

# FIDELITY MONITOR & INSIGHT

MARCH 2020

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## MESSAGE FROM JACK

### Why Passive Investing Is Not Always Superior

A recent *Wall Street Journal* article, "The Mental Mistakes That Active Investors Make," was one-sided.

In this rebuttal I present the wrong assumptions that passive pundits often make:



Jack Bowers

- **Believing a passive approach always delivers better results.** For the U.S. stock market, the past decade was characterized by high transparency, experienced and risk-averse CEOs,

and no major technology disruption threats beyond energy and retail. Under those conditions negative surprises were relatively rare, making security selection unimportant. It would be foolish to assume that all markets will be like this going forward.

- **Thinking the S&P 500 is passive.** The Index Committee puts seniority ahead of market cap and does not include technology disruptors that aren't profitable. There are plenty of dying retailers in the index, but fast-growing large-caps that have gone public in the last decade are largely absent. The index also has turnover drag: S&P 500 index funds must buy high and sell low when new stocks replace old ones. In a typical year with 3% turnover, this can create a phantom expense ratio of 0.3%.

- **Assuming indexing will never disappoint.** Financial markets are a zero-sum game. If a particular strategy becomes too popular, its advantage disappears. Passive investors are vulnerable because they refuse to pay for research. Amid a shrinking base of those willing to do fundamental analysis, the payoff for doing so will rise substantially.

- **Concluding that an index strategy minimizing capital gain distributions is better than one that seeks opportunities and manages risk.** Unless you plan to pass your tax liability on to your heirs, the capital gains paid after buying and selling a passive investment are no lower than an active approach (and might be higher if future tax rates rise).

## MARKET OUTLOOK

### Virus Fears Drive Stocks Into Correction Territory

Let me say this right up front, I have no idea how severe and long-lasting the coronavirus outbreak (Covid-19) will ultimately be. Nor do I know how much damage will be done to global GDP before the virus is contained. Early on it was compared to the SARS virus, but it is really a different animal. Where SARS had a higher mortality rate (around 10% versus 2%-3%) it had a much lower transmission rate; so Covid-19 is proving to be a more serious threat.



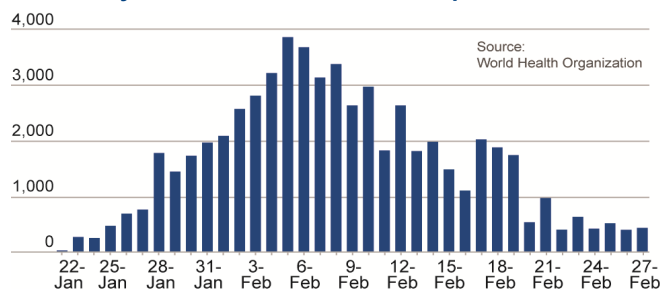
John M. Boyd

SARS ultimately spread to 29 countries infecting 8,096 people and killing 774 of them. So far, Covid-19 has already infected 90,000 people in 65 countries, with 3,000 deaths. This rapid spread is what has really spooked the markets and experts believe it's likely to get worse before it gets better. The Center for Disease Control recently warned that a more significant outbreak in the U.S., where we have just 35 cases at the moment, is all but inevitable. (To keep things in perspective, the flu kills up to 646,000 worldwide each year!)

At this point, however, the danger to the markets is less about the disease itself than about the draconian response to it in China (and elsewhere). Quarantines may be necessary to control the spread of the disease, but they mean that many factories are idle. Goods that the rest of the world relies on are not getting produced. With a 20% share of global output, China is the center of many global supply chains. Already several U.S. firms are warning of weaker earnings due to loss of production in China.

On the plus side, it is encouraging that reported new cases in China have been falling in recent days, suggest-

#### Daily New Coronavirus Cases Reported In China



Market Outlook cont'd on page 3

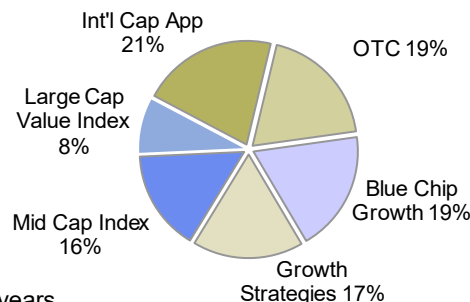
**Unique Opportunities** Target Risk: 1.20 (Current: 1.00) Foreign Holdings: 24.1% **YTD Return: -5.6%**

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

Holdings	Ticker	NAV	Shares	Value	Feb Ret
Int'l Cap App	FIVFX	\$21.77	5,792.35	\$126,100	-4.9%
OTC	FOCPX	12.31	9,316.01	114,680	-6.1
Blue Chip Growth	FBGRX	104.70	1,080.15	113,092	-5.8
Growth Strategies	FDEGX	47.96	2,149.23	103,077	-5.7
Mid Cap Index	FSMDX	21.41	4,383.95	93,860	-8.7
Large Cap Value Index	FLCOX	11.68	4,383.84	51,203	-9.7

**Current Value (3/31/99 = \$100,000) \$602,012 -6.5%**

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



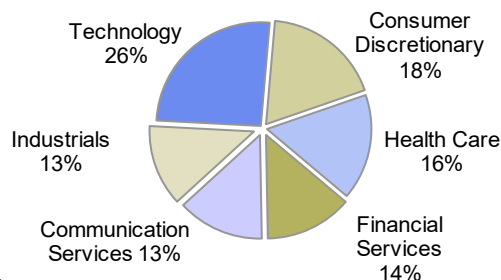
**Select** Target Risk: 1.20 (Current: 1.09) Foreign Holdings: 5.8% **YTD Return: -6.6%**

Stocks: 99.0% Bonds: 0.0% Cash: 1.1% Alternatives\*: 0.0% Yield: 0.3%

Holdings	Ticker	NAV	Shares	Value	Feb Ret
Technology	FSPTX	\$19.66	59,597.61	\$1,171,689	-5.4%
Consumer Discretionary	FSCPX	45.58	18,437.50	840,381	-7.5
Health Care	FSPHX	26.53	28,549.10	757,408	-6.1
Financial Services	FIDSX	9.49	65,458.81	621,204	-10.4
Communication Services	FBMPX	60.84	10,140.48	616,947	-5.2
Industrials	FCYIX	31.91	18,226.48	581,607	-9.9

**Current Value (12/31/88 = \$100,000) \$4,589,236 -7.2%**

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



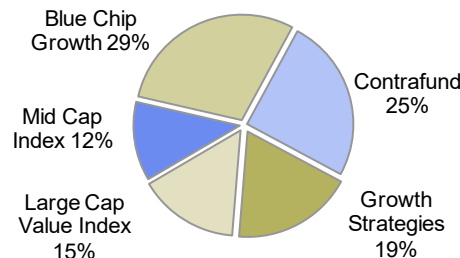
**Growth** Target Risk: 1.00 (Current: 1.03) Foreign Holdings: 5.0% **YTD Return: -5.6%**

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

Holdings	Ticker	NAV	Shares	Value	Feb Ret
Blue Chip Growth	FBGRX	\$104.70	8,693.94	\$910,256	-5.8%
Contrafund	FCNTX	13.08	59,506.54	778,345	-5.9
Growth Strategies	FDEGX	47.96	11,933.81	572,345	-5.7
Large Cap Value Index	FLCOX	11.68	40,624.16	474,490	-9.7
Mid Cap Index	FSMDX	21.41	17,577.87	376,342	-8.7

**Current Value (12/31/86 = \$100,000) \$3,111,779 -6.8%**

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



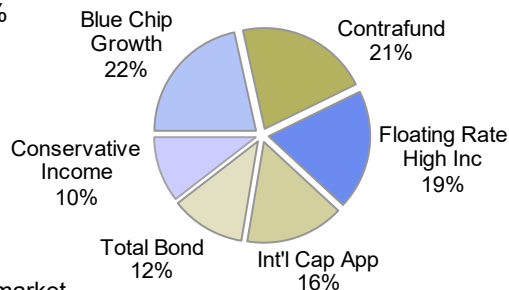
**Growth & Income** Target Risk: 0.66 (Current: 0.64) Foreign Holdings: 28.3% **YTD Return: -2.2%**

Stocks: 58.1% Bonds: 20.5% Cash: 1.8% Alternatives\*: 19.6% Yield: 1.3%

Holdings	Ticker	NAV	Shares	Value	Feb Ret
Blue Chip Growth	FBGRX	\$104.70	1,579.33	\$165,355	-5.8%
Contrafund	FCNTX	13.08	12,404.03	162,245	-5.9
Floating Rate High Inc	FFRHX	9.28	15,873.84	147,309	-1.7
Int'l Cap App	FIVFX	21.77	5,523.40	120,245	-4.9
Total Bond	FTBFX	11.19	8,131.75	90,994	1.1
Conservative Income	FCONX	10.05	8,027.18	80,673	0.1

**Current Value (12/31/93 = \$100,000) \$766,821 -3.5%**

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



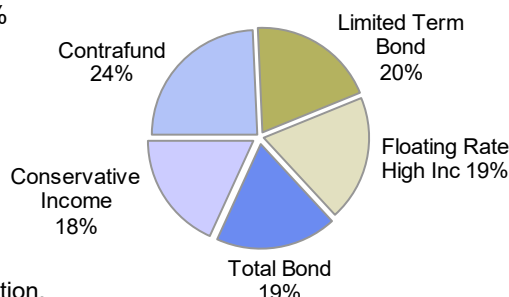
**Income** Target Risk: 0.33 (Current: 0.31) Foreign Holdings: 20.0% **YTD Return: -0.3%**

Stocks: 24.3% Bonds: 51.7% Cash: 3.1% Alternatives\*: 20.8% Yield: 1.6%

Holdings	Ticker	NAV	Shares	Value	Feb Ret
Contrafund	FCNTX	\$13.08	8,053.62	\$105,341	-5.9%
Limited Term Bond	FJRLX	11.84	7,136.07	84,491	0.9
Floating Rate High Inc	FFRHX	9.28	9,046.48	83,951	-1.7
Total Bond	FTBFX	11.19	7,203.25	80,604	1.1
Conservative Income	FCONX	10.05	7,856.91	78,962	0.1

**Current Value (12/31/91 = \$100,000) \$433,350 -1.4%**

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



ing that they may be close to having the virus “contained” about two months after the first reported cases. If other countries follow a similar pattern, the worst could perhaps be over in a few more months. However, official Chinese data should always be taken with a grain of salt. As an old investment friend who spent many years in China suggested to me, “watch what they do, not what they say. When they re-open the schools you’ll know they believe it is under control.” Of course, as China begins to loosen travel restrictions and people start returning to school and work, there could be a re-acceleration in cases. So the situation is still not clear at this juncture.

In any event, I believe that at some point, Covid-19 will either be contained or will remain mild and take its place annually along with “cold and flu season.” In either case, China’s factories should eventually be humming again. The question then is what should investors do in the meantime.

### Stay With Your Investments

If you are following one of our models, the answer is nothing. Unless Covid-19 ends up significantly reducing the labor force (like the 1918-’19 Flu pandemic — but very unlikely), once the virus is contained, the lost production should begin to be made up fairly quickly. In that case, we are not likely to see any lasting damage to the value of U.S. businesses. As the table I featured in last month’s *Outlook* showed, the S&P 500 has typically recovered its losses due to previous outbreaks within six months. This time may be different, of course, but for now I’ll go with history.

Given the suddenness and severi-

## 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 4.53% yield .

**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 .

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

ty of the current selloff, you may be tempted to sell your stock funds and hide in cash until the danger is past. But how will you know when it is the right time to get back in? Markets can go back up as fast as they go down. Sell now, but mistime your re-entry, and all you will have done is lock-in losses. If you are following one of our models that accurately reflects your investment goals and risk tolerance, stick with it. Our models are designed with the long term in mind and we believe they are well positioned for the eventual recovery (see p. 5).

### Silver Linings

In my *2020 Outlook* a couple of months ago, I wrote about a troubling surge in bullish sentiment along with high valuations. I suggested that a correction could be right around the corner. That corner proved to be Covid-19. The silver lining is that the correction has eliminated that excessive bullishness and improved valuations.

In terms of sentiment, back

then, about 44% of the American Association of Individual Investors members were bullish and only 20% were bearish (the rest were neutral). Today only 30% are bullish and bearishness has doubled to 40%. The CNN Fear and Greed Index was at extreme greed then, but has now flipped to extreme fear.

On the valuation side, the market’s rapid ascent earlier this year had driven the trailing 12-month P/E on the S&P 500 to 21.4. Today it is back down to 19.2, about where it was last June. These developments give the market a better foundation moving forward.

To paraphrase Thomas Paine (no pun intended), these are the times that try investors’ souls. Two 3%+ down days back-to-back is very rare — only 1.4% of all trading days going back 90 years. (Three in a week may be even rarer.) Most of those instances came in a recession. Those that did not (like the current instance) proved to be a very good time to buy stocks. ■

— 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 **Annuity Model Portfolios** are on p. 10.

## Fund Diversification Helps Stem Losses

For seven grueling days last month, stocks here and abroad tumbled into correction territory. The trip-wire, of course, was the growing fear that the coronavirus might spread into a global contagion, and ultimately weigh on corporate sales and earnings.

Though unmeasurable, the nearly uninterrupted bull market that

found its footing in the rubble of the Financial Crisis a decade ago may be exacerbating recent losses. In other words, this selloff has undoubtedly been a catalyst for some investors to take profits in stocks and reallocate into safer bonds.

While we're disinclined to make any market-timing moves (see John Boyd's Market Outlook beginning on p. 1), a review of our page 2 Model Portfolios (and their corresponding annuity models shown on p. 10) is warranted. ■

### Unique Opportunities Model

One of our two most aggressive (risk-tolerant) portfolios, it follows that the long-term investors who follow it are 100% invested in stocks. To that end, the model has long-favored growth funds which, in turn, favor technology.

For example, **OTC** and **Blue Chip Growth** are both nearly 40% weighted in tech, including the biggest, most recognizable and most profitable companies in the world: Google's parent Alphabet, Amazon, Apple, Microsoft and Facebook. So, unless one has an apocalyptic outlook, such companies have the best prospects of rebounding once the fear of contagion has passed. In the meantime, of course, tech shares have higher valuations and long-term gains have made them susceptible to profit-taking (more on that later).

Nevertheless, and despite a volatility that's greater than the market, this model has so far demonstrated resistance. Down 6.5% in February versus the S&P 500's 8.2% decline, four of its six fund holdings have held up better than the market, including **Growth Strategies** and **Int'l Capital Appreciation**.

### Select Model

Down 7.2% last month, this model modestly outperformed the market — even though its risk is 9% higher.

Weighing the most on its performance were the economically sensi-

tive **Industrials** (down 9.9%) along with last year's high-flyer, **Financial Services** (down 10.4%), which has been treated just like a cyclical in this selloff.

On the other hand, **Communication Services** (which holds a combination of old-line and new-age media stocks), **Consumer Discretionary** and **Technology** were relative outperformers. And so was **Health Care**. Almost half of its assets are in biotech (23%) and pharmaceuticals (22%), areas that have held up comparatively well as their science and even manufacturing capabilities may be valuable in addressing this global health emergency.

### Growth Model

This model has a target relative volatility of 1.00, which equals the S&P 500. However, at the start of the month, it was 3% higher, or 1.03. As such, we're again pleased that this (and our other models) have been performing a bit better than we might reasonably have expected. (Though it retreated 6.8% in February.) As is the case elsewhere, credit growth stocks generally and tech in particular.

With Blue Chip Growth and Growth Strategies previously discussed, let's move on to **Contrafund**. In recent years, its volatility has risen as Manager Will Danoff has made larger and more concentrated bets in some of the aforemen-

tioned growth stocks. So it's been a great help to the model that it fell "only" 5.9% in February versus 8.2% for the market.

On the other hand, **Large Cap Value Index** (down 9.7%) was the model's biggest detractor. With nearly a quarter of its assets in financials (including top holdings JP Morgan and Bank of America), plus industrials (10%) and especially energy (8%), this and all other value-oriented funds were market laggards.

### Growth & Income/Income Models

Given their overlapping fund holdings, our remarks generally apply to both model portfolios.

With about two-third's of the S&P 500's risk, the Growth & Income Model fell 3.5% in February whereas our most conservative portfolio, the Income Model, slipped 1.4%.

While their equity fund positions all bled red, their taxable bond holdings stanch their losses. (Their overall stock exposures are 58% and 24%, respectively.)

The most beneficial positions were **Total Bond** (up 1.1%) and **Limited Term Bond** (up 0.9%).

As for Total Bond, its nearly one-third stake in U.S. government securities was key to its success. Also, its 5.2-year duration helped as longer-maturity bonds typically beat their shorter-term counterparts. (See *Fund Commentary* on p. 11.) That said, the shorter-duration Limited Term also fared well.

As for **Conservative Income**, this ultra-short bond fund is the model's "cash" proxy, and it was the firewall we had hoped it would be: it rose 0.1% last month.

As for disappointments, **Floating Rate High Income** fell 1.7% last month. Its portfolio of lower-quality revolving loans coupled with falling interest rates undermined it and other high-yield funds. ■

— John Bonnanzio

FUND COMMENTARY

## Bond Prices Soar As Contagion Fears Pull Stocks Back To June 2019 Levels

Sudden, impossible to predict, and hopelessly impractical to prepare for, the global spread of the coronavirus has become the second Black Swan event of the past 20 years.



John Bonnanzio

The first was the September 11 terrorist attacks whose after-effects are still being felt by U.S. troops in Afghanistan and anyone passing through airport security.

Will Covid-19, which has already stripped away all of this year's stock gains and then some, become another watershed moment for the global economy and financial markets?

I'll leave the prognosticating to the commentariat. In the meantime, here's the tally thus far: U.S. stock gauges fell into correction territory in February having set record-highs just days before. [Note: Model portfolio performances and their underlying funds are reviewed on the facing page.]

### Market Indexes

The Dow Jones Industrials Average is back in the neighborhood it last saw in June of 2019. Having shed 4,159 points since its February 12, 2020 peak, that's a decline of 14.1% through month-end. For the full month, the blue-chip gauge retreated 9.8% and is now down 10.6% for the year-to-date.

This is certainly a departure from last year's gain of 25.3%.

Most index-adherents aren't faring much better. The S&P 500 (and thus shareholders in **500 Index** fund) experienced a similar peak-to-month-end decline of 12.8%. With stocks up sharply through the first six weeks of 2020, the widely followed index fell 8.2% in February and is now down 8.3% for the year.

As for the tech-rich Nasdaq Composite, the last week of February saw its losses accelerate. But for the month, it slid a more modest 6.3%. And, thanks to January's gain of 2.1%, its year-to-date return of -4.4% somehow feels reassuring. Indeed, the growth stocks that populate the Nasdaq have performed far better this year than the economically sensitive cyclicals that are more prevalent in the Dow and S&P 500.

A move down in market-cap, however, proved no safe harbor for investors. As measured by Fidelity's mid- and small-cap index funds, those areas of the stock market fell last month by 8.7% and 8.4%, respectively. Two months into the year, **Mid Cap Index** is down 9.4% and **Small Cap Index** is down 11.4%.

### Stock Funds

Given tech's modest performance edge, Fidelity's large-cap growth funds tended to fare better than their value/blend peers — though there were plenty of exceptions to that. On average, their 15 offerings retreated 6.2% last month and are down 4.2% for the year. By contrast, their seven large-cap value funds retreated 9.3% in February and 12.1% for the year. And, as one

might expect, large-cap blend funds split that difference, declining 8.3% for the month and 8.7% for the year.

The top-performer (a term I use with no intended sarcasm) was the long-closed **Growth Company**: it fell 4.4% in February and is down "just" 1.8% for the year. At the other extreme is the also-closed **Small Cap Discovery** whose losses were 11.5% for the month and 13.7% for the past two months.

As for some of Fidelity's most popular funds by assets, **Contrafund** retreated 5.9% in February and is now down 4.0% this year, while **Blue Chip Growth** retreated 5.8% and -2.8%, respectively. Elsewhere, the eclectically diversified **Low-Priced Stock** (which we've downgraded — see below) fell 9.1% in February and is off 13.0% this year.

### Select Funds

Among Selects, **Telecommunications** was the sole sector fund last month to gain ground: it rose 0.6% as investors reasoned that wireless carriers and even streaming services should be relatively safe from the possibility of slowing economic growth. On the other hand, a 12% drop in crude oil prices last month (down 26% for the year!) crushed energy-related funds, especially **Energy Service**. The fund plunged

Fund Commentary *cont'd on page 11*

### March Scorecard Rating Changes

Fund	Ratings		Comments
	Old	New	
Dividend Growth	H	S ↓	Lack of growth-stock exposure a long-term detractor.
Export & Multinational	H	S ↓	Lack of growth-stock exposure a long-term detractor.
International Value	H	S ↓	Large stakes in Japan and financials potential negatives.
Japan	H	S ↓	Coronavirus and new sales tax could weigh on growth.
Japan Smaller Cos	H	S ↓	Coronavirus and new sales tax could weigh on growth.
Low-Priced Stock	B	H ↓	Coronavirus could weigh on global GDP.
Pacific Basin	B	H ↓	Large stakes in Japan/coronavirus potential negatives.
Select Wireless	H	B ↑	Industry consolidation should lift sector's revenues.
Sm Cap Discovery	H	S ↓	Coronavirus could weigh on global GDP.
Sm Cap Enh Index	H	S ↓	Coronavirus could weigh on global GDP.
VIP Disc Small Cap	H	S ↓	Coronavirus could weigh on global GDP.

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

FEBRUARY 29, 2020

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)					Rel Vol (Risk) <sup>1</sup>	
					Feb	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr	15 Yr		
Comparative Indexes		S&P 500	2954.2		-8.2	-8.3	-5.5	8.2	9.9	9.2	12.7	8.4	1.00	
		Nasdaq Composite	8567.4		-6.3	-4.4	-0.9	14.9	14.9	12.8	15.7	11.1	1.14	
		Dow Jones Industrials	25409.4		-9.8	-10.6	-8.9	0.4	9.4	9.6	12.2	8.6	1.02	
		Russell 2000 (Small Caps)	1476.4		-8.4	-11.4	-8.8	-4.9	3.5	5.1	10.4	7.2	1.29	
		Bloomberg Barclays Agg Bond*			1.8	3.9	3.7	11.7	5.0	3.6	3.9	2.8	0.24	
Model Portfolios		Unique Opportunities			-6.5	-5.6	-2.7	9.2	8.6	7.3	10.8	8.0	1.00	
		Select Growth			-7.2	-6.6	-3.8	10.9	11.0	9.1	13.2	10.0	1.09	
		Growth & Income			-6.8	-5.6	-3.0	8.3	10.5	8.2	11.2	7.4	1.03	
		Income			-3.5	-2.2	0.0	8.9	7.9	6.8	9.0	6.6	0.64	
		Income			-1.4	-0.3	0.8	7.5	3.8	3.6	5.4	4.5	0.31	
											Rel Vol (Risk) <sup>1</sup>	Assets (\$Mil)		
<b>LARGE CAP GROWTH</b>					<b>Average</b>	<b>-6.2</b>	<b>-4.2</b>	<b>-1.1</b>	<b>13.7</b>	<b>14.4</b>	<b>10.9</b>	<b>14.0</b>	<b>1.09</b>	
312	FBGRX	Blue Chip Growth	104.70	Buy	-5.8	-2.8	0.6	14.3	17.9	12.8	15.7	1.15	\$23,336	
307	FDCAX	Capital Appreciation	32.43	Hold	-5.2	-4.2	-0.9	11.8	11.6	7.9	12.4	0.98	4,518	
22	FCNTX	Contrafund	13.08	Buy	-5.9	-4.0	-1.2	11.4	14.2	11.2	13.7	1.09	91,298	
3	FFIDX	Fidelity Fund	48.24	Hold	-6.9	-4.9	-2.0	15.3	11.9	9.1	12.0	0.99	4,044	
333	FTQGX	Focused Stock	24.89	Buy	-5.8	-4.5	-0.6	11.6	17.5	11.8	14.5	1.10	2,796	
25	FDGRX	Growth Company (Closed)	20.98	Buy	-4.4	-1.8	1.1	16.9	18.0	13.8	16.7	1.26	28,288	
339	FDSVX	Growth Discovery	38.59	Buy	-5.3	-2.9	0.7	15.2	16.6	12.4	15.2	1.05	1,803	
73	FDFFX	Independence	35.01	OK to Buy	-7.0	-4.3	-2.2	12.8	11.6	7.0	11.7	1.05	3,363	
1829	FLGEX	Lrge Cap Growth Enhcd Index	20.43	OK to Buy	-6.6	-4.9	-2.4	11.3	12.7	10.3	13.6	1.04	1,116	
2826	FSPGX	Lrge Cap Growth Index	16.69	Buy	-6.8	-4.7	-1.8	15.1	15.6	--	--	1.06	3,536	
21	FMAGX	Magellan	9.76	OK to Buy	-7.0	-4.3	-2.1	12.4	12.1	9.6	11.7	1.04	16,198	
1282	FNCMX	Nasdaq Composite Index	107.56	OK to Buy	-6.3	-4.5	-1.1	14.7	14.6	12.6	15.5	1.14	7,119	
93	FOCPX	OTC	12.31	Buy	-6.1	-3.8	-0.0	18.4	17.5	14.1	17.0	1.20	13,801	
320	FDSSX	Stock Selector All Cap	44.34	OK to Sell	-7.5	-7.4	-4.5	8.1	9.4	8.1	11.9	1.07	7,861	
5	FTRNX	Trend	103.57	Buy	-6.4	-3.2	-0.5	17.0	15.3	11.7	14.7	1.09	1,998	
<b>LARGE CAP BLEND</b>					<b>Average</b>	<b>-8.3</b>	<b>-8.7</b>	<b>-6.2</b>	<b>5.9</b>	<b>7.3</b>	<b>7.1</b>	<b>11.3</b>	<b>1.05</b>	
2328	FXAIX	500 Index	102.76	OK to Buy	-8.2	-8.3	-5.5	8.2	9.9	9.2	12.6	1.00	219,332	
315	FDEQX	Disciplined Equity	38.04	OK to Buy	-6.8	-4.9	-2.3	13.1	9.0	7.2	10.6	0.99	1,182	
330	FDGFX	Dividend Growth	26.80	OK to Sell	-10.4	-13.5	-11.2	0.0	5.7	5.3	10.0	1.13	5,070	
332	FEXPX	Export and Multinational	18.83	OK to Sell	-10.6	-13.9	-11.9	-0.7	5.0	5.8	9.2	1.14	1,210	
3336	FIFNX	Founders Fund	11.38	Hold	-5.1	-1.8	1.0	11.5	--	--	--	--	20	
27	FGRIX	Growth & Income	37.50	Hold	-9.1	-11.3	-9.0	2.9	5.6	6.4	11.0	1.09	5,550	
1827	FLCEX	Lrge Cap Core Enhcd Index	15.10	OK to Buy	-8.3	-8.3	-5.7	5.7	9.3	8.1	12.2	0.99	852	
338	FLCSX	Large Cap Stock	29.65	Hold	-9.2	-11.6	-9.3	2.6	5.9	6.5	11.7	1.15	2,259	
361	FGRTX	Mega Cap Stock	13.79	Hold	-9.2	-11.1	-8.1	4.8	6.8	6.9	11.6	1.06	1,154	
300	FMLX	New Millennium	33.76	Hold	-8.4	-10.2	-8.3	1.8	6.5	6.7	11.3	0.98	2,609	
2361	FSKAX	Total Market Index	83.06	OK to Buy	-8.2	-8.3	-5.7	6.8	9.2	8.7	12.5	1.02	45,984	
5029	FULVX	U.S. Low Volatility Equity	9.70	Hold	-8.0	-6.7	-4.9	--	--	--	--	--	8	
2941	FITLX	U.S. Sustainability Index	12.92	OK to Buy	-7.5	-6.8	-4.1	10.0	--	--	--	--	288	
3396	FWOMX	Women's Leadership	10.24	Hold	-7.5	-6.2	-3.8	--	--	--	--	--	23	
3231	FNILX	Zero Large Cap Index	10.34	Buy	-8.1	-8.0	-5.2	8.7	--	--	--	--	1,677	
3227	FZROX	Zero Total Market Index	10.38	OK to Buy	-8.2	-8.5	-5.7	6.8	--	--	--	--	4,929	
<b>LARGE CAP VALUE</b>					<b>Average</b>	<b>-9.3</b>	<b>-12.1</b>	<b>-9.7</b>	<b>-0.1</b>	<b>3.1</b>	<b>4.6</b>	<b>9.2</b>	<b>0.99</b>	
1271	FBCVX	Blue Chip Value	17.87	OK to Sell	-9.9	-14.8	-12.5	-3.8	0.6	2.9	7.7	0.98	433	
319	FEQTX	Equity Dividend Income	22.58	OK to Buy	-8.9	-12.2	-9.5	1.0	3.6	5.1	9.1	1.01	4,372	
23	FEQIX	Equity-Income	54.33	OK to Buy	-8.5	-10.3	-7.7	3.8	4.6	5.8	9.2	0.96	4,883	
1828	FLVEX	Lrge Cap Value Enhcd Index	12.11	OK to Buy	-9.7	-11.6	-9.6	-0.9	4.0	5.5	10.6	1.00	3,708	
2830	FLCOX	Lrge Cap Value Index	11.68	Buy	-9.7	-11.6	-9.2	0.6	3.8	--	--	1.02	2,621	
708	FSLVX	Stock Sel Large Cap Value	19.04	Hold	-9.8	-11.6	-9.5	-0.6	2.5	4.3	9.1	1.02	382	
832	FVDFX	Value Discovery	26.44	Hold	-8.7	-12.7	-10.3	-0.8	2.2	3.8	9.7	0.93	1,870	
<b>MID-CAP GROWTH</b>					<b>Average</b>	<b>-6.3</b>	<b>-5.1</b>	<b>-3.8</b>	<b>14.5</b>	<b>11.2</b>	<b>8.2</b>	<b>12.1</b>	<b>1.00</b>	
324	FDEGX	Growth Strategies	47.96	Buy	-5.7	-4.2	-2.6	14.5	11.2	8.2	12.1	1.00	2,760	
3403	FMDGX	Mid Cap Growth Index	19.68	Buy	-6.9	-6.0	-4.9	--	--	--	--	--	53	
<b>MID-CAP BLEND</b>					<b>Average</b>	<b>-8.6</b>	<b>-9.9</b>	<b>-7.9</b>	<b>-0.1</b>	<b>6.0</b>	<b>5.9</b>	<b>11.1</b>	<b>1.08</b>	
2365	FSMAX	Extended Market Index	59.56	Buy	-8.0	-8.5	-6.5	0.0	6.3	6.3	11.6	1.18	23,209	
2012	FMEIX	Mid Cap Enhanced Index	13.81	OK to Buy	-8.6	-10.3	-8.4	-0.7	4.5	4.9	11.3	1.09	1,182	
2352	FSMDX	Mid Cap Index	21.41	Buy	-8.7	-9.4	-7.3	2.3	6.6	6.4	--	1.08	12,472	
337	FMCSX	Mid-Cap Stock	32.61	OK to Buy	-7.9	-8.9	-7.3	2.4	6.7	6.4	11.0	0.91	4,838	
2412	FSSMX	Stock Selector Mid Cap	33.37	OK to Buy	-9.6	-11.1	-8.6	-1.2	5.9	5.5	10.6	1.15	329	
3230	FZIPX	Zero Extended Market Index	8.98	Hold	-9.1	-11.1	-9.1	-3.4	--	--	--	--	520	

**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

FEBRUARY 29, 2020

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) <sup>1</sup>	Assets (\$Mil)	
					Feb	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year			
<b>MID-CAP VALUE</b>					<b>Average</b>	<b>-9.8</b>	<b>-13.2</b>	<b>-10.4</b>	<b>-2.8</b>	<b>1.7</b>	<b>2.9</b>	<b>9.6</b>	<b>1.18</b>	
316	FLPSX	Low-Priced Stock <sup>5</sup>	43.52	Hold↓	-9.1	-13.0	-9.6	-1.4	4.4	4.4	10.0	1.00	\$21,271	
762	FSMVX	Mid Cap Value	20.01	OK to Sell	-9.4	-13.5	-11.0	-6.6	-1.0	1.2	9.5	1.21	1,014	
3404	FIMVX	Mid Cap Value Index	18.75	OK to Sell	-9.9	-11.6	-8.9	--	--	--	--	--	46	
39	FDVLX	Value	9.51	OK to Buy	-10.2	-14.1	-11.3	-3.1	1.0	2.6	9.4	1.30	5,434	
14	FSLSX	Value Strategies	33.55	Hold	-10.3	-13.7	-11.4	0.1	2.4	3.4	9.4	1.23	292	
<b>SMALL CAP GROWTH</b>					<b>Average</b>	<b>-7.2</b>	<b>-7.2</b>	<b>-5.1</b>	<b>7.3</b>	<b>13.9</b>	<b>11.9</b>	<b>14.5</b>	<b>1.27</b>	
1388	FCPGX	Small Cap Growth (Closed)	25.70	Buy	-7.1	-6.1	-4.0	7.3	13.9	11.9	14.5	1.27	2,649	
3405	FECGX	Small Cap Growth Index	19.58	OK to Buy	-7.2	-8.3	-6.1	--	--	--	--	--	26	
<b>SMALL CAP BLEND</b>					<b>Average</b>	<b>-9.5</b>	<b>-11.5</b>	<b>-9.6</b>	<b>-3.3</b>	<b>2.9</b>	<b>4.5</b>	<b>10.0</b>	<b>1.24</b>	
384	FSCRX	Small Cap Discovery (Closed)	19.96	OK to Sell↓	-11.5	-13.7	-11.5	-4.8	0.5	2.6	10.8	1.19	2,380	
2011	FCPEX	Small Cap Enhanced Index	11.31	OK to Sell↓	-10.2	-13.5	-11.8	-9.2	-0.3	2.9	10.1	1.35	518	
2358	FSSNX	Small Cap Index	18.64	Hold	-8.4	-11.4	-8.8	-4.8	3.7	5.3	--	1.29	9,916	
340	FSLCX	Small Cap Stock	16.47	OK to Buy	-8.9	-9.1	-7.7	0.8	5.1	5.5	8.3	1.17	1,349	
336	FDSCX	Stock Selector Small Cap	23.02	OK to Buy	-8.5	-9.7	-8.1	1.4	5.4	6.0	11.0	1.21	922	
<b>SMALL CAP VALUE</b>					<b>Average</b>	<b>-9.4</b>	<b>-13.3</b>	<b>-10.5</b>	<b>-5.7</b>	<b>0.3</b>	<b>3.6</b>	<b>9.7</b>	<b>1.14</b>	
1389	FCPVX	Small Cap Value	13.49	OK to Sell	-9.1	-12.0	-9.4	-5.7	0.3	3.6	9.7	1.14	1,351	
3406	FISVX	Small Cap Value Index	18.46	OK to Sell	-9.7	-14.6	-11.6	--	--	--	--	--	64	
<b>REAL ESTATE</b>														
1368	FIREX	International Real Estate	12.27	Hold	-6.1	-5.7	-2.0	10.7	10.9	6.0	8.6	0.77	250	
833	FRIFX	Real Estate Income	12.33	Hold	-2.8	-1.4	-0.5	9.4	6.5	6.4	8.9	0.41	2,294	
2355	FSRNX	Real Estate Index	NA	Hold	-8.4	-8.0	-8.9	0.6	3.1	4.0	--	0.99	2,366	
303	FRESX	Real Estate Investment	41.98	Hold	-8.1	-6.6	-7.5	4.0	4.8	5.4	11.3	0.95	3,999	
<b>ASSET ALLOCATION</b>														
328	FASIX	Asset Manager 20%	13.58	Hold	-1.1	-0.2	0.7	7.2	4.5	3.6	4.6	0.23	5,295	
1957	FTANX	Asset Manager 30%	11.25	Hold	-1.9	-1.2	0.2	7.6	5.1	4.2	5.6	0.32	1,868	
1958	FFANX	Asset Manager 40%	11.75	Hold	-2.6	-2.0	-0.4	7.8	5.7	4.7	6.4	0.42	1,825	
314	FASMX	Asset Manager 50%	18.06	Hold	-3.4	-3.1	-1.1	7.6	6.1	5.0	7.1	0.52	9,270	
1959	FSANX	Asset Manager 60%	12.48	Hold	-4.2	-4.1	-1.8	7.5	6.5	5.3	7.7	0.62	2,916	
321	FASGX	Asset Manager 70%	21.51	Hold	-5.1	-5.3	-2.6	6.9	6.7	5.6	8.3	0.72	5,000	
347	FAMRX	Asset Manager 85%	18.71	Hold	-6.4	-6.8	-3.8	6.5	7.3	6.1	9.1	0.87	2,363	
304	FBALX	Balanced	23.62	Buy	-4.8	-4.0	-1.7	9.5	8.3	6.9	9.6	0.71	26,004	
355	FFNOX	Four-in-One Index	45.60	Hold	-6.6	-7.0	-4.7	5.9	7.4	6.3	9.3	0.81	6,455	
3083	FMSDX	Multi-Asset Income	11.12	OK to Buy	-3.4	-4.5	-1.7	9.9	5.7	--	--	0.51	70	
4	FPURX	Puritan	22.01	Buy	-4.2	-3.3	-1.0	8.7	8.2	6.7	9.5	0.69	20,936	
<b>INTERNATIONAL</b>					<b>Average</b>	<b>-6.3</b>	<b>-8.8</b>	<b>-4.5</b>	<b>4.3</b>	<b>6.8</b>	<b>4.6</b>	<b>6.7</b>	<b>1.03</b>	
309	FICDX	Canada	48.45	Hold	-7.7	-8.1	-6.4	0.9	3.9	2.3	3.8	0.97	737	
352	FHKCX	China Region	38.41	Hold	1.6	-2.9	4.9	13.8	13.9	7.8	8.9	1.36	1,146	
325	FDIVX	Diversified International	37.51	OK to Buy	-6.3	-7.4	-3.6	9.8	7.2	3.7	6.4	0.93	8,501	
351	FSEAX	Emerging Asia	44.55	OK to Buy	0.7	-2.0	4.9	15.9	13.4	8.2	8.5	1.11	1,028	
2053	FEMEX	Emerg Europe, MidEast, Africa	8.55	OK to Sell	-11.0	-16.1	-10.1	-4.2	3.0	2.7	3.6	1.24	65	
322	FEMKX	Emerging Markets	32.75	OK to Buy	-3.1	-6.3	0.4	12.0	11.7	6.2	5.4	1.09	3,304	
2374	FEDDX	Emerging Mkts Discovery	13.24	Hold	-5.4	-8.5	-2.5	0.4	3.3	3.7	--	1.01	198	
2344	FPADX	Emerging Markets Index	9.96	Hold	-4.0	-9.3	-2.4	-1.4	5.0	2.6	--	1.13	3,008	
5031	FEOPX	Enduring Opportunities	9.85	OK to Buy	-6.5	-6.5	-3.5	--	--	--	--	--	5	
301	FIEUX	Europe	32.77	OK to Buy	-6.9	-9.6	-5.4	1.5	5.5	1.9	5.5	1.08	782	
2406	FGILX	Global Equity Income	14.20	OK to Buy	-7.6	-9.0	-5.7	7.9	7.3	5.6	--	0.87	68	
2348	FSGGX	Global ex U.S. Index	12.10	Hold	-6.6	-9.6	-5.9	0.2	4.6	2.4	--	0.94	5,359	
335	FIVFX	International Cap App	21.77	Buy	-4.9	-5.1	-1.8	13.0	12.0	7.2	9.6	0.91	3,816	
305	FIGRX	International Discovery	41.62	Hold	-6.3	-8.4	-4.2	7.0	6.9	3.4	6.1	0.94	6,522	
2010	FIENX	International Enhanced Index	8.74	Hold	-7.6	-9.9	-6.8	-2.3	3.4	2.3	5.4	0.95	1,487	
1979	FIGFX	International Growth	14.84	OK to Buy	-6.0	-6.8	-3.7	12.8	10.4	6.1	8.5	0.92	1,218	
2363	FSPSX	International Index	38.67	Hold	-7.6	-10.0	-7.2	0.6	4.5	2.3	5.1	0.92	28,324	
818	FISMX	International Small Cap	24.97	Hold	-7.6	-11.1	-6.5	-0.9	4.4	5.7	8.6	0.92	1,219	
1504	FSCOX	Int'l Small Cap Opps (Closed)	18.40	OK to Buy	-7.6	-10.7	-7.0	4.9	8.4	6.7	9.9	0.97	1,004	
2988	FNIDX	International Sustainability Idx	10.21	Hold	-6.2	-8.9	-5.3	2.0	--	--	--	--	98	
1597	FIVLX	International Value	7.36	OK to Sell↓	-8.5	-11.8	-8.7	-3.5	0.5	-0.6	2.8	1.00	410	
350	FJPNX	Japan	14.63	OK to Sell↓	-7.1	-10.2	-8.5	3.8	5.8	5.2	5.0	0.96	359	
360	FJSCX	Japan Smaller Companies	14.75	OK to Sell↓	-10.0	-14.4	-11.9	-3.2	3.8	6.8	9.1	0.92	588	
349	FLATX	Latin America	24.35	OK to Sell	-14.0	-17.2	-7.2	3.1	6.8	3.0	-1.6	1.82	446	
342	FNORX	Nordic	44.64	OK to Sell	-4.6	-6.6	-2.4	3.2	5.9	4.0	8.8	1.05	249	
94	FOSFX	Overseas	47.75	OK to Buy	-6.5	-7.8	-4.2	7.5	7.7	5.2	7.4	0.93	6,077	
302	FPBFX	Pacific Basin	31.98	OK to Sell↓	-3.6	-7.4	-2.8	10.8	9.7	7.8	9.9	1.04	872	
2369	FTEMX	Total Emerging Markets	12.49	Hold	-3.8	-7.1	-0.6	3.7	5.4	5.1	--	0.92	195	
1978	FTIEX	Total International Equity	8.95	OK to Buy	-6.3	-8.8	-4.6	5.3	6.9	3.9	5.9	0.96	67	
2834	FTIHX	Total International Index	11.19	Hold	-6.8	-9.9	-6.0	0.0	4.3	--	--	0.94	3,773	
318	FWWFX	Worldwide	26.58	Buy	-6.1	-6.3	-2.3	8.8	12.3	7.9	10.6	0.98	1,946	
3228	FZILX	Zero International Index	9.40	Hold	-6.8	-9.8	-6.1	0.5	--	--	--	--	1,464	

# FIDELITY SCORECARD

FEBRUARY 29, 2020

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) <sup>1</sup>	Assets (\$Mil)		
					Feb	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year				
<b>SPECIALTY</b>															
308	FCV SX	Convertible Securities	30.27	OK to Buy	-4.0	-3.0	-0.3	12.3	9.4	4.7	8.5	0.70	\$1,352		
2624	FARNX	Event Driven Opps (Closed)	9.60	Sell	-8.6	-13.3	-10.6	-17.5	-6.2	0.3	--	1.10	\$84		
2120	FFGCX	Global Commodity Stock	10.59	OK to Sell	-10.1	-17.2	-12.0	-12.0	-1.0	-1.9	-1.1	1.28	207		
3488	FNSTX	Infrastructure Fund	10.35	OK to Sell	-5.8	-1.5	2.9	--	--	--	--	--	10		
122	FLVCX	Leveraged Company Stock	29.11	OK to Buy	-9.0	-10.2	-6.8	2.5	5.0	3.7	9.7	1.27	1,720		
1329	FSDIX	Strategic Dividend & Income	14.43	Hold	-6.1	-6.5	-4.4	4.9	5.8	6.0	9.8	0.68	2,933		
1505	FSRRX	Strategic Real Return	8.11	OK to Sell	-2.5	-3.3	-1.5	1.4	1.7	1.3	3.0	0.35	187		
311	FIUIX	Telecom & Utilities	26.46	Hold	-7.9	-5.5	-3.0	8.6	8.2	7.8	11.7	0.76	1,057		
<b>SELECT PORTFOLIOS</b>					<b>Average</b>			<b>-8.4</b>	<b>-10.0</b>	<b>-6.8</b>	<b>2.5</b>	<b>5.9</b>	<b>5.7</b>	<b>10.4</b>	<b>1.34</b>
34	FSAIX	Air Transportation	60.72	OK to Buy	-14.5	-16.9	-18.4	-13.5	2.3	4.2	12.1	1.49	218		
502	FSAVX	Automotive	34.98	Hold	-6.4	-5.4	-2.3	9.4	7.5	3.0	9.7	1.19	37		
507	FSRBX	Banking	23.37	Hold	-11.7	-17.5	-14.6	-6.1	-0.5	6.1	8.8	1.62	363		
42	FBIOX	Biotechnology	21.02	OK to Buy	-0.4	-4.8	-1.4	8.6	8.2	2.7	17.4	1.69	6,650		
68	FSLBX	Chemicals & Investment	74.99	Hold	-9.5	-7.2	-6.2	9.3	8.6	5.6	8.4	1.14	310		
69	FSCHX	Chemicals	10.47	OK to Sell	-7.2	-15.4	-13.2	-17.6	-5.2	0.1	9.3	1.47	660		
518	FSDCX	Communications Equipment	31.17	Hold	-7.7	-11.1	-9.4	-18.8	1.7	2.6	6.9	1.19	145		
503	FBMPX	Communication Services	60.84	Buy	-5.2	-5.1	-3.3	12.3	8.1	7.4	14.7	1.09	581		
7	FDCPX	Computers	78.64	OK to Buy	-7.2	-6.2	0.8	17.8	13.9	10.4	13.4	1.28	539		
511	FSHOX	Construction & Housing	58.57	Hold	-7.3	-5.6	-6.2	17.1	10.6	8.4	14.1	1.19	326		
517	FSCPX	Consumer Discretionary	45.58	Buy	-7.5	-7.7	-5.1	5.3	10.7	8.3	13.9	1.16	406		
98	FSVLX	Consumer Finance	16.23	OK to Buy	-9.9	-8.4	-7.4	4.5	9.0	8.2	10.9	1.18	151		
9	FDFA X	Consumer Staples	80.42	Hold	-7.8	-8.9	-6.6	6.5	1.6	2.7	9.1	0.98	777		
67	FSDAX	Defense & Aerospace	16.61	Buy	-12.2	-9.4	-11.4	-1.3	12.3	11.1	15.1	1.44	2,766		
60	FSENX	Energy	26.79	OK to Sell	-14.8	-25.0	-18.8	-27.2	-13.9	-8.9	-1.8	1.93	670		
43	FSESX	Energy Service	17.22	OK to Sell	-15.8	-30.0	-19.7	-42.5	-29.6	-18.6	-9.2	2.70	158		
516	FSLEX	Environment & Alt Energy	23.80	OK to Sell	-8.1	-11.1	-8.5	-2.4	4.9	6.5	8.5	1.28	182		
66	FIDSX	Financial Services	9.49	Buy	-10.4	-12.6	-10.5	3.8	4.6	6.4	7.9	1.25	486		
41	FSAGX	Gold	22.33	Sell	-8.7	-8.4	1.7	17.6	2.3	4.7	-4.1	1.63	1,304		
63	FSPHX	Health Care	26.53	Buy	-6.1	-7.2	-2.6	9.8	12.9	7.3	17.0	1.28	7,246		
505	FSHCX	Health Care Services	94.73	OK to Buy	-6.1	-9.7	-6.4	6.4	10.9	8.9	14.0	1.45	1,010		
515	FCYIX	Industrials	31.91	Buy	-9.9	-9.4	-8.8	-1.8	4.2	5.4	11.3	1.27	532		
45	FSPCX	Insurance	58.46	Hold	-9.5	-9.6	-8.5	6.0	5.0	8.2	11.7	1.01	222		
353	FBSOX	IT Services	73.65	OK to Buy	-6.8	-2.1	-1.0	16.0	22.1	17.0	19.0	1.16	4,162		
62	FDLSX	Leisure	13.89	OK to Buy	-11.0	-11.2	-7.5	1.8	9.9	7.3	13.6	1.14	435		
509	FSDPX	Materials	59.63	OK to Sell	-7.7	-13.7	-11.6	-13.6	-4.5	-1.8	5.4	1.35	407		
354	FSMEX	Medical Tech & Devices (Closed)	55.88	OK to Buy	-7.4	-7.2	-4.9	7.5	16.2	13.8	16.2	1.20	6,106		
513	FSNGX	Natural Gas	13.56	OK to Sell	-14.8	-25.6	-15.6	-33.0	-19.7	-14.4	-6.7	2.03	115		
514	FNARX	Natural Resources	20.62	OK to Sell	-13.5	-22.1	-15.8	-18.1	-9.7	-7.1	-1.3	1.68	317		
580	FPHAX	Pharmaceuticals	21.71	Buy	-6.3	-6.9	-0.2	12.1	10.6	3.8	13.1	1.02	766		
46	FSRPX	Retailing	15.71	OK to Buy	-5.7	-6.8	-5.2	7.0	13.7	12.6	17.1	1.22	2,729		
8	FSELX	Semiconductors	11.47	Buy	-6.3	-8.4	-1.8	26.0	19.2	18.2	18.4	1.80	3,826		
28	FSCSX	Software & IT Services	19.90	OK to Buy	-5.1	0.4	2.3	21.3	22.5	19.0	19.7	1.09	8,104		
64	FSPTX	Technology	19.66	Buy	-5.4	-1.2	3.0	29.6	21.8	18.4	17.5	1.33	6,620		
96	FSTCX	Telecommunications	60.99	Hold	0.6	-0.4	2.3	12.5	3.8	6.0	9.7	0.85	220		
512	FSRFX	Transportation	82.12	Hold	-11.1	-13.8	-13.7	-10.5	2.5	3.1	12.2	1.45	312		
65	FSUTX	Utilities	91.20	OK to Sell	-9.7	-5.1	-2.4	9.3	11.3	9.3	12.2	0.82	1,264		
963	FWRLX	Wireless	10.70	OK to Buy ↑	-4.6	-4.6	-0.3	23.1	13.1	9.8	11.8	0.92	360		
<b>SECTOR ETFs</b>					<b>Average</b>			<b>-8.7</b>	<b>-9.5</b>	<b>-7.0</b>	<b>3.3</b>	<b>6.2</b>	<b>6.5</b>	<b>1.17</b>	
	FCOM	MSCI Communication Services	33.95	OK to Buy	-5.7	-5.1	-3.1	8.8	6.6	7.5	--	1.03	469		
	FDIS	MSCI Consumer Discretionary	45.23	Buy	-7.5	-6.3	-3.4	6.9	11.3	9.5	--	1.14	707		
	FSTA	MSCI Consumer Staples	34.64	Hold	-8.0	-8.1	-5.7	8.3	4.3	5.5	--	0.92	567		
	FENY	MSCI Energy	12.07	OK to Sell	-14.8	-24.6	-19.4	-27.9	-12.0	-8.8	--	1.80	363		
	FNCL	MSCI Financials	38.46	Buy	-11.1	-13.4	-11.2	1.0	4.1	8.1	--	1.29	929		
	FHLC	MSCI Health Care	45.49	OK to Buy	-6.1	-8.5	-5.5	3.5	9.9	7.1	--	1.06	1,600		
	FIDU	MSCI Industrials	38.12	Buy	-8.9	-9.3	-9.2	-0.2	5.9	7.2	--	1.29	411		
	FTEC	MSCI Information Technology	69.75	Buy	-7.2	-3.8	0.1	23.5	21.3	17.5	--	1.27	3,200		
	FMAT	MSCI Materials	29.20	Hold	-9.2	-14.9	-12.5	-5.8	0.4	2.1	--	1.24	199		
	FREL	MSCI Real Estate	26.20	Hold	-7.1	-6.0	-5.2	7.7	6.6	6.1	--	0.94	1,000		
	FUTY	MSCI Utilities	40.34	OK to Sell	-10.1	-4.6	-1.5	10.6	9.7	10.2	--	0.91	937		

# FIDELITY SCORECARD

FEBRUARY 29, 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>	
					Feb	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr				
<b>TAXABLE BOND</b>					<b>Average</b>	<b>1.5</b>	<b>3.4</b>	<b>3.2</b>	<b>10.2</b>	<b>4.4</b>	<b>3.1</b>	<b>3.5</b>	<b>1.63</b>	<b>5.0</b>	<b>0.22</b>
2267	FCONX	Conservative Income Bond	10.05	Buy	0.1	0.3	0.5	2.5	2.0	1.5	--	1.55	0.3	0.02	
2208	FCBFX	Corporate Bond	12.57	OK to Buy	1.4	4.1	4.2	15.7	6.9	5.0	--	2.18	7.6	0.29	
2423	FGBFX	Global Credit	9.95	Hold	0.9	3.5	3.7	15.1	7.2	4.2	--	1.52	7.2	0.26	
15	FGMNX	GNMA (Ginnie Mae)	11.65	OK to Buy	0.8	1.3	1.4	6.1	3.0	2.3	3.2	2.24	2.2	0.15	
54	FGOVX	Government Income	10.90	Hold	2.1	4.3	3.8	10.7	4.3	2.8	3.1	1.45	5.5	0.26	
2418	FIPDX	Inflation-Protected Index <sup>3</sup>	10.40	Hold	1.0	3.2	3.6	10.4	3.9	2.8	--	0.39*	5.3	0.24	
32	FTHRXX	Intermediate Bond	11.35	Buy	1.3	2.9	3.0	9.1	4.0	3.1	3.5	1.53	4.0	0.17	
452	FSTGX	Intermediate Gov't Income	10.93	OK to Buy	1.5	3.1	2.9	7.8	3.2	2.2	2.4	1.14	3.8	0.18	
3045	FUAMX	Intermediate Treasury Index	11.65	Hold	2.6	5.5	4.9	12.9	5.1	3.5	4.2	1.40	6.4	0.33	
4506	FBIIX	International Bond Index	10.09	Hold	0.7	2.4	2.0	--	--	--	--	0.60	8.0	--	
26	FBNDX	Investment Grade Bond	8.44	Buy	1.5	3.5	3.5	11.8	5.2	3.8	4.4	1.80	5.4	0.22	
2622	FJRLX	Limited Term Bond	11.84	Buy	0.9	1.9	2.1	6.6	3.3	2.6	3.2	1.60	2.6	0.11	
662	FFXSX	Limited Term Government	10.21	OK to Buy	1.1	2.1	2.0	5.6	2.4	1.6	1.5	1.13	2.6	0.12	
3047	FNBGX	Long-Term Treasury Index	16.10	Sell	6.6	14.6	11.0	31.9	11.0	6.3	8.1	1.87	18.4	0.88	
40	FMSFX	Mortgage Securities	11.51	OK to Buy	1.0	1.7	1.8	7.4	3.6	2.7	3.5	2.21	2.1	0.16	
450	FSHBX	Short-Term Bond	8.79	OK to Buy	0.7	1.4	1.6	4.8	2.5	1.9	1.8	1.42	1.9	0.07	
3041	FNSOX	Short-Term Bond Index	10.24	OK to Buy	1.0	2.0	2.2	6.3	--	--	--	1.49	2.6	--	
3049	FUMBX	Short-Term Treasury Index	10.72	OK to Buy	1.2	2.1	2.2	6.1	2.7	1.9	1.7	1.36	2.6	0.12	
3086	FNDX	Sustainability Bond Index	10.87	Hold	1.8	3.7	3.6	11.2	--	--	--	1.94	5.6	--	
820	FTBFX	Total Bond	11.19	Buy	1.1	3.0	3.3	11.0	5.0	4.0	4.6	2.12	5.2	0.20	
2326	FXNAX	U.S. Bond Index	12.32	Hold	1.8	3.9	3.7	11.7	4.9	3.5	3.9	2.04	5.7	0.24	
<b>HIGH-YIELD BOND</b>					<b>Average</b>	<b>-1.5</b>	<b>-1.4</b>	<b>0.3</b>	<b>4.9</b>	<b>4.1</b>	<b>4.4</b>	<b>5.8</b>	<b>3.69</b>	<b>2.9</b>	<b>0.33</b>
38	FAGIX	Capital & Income	9.82	OK to Buy	-3.3	-3.6	-1.2	4.9	4.9	5.0	7.4	3.58	3.3	0.52	
814	FFRHXX	Floating Rate High Income	9.28	Buy	-1.7	-1.5	0.1	2.6	3.3	3.5	3.9	4.53	0.2	0.23	
1366	FHIFX	Focused High Income	8.74	Buy	-1.3	-1.3	-0.3	7.0	5.0	4.5	6.1	3.07	2.6	0.30	
2297	FGHXX	Global High Income	9.36	OK to Buy	-1.8	-1.9	0.2	5.0	4.4	4.7	--	4.07	2.8	0.33	
455	SPHIX	High Income	8.70	OK to Buy	-1.6	-2.1	-0.2	5.0	4.7	4.8	6.5	4.14	2.4	0.34	
331	FNMIX	New Markets Income	15.00	OK to Buy	-1.2	0.3	2.7	4.6	2.8	5.2	6.1	4.38	5.9	0.46	
2580	FSAHX	Short Duration High Income	9.32	OK to Buy	-0.6	-0.7	0.1	3.6	3.5	3.2	--	2.82	1.6	0.22	
3082	FADMXX	Strategic Income	12.39	OK to Buy	-0.9	-0.1	1.2	6.4	4.4	4.2	5.1	2.92	4.3	0.23	
<b>MUNICIPAL BOND</b>					<b>Average</b>	<b>1.2</b>	<b>2.8</b>	<b>3.1</b>	<b>8.5</b>	<b>4.8</b>	<b>3.5</b>	<b>4.1</b>	<b>1.07</b>	<b>5.1</b>	<b>0.19</b>
434	FSAZX	Arizona Muni Income	12.72	Hold	1.2	3.0	3.2	8.9	5.0	3.8	4.5	0.91	5.7	0.20	
1534	FCSTX	Calif Limited Term Tax Free	10.87	OK to Buy	0.4	1.4	1.6	4.5	2.6	1.9	2.2	0.74	3.0	0.11	
91	FCFTX	California Muni Income	13.61	Hold	1.3	3.2	3.5	9.7	5.4	3.9	5.0	1.07	5.9	0.21	
407	FICNX	Connecticut Muni Income	12.08	Hold	1.2	2.9	3.3	9.4	5.0	3.7	4.0	1.11	5.4	0.19	
2578	FCRDXX	Conservative Income Muni	10.07	Buy	0.1	0.4	0.5	1.8	1.4	1.0	--	0.89	0.6	0.03	
36	FLTMXX	Interm Municipal Income	10.88	Buy	1.1	2.7	3.0	8.1	4.7	3.3	3.6	1.07	4.7	0.17	
404	FSTFX	Limited Term Muni Income	10.82	Buy	0.5	1.4	1.7	4.7	2.7	1.9	2.0	0.88	2.8	0.11	
429	SMDMXX	Maryland Muni Income	11.98	Hold	1.3	3.1	3.4	8.9	5.0	3.7	4.0	0.97	5.7	0.21	
70	FDMMXX	Mass Muni Income	12.75	Hold	1.2	3.1	3.3	9.1	5.0	3.7	4.3	1.03	5.4	0.20	
81	FMHTXX	Michigan Muni Income	12.80	Hold	1.4	3.1	3.3	9.1	5.3	3.8	4.2	1.09	5.6	0.20	
82	FIMIX	Minnesota Muni Income	12.19	Hold	1.1	2.7	3.0	8.7	4.7	3.5	3.8	0.95	5.6	0.20	
3469	FMBIX	Municipal Bond Index	20.58	Hold	1.2	2.8	3.1	--	--	--	--	1.34	5.7	--	
37	FHIGXX	Municipal Income	13.83	Hold	1.7	3.7	4.1	11.1	6.2	4.4	5.0	1.30	6.2	0.23	
416	FNJHXX	New Jersey Muni Income	12.64	Hold	1.5	3.4	3.7	10.5	6.5	4.5	4.5	1.11	5.8	0.22	
71	FTFMXX	New York Muni Income	13.90	Hold	1.5	3.4	3.7	9.9	5.2	4.0	4.4	1.04	6.0	0.22	
88	FOHFX	Ohio Muni Income	12.70	Hold	1.3	3.0	3.3	9.0	5.1	4.0	4.5	1.11	5.6	0.21	
402	FPXTXX	Pennsylvania Muni Income	11.70	Hold	1.5	3.2	3.5	9.7	5.3	4.0	4.5	1.19	6.0	0.21	
90	FTABXX	Tax-Free Bond	12.31	Hold	1.7	3.7	4.1	11.1	6.2	4.4	5.0	1.44	6.2	0.23	

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	
		Feb	YTD	%Yield	
55	FDRXX	Gov't Cash Reserves	0.10	0.21	1.26
458	SPAXX	Government MM	0.10	0.20	1.22
2742	FZFXX	Treasury MM	0.10	0.20	1.23
415	FDLXX	Treasury Only MM	0.09	0.19	1.16
<b>PRIME MONEY MARKETS</b>					
454	SPRXX	Money Market*	0.11	0.24	1.39
*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	0.12	0.83
275	FMOXX	Tax-Exempt MM	0.06	0.11	0.78

STATE MUNICIPAL MONEY MARKETS			Total Return (%)		SEC
			Feb	YTD	%Yield
433	FSAXX	Arizona Muni MM	0.05	0.10	0.67
97	FCFXX	California Muni MM	0.05	0.10	0.70
457	FSPXX	California AMT Tax-Free	0.06	0.12	0.78
418	FCMXX	Connecticut Muni MM	0.06	0.11	0.75
426	FMSXX	Mass AMT Tax-Free	0.06	0.13	0.85
74	FDMXX	Massachusetts Muni MM	0.05	0.11	0.69
420	FMIXX	Michigan Muni MM	0.06	0.10	0.67
417	FNJXX	New Jersey Muni MM	0.05	0.11	0.71
423	FSJXX	New Jersey AMT Tax-Free	0.06	0.13	0.84
92	FNYXX	New York Muni MM	0.05	0.10	0.70
422	FSNXX	New York AMT Tax-Free	0.07	0.13	0.88
419	FOMXX	Ohio Muni MM	0.05	0.10	0.68
401	FPTXX	Pennsylvania Muni MM	0.05	0.10	0.69

# FIDELITY SCORECARD

FEBRUARY 29, 2020

Fund No.	Fund Ticker	Fund Name	Style	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) <sup>1</sup>
						Feb	YTD	3 Mo.	1 Year	3 Year	5 Year	10 Year	
<b>FIDELITY PERSONAL RETIREMENT ANNUITY PORTFOLIOS</b>													
Model Portfolios	Annuity Sector Model					-7.2	-6.8	-4.1	10.3	11.3	9.9	12.7	1.08
	Annuity Growth Model					-6.9	-6.4	-4.0	6.7	9.5	7.9	11.2	1.04
	Annuity Growth & Income Model					-3.5	-2.2	-0.1	9.5	6.6	5.7	8.2	0.64
	Annuity Income Model					-1.6	-0.2	0.8	7.4	3.8	3.7	5.0	0.31
9067	FLRQC	Fid VIP Asset Manager	Allocation	21.76	Hold	-3.4	-3.2	-1.1	7.2	5.7	3.9	6.6	0.52
9066	FAEEC	Fid VIP Asset Manager: Growth	Allocation	22.62	Hold	-5.1	-5.3	-2.7	6.6	6.4	4.3	7.6	0.72
9069	FJBAC	Fid VIP Balanced	Allocation	27.55	Buy	-4.8	-4.0	-1.7	9.2	7.9	6.6	9.1	0.72
9461	FBIQC	Fid VIP Bond Index	Bond	11.42	Hold	1.7	3.7	3.5	11.1	--	--	--	--
9173	FVTAC	Fid VIP Communication Services	Sector	19.77	Buy	-5.2	-5.2	-3.3	11.9	6.4	7.5	10.6	1.01
9081	FVHAC	Fid VIP Consumer Discretionary	Sector	34.42	Buy	-7.5	-7.7	-5.1	5.1	10.3	8.0	13.6	1.16
9171	FCSAC	Fid VIP Consumer Staples	Sector	27.16	Hold	-7.5	-8.6	-6.5	6.3	2.4	4.4	9.9	0.98
9065	FPDFC	Fid VIP Contrafund	Large Growth	32.04	Buy	-6.1	-3.7	-1.4	12.5	10.2	8.4	11.7	1.02
9148	FPRGC	Fid VIP Disciplined Small Cap	Small Blend	19.74	OK to Sell	-10.2	-13.5	-11.9	-9.4	-0.6	2.5	9.6	1.35
9074	FZAMC	Fid VIP Emerging Capital App	Large Growth	33.84	Hold	-5.2	-4.2	-0.9	11.7	11.2	7.5	12.2	0.97
9198	FEMAC	Fid VIP Emerging Markets	Emg Mkts	11.28	OK to Buy	-3.7	-8.2	-0.4	6.2	9.4	4.8	4.4	1.12
9085	FJLLC	Fid VIP Energy	Sector	10.06	OK to Sell	-14.9	-25.0	-18.9	-27.3	-14.0	-9.0	-2.0	1.93
9061	FLOLC	Fid VIP Equity-Income	Large Value	22.69	Buy	-8.5	-10.4	-7.8	3.3	4.1	5.4	9.5	0.95
9469	FEMJC	Fid VIP Extended Market Index	Mid Blend	9.41	Buy	-9.1	-11.2	-9.1	-4.2	--	--	--	--
9083	FONNC	Fid VIP Financial Services	Sector	14.55	Buy	-10.4	-12.8	-10.6	3.4	4.3	6.2	7.7	1.25
9361	FFLCC	Fid VIP Floating Rate High Income	High-Yield Bond	11.88	Buy	-1.5	-1.4	0.1	2.6	3.1	3.3	--	0.23
9157	FMPAC	Fid VIP FundsManager 20	Allocation	16.58	Hold	-1.0	-0.1	0.6	7.0	4.2	3.1	4.0	0.22
9158	FMPBC	Fid VIP FundsManager 50	Allocation	19.34	Hold	-3.5	-3.3	-1.4	7.2	5.8	4.4	6.5	0.50
9197	FMPCC	Fid VIP FundsManager 60	Allocation	18.44	Hold	-4.5	-4.5	-2.3	6.9	6.3	4.9	7.3	0.61
9159	FMPDC	Fid VIP FundsManager 70	Allocation	20.40	Hold	-5.4	-5.7	-3.2	6.4	6.5	5.1	7.8	0.70
9160	FMPDC	Fid VIP FundsManager 85	Allocation	20.97	Hold	-6.9	-7.5	-4.6	5.7	7.1	5.7	8.8	0.86
9059	FTNJC	Fid VIP Gov't Money Market	Money Mkt	11.76	--	0.1	0.2	0.3	1.6	1.2	0.7	0.3	0.01
9062	FMNDC	Fid VIP Growth	Large Growth	37.07	Buy	-5.2	-2.8	0.8	15.1	16.7	12.2	15.0	1.06
9070	FLFNC	Fid VIP Growth & Income	Large Blend	26.79	Hold	-8.9	-11.2	-8.9	2.7	5.3	6.0	10.7	1.09
9068	FIDPC	Fid VIP Growth Opportunities	Large Growth	44.60	Buy	-4.9	-2.3	0.3	16.3	23.5	15.5	17.7	1.14
9084	FPDRC	Fid VIP Health Care	Sector	50.44	Buy	-6.0	-7.8	-3.6	6.4	11.8	6.6	16.4	1.29
9060	FBBLC	Fid VIP High Income	High-Yield Bond	22.41	OK to Buy	-1.5	-1.9	-0.1	5.4	4.1	4.2	6.1	0.34
9064	FXVLT	Fid VIP Index 500	Large Blend	31.00	OK to Buy	-8.3	-8.3	-5.6	7.8	9.5	8.9	12.3	1.00
9082	FBALC	Fid VIP Industrials	Sector	34.54	Buy	-9.9	-9.4	-8.8	-1.9	4.0	5.2	11.1	1.27
9473	FFIQC	Fid VIP International Index	Diversified Int'l	9.44	Hold	-6.7	-9.8	-6.2	0.2	--	--	--	--
9076	FVJIC	Fid VIP Int'l Capital App	Diversified Int'l	22.89	Buy	-5.0	-5.2	-1.8	12.9	11.8	7.0	9.4	0.90
9063	FTLKC	Fid VIP Investment Grade Bond	Inv Grd Bond	18.33	Buy	1.2	3.2	3.2	11.2	4.7	3.5	4.0	0.22
9172	FVMAC	Fid VIP Materials	Sector	17.47	OK to Sell	-7.9	-12.9	-10.4	-12.4	-4.3	-1.9	5.3	1.34
9071	FNBSIC	Fid VIP Mid Cap	Mid Blend	27.01	Buy	-9.0	-11.1	-8.8	-4.9	2.1	3.5	8.8	1.17
9088	FEMMC	Fid VIP Overseas	Diversified Int'l	18.14	OK to Buy	-6.5	-8.0	-4.4	6.5	7.3	3.6	6.0	0.93
9072	FFWKC	Fid VIP Real Estate	Sector	25.41	Hold	-7.0	-6.3	-7.1	1.8	2.8	3.3	10.2	0.97
9075	FGDQC	Fid VIP Strategic Income	High-Yield Bond	21.08	OK to Buy	-0.8	0.0	1.3	6.1	4.1	3.8	4.7	0.23
9086	FYENC	Fid VIP Technology	Sector	59.27	Buy	-5.2	-1.0	3.3	29.9	22.1	18.3	17.1	1.33
9465	FTMJC	Fid VIP Total Market Index	Large Blend	10.75	OK to Buy	-8.3	-8.4	-5.8	6.3	--	--	--	--
9087	FXRRC	Fid VIP Utilities	Sector	34.25	OK to Sell	-9.9	-5.4	-2.8	9.0	11.0	9.1	12.0	0.82
9079	FKMSC	Fid VIP Value	Large Value	22.84	OK to Buy	-9.6	-13.1	-10.8	0.7	2.6	4.1	9.6	1.15
9073	FRBSC	Fid VIP Value Strategies	Mid Value	23.14	Hold	-10.2	-13.6	-11.3	-0.1	2.2	2.7	9.0	1.22
9347	FBMEC	Black Rock Global Allocation	Global Allocation	14.32	Hold	-4.1	-4.0	-1.6	6.2	4.5	3.2	5.2	0.56
9349	FTMEC	Franklin Templeton Global Bond	Global Bond	11.32	Hold	-0.4	-1.2	0.8	-2.6	0.6	0.2	2.9	0.42
9348	FFMEC	Franklin Templeton US Gov't	Intermed Gov't	11.09	Hold	0.9	1.7	1.7	6.1	2.5	1.6	1.9	0.15
9285	FIGXC	Invesco Global Core Eqty	Global Stock	13.50	Hold	-8.4	-10.9	-7.3	-1.1	3.0	2.9	5.4	1.07
9147	FPRLC	Lazard Retirement Emerging Mkts	Emg Mkts	15.38	Hold	-7.0	-12.6	-6.3	-4.4	-0.2	0.4	2.2	1.18
9143	FPRMC	Morgan Stanley Emerg Mkt Debt	Emg Mkt Bond	20.62	OK to Buy	-0.9	0.4	2.2	7.9	4.0	4.4	4.8	0.43
9144	FPRNC	Morgan Stanley Emerg Mkt Equity	Emg Mkts	14.24	Hold	-4.5	-9.4	-2.9	1.2	3.6	1.8	2.8	1.05
9146	FPRPC	Morgan Stanley Global Strategist	Diversified Int'l	14.33	Hold	-5.7	-7.4	-4.6	2.1	4.5	2.5	5.1	0.61
9346	FPMEC	Pimco Commodity Real Return	Commodities	5.13	Hold	-5.2	-12.0	-6.8	-9.8	-5.4	-6.3	-4.7	0.81
9276	FPMBC	Pimco VIT Low Duration	Shrt-Term Bond	12.25	Buy	0.4	1.2	1.4	4.1	2.0	1.3	1.7	0.08
9277	FPNBC	Pimco VIT Real Return	TIPS	14.30	Hold	0.8	3.0	3.5	9.6	3.4	2.2	3.2	0.23
9278	FPOBC	Pimco VIT Total Return	Intermed Bond	15.00	Hold	1.3	3.7	3.5	10.5	4.7	3.2	3.8	0.23

Annuity Sector		Annuity Growth		Annuity Growth & Income		Annuity Income	
Fund	Allocation	Fund	Allocation	Fund	Allocation	Fund	Allocation
VIP Technology	24%	VIP Growth Opps	30%	VIP Growth Opps	21%	Pimco VIT Low Duration	33%
VIP Cons Discretionary	18	VIP Contrafund	29	VIP Contrafund	20	VIP Contrafund	26
VIP Health Care	15	VIP Extended Market	24	VIP Int'l Cap App	20	VIP Investment Grade	22
VIP Comm Services	15	VIP Equity-Income	17	VIP Floating Rate Hi Inc	20	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>Feb: -7.2% YTD: -6.8%</b>		<b>Feb: -6.9% YTD: -6.4%</b>		<b>Feb: -3.5% YTD: -2.2%</b>		<b>Feb: -1.6% YTD: -0.2%</b>	

**INTERNATIONAL FUNDS**

**China And Stronger \$ Pose Twin Risks**

When news of the coronavirus struck, an already-strengthening U.S. dollar surged. Long-considered a safe harbor asset, investors typically embrace the greenback in times of uncertainty. That reflex reemerged last month amid the frightening backdrop of the still-spreading, still-deadly and still-too-difficult to predict outbreak of the now-named Covid-19 virus.

By one estimate, China’s GDP could be trimmed by 1 percent this year to a rate of about 5%, down from 6.1% for 2019. (That figure is based on the 2003 SARS epidemic — first discovered in 2002 — which slashed China’s growth by two percentage points in a single quarter.) In addition, a shortage of consumer goods is helping to drive Chinese inflation higher; it was up 2.5% in January as supply shortages have jacked up prices. This double-whammy has driven the Shanghai Composite down 5.6% for the year.

Of course, Fidelity’s foreign stock funds haven’t been immune from any of this: not only are markets down in local currency terms, but in U.S. dollars, they’re off even more.

Even before the virus’s spread, funds with exposures to mainland

China, Hong Kong and Taiwan were struggling (see table below). Now overshadowed by coronavirus, Hong Kong’s pro-democracy movement had grown violent.

Separately, there’s a new risk to U.S. companies — and not just the luxury retailers catering to wealthy Chinese shoppers on Fifth Avenue.

In its semiannual report to Congress, the Fed cautioned: “Because of the size of the Chinese economy, significant distress in China could spill over to U.S. and global markets through a retrenchment of risk appetite, U.S. dollar appreciation and declines in trade and commodity prices.” Supply chains are also at risk.

Though not quite prescient (each of these things had already occurred), they are nonetheless true.

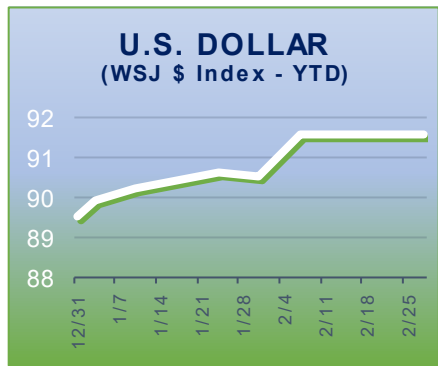
So far this year, the dollar (in trade-weighted terms) has appreciated 2.3%. (Talk of a Fed rate-cut trimmed prior gains.) And as for commodities, crude oil prices have plunged 26%.

While we’re not yet at the point of cutting ratings on a broad swath of international funds (see p. 5), those with large Japan exposures

have been downgraded for both reasons already cited, but especially for that country’s new national sales/consumption tax of 10%.

On balance, U.S. growth stocks remain our preferred asset class. ■

— John Bonnanzio



**Fund Commentary cont'd from page 5**

15.8% last month and is off 30.0% for the year! That affords it with the dubious distinction of being Fidelity’s worst-performing fund — of any variety — this year. And while airlines typically benefit from cheaper oil, the near-collapse of global tourism grounded **Air Transportation’s** performance with a monthly decline of 14.5%.

**Fixed Income**

With bond yields plunging last month across the entire maturity spectrum (the 10-year Treasury rallied to a historic low of 1.13%), all taxable and municipal bond funds enjoyed outsized gains. **U.S. Bond Index**, a proxy for the asset class, soared 1.8% last month and is now up 3.9% for the year. (High yield bond funds are highly correlated to stocks, so they all suffered losses.) By far, the top-performer was **Long-Term Treasury Index** (up 6.6%) which benefited from the 30-year Treasury bond’s yield dropping 34 basis points to just 1.65%. ■

— John Bonnanzio

**Service Disruptions**

For a few terrifying moments last month, an indeterminate number of 401(k) account holders logged into Fidelity’s website to find balances of zero dollars! Fidelity hasn’t detailed the scope of the disruption, but on the 19<sup>th</sup> and again on the 28<sup>th</sup>, its site (along with arch-rival Vanguard) saw its trading platform briefly buckle under the strain of skyrocketing traffic. This also kept some from seeing account balances, and others from buying or selling securities.

While these outages appear to have lasted “only” a few minutes, the disruptions are a wake-up call. Servicing 30 million investors and over \$8 trillion in customer assets, Fidelity can ill-afford to lose the confidence of a single investor — not even for a minute. ■

**Fund Compositions (figures in %)**

Fund	China	Hong Kong	Taiwan	Japan	U.S. \$ Exp.	Return (in %)	
						Feb.	YTD
China Region	65	11	12	--	28	1.6	-2.9
Emerging Asia	38	9	9	--	14	0.7	-2.0
Emg Mkts	29	2	8	--	25	-3.1	-6.3
Emg Mkts Disc	22	2	10	--	16	-5.4	-8.5
Emg Mkts IDX	34	--	12	--	13	-4.0	-9.3
Pacific Basin	23	6	6	32	7	-3.6	-7.4
Total Emg Mkts	26	--	5	--	42	-3.8	-7.1
Int'l Cap App*	6	1	2	4	13	-4.9	-5.1

\*Held in our models, the fund has minimal exposures to China and other Asian markets.

## Inside Fidelity

**Fund Closing — Event Driven Opportunities** has now been closed to all investors. This so-called hard close prohibits existing shareholders from purchasing additional shares. The move follows January's "soft close" which merely kept new investors from buying into the fund.

Given Event Driven's disastrous track record these past few years, Fidelity will likely ask shareholders for permission to liquidate the fund and move their assets into another actively managed one. That process would probably take months to unfold. But as we already rate Event Driven *Sell*, shareholders would be wise to sell their positions now and simply redeploy their as-

### DIVIDEND UPDATE

*Other than monthly dividends on bond and money market funds, and Asset Mgr: 20%/30%, the following funds are expected to pay dividends and/or capital gains (if any) in March:*

Equity-Income, MA Municipal Income, Mid Cap Value, MSCI Comm Svs, MSCI Cons Discret, MSCI Cons Staples, MSCI Energy, MSCI Financials, MSCI Healthcare, MSCI Industrials, MSCI Info Tech, MSCI Materials, MSCI Real Estate, MSCI Utilities, NY Municipal Inc, Real Estate Inc, Real Estate Indx, Real Estate Inv, Stk Sel Large Cap Value, Tax-Free Bond, Telecom & Utilities

*The final distributions for February were as follows:*

Fund	Ex-Date	\$ Amt	NAV
Consrv Inc Muni	2/7	0.001	10.06
Contrafund	2/7	0.097	14.40
Lmtd Trm Muni Inc	2/7	0.004	10.77
MI Municipal Inc	2/7	0.008	12.62
MN Municipal Inc	2/7	0.001	12.05
Municipal Inc	2/7	0.009	13.60
OH Municipal Inc	2/7	0.002	12.53
PA Municipal Inc	2/7	0.010	11.53
Trend	2/7	1.171	114.61

sets into one or more of their preferred stock funds.

As for a fund that's most similar to Event Driven, there are none. A special situations fund that's loosely benchmarked against the Russell 3000, there's simply nothing else that's comparable. ■

### GROWTH INVESTING **Fidelity Sits Out Tesla Stock Rally**

In 2016, Fidelity funds collectively owned more than 10% of Tesla's outstanding shares. But in recent months, as the stock tripled in value, Fidelity was at best a reluctant participant, making a meaningful bet only in **Select Automotive** — its smallest Select.

To their credit, three managers (Sonu Kalra of **Blue Chip Growth**, Steven Wymer of **Growth Company** and Kyle Weaver of **VIP Growth Opportunities**) ignored the persistently negative media stories and bearish analysts, making contrarian bets amounting to 1-2% of fund assets.

It's a rare miss for Fidelity, which usually has a pretty good handle on technology disruption stories.

[Note: I've been "long" TSLA since 2010. But at the current price level (\$668 at month-end) I don't consider Tesla a buying opportunity for holding periods of less than 10 years.]

In this case, bearish analysts and short-sellers looked for every possible reason to be skeptical of Tesla's progress, refusing to consider what might happen if things went right. Tesla's record-breaking Model 3 sales and its rapid progress on a Chinese factory were largely ignored by the mass media, which focused instead on fabricated negative stories

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and frivolous lawsuits dreamed up by short-sellers. This held Tesla stock at artificially low levels from 2017 until late 2019, when Tesla posted unexpectedly strong profits. So much for the Efficient Market Theory.

Tesla is now finding a new equilibrium. There was never any short squeeze because the daily volume in Tesla stock has been breaking records, precluding any liquidity issues. Instead, the long running "tug-of-war" between Wall Street bears and individual bulls — many of whom own Tesla vehicles! — has tilted in favor of the bulls. The media calls it a bubble, but ignores the fact that Ferrari's stock is much higher than Tesla by measures of price-to-sales and market cap per vehicle produced.

In reality, the market is saying that Tesla now looks more like a high-volume version of Ferrari than Ford or GM. The one thing we know for sure is that Tesla is an extremely risky disruptor stock, with a volatility score of 4.2 — more than four times as risky as the S&P 500.

So when will Fidelity's ownership of Tesla increase? Perhaps when Tesla is added to the S&P 500, an event that might happen later this year (it could debut as one of the 50 largest stocks in the index). At that point Fidelity's largest stock fund, **500 Index**, would automatically pick it up. ■

— Jack Bowers

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