52
423	FSJXX	New Jersey AMT Tax-Free	0.06	0.06	0.67
92	FNYXX	New York Muni MM	0.05	0.05	0.49
422	FSNXX	New York AMT Tax-Free	0.06	0.06	0.68
419	FOMXX	Ohio Muni MM	0.05	0.05	0.53
401	FPTXX	Pennsylvania Muni MM	0.05	0.05	0.47

**FIDELITY SCORECARD**

**JANUARY 31, 2020**

Fund No.	Fund Ticker	Fund Name	Style	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) <sup>1</sup>
						Jan	YTD	3 Mo.	1 Year	3 Year	5 Year	10 Year	
<b>FIDELITY PERSONAL RETIREMENT ANNUITY PORTFOLIOS</b>													
Model Portfolios	Annuity Sector Model					0.4	0.4	8.6	22.7	14.8	13.0	14.0	1.10
	Annuity Growth Model					0.6	0.6	7.8	19.6	13.3	10.8	12.4	1.07
	Annuity Growth & Income Model					1.4	1.4	6.2	15.6	8.8	7.3	8.7	0.67
	Annuity Income Model					1.4	1.4	3.6	10.3	4.8	0.7	5.2	0.34
9067	FLRQC	Fid VIP Asset Manager	Allocation	22.54	Hold	0.3	0.3	4.2	12.6	7.6	5.2	7.2	0.53
9066	FAEFC	Fid VIP Asset Manager: Growth	Allocation	23.84	Hold	-0.2	-0.2	5.1	14.6	9.1	6.2	8.5	0.74
9069	FJBAC	Fid VIP Balanced	Allocation	28.95	Buy	0.9	0.9	6.1	17.4	10.8	8.5	10.0	0.74
9461	FBIQC	Fid VIP Bond Index	Bond	11.23	Hold	1.9	1.9	1.6	9.0	--	--	--	--
9173	FVTAC	Fid VIP Communication Services	Sector	20.85	Buy	-0.0	-0.0	6.1	18.9	7.7	10.1	11.4	1.07
9081	FVHAC	Fid VIP Consumer Discretionary	Sector	37.22	Buy	-0.2	-0.2	4.5	15.1	13.7	11.4	15.1	1.18
9171	FCSAC	Fid VIP Consumer Staples	Sector	29.38	Hold	-1.1	-1.1	3.4	19.1	6.6	7.2	11.0	1.00
9065	FPDFC	Fid VIP Contrafund	Large Growth	34.12	Buy	2.5	2.5	9.4	22.9	14.0	11.0	12.7	1.06
9148	FPRGC	Fid VIP Disciplined Small Cap	Small Blend	21.99	Hold	-3.6	-3.6	1.2	6.8	3.4	6.1	11.2	1.37
9074	FZAMC	Fid VIP Emerging Capital App	Large Growth	35.69	Hold	1.0	1.0	7.8	22.0	14.1	9.9	13.4	1.01
9198	FEMAC	Fid VIP Emerging Markets	Emg Mkts	11.72	OK to Buy	-4.6	-4.6	3.8	12.4	11.8	6.4	4.8	1.19
9085	FJLLC	Fid VIP Energy	Sector	11.82	OK to Sell	-11.9	-11.9	-3.9	-13.9	-10.5	-5.2	-0.0	1.98
9061	FLOLC	Fid VIP Equity-Income	Large Value	24.80	Buy	-2.0	-2.0	3.7	16.1	8.3	8.3	10.8	0.94
9469	FEMJC	Fid VIP Extended Market Index	Mid Blend	10.35	Buy	-2.2	-2.2	4.0	10.5	--	--	--	--
9083	FONNC	Fid VIP Financial Services	Sector	16.25	Buy	-2.6	-2.6	5.0	19.0	9.7	9.9	9.1	1.26
9361	FFLCC	Fid VIP Floating Rate High Income	High-Yield Bond	12.07	Buy	0.2	0.2	2.1	5.9	3.8	3.9	--	0.23
9157	FMPAC	Fid VIP FundsManager 20	Allocation	16.75	Hold	0.9	0.9	2.3	8.6	5.0	3.5	4.2	0.23
9158	FMPBC	Fid VIP FundsManager 50	Allocation	20.04	Hold	0.2	0.2	3.9	12.7	7.7	5.7	7.0	0.51
9197	FMPPC	Fid VIP FundsManager 60	Allocation	19.31	Hold	-0.0	-0.0	4.4	13.9	8.6	6.6	7.9	0.61
9159	FMPCC	Fid VIP FundsManager 70	Allocation	21.56	Hold	-0.3	-0.3	4.9	14.9	9.3	7.2	8.6	0.71
9160	FMPDC	Fid VIP FundsManager 85	Allocation	22.52	Hold	-0.7	-0.7	5.6	16.6	10.7	8.3	9.8	0.86
9059	FTNJC	Fid VIP Gov't Money Market	Money Mkt	11.75	--	0.1	0.1	0.3	1.7	1.2	0.7	0.3	0.01
9062	FMNDC	Fid VIP Growth	Large Growth	39.09	Buy	2.5	2.5	10.6	26.2	20.4	14.7	16.1	1.11
9070	FLFNC	Fid VIP Growth & Income	Large Blend	29.42	Hold	-2.5	-2.5	4.6	16.7	9.8	9.5	12.1	1.09
9068	FIDPC	Fid VIP Growth Opportunities	Large Growth	46.91	Buy	2.8	2.8	12.2	28.6	27.6	18.1	18.7	1.20
9084	FPDRC	Fid VIP Health Care	Sector	53.67	Buy	-1.9	-1.9	11.6	14.1	16.8	9.3	17.4	1.38
9060	FBBLC	Fid VIP High Income	High-Yield Bond	22.75	OK to Buy	-0.4	-0.4	1.7	8.9	5.1	5.1	6.2	0.36
9064	FXVLT	Fid VIP Index 500	Large Blend	33.80	OK to Buy	-0.1	-0.1	6.6	21.3	14.1	12.0	13.6	1.00
9082	FBALC	Fid VIP Industrials	Sector	38.32	Buy	0.5	0.5	6.5	15.9	8.5	8.6	12.8	1.29
9473	FFIQC	Fid VIP International Index	Diversified Int'l	10.12	Hold	-3.3	-3.3	1.7	9.1	--	--	--	--
9076	FVJIC	Fid VIP Int'l Capital App	Diversified Int'l	24.10	Buy	-0.2	-0.2	5.6	22.8	14.7	9.2	9.9	0.94
9063	FTLKC	Fid VIP Investment Grade Bond	Inv Grd Bond	18.12	Buy	2.0	2.0	2.1	9.9	4.6	3.1	3.9	0.23
9172	FVMAC	Fid VIP Materials	Sector	18.97	OK to Sell	-5.5	-5.5	-0.5	-0.8	-1.0	1.2	6.7	1.41
9071	FNBSC	Fid VIP Mid Cap	Mid Blend	29.69	Buy	-2.3	-2.3	4.0	9.3	6.3	6.8	10.2	1.19
9088	FEMMC	Fid VIP Overseas	Diversified Int'l	19.41	OK to Buy	-1.5	-1.5	4.3	18.1	10.4	6.2	6.7	0.95
9072	FFWKC	Fid VIP Real Estate	Sector	27.33	Hold	0.8	0.8	-1.6	10.9	6.6	4.1	11.7	1.00
9075	FGDQC	Fid VIP Strategic Income	High-Yield Bond	21.25	OK to Buy	0.9	0.9	2.2	8.0	4.8	4.1	4.7	0.25
9086	FYENC	Fid VIP Technology	Sector	62.55	Buy	4.5	4.5	15.4	47.0	26.6	21.2	18.3	1.41
9465	FTMJC	Fid VIP Total Market Index	Large Blend	11.72	OK to Buy	-0.2	-0.2	6.5	20.0	--	--	--	--
9087	FXRRC	Fid VIP Utilities	Sector	38.01	OK to Sell	5.0	5.0	7.3	25.2	17.0	10.6	13.0	0.74
9079	FKMSC	Fid VIP Value	Large Value	25.25	OK to Buy	-4.0	-4.0	3.9	15.2	7.4	7.4	11.1	1.16
9073	FRBSC	Fid VIP Value Strategies	Mid Value	25.78	Hold	-3.7	-3.7	4.0	15.0	7.2	6.4	10.7	1.23
9347	FBMEC	Black Rock Global Allocation	Global Allocation	14.93	Hold	0.1	0.1	3.8	11.9	6.6	4.8	5.7	0.57
9349	FTMEC	Franklin Templeton Global Bond	Global Bond	11.36	Hold	-0.8	-0.8	0.7	-1.2	1.5	0.6	3.1	0.47
9348	FFMEC	Franklin Templeton US Gov't	Intermed Gov't	10.99	Hold	0.8	0.8	0.6	5.0	2.3	1.4	1.9	0.16
9285	FIGXC	Invesco Global Core Eqty	Global Stock	14.74	Hold	-2.7	-2.7	4.0	11.6	6.9	6.0	6.5	1.09
9147	FPRLC	Lazard Retirement Emerging Mkts	Emg Mkts	16.53	Hold	-6.1	-6.1	0.7	-0.5	3.2	2.3	3.0	1.24
9143	FPRMC	Morgan Stanley Emerg Mkt Debt	Emg Mkt Bond	20.81	OK to Buy	1.3	1.3	2.8	9.6	5.1	5.0	5.1	0.47
9144	FPRNC	Morgan Stanley Emerg Mkt Equity	Emg Mkts	14.91	Hold	-5.1	-5.1	1.0	4.9	6.0	3.3	3.3	1.12
9146	FPRPC	Morgan Stanley Global Strategist	Diversified Int'l	15.20	Hold	-1.8	-1.8	2.2	9.4	7.1	4.3	5.8	0.59
9346	FPMEC	Pimco Commodity Real Return	Commodities	5.41	Hold	-7.2	-7.2	-4.2	-3.3	-3.6	-4.8	-3.8	0.85
9276	FPMBC	Pimco VIT Low Duration	Shrt-Term Bond	12.20	Buy	0.8	0.8	0.8	4.0	1.9	1.3	1.7	0.09
9277	FPNBC	Pimco VIT Real Return	TIPS	14.19	Hold	2.2	2.2	3.0	8.7	3.3	1.9	3.1	0.25
9278	FPOBC	Pimco VIT Total Return	Intermed Bond	14.81	Hold	2.4	2.4	1.8	9.2	4.5	2.8	3.7	0.24

Annuity Sector		Annuity Growth		Annuity Growth & Income		Annuity Income	
Fund	Allocation	Fund	Allocation	Fund	Allocation	Fund	Allocation
VIP Technology	24%	VIP Growth Opps	29%	VIP Growth Opps	21%	Pimco VIT Low Duration	33%
VIP Cons Discretionary	18	VIP Contrafund	29	VIP Contrafund	21	VIP Contrafund	27
VIP Health Care	15	VIP Extended Market	25	VIP Int'l Cap App	20	VIP Investment Grade	21
VIP Comm Services	15	VIP Equity-Income	17	VIP Floating Rate Hi Inc	19	VIP Floating Rate Hi Inc	19
VIP Financial Services	14			VIP Investment Grade	10		
VIP Industrials	14			Pimco VIT Low Dur	9		
<b>Total Return:</b>		<b>Total Return:</b>		<b>Total Return:</b>		<b>Total Return:</b>	
<b>Jan: 0.4% YTD: 0.4%</b>		<b>Jan: 0.6% YTD: 0.6%</b>		<b>Jan: 1.4% YTD: 1.4%</b>		<b>Jan: 1.4% YTD: 1.4%</b>	

**GROWTH FUNDS**

## Fidelity Bets Big On Trillion-Dollar Stocks

Setting aside last week’s setback, for the third time, Amazon briefly became the fourth member of the world’s most exclusive club: companies with market caps topping \$1 trillion! And while Google’s Alphabet also slipped below that threshold, along with Apple and Microsoft they are still the four largest public companies on earth.

As for Amazon’s founder and largest individual shareholder, Jeff Bezos, even after his handing over a quarter of his shares to his ex-wife last summer, his remaining 59 million shares are worth around \$118 billion! That likely makes Mr. Bezos the world’s richest man.

Another big Amazon stakeholder is Fidelity (FMR) and their indexing arm Geode Capital Management. But for most of this discussion, we’re focusing on Fidelity’s actively

\$120 billion in assets makes it one of the largest funds in the world) owns almost 1% of Amazon’s outstanding shares. However, its roughly \$8 billion stake represents a sizeable 6.6% of the fund’s assets. That means its manager, Will Danoff, is quite bullish on Amazon; he overweights its stock by a factor of almost two.

While Fidelity generally, and Contrafund, in particular, are enthusiastic investors in Amazon, an examination of their holdings suggests that their managers are even more bullish over Google’s holding company Alphabet.

Accounting for Alphabet’s voting and non-voting shares, they make up 3% of the S&P 500. However, Fidelity’s 23 million shares (now valued at around \$29 billion) translate into a 7.2% stake in Alphabet. Throw in another 2.7% for Geode, and the combined firms’ active and passive funds hold 10% of Alphabet’s outstanding shares.

more than \$2 billion of Contra’s assets to the stock. But his 2.1% allocation is a big underweight. As a result, Fidelity’s overall exposure to Apple (at 2.2%) is also a significant underweight. This suggests that Will and his growth-oriented colleagues see better opportunities elsewhere. (Last month Apple reported stronger-than-expected sales and earnings and the stock, at one point, jumped nearly 8%!)

Until recently, Microsoft was the world’s biggest company by market cap, and Fidelity’s single-biggest investment. At the end 3Q19 (the latest data available), their funds held 243,240,860 shares. As of January 31, their value topped \$41 billion! While Fidelity holds 3.2% of its shares, that’s still an underweight relative to Microsoft’s 4.4% weight in the S&P 500.

Of course, there’s another way to consider Fidelity’s relationship with Microsoft. While the stock is “underheld,” the table tells a different story: Many of Fidelity’s most tech-savvy managers not only overweight Microsoft (and often-times to more growth-oriented benchmarks, too), some have made it their #1 position.

	500 Index <sup>1</sup>	Blue Chip	Contrafund	Fidelity	Focused	Growth Co	Magellan	OTC
Microsoft	4.4	5.7	5.4	7.7	6.1	4.5	5.4	10.0
Apple	4.3	7.1	2.1	6.3	5.1	6.0	4.9	10.0
Alphabet <sup>2</sup>	3.0	7.1	5.2	4.8	5.0	6.1	3.6	7.9
Amazon	2.9	6.7	6.6	3.5	3.2	5.9	3.7	5.3
Facebook <sup>3</sup>	1.9	4.3	7.4	3.0	3.5	2.7	2.5	4.7

<sup>1</sup>Fidelity index fund is proxy for the S&P 500; <sup>2</sup>Combines A and C shares; <sup>3</sup>Class A shares

*This table shows some of Fidelity’s most popular large-cap growth funds and their exposures (in percentage terms) to five of the largest stocks in the S&P 500 at the end of 2019’s third quarter. In only one instance (Contrafund, shown in red) does a fund significantly underweight Apple. At the same time, it significantly overweights Facebook where the manager was a pre-IPO investor. Note that some funds use more growth-oriented indexes for their benchmarks, and not necessarily the S&P 500.*

managed funds as it’s far more revealing to gauge their managers’ collective interest in a stock — particularly among the largest and most researched companies in the world!

Based on recent filings, Fidelity funds (excluding their index offerings such as **500 Index**) hold 3.4% of Amazon’s outstanding shares. To put that in perspective, that’s an overweight relative to the giant e-commerce-retailer’s 2.9% weight in the S&P 500. (Geode holds an additional 1.2%.)

For its part, **Contrafund** (whose

Not surprisingly, a number of Fidelity’s large-cap growth funds overweight Alphabet, including **OTC** (7.9%), **Blue Chip Growth** (7.1%) and **Growth Co.** (6.1%).

Then there’s Apple. Until recently, it accounted for 4.3% of the S&P 500, and it was the benchmark’s second-biggest constituent stock: its market cap is roughly \$1.4 trillion!

So what does Danoff (one of the industry’s most successful early-stage tech investors) think of the consumer electronics giant?

On the one hand, he’s allocated

### The Long View

Historically, Fidelity’s growth funds have invested heavily in the biggest and fastest growing companies. Thirty years ago, that list included ATT, General Electric and Walmart, while only a few managers had the guts to buy a four-year-old start-up called Apple Computer.

Will today’s members of the trillion-dollar club still reign supreme 30 years from now? The smart money suggests no. On the other hand, there’s a good chance some of these same growth funds may already own their replacements. ■

— John Bonnanzio

## Inside Fidelity

**New Brokerage Service** — In a bid to reach out to younger investors, Fidelity now allows its 23 million brokerage customers to purchase fractional shares in stocks and ETFs. Though not the first brokerage to do so, Fidelity is the first in the industry to allow customers to make their trades in real-time, rather than wait for end-of-day pricing, or be delayed while the brokerage firm accumulates “like-minded” trades.

At a time when some of the country’s largest companies have very high share prices (Alphabet’s Class A voting shares, for example, are \$1,432.78), investors just starting out can now invest \$2,000 and wind up holding almost 1.4 shares.

Fidelity’s desire to make investing appear more accessible to smaller investors has also taken some curious twists. In 2018, it took the unusual step of executing a 10-for-1 share split for funds whose NAVs exceeded \$100. So, for example, whereas **Contrafund’s** NAV was \$130.26 on the day of its share-split, the following day it was priced at \$13.026 (though the investor wound up with 10 shares). ■

### DIVIDEND UPDATE

*Other than monthly dividends on bond and money market funds, and Asset Mgr: 20%/30%, the following funds are scheduled for a distribution (if any) in February:*

Contrafund, Global Credit, Inflation-Protected Index, Intermed Muni, Limited Term Muni, MI, MN, OH, and PA Muni Income, Multi-Asset Inc, New Markets Inc, Strategic Inc, Trend

*No funds made distributions in January.*

### FUND UPDATE

## Magellan Sets New Course

Last month Sammy Simnegar became the sole manager of **Magellan** (and its smaller clone **Independence**).



Sammy Simnegar

If his name sounds familiar, that’s because we’ve highlighted his other charge, the highly successful **International Capital Appreciation** in prior issues. (We hold that fund in several of our models.)

While it’s not unusual for managers to run several funds, typically there’s plenty of overlap. But in Sammy’s case, his responsibilities (which have included developed and emerging market portfolios) have expanded dramatically to include the U.S. Granted, his resources research-wise are nearly limitless at Fidelity. Nonetheless, he now has a very big store to mind.

Although Sammy officially moved to Magellan at the start of this year, he’s been transitioning as co-manager since February 2019. And while it’s impossible to gauge which portfolio changes he’s directed, we looked back to March 31, 2019 for our comparisons, as that date captures how Magellan’s now-retired manager, Jeff Feingold, had positioned the fund.

Outpacing the S&P 500 through almost all of 2019 (Magellan basically matched the index at year-end with a return of 31.2% versus 31.5%), a major course-correction in the fourth quarter weighed on its overall performance. On the other hand, Magellan is now better positioned to capitalize on the market’s fastest-growing and most promising

stocks (see p. 11). For example, 10 months ago tech stocks were only slightly overweighted at 26% of assets; today they’re almost 37%! To buy them, Sammy eliminated Magellan’s 4% stake in energy and slashed financials to 6%, down from just over 14%. With portfolio turnover shooting up from 40% a year ago to 124%, today, Magellan and Independence are much more like Fidelity’s other large-cap growth funds, and less like the S&P 500 Index.

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### Action Recommendation

Bearing in mind that (over the past decade) Sammy has steered Int’l Cap App to the top-3% of foreign funds, his stockpicking skills have been exceptional. Just as that caught our attention, it’s clearly the reason why Fidelity has given him two domestic funds to also run (while also allowing him to keep his exemplary record at Int’l Cap App).

Of course, we’ll continue to monitor all his funds. But based on Sammy’s track record and, most importantly, the changes he’s initiated at Magellan (and Independence), we’ve upgraded these newly refashioned large-cap growth funds to *OK to Buy*. ■

— John Bonnanzio

### 2020 Independent Guide

The 34th Edition of our *Independent Guide to Fidelity Funds* is now at the printer!

The perfect companion to your monthly newsletter, the *Guide* contains in-depth analysis and timely information on over 200 retail funds in our *Scorecard* whose combined assets top a trillion dollars! To receive your free copy, you need only to renew your subscription.

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**Editorial Questions:** [editorial@fmandi.com](mailto:editorial@fmandi.com) **Subscription Questions:** [memberservices@fmandi.com](mailto:memberservices@fmandi.com) or 800-444-6342