

FIDELITY MONITOR & INSIGHT

MARCH 2026

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MESSAGE FROM JACK

It Pays To Be The Optimistic Contrarian

For stock investors, sometimes you need more than just a long-term investment horizon. Over the years, I've found that it helps to have some blind faith in American capitalism (where key principles such as property rights, contracts and commerce are protected in the Constitution), as well as American CEOs and their uncanny ability to maximize the value of their enterprises. Top-notch business leaders, both home-grown and foreign-born, tend to find their way into U.S. C-suites because of the American Dream. Fast to embrace new technology, rarely bound by tradition, highly respectful of shareholders, and only moderately burdened by regulations and taxes, these are the guys and gals you want on your side.



Jack Bowers

The 2008 Financial Crisis was a great example of how this plays out in an adverse scenario.

Faced with a situation where profitability had largely disappeared, American CEOs got busy restoring bottom lines. Through a combination of cost cutting (primarily through layoffs) and revenue increases (primarily through buyouts), the S&P 500 went from an earnings trough of \$40 in the third quarter of 2009 to \$96 by the end of 2011, surpassing its pre-crisis peak. In this fast-moving restructuring wave, which was perhaps unmatched by anything that came before, one out of six companies were bought out, and countless product lines changed hands. And it didn't stop there. A continued strong focus on earnings, combined with stepped-up stock buybacks, ultimately allowed the S&P 500 to septuple (grow by a factor of 7) from its 2009 low.

Contrast that outcome with Japan's real estate bust in 1989. Burdened by non-performing loans, a lack of interest in restructuring, and social obligations that made layoffs largely taboo, Japan tried to export its way out of the crisis, with the Bank of Japan racking up a massive amount of debt in an effort to drive the yen as low as possible. It didn't work. Deflation set in, ultimately requiring the government to impose a 10% value-added tax in order to service its debt, which added another head-

Jack's Message *cont'd on page 4*

FUND COMMENTARY

Stocks Finish Lower As AI And Tariffs Spur Market Rotation

Of all the concerns that investors had last month, a war with Iran was the least among them. Of course, that changed Saturday morning February 28, so apart from oil prices, little in this report reflects that development. That said, oil prices did rise 2.4% in February. Winter weather across the continent was a likely factor in that rise, though it now appears that Saudi Arabia and others kept prices in check by front-loading the oil supply chain ahead of the U.S.-Israeli attack.



John Bonnanzio

As for tariffs, well, we all know how that has so far played out. The cornerstone of President Trump's economic policy was struck down by the Supreme Court, and one gets the feeling that his implementation of a global 15% tariff is but his first salvo in testing the limits of his now reined in executive power.

This month's Market Outlook and Fund Commentary have been combined.

A less-discussed consequence of the high court's ruling involves "reshoring." Tariff revenue was supposed to help address the federal deficit. But it was also meant to encourage overseas businesses to set up shop in the U.S. and generate jobs for Americans. Though there's been much fanfare over the handful of companies that have agreed to do just that (including U.S. chip makers who are returning for national security reasons), the court's ruling likely has CEOs rethinking any such moves — especially before November's mid-term elections. Sooner or later, Congress will play its part.

With U.S. and foreign corporations again having to decide on what their supply chains should look like, and where they should deploy their capital, investors need to sit on their hands for a while until there's greater clarity on trade, and another issue that matters even more: artificial intelligence.

With the technology sector accounting for a third of the S&P 500 and nearly half of the Nasdaq Composite, as go chipmakers like Nvidia and their primary custom-

Fund Commentary *cont'd on page 3*

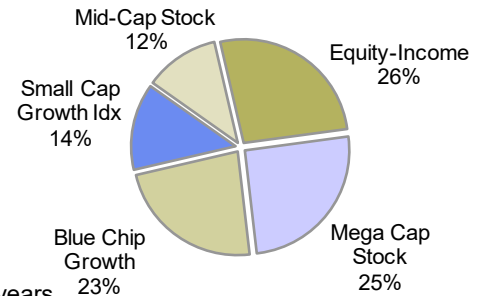
Unique Opportunities Target Risk: 1.20 (Current: 1.07) Foreign Holdings: 11.1% **YTD Return: 3.7%**

Stocks: 97.7% Bonds: 0.0% Cash: 2.3% Alternatives*: 0.0% Yield: 0.7%

Holdings	Ticker	NAV	Shares	Value	Feb Ret
Equity-Income	FEQIX	\$90.55	4,585.38	\$415,206	4.5%
Mega Cap Stock	FGRTX	32.04	12,400.56	397,314	-0.5
Blue Chip Growth	FBGRX	260.64	1,394.88	363,561	-2.3
Small Cap Growth Idx	FECGX	32.32	6,552.54	211,778	-0.2
Mid-Cap Stock	FMCSX	51.05	3,549.52	181,203	6.3

Current Value (3/31/99 = \$100,000) **\$1,569,062** **1.1%**

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



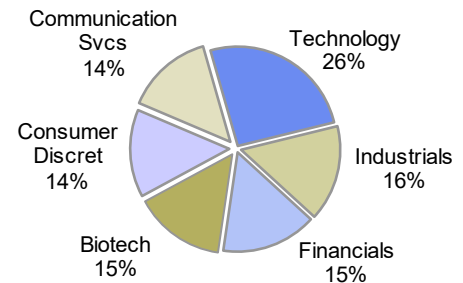
Select Target Risk: 1.20 (Current: 1.27) Foreign Holdings: 5.2% **YTD Return: 1.4%**

Stocks: 99.9% Bonds: 0.0% Cash: 0.1% Alternatives*: 0.0% Yield: 0.2%

Holdings	Ticker	NAV	Shares	Value	Feb Ret
Technology	FSPTX	\$40.88	76,234.66	\$3,116,473	-3.0%
Industrials	FIDRX	70.45	26,933.32	1,897,452	8.8
Financials	FIDSX	15.28	123,694.26	1,890,048	-4.6
Biotech	FBIOX	26.12	68,988.28	1,801,974	2.4
Consumer Discret	FSCPX	68.09	25,459.28	1,733,522	-3.2
Communication Svcs	FBMPX	139.23	12,383.48	1,724,152	-4.5

Current Value (12/31/88 = \$100,000) **\$12,163,621** **-1.0%**

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



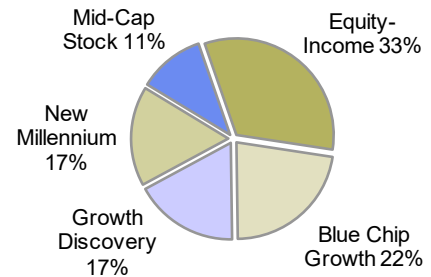
Growth Target Risk: 1.00 (Current: 1.03) Foreign Holdings: 9.3% **YTD Return: 3.3%**

Stocks: 98.8% Bonds: 0.0% Cash: 1.2% Alternatives*: 0.0% Yield: 0.6%

Holdings	Ticker	NAV	Shares	Value	Feb Ret
Equity-Income	FEQIX	\$90.55	29,371.62	\$2,659,600	4.5%
Blue Chip Growth	FBGRX	260.64	6,974.68	1,817,882	-2.3
Growth Discovery	FDSVX	69.60	20,206.26	1,406,355	-1.3
New Millennium	FMLX	68.49	19,782.68	1,354,916	0.3
Mid-Cap Stock	FMCSX	51.05	17,504.00	893,579	6.3

Current Value (12/31/86 = \$100,000) **\$8,132,332** **1.3%**

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



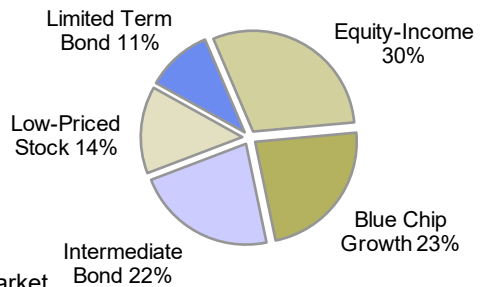
Growth & Income Target Risk: 0.66 (Current: 0.69) Foreign Holdings: 12.3% **YTD Return: 3.2%**

Stocks: 66.0% Bonds: 31.2% Cash: 1.7% Alternatives*: 1.0% Yield: 1.7%

Holdings	Ticker	NAV	Shares	Value	Feb Ret
Equity-Income	FEQIX	\$90.55	4,908.31	\$444,447	4.5%
Blue Chip Growth	FBGRX	260.64	1,321.83	344,520	-2.3
Intermediate Bond	FTHRXL	10.45	31,847.62	332,808	1.2
Low-Priced Stock	FLPSX	44.54	4,650.44	207,130	3.4
Limited Term Bond	FJRLX	11.69	13,303.25	155,515	0.7

Current Value (12/31/93 = \$100,000) **\$1,484,421** **1.5%**

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



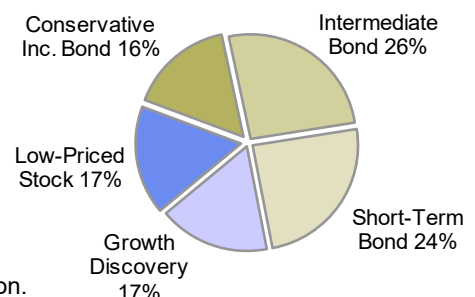
Income Target Risk: 0.33 (Current: 0.39) Foreign Holdings: 20.7% **YTD Return: 1.8%**

Stocks: 33.5% Bonds: 64.9% Cash: 1.5% Alternatives*: 0.2% Yield: 2.8%

Holdings	Ticker	NAV	Shares	Value	Feb Ret
Intermediate Bond	FTHRXL	\$10.45	14,845.71	\$155,138	1.2%
Short-Term Bond	FSHBX	8.54	17,203.67	146,919	0.4
Growth Discovery	FDSVX	69.60	1,463.29	101,845	-1.3
Low-Priced Stock	FLPSX	44.54	2,264.55	100,863	3.4
Conservative Inc. Bond	FCNVX	10.07	9,505.43	95,720	0.3

Current Value (12/31/91 = \$100,000) **\$600,485** **0.8%**

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



ers (Microsoft, Amazon, Alphabet/Google and Meta/Facebook), so goes the market. And while their CapEx spending alone this year is forecast to account for nearly \$700 billion of Nvidia's sales, there's considerable nervousness over Big Techs' returns on investment, and just as important, which companies will find themselves on the losing side of machine learning.

That latter consideration and AI valuations are driving this year's market rotation. Investors seeing another dot.com-like bubble are either moving into (cheaper) value-and/or smaller-cap stocks, less volatile sectors like chemicals, "safe harbor" gold (which is actually extremely volatile), and lower-risk bonds. And as for those pedal-to-the-metal investors, every tech dip (which routinely wipes out trillions of dollars in market cap) looks like a buying opportunity.

As for valuations, the tech sector is, by most metrics, expensive. However, there is great variation therein: software stocks are arguably quite cheap whereas chip makers are extremely expensive. A week ago, the forward P/E of the S&P 500's tech component was said to be 23. That closely aligns with the index's overall P/E of 22 which is understandable given tech's prominence in the index. As such, the market's bargain-hunters have turned to financials, health care and energy, though only the latter had, last month, the wind to its back.

Market Indexes

The Nasdaq Composite's 1.0% gain in January was wiped clear by February's 3.3% decline; for the year-to-date it's down 3.0%.

FUNDS YOU SHOULD BUY NOW

Growth: Blue Chip Growth and **Growth Company** are aggressive, volatile large-cap picks. (**Mid-Cap Stock** is our preferred play on smaller-cap issues.) **Contrafund**, **Growth Discovery** and **New Millennium** are more conservatively positioned, whereas **Mega Cap Stock** (a large-cap blend offering) has only been as volatile as the S&P 500 itself.

Growth & Income: Equity-Income and **Equity Dividend Income** hold attractively valued, dividend-producing stocks that may be an attractive counter to more richly valued growth/tech stocks.

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

Muni Bond Funds: Conservative Income Muni is a tax-free alternative to a muni money market fund. ■

Other major equity indexes are faring better, though not dramatically so. Nevertheless, they do speak to investors' shifting interest in non-tech alternatives. The Dow Industrials, for example, rose a fractional 0.3% last month, and is now up 2.1% for the year. The delta between it and the Nasdaq is nearly five percentage points, and the first quarter still has a month to go. As for the S&P 500, it slipped 0.8% in February and for the year-to-date is up a modest 0.7%.

Better results have so far been achieved "downstream" with the small-cap Russell 2000 inching 0.8% higher last month and the Russell Midcap Index jumping 3.7%. (Both gauges are up over 6% this year.)

Stock Funds

Not surprisingly, Fidelity's 12 mid-cap-oriented funds were among last month's top performers. **Mid-Cap Stock** and **Stock Selector Mid Cap** led the way with gains of 6.3% and 5.0%, respectively, and **Mid Cap Value** popped 4.9%. Smaller-cap offerings also fared well. **Stock**

Selector Small Cap and **Small Cap Value** both gained 3.8%.

Some of February's worst-performing funds include the top-performing, tech-rich funds of the past three years including **Fidelity Fund** (down 2.9%), **Blue Chip Growth** (down 2.3%) and **OTC** (down 1.3%). That said, all fared better than **Large Cap Growth Index** (down 3.4%) which is a feather in the cap for active fund management.

On that note, this month we have modestly downgraded several growth-oriented (tech-heavy) index funds, including **Large Cap Growth Index**. Now rated *Hold* from *OK to Buy*, savvy managers have the opportunity to pick winners from losers in the ever-changing world of AI, whereas index funds are beholden to rigid benchmarks. (See *March Scorecard Rating Changes* on p. 5.)

Last month's returns among Fidelity's more popular funds (as measured by assets), provided few surprises given their respective benchmarks. In the case of the large-cap growth **Contrafund**, it slipped 1.0%

Fund Commentary *cont'd on page 5*

Model Portfolios Key:

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

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

wind. The Japanese stock market took more than 30 years to fully recover, with inflation and interest rates only recently returning to levels comparable to other Western economies.

Even in normal times, the willingness to experiment with unproven technology and ideas is uniquely American, and over the decades it has led to massive GDP growth and prosperity, even as globalization and trade deficits weighed on job growth.

Now, in the age of AI, we are entering a period with greater uncertainty for wage earners — but also one with unbounded opportunities for freelancers and proprietors — an environment where anyone with a physical asset, unique skill or creative idea can use powerful tools to generate an income stream from it. Tradition-bound economies (primarily Europe and Japan) will likely restrict AI technology through the expanded use of regulations and taxes, while Chinese companies may be handicapped by insufficient compute hardware, a tendency to favor imitation over innovation, and government priorities that result in sub-optimal capital allocation. That almost certainly leaves shareholders of U.S. companies as the prime beneficiaries of the productivity boom that AI unleashes.

Be A Bad News Skeptic

Being an optimistic contrarian often works because the market typically over-reacts to bad news in the short run, while climbing a wall of worry in the long run. This is largely

human nature. Studies show that the psychological pain from an investment loss is twice as strong as the satisfaction from an equivalent gain. In other words, FOMO (Fear Of Missing Out) is a relatively weak emotion compared with loss aversion.

This being the case, anyone who wants to be an objective investor must try to park their human emotions by dismissing any stock market loss that doesn't have an obvious impact on corporate earnings in the long run. It's not always easy, because today's mass media focus is primarily FUD (Fear, Uncertainty, Doubt) — the main tool that short-sellers use to make money. Favorable news at best is under-reported, and at worst is completely ignored.

sellers, especially when uncertainty is the main issue. People are often far more scared of the unknown than something bad that has happened before.

As Ben Graham once said, "In the short run, the stock market is a voting machine. But in the long run it is a weighing machine." Put another way, while there's always a lot of emotional noise in stock prices, corporate earnings are the main thing that determines value in the long run.

While The Market Often Goes Down, Earnings Seldom Do

Earnings per share growth is perhaps the one thing that corporate America does best. In 1926, the index that later became the S&P 500 posted \$1.25 in earnings. This year the consensus estimate is around \$310. So, over the last 100 years, corporate earnings have grown at a rate of about 5.7% annually (this includes the favorable effect of stock buy-backs in recent decades).

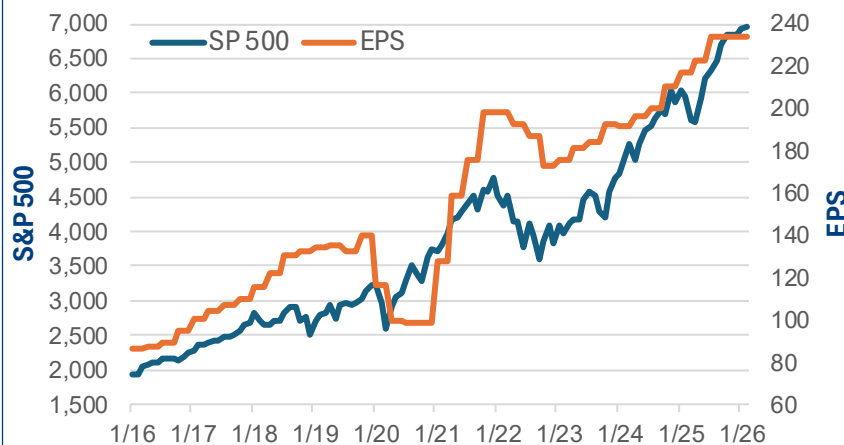
To go from earnings to total return, you have to add in P/E expansion (about 1.1 percentage points per year over the last 100 years) and reinvested dividends (another 3.8 points),

which results in a total return of 10.6% per year. Inflation averaged 3.0% over the last century, so the real return (or purchasing power gain) of stocks was 7.6% annually.

What can we expect for the next decade? S&P 500 earnings tend to track nominal GDP, which will likely grow at a faster rate as productivity growth rises in response to the

Stock Prices Follow Profits

S&P 500 Historical Earnings
(1/1/2016 - 2/1/2026)



It's no accident that the S&P 500 has fared so well for so long. In fact, far longer than this chart suggests. Notwithstanding an earnings hiccup triggered by the Pandemic, America's pro-business policies, culture and legal safeguards have provided the footing for companies to grow and prosper.

Source: *macrotrends*

But with a bit of attitude and determination, it's not hard to dismiss bearish events and stick to your long-term position. Assume that the more ridiculous or trivial the reason for the selloff, the faster the recovery will be. Efficient market theory says that all market declines are equally rational, but my own experience with reader emails and advisory clients suggests otherwise. Many downturns involve highly emotional

Jack's Message *cont'd on page 12*

Fund Commentary *cont'd from page 3*

(as did **Growth Co.**), and **Growth Discovery** declined 1.3%.

Among large-cap value funds, **Equity-Income** and **Equity Dividend Income** both popped 4.5%, whereas the mid-cap oriented **Low-Priced Stock** managed a gain of 3.4%. In this case, the fund's 38% foreign stake was beneficial (see p. 11).

International Funds

With the U.S. dollar unchanged last month, the average Fidelity international fund rose 4.3%.

Fidelity's two Japan funds fared best with gains of 9.0% and 10.7%. Their performances were bolstered by a national election which affirmed the country's new prime minister's plan to stimulate its economy via monetary and fiscal means.

Another top-performer was **Canada** fund (up 7.7%). Banks delivered analyst-beating earnings, mining companies benefited from rising commodity prices (including gold) as well as a market shift towards industrials.

And, while Norway once again ran roughshod over the rest of the world in collecting gold medals at the Milan Winter Olympics, **Nordic** fund was the category loser with its 0.5% decline. (In fairness, Norway

is only a 9% weight in the fund versus nearly 50% for Sweden.)

Taking a wider view, the developed-market **International Index** fund gained 4.8% while **Emerging Markets Index** jumped 5.7%.

Select Funds

With gold prices gaining over 3% in February, **Select Gold** was the month's top-performing fund with a gain of 23.4%; it's now up 36.6% for the year-to-date. Closing the month at nearly \$5,300 a troy ounce, it's worth remembering that the fund's volatility is more than two-and-a-half times greater than the S&P 500. (We rate **Gold Sell** based on its risk, but if you're inclined to hold some for 10+ years, limit your stake to 5% or less.)

On the losing side of sector investing, **Brokerage & Investment** fared worst (down 12.2%) as investors see that area as especially vulnerable to AI disruption.

However, other big losers were all tech-related. That also speaks to the market's struggling to understand which companies stand the most to win and lose in the age of machine learning. To that end, **Software & IT Services**, **Enterprise Technology Services** and **FinTech** plunged 10.8%, 10.0% and 8.9%, respectively.

Fixed Income Funds

With inflation metrics that continue to show conflicting progress in bringing consumer and wholesale prices lower, coupled with the Fed satisfied to leave rates unchanged, bonds have rallied across the entire maturity spectrum this year.

The best explanation is their safe harbor status, especially relative to volatile stocks and our oft-mentioned market rotation within the equity universe.

The yield on the benchmark 10-year Treasury dropped 11 basis points last month (and is now down 29 basis points this year) to 3.97%.

With that drop, **U.S. Bond Index** rose 1.6%. **Long-Term Treasury Index**, Fidelity's most interest-rate-sensitive fund, soared 4.2%. Warning: With its duration of 14.5 years, it is even more volatile than the S&P 500.

On the tax-free side, **Muni Income** and **Tax-Free Income** rose 0.5%.

Ultra-short-term **Conservative Income Bond** also benefited from falling rates: in February it rose 0.3%, though its yield fell to 3.73%.

Likewise, the yield on **Gov't Cash Reserves** (a money market fund) ended February at 3.36%, down from 3.41% a month earlier. ■

— John Bonnanzio

March Scorecard Rating Changes

Mutual Funds	Ticker	Ratings			Comments
		Old	New		
Extended Mkt IDX	FSMAX	B	H	↓	Prefer the less tech-rich Mid-Cap Stock fund.
Global ex U.S. IDX	FSGGX	H	B	↑	This fund is a lower-risk approach to foreign stocks with some exposure to emerging markets.
Lg Cap Growth IDX	FSPGX	B	H	↓	Market concerns regarding excess AI computing capacity may persist.
Mid Cap Growth IDX	FMDGX	B	H	↓	Market concerns regarding excess AI computing capacity may persist.
MSCI Materials	FMAT	H	B	↑	Energy transition and AI buildout leading to greater demand.
Pacific Basin	FPBFX	H	B	↑	Could benefit from exposures to Japan and Australia.
Sel. Brokerage & Inv.	FSLBX	B	H	↓	AI technology could lead to greater competition.
Sel. Health Care	FSPHX	B	B	↓	Prefer the more narrow Select Biotechnology or Pharmaceuticals.
Sel. Materials	FSDPX	H	B	↑	Energy transition and AI buildout leading to greater demand.
Sel. Med. Tech. & Devices	FSMEX	B	H	↓	GLP-1 drugs may reduce demand for many other health services and devices.
Sel. Pharmaceuticals	FPHAX	B	B	↑	Like Biotech, sector could benefit from AI technology.
VIP Extended Mkt IDX	FEMJC	B	H	↓	Prefer VIP Mid Cap.
VIP Materials	FVMAC	H	B	↑	Energy transition and AI buildout leading to greater demand.

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 28, 2026

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)					Rel Vol (Risk) ¹
					Feb	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr	15 Yr	
Comparative Indexes		S&P 500	6878.9		-0.8	0.7	0.7	17.0	21.8	14.2	15.5	13.7	1.00
		Nasdaq Composite	22668.2		-3.3	-3.0	-2.9	21.0	26.4	12.3	18.5	16.2	1.33
		Dow Jones Industrials	48977.9		0.3	2.1	3.1	13.6	16.6	11.7	13.9	12.2	1.01
		Russell 2000 (Small Caps)	2632.4		0.8	6.2	5.6	23.3	13.1	5.1	11.3	9.5	1.68
		Bloomberg Barclays Agg Bond*			1.6	1.8	1.6	6.2	5.1	0.4	1.9	1.3	0.49
Model Portfolios		Unique Opportunities			1.1	3.7	4.9	21.0	20.0	11.0	15.2	12.3	1.07
		Select			-1.0	1.4	2.8	24.7	23.5	12.5	16.3	14.3	1.27
		Growth			1.3	3.3	4.4	20.4	21.5	12.3	15.7	12.7	1.03
		Growth & Income			1.5	3.2	4.2	15.6	15.4	7.7	11.1	9.6	0.69
		Income			0.8	1.8	2.1	8.9	9.1	4.2	5.5	5.3	0.39

												Rel Vol (Risk) ¹	Assets (\$Mil)
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LARGE CAP GROWTH Average **-1.4 -0.0 0.2 19.7 26.6 13.5 18.0 1.30**

312	FBGRX	Blue Chip Growth	260.64	Buy	-2.3	-2.4	-1.1	20.5	31.6	13.1	20.6	1.50	\$70,387
307	FDCAX	Capital Appreciation	47.68	OK to Buy	-0.7	3.3	4.0	21.4	23.5	13.3	16.0	1.13	7,004
22	FCNTX	Contrafund	24.48	Buy	-1.0	0.9	2.6	18.7	30.3	15.6	17.8	1.13	156,760
3	FFIDX	Fidelity Fund	110.24	OK to Buy	-2.9	-1.8	-1.4	18.3	23.7	14.2	15.8	1.14	8,541
333	FTQGX	Focused Stock	39.75	Hold	0.1	3.6	3.2	19.4	26.9	13.9	17.9	1.45	4,160
3336	FIFNX	Founders Fund	26.47	OK to Buy	-0.6	-0.1	0.4	15.9	24.6	11.5	--	1.40	140
25	FDGRX	Growth Company (closed)	48.53	Buy	-1.0	1.5	2.6	30.2	32.6	14.9	22.4	1.44	74,697
339	FDSVX	Growth Discovery	69.60	Buy	-1.3	-0.3	-1.0	15.7	24.6	13.0	18.3	1.24	5,445
2826	FSPGX	Lg Cap Growth Index	44.04	Hold↓	-3.4	-4.8	-5.4	14.8	26.1	14.3	--	1.30	41,739
21	FMAGX	Magellan	14.72	Hold	-2.0	-1.5	-2.6	7.9	20.4	11.5	14.5	1.18	26,091
1282	FNCMX	Nasdaq Composite Index	287.84	OK to Buy	-3.3	-2.4	-2.9	21.0	26.5	12.4	18.4	1.33	22,600
93	FOCPX	OTC	24.51	Buy	-1.3	0.9	2.1	26.5	30.4	14.3	20.9	1.30	26,276
320	FDSSX	Stock Selector All Cap	91.93	Hold	-0.3	2.4	2.7	21.6	20.7	12.3	15.2	1.08	3,194
5	FTRNX	Trend	197.25	OK to Buy	0.3	0.6	-0.0	24.0	30.1	14.7	18.9	1.57	4,481

LARGE CAP BLEND Average **0.1 2.2 2.8 19.9 21.1 13.9 15.4 1.04**

2328	FXAIX	500 Index	239.33	OK to Buy	-0.8	0.7	0.7	17.0	21.8	14.2	15.5	1.00	749,107
315	FDEQX	Disciplined Equity	73.03	Hold	-1.0	0.9	0.3	18.3	23.8	12.5	14.3	1.20	2,109
330	FDGFX	Dividend Growth	45.34	Buy	1.5	6.5	8.0	30.4	25.1	16.3	14.0	1.03	8,575
27	FGRIX	Growth & Income	71.28	OK to Buy	1.5	4.4	6.4	22.7	20.7	15.8	15.2	0.94	11,398
338	FLCSX	Large Cap Stock	67.11	OK to Buy	0.2	3.4	5.7	28.4	24.9	17.5	16.6	0.99	7,206
361	FGRTX	Mega Cap Stock	32.04	Buy	-0.5	2.5	4.8	26.3	25.1	17.2	16.8	0.95	3,658
300	FMLX	New Millennium	68.49	Buy	0.3	2.1	3.8	20.5	23.3	17.2	15.9	1.08	5,432
6391	FSEBX	Sustainable U.S. Equity	15.49	OK to Sell	0.3	1.9	2.0	20.3	18.6	--	--	1.17	28
2361	FSKAX	Total Market Index	188.71	Buy	-0.5	1.0	1.0	16.9	20.9	12.7	15.0	1.05	124,713
5029	FULVX	U.S. Low Volatility Equity	12.17	OK to Sell	3.6	4.1	2.1	4.0	10.6	7.6	--	0.80	21
2941	FITLX	U.S. Sustainability Index	30.37	Hold	-1.8	-0.3	0.5	19.0	22.0	14.2	--	1.09	5,218
3396	FWOMX	Women's Leadership	19.37	Hold	0.0	1.7	2.4	21.2	16.3	9.1	--	1.16	124
3231	FNILX	Zero Large Cap Index	24.48	OK to Buy	-0.9	0.3	0.4	16.6	22.0	13.8	--	1.02	16,495
3227	FZROX	Zero Total Market Index	23.88	OK to Buy	-0.5	1.0	1.0	17.1	21.0	12.9	--	1.05	33,731

LARGE CAP VALUE Average **3.0 6.9 8.5 19.0 14.8 12.0 11.3 0.97**

1271	FBCVX	Blue Chip Value	27.38	Hold	2.3	6.1	7.9	17.0	10.8	10.4	9.1	0.95	584
319	FEQTX	Equity Dividend Income	32.22	OK to Buy	4.5	8.4	10.3	18.9	14.5	12.9	11.7	0.99	5,991
23	FEQIX	Equity-Income	90.55	Buy	4.5	8.3	9.8	22.4	17.9	13.3	13.0	0.89	10,648
2830	FLCOX	Lg Cap Value Index	22.20	Hold	2.6	7.2	8.0	18.4	16.0	11.8	--	1.06	13,043
708	FSLVX	Stock Sel Large Cap Value	30.62	Buy	1.8	5.0	6.5	16.9	16.8	13.1	12.0	1.02	644
832	FVDFX	Value Discovery	41.18	OK to Buy	2.5	6.4	8.3	20.5	13.0	10.5	10.9	0.89	3,206

MID-CAP GROWTH Average **2.8 2.4 1.0 13.5 17.6 8.1 13.4 1.55**

324	FDEGX	Growth Strategies	71.60	OK to Buy	4.8	4.9	3.5	18.7	19.5	9.9	13.4	1.60	3,878
3403	FMDGX	Mid Cap Growth Index	35.04	Hold↓	0.8	-0.1	-1.4	8.2	15.7	6.3	--	1.51	3,738

MID-CAP BLEND Average **3.7 7.5 7.5 19.6 14.7 8.7 12.7 1.42**

2365	FSMAX	Extended Market Index	104.18	Hold↓	1.1	3.5	2.9	16.5	15.7	5.3	12.4	1.57	40,952
2352	FSMDX	Mid Cap Index	39.52	Hold	3.8	7.0	6.7	16.8	14.8	9.1	12.4	1.30	48,888
337	FMCSX	Mid-Cap Stock	51.05	Buy	6.3	9.9	10.9	23.3	14.5	11.7	13.5	1.30	7,620
2412	FSSMX	Stock Selector Mid Cap	50.57	Hold	5.0	9.7	9.7	19.6	13.9	9.5	12.5	1.41	349
3230	FZIPIX	Zero Extended Market Index	16.25	OK to Buy	2.6	7.4	7.4	21.8	14.3	7.7	--	1.53	2,277

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

FIDELITY SCORECARD

FEBRUARY 28, 2026

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) ¹	Assets (\$Mil)	
					Feb	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year			
MID-CAP VALUE					Average	4.3	10.3	11.9	23.5	15.0	12.2	12.3	1.38	
316	FLPSX	Low-Priced Stock ⁵	44.54	Buy	3.4	8.0	9.8	22.9	13.9	10.9	11.6	1.06	\$22,386	
762	FSMVX	Mid Cap Value	34.72	Hold	4.9	10.9	12.5	25.4	18.0	14.4	11.6	1.53	1,448	
3404	FIMVX	Mid Cap Value Index	32.08	Hold	4.7	9.2	9.3	19.3	13.9	10.1	--	1.31	1,988	
39	FDVLX	Value	15.15	Hold	3.7	9.9	12.1	24.0	14.5	12.6	12.9	1.51	8,528	
14	FSLSX	Value Strategies	62.29	Hold	4.9	13.6	15.7	25.9	14.9	12.8	13.3	1.51	710	
SMALL CAP GROWTH					Average	0.5	4.4	2.5	21.2	14.8	3.9	14.7	1.65	
1388	FCPGX	Small Cap Growth (closed)	36.74	Hold	1.1	5.1	2.5	20.4	15.7	5.4	14.7	1.58	3,074	
3405	FECCX	Small Cap Growth Index	32.32	Buy	-0.2	3.8	2.4	21.9	13.9	2.4	--	1.71	1,228	
SMALL CAP BLEND					Average	1.1	5.9	5.8	22.9	13.1	7.3	11.3	1.58	
384	FSCRX	Small Cap Discovery	24.11	Hold	-0.2	3.5	4.8	16.8	9.6	7.9	9.9	1.53	2,175	
2358	FSSNX	Small Cap Index	32.85	Hold	0.8	6.2	5.6	23.5	13.3	5.2	11.5	1.68	30,094	
340	FSLCX	Small Cap Stock	19.21	Hold	0.3	4.1	4.1	22.2	13.3	6.4	10.0	1.53	1,240	
336	FDSCX	Stock Selector Small Cap	46.41	OK to Buy	3.8	9.6	8.7	29.2	16.4	9.5	13.6	1.56	3,056	
SMALL CAP VALUE					Average	2.8	8.9	8.4	22.0	12.2	8.6	11.2	1.67	
1389	FCPVX	Small Cap Value	21.77	Hold	3.8	8.8	7.7	18.9	11.8	9.5	11.2	1.62	2,643	
3406	FISVX	Small Cap Value Index	30.71	OK to Buy	1.9	8.9	9.1	25.1	12.5	7.7	--	1.72	1,865	
REAL ESTATE														
1368	FIREX	International Real Estate	11.64	Hold	5.4	9.9	10.8	31.2	7.3	0.8	5.9	1.28	175	
833	FRIFX	Real Estate Income	12.59	Hold	2.4	3.2	3.3	7.1	7.9	5.2	6.3	0.58	1,301	
2355	FSRNX	Real Estate Index	17.43	Hold	5.2	7.9	5.6	5.7	7.9	5.5	5.2	1.40	3,127	
303	FRESX	Real Estate Investment	41.57	Hold	6.4	9.9	7.8	6.0	8.1	6.8	6.3	1.35	3,045	
ASSET ALLOCATION														
328	FASIX	Asset Manager 20%	14.73	Hold	1.4	2.7	2.9	10.3	8.1	3.7	4.8	0.42	3,050	
1957	FTANX	Asset Manager 30%	13.18	Hold	1.6	3.2	3.6	12.6	9.7	4.5	6.0	0.51	1,354	
1958	FFANX	Asset Manager 40%	14.58	Hold	1.6	3.6	4.1	14.7	11.2	5.5	7.2	0.58	1,800	
314	FASMX	Asset Manager 50%	22.71	Hold	1.7	4.1	4.7	17.0	12.7	6.4	8.2	0.65	7,557	
1959	FSANX	Asset Manager 60%	17.82	Hold	1.7	4.4	5.2	18.9	14.1	7.2	9.3	0.72	2,578	
321	FASGX	Asset Manager 70%	31.53	Hold	1.7	4.8	5.8	21.1	15.7	8.4	10.4	0.78	4,909	
347	FAMRX	Asset Manager 85%	31.90	Hold	1.8	5.4	6.6	24.4	18.0	9.8	12.0	0.89	2,939	
304	FBALX	Balanced	32.85	Buy	0.4	2.2	2.3	16.2	16.9	9.6	11.9	0.76	43,735	
3083	FMSDX	Multi-Asset Income	16.48	Hold	3.4	6.9	6.0	20.6	12.4	8.0	10.0	0.75	1,378	
355	FFNOX	Multi-Asset Index	69.89	Hold	1.9	4.8	5.6	22.0	17.8	9.9	11.7	0.87	10,135	
4	FPURX	Puritan	26.86	Buy	1.1	3.1	3.5	14.8	17.1	9.6	11.6	0.81	29,638	
6477	FYMRX	Sustainable Multi-Asset	12.32	Hold	1.2	4.1	5.2	21.5	15.7	--	--	0.79	77	
INTERNATIONAL					Average	4.3	10.4	13.0	36.9	19.6	8.8	11.3	1.10	
309	FICDX	Canada	84.21	Hold	7.7	7.7	11.1	31.6	18.0	14.5	12.0	1.07	1,100	
352	FHKCX	China Region	63.19	Hold	4.7	16.0	19.2	56.2	25.2	4.0	14.3	1.51	1,710	
325	FDIVX	Diversified International	53.15	Hold	3.7	9.3	12.5	31.3	18.5	8.7	10.1	0.99	13,293	
351	FSEAX	Emerging Asia	76.16	Hold	5.6	15.0	19.1	52.1	27.9	3.7	15.1	1.30	1,845	
322	FEMKX	Emerging Markets	54.92	Hold	3.2	10.1	12.7	45.0	19.3	4.6	12.1	1.15	6,332	
2374	FEDDX	Emerging Mkts Discovery	22.02	Hold	5.5	14.7	16.4	50.5	19.1	9.9	11.8	1.13	492	
2344	FPADX	Emerging Markets Index	15.64	Hold	5.7	14.3	17.4	49.0	21.0	6.0	10.5	1.10	14,558	
5031	FEOPX	Enduring Opportunities												
301	FIEUX	Europe	49.16	Hold	1.1	5.4	9.1	30.3	17.6	7.6	9.0	1.06	988	
2406	FGILX	Global Equity Income	26.34	Buy	3.5	5.9	7.0	25.7	19.2	12.5	12.4	0.85	337	
2348	FSGGX	Global ex U.S. Index	20.73	OK to Buy ↑	5.2	11.1	14.2	39.3	20.1	9.9	10.5	0.97	18,667	
7615	FICQX	International Cap App	37.71	Hold	0.9	5.5	8.1	19.2	17.2	7.3	11.0	1.07	4,225	
305	FIGRX	International Discovery	61.78	Hold	1.5	8.1	10.9	30.9	19.0	7.5	9.9	1.05	4,807	
1979	FIGFX	International Growth	24.73	Hold	3.3	8.8	10.8	20.3	15.7	8.0	10.5	1.13	1,803	
2363	FSPSX	International Index	66.88	Hold	4.8	10.0	13.1	34.3	19.1	11.0	10.5	1.02	83,026	
818	FISMX	International Small Cap	40.06	Hold	4.2	8.8	10.5	31.4	15.0	8.1	10.1	0.98	1,850	
1504	FSCOX	Int'l Small Cap Opps	23.32	Hold	3.8	6.9	9.1	29.1	15.5	7.1	10.0	1.18	922	
2988	FNIDX	International Sustainability Idx	16.65	Hold	3.9	9.1	11.3	34.4	18.1	8.0	--	0.97	772	
1597	FIVLX	International Value	15.31	OK to Buy	3.2	8.4	13.0	40.8	23.0	14.9	10.6	1.00	2,342	
350	FJPNX	Japan	23.24	Hold	9.0	17.6	17.5	52.4	23.3	9.2	11.8	1.17	318	
360	FJSCX	Japan Smaller Companies	19.71	Hold	10.7	17.5	16.8	48.0	22.4	10.2	9.9	1.14	439	
342	FNORX	Nordic	70.42	Hold	-0.5	7.3	12.9	23.1	13.6	7.4	10.2	1.24	360	
94	FOSFX	Overseas	76.55	Hold	2.8	6.3	8.3	19.5	15.3	8.0	9.9	1.06	5,380	
302	FPBFX	Pacific Basin	44.18	OK to Buy ↑	4.6	14.0	17.4	49.3	22.7	8.2	13.0	1.20	1,139	
6468	FSYJX	Sustainable Emerg Mkts Eqty	13.71	Hold	6.5	16.5	19.8	55.8	22.9	--	--	1.22	25	
6462	FSYRX	Sustainable Int'l Equity	12.59	Hold	3.2	8.8	11.2	31.9	17.2	--	--	0.99	23	
1978	FTIEX	Total International Equity	16.52	Hold	4.4	10.9	14.1	38.0	20.5	10.6	11.7	0.97	1,431	
2834	FTIHX	Total International Index	19.26	Hold	5.2	11.2	14.2	39.9	19.8	9.7	--	0.98	23,563	
318	FWWFX	Worldwide	37.73	Hold	0.4	3.9	3.9	21.3	23.1	10.9	14.4	1.22	3,107	
3228	FZILX	Zero International Index	16.43	OK to Buy	5.4	11.5	14.7	40.3	20.6	10.2	--	0.98	10,377	

FIDELITY SCORECARD

FEBRUARY 28, 2026

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) ¹	Assets (\$Mil)
					Feb	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year		
SPECIALTY													
6041	FARMX	Agricultural Productivity	22.33	OK to Sell	10.3	23.4	23.6	27.6	3.7	6.5	--	1.58	\$47
6385	FCAEX	Climate Action	15.39	Hold	-0.1	3.4	3.4	27.0	20.9	--	--	1.24	43
308	FCV SX	Convertible Securities	39.17	OK to Buy	2.3	7.4	6.8	27.0	15.5	7.2	13.0	0.91	1,926
2120	FFGCX	Global Commodity Stock	28.12	OK to Sell	11.1	24.9	28.7	58.7	17.4	16.4	15.1	1.46	608
6553	FAPHX	Healthy Future Fund	14.48	OK to Buy	2.0	3.2	2.7	12.2	11.1	--	--	1.00	8
6875	FEQHX	Hedged Equity	14.90	OK to Sell	-1.1	-0.1	-0.6	13.4	16.2	--	--	0.80	284
3488	FNSTX	Infrastructure Fund	18.60	OK to Buy	7.5	10.8	8.4	35.3	19.9	12.2	--	1.13	148
122	FLVCX	Leveraged Company Stock	46.15	OK to Buy	1.7	5.0	4.7	28.5	23.4	12.8	15.1	1.55	2,495
6513	FAPSX	Risk Parity	11.91	OK to Sell	3.2	8.2	8.8	25.9	14.4	--	--	0.80	8
1329	FSDIX	Strategic Dividend & Income	19.28	OK to Buy	5.4	9.5	9.7	19.4	13.9	9.7	10.6	0.83	3,311
1505	FSRRX	Strategic Real Return	9.42	Hold	2.7	6.3	6.8	14.4	8.9	7.2	6.3	0.46	289
311	FIUIX	Telecom & Utilities	37.95	Hold	10.4	12.4	7.0	18.8	20.9	14.8	11.9	1.18	1,542
6042	FLOWX	Water Sustainability	21.69	Hold	5.8	11.4	10.8	30.0	18.0	11.6	--	1.37	174
SELECT PORTFOLIOS					Average	2.2	5.5	6.2	22.2	18.0	11.3	13.7	1.60
502	FSAVX	Automotive	60.83	Hold	-1.8	1.2	2.0	17.3	13.2	5.3	12.8	1.57	66
507	FSRBX	Banking	33.92	OK to Buy	-4.1	-0.1	4.9	14.7	16.3	11.5	12.8	2.29	453
42	FBIOX	Biotechnology	26.12	Buy	2.4	3.9	3.1	36.5	19.6	4.0	11.4	1.66	5,352
68	FSLBX	Brokerage & Investment	165.52	Hold↓	-12.2	-13.3	-11.2	-9.4	13.9	11.8	15.2	1.85	989
69	FSCHX	Chemicals	14.40	Hold	9.6	20.2	20.0	5.9	3.1	5.3	8.0	1.64	465
503	FBMPX	Communication Services	139.23	Buy	-4.5	-0.2	1.3	29.2	35.7	13.7	16.5	1.37	2,274
511	FSHOX	Construction & Housing	135.13	OK to Buy	5.2	12.3	9.4	17.8	18.3	15.1	16.6	1.80	752
517	FSCPX	Consumer Discretionary	68.09	Buy	-3.2	-1.5	-0.5	10.4	18.4	7.0	12.7	1.60	481
9	FDFAX	Consumer Staples	95.76	Hold	7.7	15.1	13.2	9.9	7.3	7.8	7.2	1.04	725
67	FSDAX	Defense & Aerospace	29.10	OK to Buy	6.0	12.5	18.8	57.0	30.4	20.8	17.3	1.41	4,102
60	FSENX	Energy	78.32	Hold	11.0	27.2	25.8	36.8	14.8	24.4	11.3	1.70	2,367
353	FBSOX	Enterprise Technology Serv	40.34	OK to Sell	-10.0	-16.3	-14.7	-23.6	3.1	-3.5	9.5	1.45	1,000
516	FSLEX	Environment & Alt Energy	50.66	OK to Buy	3.7	7.2	7.1	33.5	22.5	13.1	14.7	1.42	645
66	FIDSX	Financials	15.28	Buy	-4.6	-4.3	-0.1	4.8	16.1	13.1	14.1	1.60	980
98	FSVLX	FinTech	15.77	OK to Sell	-8.9	-18.8	-16.6	-21.0	4.7	-0.5	7.4	1.70	84
41	FSAGX	Gold	79.83	Sell	23.4	36.6	41.8	181.8	57.3	28.4	18.0	2.72	5,086
63	FSPHX	Health Care	28.38	OK to Buy↓	-0.2	-0.2	-3.2	11.4	8.2	3.6	10.5	1.22	6,197
505	FSHCX	Health Care Services	101.13	Hold	2.9	-1.4	-3.7	-5.1	-1.6	2.1	8.9	1.75	812
9108	FIDRX	Industrials (Advisor Industrials)	70.45	Buy	8.8	15.3	16.5	40.7	28.1	18.4	14.9	1.66	993
45	FSPCX	Insurance	89.87	OK to Sell	1.2	-0.5	1.9	-4.0	13.6	14.7	13.4	1.33	671
62	FDLSX	Leisure	17.04	Hold	-1.8	-4.1	-0.6	-9.0	11.1	8.0	11.9	1.42	534
509	FSDPX	Materials	108.90	OK to Buy↑	9.2	18.6	21.6	26.1	9.2	9.3	10.1	1.56	513
354	FSMEX	Medical Tech & Devices	55.92	Hold↓	-4.5	-7.2	-9.8	-6.3	2.4	-0.5	11.2	1.45	3,650
514	FNARX	Natural Resources	65.49	Hold	11.5	24.7	24.8	55.2	19.9	25.3	13.4	1.56	987
580	FPHAX	Pharmaceuticals	33.29	Buy↑	5.4	7.7	6.2	27.7	21.8	14.1	12.2	1.47	1,516
46	FSRPX	Retailing	18.48	OK to Buy	-0.4	3.1	3.6	5.0	16.4	6.1	14.0	1.27	2,445
8	FSELX	Semiconductors	47.91	OK to Buy	-0.7	10.8	12.5	69.1	47.1	31.0	32.7	2.50	32,683
28	FSCSX	Software & IT Services	19.27	OK to Sell	-10.8	-23.6	-22.0	-18.4	7.5	2.0	14.6	1.93	6,681
7	FDCPX	Tech Hardware	161.89	OK to Buy	9.9	19.8	19.8	61.4	36.7	18.2	22.9	1.29	1,872
64	FSPTX	Technology	40.88	Buy	-3.0	-1.3	-0.2	27.6	31.9	14.6	23.7	1.72	18,943
96	FSTCX	Telecommunications	66.06	OK to Buy	2.7	11.9	12.4	15.9	15.4	5.9	7.8	1.37	184
512	FSRFX	Transportation	122.79	Hold	8.1	11.3	14.5	19.1	13.4	11.8	12.6	1.53	517
65	FSUTX	Utilities	146.86	Hold	10.6	11.9	5.8	24.3	20.8	16.4	13.3	1.37	2,481
963	FWRLX	Wireless	12.83	OK to Buy	5.0	7.8	7.5	12.3	16.8	7.2	13.2	1.06	307
SECTOR ETFs					Average	3.3	7.5	7.3	17.4	16.9	11.9	12.6	1.40
	FCOM	MSCI Communication Services	72.73	OK to Buy	-3.6	-0.8	0.9	20.9	29.6	9.3	11.9	1.19	1,820
	FDIS	MSCI Consumer Discretionary	99.75	Buy	-3.7	-2.4	-1.4	8.2	16.8	7.2	14.2	1.59	1,840
	FSTA	MSCI Consumer Staples	56.91	Hold	7.7	15.7	13.7	10.8	11.8	10.6	9.2	1.02	1,390
	FENY	MSCI Energy	31.00	Hold	9.6	25.2	24.5	28.4	14.2	23.2	10.8	1.66	1,510
	FNCL	MSCI Financials	73.11	Buy	-4.1	-6.0	-2.9	1.2	15.1	11.6	13.6	1.48	2,410
	FHLC	MSCI Health Care	76.28	Buy	2.9	2.7	0.9	10.6	9.6	7.1	11.0	1.16	2,830
	FIDU	MSCI Industrials	94.63	Buy	6.5	14.7	15.6	33.4	22.9	15.9	15.4	1.43	1,810
	FTEC	MSCI Information Technology	216.55	Buy	-2.9	-3.6	-3.3	22.3	28.5	16.3	22.7	1.59	15,150
	FMAT	MSCI Materials	62.52	OK to Buy↑	8.4	17.7	20.7	26.3	12.3	10.7	12.5	1.55	507
	FREL	MSCI Real Estate	29.06	Hold	5.3	8.1	5.6	5.9	8.0	5.5	6.9	1.40	1,370
	FUTY	MSCI Utilities	61.44	Hold	9.6	11.3	5.6	23.5	16.7	13.4	10.9	1.30	2,220

FIDELITY SCORECARD FEBRUARY 28, 2026

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				SEC %Yield	Dur ² (Yrs)	Rel Vol (Risk) ¹			
					Feb	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr						
TAXABLE BOND					<i>Average</i>			1.4	1.7	1.4	5.7	5.0	0.9	2.0	3.84	4.9	0.40
2268	FCNVX	Conservative Income Bond	10.07	Buy	0.3	0.6	1.0	4.4	5.2	3.5	2.6	3.73	0.3	0.03			
2208	FCBFX	Corporate Bond	10.87	Hold	1.3	1.6	1.3	6.6	6.5	0.8	3.6	4.47	6.7	0.55			
6379	FFEBX	Environmental Bond	8.71	Hold	1.7	1.9	1.4	5.8	4.9	--	--	3.74	5.9	0.49			
2423	FGBFX	Global Credit															
LIQUIDATED																	
15	FGMNX	GNMA (Ginnie Mae)	10.55	Hold	1.5	2.2	2.2	7.1	5.3	0.7	1.5	3.57	4.7	0.54			
54	FGOVX	Government Income	9.39	Hold	1.9	1.9	1.6	5.7	4.3	-0.1	1.1	3.58	5.7	0.49			
2418	FIPDX	Inflation-Protected Index	9.28	Hold	1.3	1.9	1.2	5.1	4.6	1.7	2.9	4.12*	6.4	0.37			
32	FTHRXX	Intermediate Bond	10.45	Buy	1.1	1.3	1.2	6.0	5.5	1.4	2.4	3.69	3.7	0.30			
452	FSTGX	Intermediate Gov't Income	10.00	Hold	1.1	1.2	1.1	5.2	4.5	0.6	1.3	3.25	3.6	0.31			
3045	FUAMX	Intermediate Treasury Index	10.00	Hold	2.2	2.1	1.5	6.9	4.8	0.1	1.4	3.90	6.0	0.52			
4506	FBIIX	International Bond Index	9.35	Hold	1.4	2.0	1.5	4.0	5.4	1.0	--	2.91	6.8	0.28			
26	FBNDX	Investment Grade Bond	7.40	OK to Buy	1.8	1.8	1.5	6.3	5.4	0.7	2.8	4.03	5.9	0.49			
2622	FJRLX	Limited Term Bond	11.69	Buy	0.6	1.0	1.3	6.0	6.1	2.4	2.7	4.08	2.6	0.19			
662	FFXSX	Limited Term Government	9.81	OK to Buy	0.8	0.9	1.1	5.1	4.7	1.3	1.4	3.33	2.6	0.22			
3047	FNBGX	Long-Term Treasury Index	9.61	OK to Sell	4.2	4.1	1.9	3.6	1.3	-4.8	-0.4	4.70	14.5	1.12			
40	FMSFX	Mortgage Securities	10.17	Hold	1.6	2.1	2.1	7.2	5.3	0.4	1.6	3.79	5.3	0.58			
450	FSHBX	Short-Term Bond	8.54	Buy	0.4	0.8	1.1	4.9	5.3	2.3	2.3	3.65	1.8	0.13			
3041	FNSOX	Short-Term Bond Index	10.17	OK to Buy	0.8	1.0	1.2	5.4	5.3	1.8	--	3.70	2.5	0.21			
3049	FUMBX	Short-Term Treasury Index	10.42	OK to Buy	0.8	1.0	1.2	5.3	4.9	1.6	1.8	3.56	2.5	0.22			
3086	FNDSX	Sustainability Bond Index	9.52	Hold	1.6	1.9	1.6	6.2	5.0	0.3	--	4.03	5.7	0.48			
6541	FIAEX	Sustainable Core Plus Bond	9.55	Hold	1.8	2.0	1.7	6.3	5.4	--	--	3.98	5.8	0.50			
6526	FAPGX	Sustainable Low Dur Bond	10.22	Buy	0.3	0.7	1.0	4.4	5.0	--	--	3.72	0.6	0.03			
6502	FBAGX	Tactical Bond	9.04	Hold	1.7	2.0	1.6	6.7	5.4	--	--	4.67	6.2	0.49			
820	FTBFX	Total Bond	9.79	OK to Buy	1.7	1.9	1.5	6.4	5.9	1.3	3.1	4.29	5.9	0.47			
2326	FXNAX	U.S. Bond Index	10.69	OK to Buy	1.6	1.8	1.6	6.2	5.1	0.4	1.9	4.05	5.8	0.49			
HIGH-YIELD BOND					<i>Average</i>			0.5	1.4	2.1	9.2	9.5	4.7	5.8	5.40	2.6	0.37
38	FAGIX	Capital & Income	11.05	OK to Buy	0.8	2.4	3.5	13.8	11.9	6.9	8.5	4.12	1.7	0.46			
814	FFRHXX	Floating Rate High Income	8.94	OK to Buy	-0.8	-0.7	-0.1	3.9	7.5	5.7	5.6	7.10	0.3	0.20			
1366	FHIFX	Focused High Income	8.33	OK to Buy	0.4	1.0	1.6	7.8	8.2	3.5	5.2	5.32	2.5	0.36			
455	SPHIX	High Income	8.15	OK to Buy	0.7	1.5	2.5	9.2	9.9	4.5	6.2	6.13	2.5	0.39			
331	FNMIX	New Markets Income	14.07	OK to Buy	1.4	2.9	3.6	13.6	12.5	4.3	4.9	5.17	5.6	0.54			
2580	FSAHX	Short Duration High Income	8.97	OK to Buy	0.2	0.9	1.5	7.1	8.4	4.6	5.3	5.84	1.6	0.25			
3082	FADMXX	Strategic Income	12.23	OK to Buy	1.1	1.8	2.1	8.8	8.2	3.5	5.0	4.11	4.0	0.40			
MUNICIPAL BOND					<i>Average</i>			1.2	1.9	2.1	5.1	4.5	1.6	2.2	2.78	5.7	0.41
434	FSAZX	Arizona Muni Income	11.75	Hold	1.2	1.8	2.0	4.7	4.4	1.4	2.2	2.76	6.3	0.43			
1534	FCSTX	Calif Limited Term Tax Free	10.65	Hold	0.6	1.4	1.7	4.8	3.8	1.4	1.6	2.15	3.2	0.24			
91	FCTFX	California Muni Income	12.58	Hold	1.4	2.3	2.3	5.7	4.9	1.7	2.4	2.84	7.3	0.47			
407	FICNX	Connecticut Muni Income	11.27	Hold	1.1	1.9	2.1	5.1	4.5	1.5	2.2	2.48	5.3	0.44			
2579	FMNDX	Conservative Income Muni	10.09	Buy	0.3	0.6	1.0	3.2	3.5	2.2	1.7	2.44	0.7	0.05			
36	FLTXX	Interm Municipal Income	10.43	Hold	1.1	2.0	2.3	5.6	4.5	1.8	2.4	2.70	5.0	0.36			
404	FSTFX	Limited Term Muni Income	10.72	OK to Buy	0.7	1.3	1.8	4.7	4.1	1.6	1.8	2.43	2.6	0.21			
429	SMDMX	Maryland Muni Income	11.14	Hold	1.3	2.1	2.3	5.6	4.7	1.5	2.2	2.66	6.0	0.48			
70	FDMMX	Mass Muni Income	11.69	Hold	1.4	2.1	2.4	5.1	4.3	1.3	2.0	2.96	6.7	0.43			
81	FMHTX	Michigan Muni Income	11.81	Hold	1.2	1.8	2.0	4.8	4.6	1.3	2.3	3.03	6.7	0.46			
82	FIMIX	Minnesota Muni Income	11.40	Hold	1.3	2.0	2.4	5.4	4.3	1.4	2.1	2.65	5.8	0.43			
37	FHIGX	Municipal Income	12.55	Hold	1.5	2.3	2.4	5.3	4.8	1.6	2.6	3.12	7.2	0.50			
416	FNJHX	New Jersey Muni Income	11.93	Hold	1.2	2.2	2.4	5.6	5.1	1.9	3.0	2.80	6.2	0.48			
71	FTFMX	New York Muni Income	12.67	Hold	1.6	2.3	2.4	5.1	4.8	1.5	2.3	3.12	8.0	0.53			
88	FOHFX	Ohio Muni Income	11.74	Hold	1.4	2.1	2.3	5.4	4.5	1.5	2.3	2.91	6.3	0.44			
402	FPXTX	Pennsylvania Muni Income	10.71	Hold	1.2	1.8	2.1	4.6	4.5	1.3	2.3	2.95	6.4	0.47			
6532	FSIKX	Sustainable Intermed Muni	10.43	Hold	1.0	1.9	2.2	5.7	4.8	--	--	--	5.0	0.40			
90	FTABX	Tax-Free Bond	11.26	Hold	1.4	2.2	2.3	5.3	5.0	1.7	2.7	3.27	7.1	0.50			

Yields on municipal funds are not directly comparable to yields on taxable funds. In muni funds shareholders' effective yield will be higher as their tax-bracket increases. * 12-month distributed yield; ¹Closed to new accounts; ²Name changed to Premium Class shares (formerly AMT). ³IT Services has been renamed **Enterprise Technology Services**.

TAXABLE GOV'T MONEY MARKETS			Total Return (%)		SEC %Yield
			Feb	YTD	
55	FDRXX	Gov't Cash Reserves	0.26	0.55	3.36
458	SPAXX	Government MM	0.25	0.54	3.32
2742	FZFXX	Treasury MM	0.28	0.52	3.33
415	FDLXX	Treasury Only MM	0.29	0.52	3.26
PRIME MONEY MARKETS					
454	SPRXX	Money Market	0.29	0.53	3.37
NOTE: SPRXX is available in premium class shares (ticker: FZDXX) with a \$100,000 minimum investment (\$10,000 for certain Fidelity retirement accounts and lower expenses).					

NATIONAL MUNICIPAL MONEY MKTS			Total Return (%)		SEC %Yield
			Feb	YTD	
10	FTEXX	Municipal Money Market	0.13	0.27	1.87
275	FMOXX	Tax-Exempt MM	0.15	0.27	1.84
STATE MUNICIPAL MONEY MARKETS					
457	FSPXX	California Muni MM ²	0.11	0.25	1.69
426	FMSXX	Massachusetts Muni MM ²	0.12	0.27	1.76
423	FSJXX	New Jersey Muni MM ²	0.15	0.27	1.74
422	FSNXX	New York Muni MM ²	0.16	0.27	1.84
Funds removed due to insufficient data available at the time of close: AZ Muni MM [FSAXX], CT Muni MM [FCMXX], MI Muni MM [FMIXX], OH Muni MM [FOMXX], PA Muni MM [FPTXX].					

FIDELITY SCORECARD

FEBRUARY 28, 2026

Fund No.	Fund Ticker	Fund Name	Style	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) ¹
						Feb	YTD	3 Mo.	1 Year	3 Year	5 Year	10 Year	
FIDELITY PERSONAL RETIREMENT ANNUITY PORTFOLIOS													
Model Portfolios	Annuity Sector Model					-1.5	0.5	1.6	21.5	22.7	12.6	16.2	1.23
	Annuity Growth Model					0.8	2.6	3.3	19.7	21.9	12.2	15.8	1.07
	Annuity Growth & Income Model					1.0	2.1	2.6	14.3	15.0	7.2	10.4	0.74
	Annuity Income Model					1.1	2.0	2.1	8.9	8.5	3.7	5.5	0.42
9067	FLRQC	Fid VIP Asset Manager	Allocation	34.66	Hold	1.6	4.0	4.6	16.6	12.3	6.0	7.7	0.65
9066	FAECC	Fid VIP Asset Manager: Growth	Allocation	41.55	Hold	1.7	4.7	5.7	20.7	15.2	8.0	9.8	0.78
9069	FJBAC	Fid VIP Balanced	Allocation	55.41	Buy	0.4	2.1	2.2	15.8	16.5	9.2	11.5	0.76
9461	FBIQC	Fid VIP Bond Index	Bond	11.55	OK to Buy	1.7	1.9	1.5	5.9	4.8	0.0	--	0.49
9173	FVTAC	Fid VIP Communication Services	Sector	56.05	Buy	-4.6	-0.3	1.1	28.2	35.6	13.5	15.0	1.38
9081	FVHAC	Fid VIP Consumer Discretionary	Sector	72.34	Buy	-3.2	-1.5	-0.6	10.2	18.1	6.9	12.5	1.60
9171	FCSAC	Fid VIP Consumer Staples	Sector	44.93	Hold	7.6	15.0	13.1	9.4	7.0	7.4	7.0	1.04
9065	FPDFC	Fid VIP Contrafund	Large Growth	87.68	Buy	-0.9	0.7	2.0	19.7	27.7	15.1	16.4	1.11
9148	FPRGC	Fid VIP Disciplined Small Cap	Small Blend	46.06	OK to Buy	1.1	6.2	6.0	27.8	16.9	8.8	11.6	1.69
9074	FZAMC	Fid VIP Dynamic Capital App	Large Growth	90.68	OK to Buy	-0.7	3.3	3.9	21.6	23.5	13.3	15.8	1.12
9198	FEMAC	Fid VIP Emerging Markets	Emg Mkts	24.44	Hold	5.0	16.2	20.0	58.8	24.6	7.8	13.1	1.27
9085	FJLLC	Fid VIP Energy	Sector	33.18	Hold	10.9	27.0	25.6	36.3	14.4	24.0	11.1	1.69
9061	FLOLC	Fid VIP Equity-Income	Large Value	51.71	Buy	4.5	8.3	9.8	22.1	17.6	13.1	12.6	0.90
9469	FEMJC	Fid VIP Extended Market Index	Mid Blend	19.16	Hold	2.5	7.3	7.3	21.2	13.7	7.1	--	1.53
9083	FONNC	Fid VIP Financials	Sector	33.77	Buy	-4.5	-4.4	-0.2	4.5	15.8	12.8	13.8	1.60
9361	FFLCC	Fid VIP Floating Rate High Income	High-Yield Bond	16.20	OK to Buy	-0.9	-0.8	-0.1	3.4	7.0	5.2	5.2	0.20
9157	FMPAC	Fid VIP FundsManager 20	Allocation	21.18	Hold	1.3	2.5	2.6	9.5	7.7	3.5	4.3	0.42
9158	FMPBC	Fid VIP FundsManager 50	Allocation	30.88	Hold	1.6	3.8	4.3	16.0	12.0	6.2	7.7	0.66
9197	FMPCC	Fid VIP FundsManager 60	Allocation	31.50	Hold	1.5	4.1	4.7	17.8	13.3	7.1	8.8	0.72
9159	FMPCC	Fid VIP FundsManager 70	Allocation	37.51	Hold	1.5	4.4	5.2	19.8	14.7	8.2	9.9	0.79
9160	FMPDC	Fid VIP FundsManager 85	Allocation	42.58	Hold	1.5	5.0	6.0	22.9	16.7	9.5	11.5	0.88
9059	FTNJC	Fid VIP Gov't Money Market	Money Mkt	13.56	--	0.2	0.5	0.8	3.7	4.4	2.9	1.8	0.02
9062	FMNDC	Fid VIP Growth	Large Growth	101.88	Buy	-1.3	-0.4	-1.1	15.1	24.4	12.7	18.1	1.24
9070	FLFNC	Fid VIP Growth & Income	Large Blend	70.25	OK to Buy	1.4	4.3	6.3	22.0	20.3	15.5	14.8	0.95
9068	FIDPC	Fid VIP Growth Opportunities	Large Growth	123.26	Buy	-3.2	-4.4	-3.5	17.6	28.9	9.0	20.4	1.55
9084	FPDRC	Fid VIP Health Care	Sector	79.82	Buy	-0.3	-0.3	-3.2	11.0	8.0	3.5	9.9	1.22
9060	FBBLC	Fid VIP High Income	High-Yield Bond	28.73	OK to Buy	0.4	1.0	1.9	9.2	9.3	4.2	5.6	0.37
9064	FXVLT	Fid VIP Index 500	Large Blend	77.38	OK to Buy	-0.8	0.6	0.7	16.6	21.4	13.8	15.1	1.00
9082	FBALC	Fid VIP Industrials	Sector	96.41	Buy	8.8	15.2	16.4	40.1	27.8	18.1	14.6	1.66
9473	FFIQC	Fid VIP International Index	Diversified Int'l	18.70	Hold	5.3	11.4	14.5	39.5	20.0	9.7	--	0.98
9076	FVJIC	Fid VIP Int'l Capital App	Diversified Int'l	41.30	Hold	0.8	5.5	7.8	18.6	16.8	7.0	10.7	1.07
9063	FTLKC	Fid VIP Investment Grade Bond	Inv Grd Bond	19.52	OK to Buy	1.7	1.9	1.5	6.0	5.0	0.5	2.5	0.49
9172	FVMAC	Fid VIP Materials	Sector	39.83	OK to Buy	9.1	18.4	21.2	25.4	9.1	9.1	10.1	1.55
9071	FNBSA	Fid VIP Mid Cap	Mid Blend	63.29	Buy	5.8	11.0	11.8	24.0	16.0	10.5	12.2	1.43
9088	FEMMC	Fid VIP Overseas	Diversified Int'l	32.69	Hold	2.7	6.2	8.2	18.6	14.7	7.7	9.3	1.07
9072	FFWKC	Fid VIP Real Estate	Sector	33.09	Hold	5.8	8.2	6.8	5.0	7.5	5.1	4.9	1.40
9075	FGDQC	Fid VIP Strategic Income	High-Yield Bond	26.35	OK to Buy	1.1	1.7	2.1	8.4	7.9	3.1	4.5	0.40
9086	FYENC	Fid VIP Technology	Sector	206.38	Buy	-3.1	-1.6	-0.5	26.3	30.9	16.1	24.3	1.70
9465	FTMJC	Fid VIP Total Market Index	Large Blend	26.05	Buy	-0.5	1.0	1.0	16.7	20.6	12.5	--	1.05
9087	FXRRC	Fid VIP Utilities	Sector	71.60	Hold	10.6	11.9	5.8	24.0	20.6	16.1	12.9	1.37
9079	FKMSC	Fid VIP Value	Large Value	55.64	OK to Buy	4.2	9.7	11.7	20.0	15.2	13.3	12.6	1.28
9073	FRBSC	Fid VIP Value Strategies	Mid Value	57.23	Hold	4.9	13.4	15.4	24.9	14.5	12.6	12.9	1.51
9347	FBMEC	Black Rock Global Allocation	Global Allocation	24.30	Hold	1.3	4.2	5.7	21.0	14.4	6.1	8.1	0.74
9349	FTMEC	Franklin Templeton Global Bond	Global Bond	10.63	Hold	1.6	4.4	5.0	15.5	3.9	0.1	0.4	0.91
9348	FFMEC	Franklin Templeton US Gov't	Intermed Gov't	11.36	Hold	1.3	1.8	1.8	5.9	4.3	0.2	0.9	0.41
9285	FIGXC	Invesco Global Core Eqty	Global Stock	26.02	Hold	1.4	3.4	3.8	15.7	16.9	8.5	9.7	0.96
9147	FPRLC	Lazard Retirement Emerging Mkts	Emg Mkts	33.61	Hold	6.0	16.0	19.4	57.5	27.2	13.6	11.5	1.04
9143	FPRMC	Morgan Stanley Emerg Mkt Debt	Emg Mkt Bond	25.25	OK to Buy	1.4	3.5	4.6	13.7	13.5	3.8	4.5	0.57
9144	FPRNC	Morgan Stanley Emerg Mkt Equity	Emg Mkts	25.54	Hold	7.5	16.3	19.9	53.9	22.6	6.5	9.4	1.07
9146	FPRPC	Morgan Stanley Global Strategist	Diversified Int'l	22.73	Hold	1.1	3.8	4.7	18.0	13.1	5.6	7.4	0.74
9346	FPMEC	Pimco Commodity Real Return	Commodities	10.67	OK to Sell	1.7	10.9	10.4	24.2	9.8	10.4	7.8	0.96
9276	FPMBC	Pimco VIT Low Duration	Shrt-Term Bond	13.34	Buy	0.4	0.6	1.0	4.5	4.9	1.4	1.6	0.15
9277	FPNBC	Pimco VIT Real Return	TIPS	16.48	Hold	1.3	1.6	1.0	5.2	4.7	1.5	3.0	0.39
9278	FPOBC	Pimco VIT Total Return	Intermed Bond	15.82	Hold	1.8	2.2	1.9	7.5	6.0	0.6	2.2	0.49

Annuity Sector		Annuity Growth		Annuity Growth & Income		Annuity Income	
Fund	Allocation	Fund	Allocation	Fund	Allocation	Fund	Allocation
VIP Technology	26%	VIP Equity-Income	30%	VIP Equity-Income	31%	VIP Invest Grade Bond	31%
VIP Financials	16	VIP Growth	21	VIP Invest Grade Bond	21	PIMCO VIT Low Durat.	22
VIP Industrials	15	VIP Growth Opps	21	VIP Growth Opps	20	VIP Equity-Income	17
VIP Consumer Discret	15	VIP Contrafund	16	VIP Total Market	16	VIP Gvt Money Market	15
VIP Health Care	14	VIP Mid Cap	12	PIMCO VIT Low Durat.	12	VIP Growth	15
VIP Comm Services	14						
Total Return:		Total Return:		Total Return:		Total Return:	
Feb: -1.5% YTD: 0.5%		Feb: 0.8% YTD: 2.6%		Feb: 1.0% YTD: 2.1%		Feb: 1.1% YTD: 2.0%	

FUND PROFILES

Managers' Fund Positioning For 2026

With market rotation in evidence this year, tariffs and trade agreements having to be reconsidered, and some investors growing concerned over tech valuations and AI's winners and losers, we've decided to share the most recent comments from Fidelity managers (whose funds we hold in one or more of our model portfolios) as to how, at the start of the year, they were approaching the market within the context of their funds' respective investment charters. Below we have edited managers' comments for brevity and clarity.

Blue Chip Growth (Sonu Kalra)

The fund is positioned to capitalize on AI, with the information technology sector representing 49% of assets at year-end. Despite recent macro uncertainty, we remain confident in this trend long term, and have begun to see improved returns on investment for cloud-service providers that have fueled much of the spending on AI. We will continue to scour the market for companies using AI in innovative ways to drive earnings growth.

The fund's focus on AI extends to the communication services sector, which accounted for about 16% of assets at year-end, the largest overweight. Here, Google parent Alphabet and Facebook and Instagram parent Meta Platforms are meaningful holdings with ties to AI. Each has ramped spending on AI in the past few years and delivered multiple use cases, supporting our constructive long-term outlook.

The portfolio continued with its overweight in the consumer discretionary, where key holdings include a mix of e-commerce retailers, housing-related businesses and stocks with idiosyncratic growth drivers.

Return in %	
Nov	-2.3
YTD	-2.4

Equity-Income (Ramona Persaud)

Looking to 2026, we believe market volatility will continue to remain unpredictable. However, as investors who prioritize capital preservation while seeking income-oriented investments, we embrace volatility as a catalyst for the fund's performance versus the benchmark. In addition, we believe our emphasis on dividend-paying companies should help to stabilize the portfolio amid market fluctuation. As a quality-value investor, we look for opportunities in turnarounds, undervalued companies, pair trades on valuation or fundamentals, and uncontroversial structural growth.

We're also looking into parts of the market where investors seem to have lost some interest or that might have controversy dampening stock valuations. Examples of this include lower-risk parts of financials, small- and mid-cap European health care names, and U.S. pharma.

Low-Priced Stock (Team-run)

Over the multi-decade lifetimes of current portfolio management teams and active investors, the world has moved steadily toward open trade and globalization. As such, the recent abrupt shift in the U.S.'s position on globalization and free trade is potentially a tectonic shift in economic outcomes for countries and companies.

[Note: This statement pre-dates February's Supreme Court ruling.]

The market has been quick to capitalize on the impact of these policy changes for companies in the short term, irrespective of firms' ability to offset these headwinds over a medium-term horizon.

As 2026 begins, we [found] many investments outside the U.S. to be attractive, given the valuation gap that exists following an extended period of significant U.S. equity

Return in %	
Nov	4.5
YTD	8.3

Return in %	
Nov	3.4
YTD	8.0

outperformance. That said, in the U.S., we are finding some interesting opportunities in areas where prices have been dislocated due to revised tariffs and tariff policy uncertainty. We are focusing on companies that we believe will successfully adapt to a "new normal," and where the market is pricing in a much more pessimistic outlook.

Mid-Cap Stock (Dan Sherwood)

Although our primary focus is analyzing individual companies, we're relatively optimistic about the broader outlook for U.S. stocks, especially mid-caps. In 2026, the economy looks set to benefit from fiscal stimulus from the One Big Beautiful Bill Act that was signed into law earlier in 2025.

At the same time, we have a Fed in rate-cutting mode. Declining interest rates tend to be favorable for economic growth and especially so for smaller companies, which have more limited internal financial resources and must depend more on borrowing to fund their operations. Another plus is that valuations in the mid-cap category are much more modest than they are for large-caps. All told, we think the odds favor the rally broadening out to include more mid-caps if 2026 turns out to be a good year for stocks.

At the end of December, most of the fund's sector and industry weightings are relatively close to those of the benchmark, as we continue to assess the likely path forward for stocks and the economy. One exception is an overweight in the consumer durables and apparel segment of the consumer discretionary sector. The portfolio also carried a notably heavier-than-index position in the technology hardware & equipment part of the information technology sector. This group is home to the optical companies as well as digital storage firms Western Digital and Pure Storage. ■

Return in %	
Nov	6.3
YTD	9.9

Jack's Message *cont'd from page 4*

deployment of AI technology. If we assume that real GDP climbs to 3%, nominal GDP (which includes inflation) could be expected to run about 5.5%.

Under those assumptions, base-line corporate earnings would grow 5.5% per year, with stock buybacks pushing earnings per share growth up to about 8.0%. Assuming no P/E expansion and a reinvested dividend yield of 1.5%, the forward total return of the S&P 500 would be 9.5% per year, or about 7% in real terms (the bond market's expectation for inflation, based on the 10-year breakeven rate, is about 2.5%). That would be right in line with historical returns.

Granted, P/E ratios might contract, which would weigh on returns. But perhaps equally possible is a scenario where real GDP and productivity get an even bigger

boost from AI deployment, and end up around the 5% level. That could provide two additional percentage points of earnings growth along with modest P/E expansion.

Conclusion

Many individual investors have a pessimistic bias due to the combined effects of loss aversion, emotional reactions to the negative bias in news sources, and a failure to appreciate the strength of the corporate earnings tailwind over the long run. At a time when job security is threatened and the consumer side of the economy seems to be on shaky ground, many will incorrectly con-

clude that now is not the time to be in stocks.

The optimistic contrarian, on the other hand, is set up for success. By questioning the logic and assumptions behind every selloff, and assuming that most market declines are largely emotional reactions, short-term noise can be ignored in favor of a long-term strategy that benefits from the combined growth of corporate earnings, stock buybacks and reinvested dividends.

NOTE: "Lessons Learned" is a continuing series of articles in advance of the newsletter's final issue in January 2027. ■

— Jack Bowers

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, Hedged Equity, 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 Idx, 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
Contrafund	2/6	0.042	24.54
Trend	2/13	2.745	193.83

Fidelity's Stellar Bet On SpaceX

SpaceX shares have already taken some stock funds to the moon, but will they soon mimic the company's ultimate aim and take them to Mars?

Elon Musk's Space Exploration Technologies company (SpaceX) is expected to go public in June in what may be the largest public offering ever: perhaps as much as \$1.65 trillion! With investment banks queuing to get a piece of the giant offering, retail investors may be wondering how they can get in on the action.

In all likelihood, it will be extremely difficult for mom and pop investors to buy anything more than crumbs. On the other hand, shareholders in a number of Fidelity stock funds are already positioned to benefit from any upside delivered by a SpaceX IPO.

In a recent filing, Fidelity valued its stake in the company at \$2.7 billion. (It mostly holds Series G class shares from 2015.) However, **Contrafund** and others also hold Series H and N shares. Collectively, in fact, they amount to the fund's eleventh largest holding which, at the time of its late-December filing, was worth \$160 billion. (G-class shares represent the fund's 23rd biggest position.)

How much have Contra's Series G shares appreciated? At the time of their purchase in 2015, SpaceX was valued at \$12 billion. Today it's valued at \$286 billion. That means the fund's \$43,239,000 purchase of 558,215 shares have appreciated a spectacular 2,288% to \$1,032,697,750. The hope, of course, is that the IPO will further increase that 10-year return.

While several large-cap growth funds like **Blue Chip Growth** and **Growth Company** have SpaceX holdings, a few with far less interest in growth stocks (such as **Balanced**, **New Millennium**, **Mid-Cap Stock** and **Puritan**) also have out-of-benchmark positions in the space company. ■

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Editorial Questions: editorial@fmandi.com **Subscription Questions:** memberservices@fmandi.com or 800-444-6342