

FIDELITY MONITOR & INSIGHT

APRIL 2024

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MESSAGE FROM JACK

Why Market Timing The Stock Market Doesn't Work

Wouldn't it be nice if you could hold stocks only when the market is going up, and be in cash the rest of the time?



Jack Bowers

Unfortunately, what looks easy in hindsight is almost impossible to do in real time. It takes a nervous Nellie to get out at a market top, and a battle-hardened opportunist to buy in at the bottom, so it's rare that the same person can fill both roles. Show me someone who has correctly timed the market over the last five major cycles, and I'll show you someone who always bets on the winning horse at the race track. These sorts of things simply don't happen because they face long odds comparable to winning the Powerball lottery.

The stock market rewards investors who are willing to bear risk. For those who aren't willing to bear risk (including those who take on risk and hedge against it), long-term performance isn't likely to be much better than money market returns.

But for market timers who alternate between cash and stocks, returns can be even worse, because emotional investors move in lockstep. The bottom of every major selloff is defined by those who are compelled to transfer their equity shares to stronger hands when the going gets tough. Then, later on, when the market has climbed 30% off its lows, some of the same market timers become determined to put their cash back to work, paying a premium to be back in stocks. Done repeatedly, their long-term performance will almost certainly be negative. They can end up with a small fortune, but only if they start with a large one.

If anyone asks you if the market is headed up or down, always say up. You'll be right about 67% of the time. Based on the monthly history of the S&P 500 since 1926, stocks have outperformed cash about two-thirds of the time. Increase the investment horizon to three years, and stocks beat cash about three-fourths of the time. Over 10 years it's more like five-sixths, and over 20 years the S&P 500 has always exceeded the return on a

Jack's Message cont'd on page 12

MARKET OUTLOOK

D.C.'s Policy Makers Make Fed's Inflation Fight Tougher

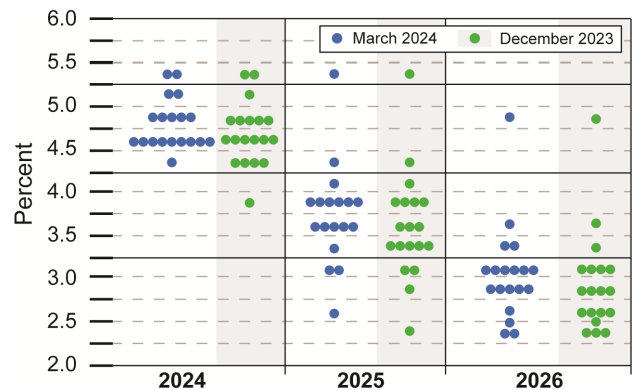
With the first quarter of 2024 in the rearview mirror, investors have certainly encountered plenty of surprises. For some, it's that the nearly uninterrupted rise of growth stocks has gone hand-in-hand with more defensive sectors (like pharma and cyclicals) gaining traction. This broadening is explainable by the benefits of "rising tides lifting all boats." But that's not the whole story.

What's most impressive is that major equity indexes have extended their 2023 run into this year (see p. 5) and, in so doing, have soared into record territory. Remarkably, this has occurred even as the Fed Funds rate remains at a 23-year high. Granted, last year's bull market also resisted the gravitational pull of generationally high borrowing costs. But stocks appreciated amid the promise of modest GDP and corporate earnings growth and, more importantly,



John Bonnanzio

FED STILL SEES LOWER RATES



Source: FOMC

Most quarters, the Fed releases its "dot plot," a graphic representation of its members' expectations for short-term interest rates. Although inflation (CPI) has been stubbornly stuck at around 3%, as of their March meeting, expectations for the fed funds rate was that it would fall 75 basis points over each of the next three calendar years. That's 2.25 percentage points in total. Its slightly more optimistic view is not surprising as inflation was higher (see p. 3) when members were last polled in December.

Market Outlook cont'd on page 3

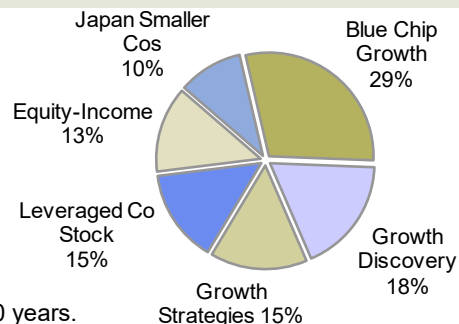
Unique Opportunities Target Risk: 1.20 (Current: 1.10) Foreign Holdings: 17.0% **YTD Return: 12.8%**

Stocks: 98.6% Bonds: 0.0% Cash: 1.3% Alternatives*: 0.0% Yield: 0.3%

Holdings	Ticker	NAV	Shares	Value	Mar Ret
Blue Chip Growth	FBGRX	\$201.37	1,711.17	\$344,578	3.4%
Growth Discovery	FDSVX	62.37	3,390.23	211,449	2.4
Growth Strategies	FDEGX	64.13	2,758.95	176,932	4.5
Leveraged Co Stock	FLVCX	40.21	4,238.52	170,431	4.7
Equity-Income	FEQIX	73.33	2,150.73	157,713	4.9
Japan Smaller Cos	FJSCX	15.92	7,395.92	117,743	2.7

Current Value (3/31/99 = \$100,000) \$1,178,845 3.7%

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



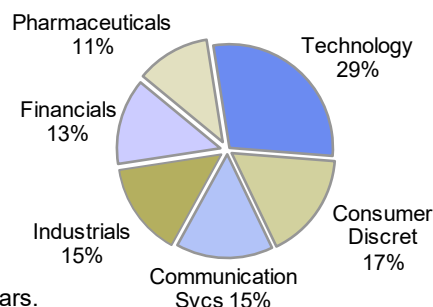
Select Target Risk: 1.20 (Current: 1.13) Foreign Holdings: 9.5% **YTD Return: 10.8%**

Stocks: 98.0% Bonds: 0.0% Cash: 2.0% Alternatives*: 0.0% Yield: 0.2%

Holdings	Ticker	NAV	Shares	Value	Mar Ret
Technology	FSPTX	\$32.31	75,845.74	\$2,450,576	1.8%
Consumer Discret	FSCPX	62.97	22,528.49	1,418,619	1.6
Communication Svcs	FBMPX	98.15	13,152.35	1,290,903	2.6
Industrials	FCYIX	39.71	31,290.32	1,242,539	4.7
Financials	FIDSX	13.20	86,440.54	1,141,015	5.6
Pharmaceuticals	FPHAX	27.98	35,163.33	983,870	3.9

Current Value (12/31/88 = \$100,000) \$8,527,522 3.0%

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



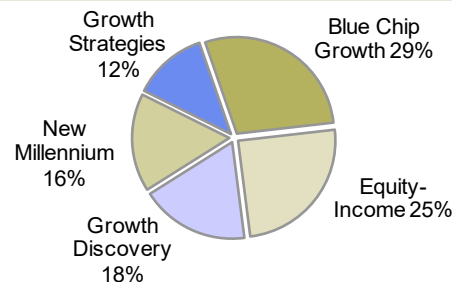
Growth Target Risk: 1.00 (Current: 1.04) Foreign Holdings: 6.9% **YTD Return: 13.4%**

Stocks: 98.8% Bonds: 0.0% Cash: 1.2% Alternatives*: 0.0% Yield: 0.5%

Holdings	Ticker	NAV	Shares	Value	Mar Ret
Blue Chip Growth	FBGRX	\$201.37	8,556.19	\$1,722,960	3.4%
Equity-Income	FEQIX	73.33	20,493.46	1,502,786	4.9
Growth Discovery	FDSVX	62.37	17,482.17	1,090,363	2.4
New Millennium	FMLX	54.63	18,183.44	993,361	3.7
Growth Strategies	FDEGX	64.13	11,630.75	745,880	4.5

Current Value (12/31/86 = \$100,000) \$6,055,350 3.8%

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



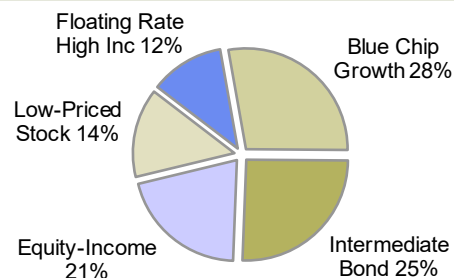
Growth & Income Target Risk: 0.66 (Current: 0.70) Foreign Holdings: 14.5% **YTD Return: 7.5%**

Stocks: 61.8% Bonds: 25.8% Cash: 1.2% Alternatives*: 11.1% Yield: 2.5%

Holdings	Ticker	NAV	Shares	Value	Mar Ret
Blue Chip Growth	FBGRX	\$201.37	1,621.56	\$326,533	3.4%
Intermediate Bond	FTHR X	10.03	29,735.43	298,246	0.7
Equity-Income	FEQIX	73.33	3,287.18	241,049	4.9
Low-Priced Stock	FLPSX	47.73	3,496.04	166,866	4.8
Floating Rate High Inc	FFRH X	9.32	14,775.45	137,707	0.8

Current Value (12/31/93 = \$100,000) \$1,170,400 2.9%

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



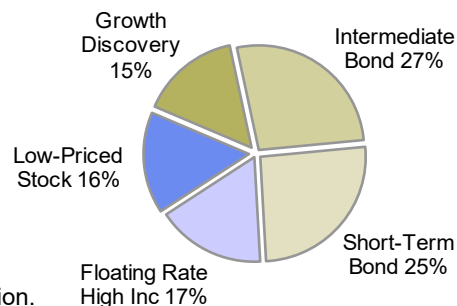
Income Target Risk: 0.33 (Current: 0.39) Foreign Holdings: 18.7% **YTD Return: 4.0%**

Stocks: 30.5% Bonds: 53.1% Cash: 0.7% Alternatives*: 15.7% Yield: 3.9%

Holdings	Ticker	NAV	Shares	Value	Mar Ret
Intermediate Bond	FTHR X	\$10.03	13,861.11	\$139,027	0.7%
Short-Term Bond	FSHBX	8.37	15,884.64	132,954	0.5
Floating Rate High Inc	FFRH X	9.32	9,262.42	86,326	0.8
Low-Priced Stock	FLPSX	47.73	1,702.41	81,256	4.8
Growth Discovery	FDSVX	62.37	1,266.02	78,961	2.4

Current Value (12/31/91 = \$100,000) \$518,525 1.5%

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

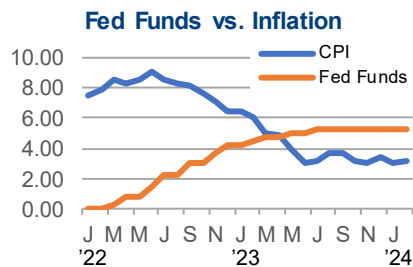


Market Outlook *cont'd from page 1*

the prospect that slowing inflation would eventually lead to rate-cuts by the Fed (even though the CPI was well above the long-term goal of 2%). Though inflation finally dipped to 3.0% in June 2023, by early fall it was back up to 3.7%, but since has fallen below 3%. Obstinately range-bound between 3.1% and 3.4% since November, one has to wonder if some invisible hand of economics is making the Fed's long-term target impossible to reach.

Which brings us to the federal deficit.

Last week it got plenty of attention, and not only because the federal government is poised to run out of money most months. It was because



the Congressional Budget Office weighed in on the matter with some very sobering statistics, and this message: The projected cost of financing the federal deficit is expected to soar with the possible (and unwelcome) consequence of anemic GDP growth over the long term.

But I'm jumping ahead.

The Bond Market

Late last year, the Treasury futures market priced short-term interest rates to fall this year to a range of 3.75% to 4.00%. That's lower than an early first-quarter projection of 4.5% to 4.75%. And both are a far cry from the current range of 5.25% to 5.50%.

Having already punted twice

FUNDS YOU SHOULD BUY NOW

Growth: Blue Chip Growth and **Growth Co.** are aggressive, volatile large-cap options; **Growth Discovery** and **New Millennium** are more conservatively positioned; **Low-Priced Stock** diversifies away from large-cap growth. **Leveraged Co. Stock** (p. 11) invests in highly indebted companies whose balance sheets stand to benefit from lower interest rates.

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

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

High Yield Funds: Floating Rate High Income has very limited interest-rate risk (duration is just 0.2 years); it's now our preferred way to boost income with risk that's much less than other funds in its asset class.

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

this year (in January and March) on rate-cuts, and with plenty of sound reasons to avoid a cut at its May 1 meeting, some bond investors are clearly concerned about the Fed's lack of easing. But they shouldn't count on Chairman Jerome Powell

empathizing, because he's been clear that premature rate-cuts could trigger an undesired result: inflation heating right back up again, making the Fed's battle even tougher.

[Market Outlook *cont'd on page 4*](#)

MODEL PORTFOLIO TRADES

As announced on our Hotline message of Friday, March 22, on Monday, March 25, we made the following model portfolio trades:

In the *Select Model Portfolio*, we sold our entire 11% position in **Select Consumer Staples** [FDFAX] and established a new position in **Select Pharmaceuticals** [FPHAX] with the proceeds.

In the *Annuity Sector Model*, we sold our entire 12% position in **VIP Consumer Staples** [FCSAC] and established a new position in **VIP Health Care** [FPDRC].

Trade Rationale: While headline inflation is generally contained, consumers are becoming resistant to increasing food prices, especially as the cost of housing is squeezing budgets. On the buy-side, the market potential for weight-loss drugs may be larger than anticipated. (Medicare, for example, is more receptive to covering at least one obesity drug.) Further, the expanded implementation of artificial intelligence (AI) may allow pharmaceutical firms to replenish their product pipelines at a faster pace and lower cost. ■

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.

Market Outlook *cont'd from page 3*

It seems like the market has gotten the message. Thanks to significant headway on inflation and another pass last month on a rate-cut, all 25 of Fidelity's taxable bond funds gained ground in March (though first-quarter results were mixed).

Fed vs. Policymakers

For what it's worth, much of the Eurozone is struggling with a similar conundrum as our own Fed: monetary levers are hamstrung by Washington policymakers (Congress and the White House) who ultimately control the nation's fiscal levers (spending and taxation). At the risk of my stepping on political sensibilities, generational mismanagement that has led to \$34 trillion in national debt places upward pressure on inflation. (The interest we pay on that debt now exceeds all defense spending.)

While partisans and policy wonks are free to debate the matter (and its solutions), high deficit spending and high inflation are not coincidental. Nor is it a twist of fate that, in recent years, two of the country's three major rating agencies modestly downgraded Treasuries having cited the country's deteriorating balance sheet (Standard & Poor's in 2011 and Fitch in 2022).

In an August 2023 white paper, Fidelity addressed the matter: "Research from [our] Asset Allocation Research team suggests that higher debt is not a recipe for faster economic growth, and that the responses by policymakers to that debt can ultimately lead to higher inflation and more volatile financial markets than in the past."

Though an imperfect way to measure bond risk, **Intermediate Treasury Index** fund has a relative volatility of 0.41 (versus 1.00 for the S&P 500). Prior to Fitch's down-

AI), higher GDP growth and/or slowing wage growth will improve America's balance sheet (and perhaps restore Fitch's highest AAA rating from its current AA+). While it's true that U.S. government bonds in all their varieties remain among the safest in the world, given this country's unique position on the world stage (economically, politically and militarily), there can be no margin of error.

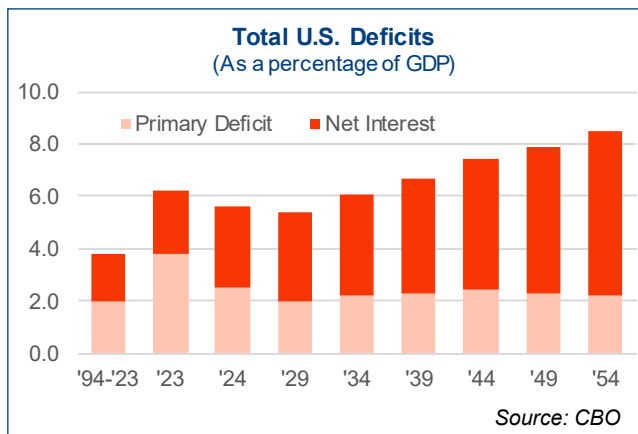
Action Recommendation

Improving the country's balance sheet at a time when Washington is so divided suggests that matters may get worse before they improve. Against this unfortunate backdrop, high-quality corporate bonds may be a safer play in the years ahead. Consider, for example, these alternatives: **Short-Term Bond** over **Short-Term Treasury Index**, **Limited Term Bond** over **Limited Term Gov't**, and **Intermediate Bond** over **Intermediate Gov't Income**.

Granted, in a credit crisis their relative performances may be negligible. But until there are clear signs that

Washington's leaders are willing to lead, the nation's budget woes will likely worsen. That means U.S. Treasuries, in all their variations, risk losing their unique global status. ■

— John Bonnanzio



The Congressional Budget Office projects that the federal budget deficit will rise to 8.5% of the nation's GDP over the next 30 years. An alternative view of uncontrolled spending is this: Public debt (excluding states and local government) is on track to explode to 166% of GDP by 2055, up from its current (and already high) 97%.

grade, it was 0.35 — a significant change for a bond fund, generally, and for a Treasury fund, in particular.

It's possible that some combination of increased productivity (perhaps instigated by advances in

New Suite Of Fundamental ETFs

A reader with holdings in Fidelity ETFs noticed that his two funds (not followed in these pages) just changed their tickers and names. In fact, that occurred on February 26, and it wasn't just cosmetic. The three affected funds (plus a new offering) also have lower fees, new managers and a new "fundamental" investment process (and moniker). No longer are they solely actively run. Their new invest-

ment processes have a quantitative overlay and new benchmarks. Moreover, they basically have the same management teams overseeing funds with very different investment universes.

It's fine that Fidelity is creating a core group of ETFs based on traditional stockpicking and quantitative analysis. But we believe their strongest managers will continue to be found on the mutual fund side where long-time investors are more willing to bear the cost of research that pays off in the long run. ■

Old Name (ticker)	New "Fundamental" Name (ticker)
Growth Opp's ETF (FGRO)	Large Cap Growth ETF (FFLG)
New Millennium ETF (FMIL)	Large Cap Core ETF (FFLC)
Small-Mid Cap Opp's ETF (FSMO)	Small-Mid Cap ETF (FFSM)
New ETF	Large Cap Value ETF (FFLV)

FUND COMMENTARY

2023's Bull Market Runs Into 2024

Sure, the market experienced a hiccup or two last quarter. Among them, investors briefly got jittery over AI-related valuations, the Fed showed it's in no particular rush to lower interest rates, and Israel's response to Hamas's terrorist attack seemed, at times, like the U.S. would once again be drawn into a Mideast conflict (with oil and global shipping being the very least of more serious concerns).

But, investors did what they often do best: focused on fundamentals. In economic and financial terms, that meant embracing fourth-quarter earnings which, for the most part, did not disappoint. It also meant applauding low weekly jobless claims, low unemployment, modest wage gains, a 2 ½-year high in consumer sentiment, upwardly revised GDP growth (to 3.4%), and range-bound inflation (see facing article). Heck, not even two passed-up opportunities by the Fed to reverse its long-standing policy on tighter money supply materially quelled upbeat market sentiment.

And another curious thing occurred: stocks with bad news to report both caught the attention of investors and saw their shares get penalized. That list is too long to report here, but some of the more notable punishments investors dis-

pensed struck Apple, Boeing, Tesla, Intel and McDonald's. Some weighed more heavily on the Dow Industrials, but it did suggest that the buy-side of Wall Street was investing with heightened discretion.

Market Indexes

As you may have already read, the first quarter of 2024 was the strongest start for the S&P 500 and Nasdaq Composite since 2019.

With dividends reinvested, the S&P 500 gained 3.2% in March and soared 10.6% for the quarter. In relative terms, the Nasdaq took a breather (up 1.9%), but did gain 9.3% over the quarter. As for the Dow, it ran into its own headwinds last month (up 2.2%), but for the quarter rose a very solid 6.1%.

Elsewhere, Russell indexes sprung to life. With its Midcap and small-cap (2000) gauges rising 4.3% and 3.6%, respectively in March, their year-to-date gains of 8.6% and 5.2%, respectively, were none-too-shabby.

Stock Funds

Fifty-four Fidelity stock funds returned an average of 3.9% last month (and 10.8% for the year-to-date). Value-oriented funds were the dominant performers in March: **Value, Mid Cap Value** and **Value Strategies** all gained in excess of 6%. Helping fuel their returns were economically sensitive cyclicals including shares of energy, materials

and chemicals. Some got an added boost from banking shares and their typically tiny stakes in gold mining stocks.

Among more widely held large-cap growth funds, the average return was 2.9% in March (though 14.9% for the quarter!) With certain sub-sectors within technology and health care taking a breather (such as software and biotech, respectively), **Large Cap Growth Index** "only" managed a gain last month of 1.8%. More familiar, actively managed large-cap growth funds fared much better. **Blue Chip Growth** gained 3.4%, **Contrafund** and **OTC** rose 2.9%, and **Growth Co.** gained 2.7%. It should also be noted that a popular holding among many Fidelity growth funds, Apple, weighed on overall performance as the stock retreated 5%.

Fixed Income Funds

One of the most important pieces of data for the Fed (the personal consumption expenditures index) was released on Good Friday when markets were closed; any impact will not be felt until April 1. Nevertheless, the good-news/bad-news is this: Price growth in February stayed in line with economists' expectations, but still rose 2.5% over the prior 12-month period.

If first-quarter history is prologue, the bond market may look

Fund Commentary *cont'd on page 12*

April Scorecard Rating Changes

Mutual Funds	Ticker	Ratings		Comments	
		Old	New		
Global Credit	FGAFX	S	H	↑	Performance and risk are edging closer to its domestic counterpart, Corporate Bond.
Total Market IDX	FSKAX	B	B	↓	Fund may not have a long-term advantage over the larger-cap (S&P) 500 Index fund.
Zero Total Market IDX	FZROX	B	B	↓	Fund may not have a long-term advantage over Zero Large Cap Idx.
Selects					
Consumer Staples	FDFA	B	B	↓	Consumers less willing to absorb rising prices; sector's buyback activity in decline.
Annuity (VIP)					
VIP Consumer Staples	FCSAC	B	B	↓	Consumers less willing to absorb rising prices; sector's buyback activity in decline.
VIP Total Market IDX	FTMJC	B	B	↓	Fund may not have a long-term advantage over the larger-cap (S&P) 500 Index fund.
Sector ETFs (MSCI)					
Consumer Staples	FSTA	B	B	↓	Consumers less willing to absorb rising prices; sector's buyback activity in decline.

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

MARCH 31, 2024

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)					Rel Vol (Risk) ¹	
					Mar	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr	15 Yr		
Comparative Indexes		S&P 500	5254.4		3.2	10.6	10.6	29.9	11.5	15.0	13.0	15.6	1.00	
		Nasdaq Composite	16379.5		1.9	9.3	9.3	35.1	8.2	17.2	15.7	18.3	1.24	
		Dow Jones Industrials	39807.4		2.2	6.1	6.1	22.2	8.7	11.3	11.8	14.4	0.93	
		Russell 2000 (Small Caps)	2124.6		3.6	5.2	5.2	19.7	-0.1	8.1	7.6	12.9	1.22	
		Bloomberg Barclays Agg Bond*			0.9	-0.7	-0.7	1.7	-2.5	0.3	1.6	1.6	0.41	
Model Portfolios		Unique Opportunities			3.7	12.8	12.8	29.1	7.4	16.0	11.7	15.3	1.10	
		Select			3.1	10.8	10.8	29.9	7.0	15.2	12.8	16.0	1.13	
		Growth			3.8	13.4	13.4	31.0	8.7	15.8	12.5	15.0	1.04	
		Growth & Income			2.9	7.5	7.5	19.1	4.1	10.4	8.9	11.1	0.70	
		Income			1.5	4.0	4.0	10.4	1.4	4.9	4.3	6.1	0.39	
											Rel Vol (Risk) ¹	Assets (\$Mil)		
LARGE CAP GROWTH					Average	2.9	14.9	14.9	41.2	11.0	18.0	15.0	1.18	
312	FBGRX	Blue Chip Growth	201.37	Buy	3.4	16.2	16.2	51.2	9.8	20.5	17.3	1.40	\$53,780	
307	FDCAX	Capital Appreciation	45.31	Hold	2.8	14.2	14.2	36.6	11.2	17.1	13.0	1.06	6,192	
22	FCNTX	Contrafund	18.97	Buy	2.9	18.0	18.0	47.4	12.7	17.1	14.7	1.09	121,131	
3	FFIDX	Fidelity Fund	84.63	OK to Buy	3.4	13.6	13.6	36.0	12.3	17.0	13.3	1.10	7,213	
333	FTQGX	Focused Stock	37.29	OK to Buy	5.1	23.1	23.1	50.2	13.1	17.5	14.5	1.13	3,340	
3336	FIFNX	Founders Fund	21.13	Hold	3.1	15.8	15.8	40.2	9.4	17.2	--	1.16	83	
25	FDGRX	Growth Company (closed)	36.84	Buy	2.7	15.4	15.4	45.7	10.5	21.8	18.2	1.34	50,983	
339	FDSVX	Growth Discovery	62.37	Buy	2.4	15.8	15.8	42.6	12.4	19.2	15.9	1.11	4,665	
2826	FSPGX	Lg Cap Growth Index	32.86	OK to Buy	1.8	11.4	11.4	39.0	12.5	18.5	--	1.20	22,177	
21	FMAGX	Magellan	14.29	Hold	3.2	16.1	16.1	40.1	11.9	15.7	13.2	1.18	31,690	
1282	FNCMX	Nasdaq Composite Index	207.81	OK to Buy	1.8	9.3	9.3	35.5	8.4	17.3	15.7	1.23	15,561	
93	FOCPX	OTC	20.69	Buy	2.9	13.1	13.1	40.2	9.8	19.0	17.1	1.17	21,133	
320	FDSSX	Stock Selector All Cap	75.41	Hold	2.9	9.0	9.0	27.8	8.9	14.5	11.9	1.00	1,862	
5	FTRNX	Trend	174.24	Buy	2.9	17.3	17.3	43.9	11.9	19.0	15.5	1.36	3,255	
LARGE CAP BLEND					Average	3.8	11.3	11.3	29.3	10.9	14.9	11.7	1.00	
2328	FXAIX	500 Index	182.95	OK to Buy	3.2	10.6	10.5	29.9	11.5	15.1	13.0	1.00	515,223	
315	FDEQX	Disciplined Equity	66.32	Buy	2.9	13.4	13.4	38.5	10.6	16.1	11.8	1.14	1,869	
330	FDGFX	Dividend Growth	37.52	Hold	5.9	13.7	13.7	31.4	11.7	12.3	10.2	0.91	6,191	
27	FGRIX	Growth & Income	60.01	OK to Sell	4.6	10.7	10.7	25.1	12.1	14.4	11.3	0.97	8,680	
338	FLCSX	Large Cap Stock	50.41	Hold	5.0	11.8	11.8	29.6	12.6	15.0	11.6	1.01	3,921	
361	FGRTX	Mega Cap Stock	23.37	OK to Buy	4.6	11.6	11.6	31.0	13.2	16.4	12.4	1.03	1,669	
300	FMILX	New Millennium	54.63	Buy	3.7	14.5	14.5	34.3	15.4	15.7	11.5	0.95	4,389	
6391	FSEBX	Sustainable U.S. Equity	12.29	Hold	3.6	11.7	11.7	28.4	--	--	--	--	23	
2361	FSKAX	Total Market Index	144.99	OK to Buy↓	3.2	10.0	10.0	29.4	9.7	14.3	12.3	1.02	88,994	
5029	FULVX	U.S. Low Volatility Equity	11.59	OK to Sell	2.8	8.5	8.5	15.4	6.1	--	--	0.75	66	
2941	FITLX	U.S. Sustainability Index	23.74	OK to Buy	3.5	11.7	11.7	33.4	12.2	15.8	--	1.04	3,487	
3396	FWOMX	Women's Leadership	16.72	OK to Sell	4.4	9.9	9.9	24.2	6.0	--	--	1.09	112	
3231	FNILX	Zero Large Cap Index	18.62	OK to Buy	3.1	10.5	10.5	30.6	11.0	15.1	--	1.01	8,574	
3227	FZROX	Zero Total Market Index	18.30	OK to Buy↓	3.2	10.1	10.1	29.6	10.0	14.4	--	1.02	19,456	
LARGE CAP VALUE					Average	4.8	8.2	8.2	19.5	9.0	10.8	8.9	0.87	
1271	FBCVX	Blue Chip Value	26.69	Hold	4.8	7.2	7.2	19.1	10.0	9.3	8.0	0.83	733	
319	FEQTX	Equity Dividend Income	29.23	Buy	4.2	7.8	7.8	18.8	9.8	11.1	9.2	0.86	5,227	
23	FEQIX	Equity-Income	73.33	Buy	4.9	9.1	9.1	19.9	9.3	11.6	9.3	0.83	7,385	
2830	FLCOX	Lg Cap Value Index	17.62	OK to Buy	5.0	9.0	9.0	20.3	8.1	10.3	--	0.93	7,107	
708	FSLVX	Stock Sel Large Cap Value	27.69	Buy	5.7	9.5	9.5	23.7	10.0	11.8	9.2	0.96	466	
832	FVDFX	Value Discovery	37.51	Hold	4.3	6.9	6.9	15.4	6.8	10.5	8.6	0.82	2,952	
MID-CAP GROWTH					Average	3.4	11.6	11.5	26.6	5.8	13.3	11.3	1.25	
324	FDEGX	Growth Strategies	64.13	Buy	4.5	13.6	13.6	27.0	7.0	13.3	11.3	1.27	3,273	
3403	FMDGX	Mid Cap Growth Index	29.65	Buy	2.4	9.5	9.5	26.2	4.6	--	--	1.24	941	
MID-CAP BLEND					Average	4.1	8.1	8.1	22.4	5.0	11.1	9.6	1.12	
2365	FSMAX	Extended Market Index	83.51	OK to Buy	3.4	7.0	7.0	26.7	1.0	10.1	9.0	1.22	38,361	
2352	FSMDX	Mid Cap Index	32.53	OK to Buy	4.3	8.6	8.6	22.4	6.1	11.1	9.9	1.11	33,210	
337	FMCSX	Mid-Cap Stock	44.05	Hold	4.1	8.7	8.7	19.2	8.2	12.6	10.0	0.98	6,598	
2412	FSSMX	Stock Selector Mid Cap	44.97	OK to Buy	4.6	9.0	9.0	21.4	6.3	11.3	9.5	1.14	357	
3230	FZIPX	Zero Extended Market Index	13.13	OK to Buy	4.3	7.2	7.2	22.3	3.6	10.0	--	1.17	1,574	

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

MARCH 31, 2024

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) ¹	Assets (\$Mil)	
					Mar	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year			
MID-CAP VALUE					Average	5.9	9.1	9.1	26.9	9.8	13.7	9.6	1.14	
316	FLPSX	Low-Priced Stock ⁵	47.73	Buy	4.8	8.3	8.3	22.5	8.5	12.6	9.4	0.90	\$24,425	
762	FSMVX	Mid Cap Value	32.16	OK to Buy	6.5	11.1	11.1	33.6	11.6	12.5	8.9	1.20	1,181	
3404	FIMVX	Mid Cap Value Index	27.21	Hold	5.2	8.2	8.2	20.5	6.8	--	--	1.10	865	
39	FDVLX	Value	15.70	Hold	6.8	9.3	9.3	28.9	10.7	14.7	10.0	1.27	8,006	
14	FSLSX	Value Strategies	59.94	OK to Buy	6.2	8.5	8.5	29.1	11.4	14.9	10.2	1.22	728	
SMALL CAP GROWTH					Average	3.3	10.7	10.7	23.4	-0.2	11.6	12.0	1.26	
1388	FCPGX	Small Cap Growth	32.02	OK to Buy	3.8	13.7	13.7	26.3	2.2	11.6	12.0	1.24	2,900	
3405	FECGX	Small Cap Growth Index	26.21	Hold	2.8	7.6	7.6	20.5	-2.5	--	--	1.27	644	
SMALL CAP BLEND					Average	3.7	7.1	7.1	22.9	4.1	10.4	8.5	1.17	
384	FSCRX	Small Cap Discovery	28.80	Buy	3.9	8.3	8.3	24.7	8.5	12.0	8.5	1.14	2,734	
2358	FSSNX	Small Cap Index	26.34	Hold	3.6	5.2	5.2	19.8	-0.0	8.2	7.8	1.22	26,333	
340	FSLCX	Small Cap Stock	18.10	OK to Buy	3.1	5.2	5.2	21.7	2.0	8.6	7.9	1.16	1,185	
336	FDCSX	Stock Selector Small Cap	36.62	OK to Buy	4.3	9.7	9.7	25.2	6.0	12.9	9.9	1.17	1,641	
SMALL CAP VALUE					Average	4.7	4.6	4.6	20.8	4.7	12.7	9.3	1.20	
1389	FCPVX	Small Cap Value	21.04	Buy	5.1	6.4	6.4	22.9	7.1	12.7	9.3	1.18	2,643	
3406	FISVX	Small Cap Value Index	24.77	Hold	4.3	2.9	2.9	18.7	2.2	--	--	1.22	944	
REAL ESTATE														
1368	FIREX	International Real Estate	9.97	OK to Sell	4.0	-3.0	-3.0	1.0	-6.4	-0.2	3.2	0.99	186	
833	FRIFX	Real Estate Income	11.73	Hold	0.9	1.3	1.3	8.5	2.0	3.9	5.3	0.57	1,240	
2355	FSRNX	Real Estate Index	15.61	Hold	2.0	-1.1	-1.1	8.6	1.8	1.6	5.2	1.24	2,527	
303	FRESX	Real Estate Investment	37.74	Hold	1.3	-2.0	-2.0	5.4	2.8	3.1	6.3	1.21	2,603	
ASSET ALLOCATION														
328	FASIX	Asset Manager 20%	13.49	Hold	1.2	1.8	1.8	6.6	1.0	3.4	3.3	0.39	3,312	
1957	FTANX	Asset Manager 30%	11.72	Hold	1.5	2.5	2.5	8.3	1.5	4.6	4.3	0.48	1,402	
1958	FFANX	Asset Manager 40%	12.79	Hold	1.7	3.2	3.2	10.2	2.2	5.7	5.1	0.56	1,495	
314	FASMIX	Asset Manager 50%	20.36	Hold	2.0	4.0	4.0	12.0	2.7	6.7	5.8	0.64	7,278	
1959	FSANX	Asset Manager 60%	15.30	Hold	2.2	4.7	4.7	13.8	3.3	7.6	6.6	0.71	2,196	
321	FASGX	Asset Manager 70%	27.21	Hold	2.4	5.6	5.6	15.8	4.2	8.8	7.3	0.78	4,093	
347	FAMRX	Asset Manager 85%	25.92	Hold	2.7	6.8	6.8	18.8	5.2	10.3	8.4	0.89	2,155	
304	FBALX	Balanced	28.85	Buy	2.4	7.1	7.1	21.1	6.4	11.7	9.6	0.78	36,301	
3083	FMSDX	Multi-Asset Income	13.83	Hold	3.1	4.5	4.5	9.9	3.9	9.8	--	0.59	1,074	
355	FFNOX	Multi-Asset Index	57.88	Hold	2.8	6.4	6.4	18.8	5.3	9.7	8.4	0.88	8,045	
4	FPURX	Puritan	25.47	Buy	2.8	9.3	9.3	24.5	7.4	11.5	9.6	0.76	26,009	
6477	FYMRX	Sustainable Multi-Asset	10.03	Hold	2.6	6.1	6.1	15.9	--	--	--	--	17	
INTERNATIONAL					Average	3.0	5.7	5.7	15.0	1.4	7.3	6.0	1.07	
309	FICDX	Canada	67.25	Hold	2.5	4.3	4.3	14.3	9.0	10.5	6.1	0.97	868	
352	FHKCX	China Region	33.46	OK to Sell	3.2	4.5	4.5	-2.8	-13.4	2.9	5.3	1.55	800	
325	FDIVX	Diversified International	44.44	OK to Buy	3.3	8.2	8.2	16.9	3.1	8.7	5.8	1.04	9,067	
351	FSEAX	Emerging Asia	41.78	Hold	2.7	4.6	4.6	10.3	-11.3	6.3	7.5	1.32	895	
322	FEMKX	Emerging Markets	37.63	Hold	2.9	5.2	5.2	11.8	-4.4	6.4	6.0	1.14	4,432	
2374	FEDDX	Emerging Mkts Discovery	16.44	OK to Buy	1.9	0.1	0.0	14.8	3.1	7.5	5.8	0.91	453	
2344	FPADX	Emerging Markets Index	10.27	OK to Sell	2.4	2.2	2.2	7.3	-5.5	2.0	3.0	1.03	7,182	
5031	FEOPX	Enduring Opportunities	15.51	OK to Buy	2.7	9.8	9.8	25.6	4.0	--	--	1.15	15	
301	FIEUX	Europe	37.01	Hold	3.9	7.8	7.8	13.1	0.1	6.6	3.9	1.05	576	
2406	FGILX	Global Equity Income	19.52	OK to Buy	3.6	7.6	7.6	17.1	7.6	11.6	8.7	0.83	162	
2348	FSGGX	Global ex U.S. Index	14.74	Hold	3.1	4.7	4.7	13.1	2.0	6.1	4.3	0.97	9,863	
335	FIVFX	International Cap App	28.72	Buy	2.0	8.3	8.3	21.5	4.5	10.0	8.5	1.22	5,457	
305	FIGRX	International Discovery	49.18	Hold	4.2	10.8	10.8	17.7	0.8	7.9	5.4	1.03	3,897	
1979	FIGFX	International Growth	20.74	OK to Buy	3.0	8.3	8.3	18.6	4.9	10.0	7.5	1.14	1,563	
2363	FSPSX	International Index	50.09	OK to Buy	3.3	5.8	5.8	15.3	4.9	7.5	4.9	1.00	48,301	
818	FISMX	International Small Cap	32.34	OK to Buy	3.1	3.1	3.1	13.7	2.8	7.5	6.6	0.92	1,535	
1504	FSCOX	Int'l Small Cap Opps (closed)	20.57	Hold	2.6	3.0	3.0	12.0	0.4	7.0	6.4	1.19	755	
2988	FNIDX	International Sustainability Idx	12.17	Hold	2.7	4.0	4.0	10.8	0.2	5.6	--	1.00	421	
1597	FIVLX	International Value	10.55	OK to Buy	4.9	7.4	7.4	21.3	8.1	9.0	4.4	0.98	585	
350	FJPNX	Japan	17.00	OK to Buy	2.7	5.8	5.8	14.1	-0.7	7.2	6.4	1.01	173	
360	FJSCX	Japan Smaller Companies	15.92	Buy	2.7	5.6	5.6	15.3	1.3	4.3	6.5	0.89	463	
349	FLATX	Latin America	20.55	OK to Sell	0.6	-2.5	-2.5	22.5	5.2	1.2	-0.4	1.45	243	
342	FNORX	Nordic	67.26	OK to Buy	3.0	7.0	7.0	17.6	5.1	13.6	8.1	1.16	339	
94	FOSFX	Overseas	65.09	OK to Buy	3.1	7.9	7.9	18.1	4.7	9.3	6.9	1.14	8,953	
302	FPBFX	Pacific Basin	29.98	Hold	2.5	1.3	1.3	5.1	-3.8	6.8	7.3	1.12	669	
6468	FSYJX	Sustainable Emerg Mkts Eqty	8.51	Hold	1.4	3.9	3.9	8.6	--	--	--	--	4	
6462	FSYRX	Sustainable Int'l Equity	9.44	Hold	3.4	6.7	6.7	12.7	--	--	--	--	7	
2369	FTEMX	Total Emerging Markets	12.47	Hold	2.5	3.1	3.1	13.8	-4.9	2.2	3.5	0.92	85	
1978	FTIEX	Total International Equity	11.52	Hold	4.2	6.3	6.3	16.0	3.1	8.9	6.2	1.00	131	
2834	FTIHX	Total International Index	13.71	Hold	3.1	4.3	4.3	12.8	1.7	6.0	--	0.97	11,813	
318	FWWFX	Worldwide	36.44	OK to Buy	4.3	17.1	17.1	36.9	8.0	13.8	10.8	1.05	2,571	
3228	FZILX	Zero International Index	11.60	OK to Buy	3.3	4.8	4.8	13.9	2.3	6.4	--	0.98	3,921	

FIDELITY SCORECARD

MARCH 31, 2024

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) ¹	Assets (\$Mil)
					Mar	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year		
SPECIALTY													
6041	FARMX	Agricultural Productivity	18.78	OK to Sell	7.7	2.4	2.4	-7.0	2.1	--	--	1.22	\$56
6385	FCAEX	Climate Action	11.13	Hold	4.2	12.5	12.5	24.0	--	--	--	--	25
308	FCV SX	Convertible Securities	33.45	Hold	2.7	3.1	3.1	10.4	1.0	12.0	8.1	0.69	1,498
2120	FFGCX	Global Commodity Stock	18.66	OK to Sell	8.8	4.4	4.4	4.6	10.1	11.1	5.0	1.33	361
6553	FAPHX	Healthy Future Fund	12.39	OK to Buy	2.0	9.4	9.4	19.8	--	--	--	--	6
6875	FEQHX	Hedged Equity	12.04	OK to Sell	2.6	8.5	8.5	22.4	--	--	--	--	232
3488	FNSTX	Infrastructure Fund	12.38	Hold	4.2	1.6	1.6	4.9	2.9	--	--	0.93	42
122	FLVCX	Leveraged Company Stock	40.21	Buy	4.7	15.3	15.3	35.5	8.8	15.3	9.9	1.18	2,159
6519	FAQAX	Macro Opportunities	8.87	OK to Sell	0.2	-2.8	-2.8	-7.4	--	--	--	--	7
6513	FAPSX	Risk Parity	9.54	OK to Sell	3.0	2.5	2.5	7.4	--	--	--	--	2
1329	FSDIX	Strategic Dividend & Income	16.76	OK to Buy	3.0	5.5	5.5	13.1	5.6	8.7	8.2	0.72	2,976
1505	FSRRX	Strategic Real Return	8.49	Hold	2.4	1.9	1.9	5.8	4.9	5.2	3.0	0.51	253
311	FIUIX	Telecom & Utilities	28.36	Hold	7.0	6.7	6.7	11.5	6.9	7.3	7.8	0.85	860
6042	FLOWX	Water Sustainability	17.37	Hold	4.5	8.5	8.5	22.0	8.5	--	--	1.25	94
SELECT PORTFOLIOS					Average	4.1	9.2	9.2	24.7	8.1	13.0	10.7	1.26
502	FSAVX	Automotive	56.48	Hold	0.7	6.8	6.9	22.1	2.0	17.1	9.5	1.43	99
507	FSRBX	Banking	26.61	Hold	7.2	6.2	6.2	34.7	3.2	8.2	7.3	1.53	388
42	FBIOX	Biotechnology	19.71	Hold	0.9	10.5	10.5	26.7	-2.1	7.1	7.7	1.20	4,916
68	FSLBX	Brokerage & Investment	147.29	OK to Buy	3.7	9.3	9.3	38.0	13.4	19.3	11.6	1.36	837
69	FSCHX	Chemicals	16.32	Hold	6.5	5.8	5.8	14.8	7.0	9.6	7.3	1.25	622
503	FBMPX	Communication Services	98.15	Buy	2.6	11.7	11.7	44.6	4.6	14.3	11.3	1.25	1,359
511	FSHOX	Construction & Housing	122.56	Hold	5.9	14.1	14.1	42.0	15.1	22.2	15.8	1.34	742
517	FSCPX	Consumer Discretionary	62.97	Buy	1.6	7.2	7.2	31.5	3.5	12.1	11.6	1.43	555
9	FDFA X	Consumer Staples	96.53	OK to Buy	4.5	4.7	4.7	6.0	6.0	9.0	7.4	0.83	895
67	FSDAX	Defense & Aerospace	17.56	OK to Buy	4.0	3.6	3.6	16.8	7.5	7.2	10.1	1.12	1,570
60	FSENX	Energy	63.90	OK to Sell	11.2	15.1	15.1	20.8	32.2	13.5	3.7	1.66	2,138
353	FBSOX	Enterprise Technology Services ³	65.80	Hold	-1.6	5.6	5.6	21.7	-1.5	7.2	12.4	1.21	2,073
516	FSLEX	Environment & Alt Energy	35.46	Hold	2.9	7.6	7.6	23.9	6.3	11.7	9.6	1.26	524
66	FIDSX	Financials	13.20	Buy	5.6	10.8	10.8	34.7	9.5	13.8	10.3	1.22	699
98	FSVLX	FinTech	17.49	Hold	2.7	10.1	10.1	26.4	0.7	6.5	7.6	1.31	112
41	FSAGX	Gold	22.65	Sell	18.4	2.2	2.2	-8.7	-3.4	5.0	2.2	1.82	858
63	FSPHX	Health Care	30.72	OK to Buy	1.3	6.8	6.8	10.6	2.1	9.8	10.5	0.97	7,916
505	FSHCX	Health Care Services	137.39	Hold	2.2	3.1	3.1	12.7	6.0	12.7	12.3	0.97	1,545
515	FCYIX	Industrials	39.71	Buy	4.7	16.1	16.1	39.3	12.8	12.7	10.1	1.21	562
45	FSPCX	Insurance	89.12	Buy	4.6	16.2	16.2	36.2	18.6	16.4	12.8	0.96	598
62	FDLSX	Leisure	19.67	OK to Buy	2.2	7.1	7.1	22.9	9.9	13.9	11.9	1.20	677
509	FSDPX	Materials	105.78	Hold	7.6	9.2	9.2	13.2	8.0	11.4	6.2	1.31	517
354	FSMEX	Medical Tech & Devices	67.57	Hold	2.5	9.1	9.1	4.5	-0.1	8.7	13.3	1.25	5,866
514	FNARX	Natural Resources	46.46	Hold	10.8	14.2	14.2	19.6	27.2	14.2	3.9	1.52	588
580	FPHAX	Pharmaceuticals	27.98	Buy	3.9	18.5	18.5	33.8	14.3	14.7	10.3	0.81	1,080
46	FSRPX	Retailing	21.28	Hold	2.5	13.4	13.4	34.5	3.5	13.8	15.2	1.21	3,080
8	FSELX	Semiconductors	30.83	OK to Buy	5.2	27.1	27.1	63.1	28.6	35.3	27.1	2.17	16,468
28	FSCSX	Software & IT Services	28.72	OK to Buy	-1.5	3.8	3.8	35.6	9.4	17.6	17.5	1.19	12,398
7	FDCPX	Tech Hardware	103.25	OK to Buy	3.5	9.0	9.0	26.9	6.5	18.5	13.8	1.12	927
64	FSPTX	Technology	32.31	Buy	1.8	13.3	13.3	44.1	10.9	23.4	19.9	1.43	14,310
96	FSTCX	Telecommunications	44.91	Hold	0.7	-2.0	-2.0	0.7	-6.4	2.5	4.1	1.04	147
512	FSRFX	Transportation	112.72	Hold	1.9	7.9	7.9	21.4	9.9	11.7	10.7	1.24	611
65	FSUTX	Utilities	107.02	Hold	7.5	6.2	6.2	8.5	8.2	7.9	8.7	0.96	1,158
963	FWRLX	Wireless	12.00	Hold	0.8	2.8	2.8	16.7	1.3	11.7	9.7	1.05	324
SECTOR ETFs					Average	4.2	7.9	7.9	21.2	8.7	11.6	10.5	1.18
	FCOM	MSCI Communication Services	49.56	OK to Buy	2.8	11.5	11.5	36.6	1.1	10.1	9.1	1.20	985
	FDIS	MSCI Consumer Discretionary	82.48	Buy	0.9	4.7	4.7	27.0	3.5	14.5	13.3	1.42	1,460
	FSTA	MSCI Consumer Staples	47.58	OK to Buy	3.4	7.2	7.2	8.2	7.2	9.8	9.0	0.77	1,080
	FENY	MSCI Energy	25.87	OK to Sell	10.4	13.1	13.1	18.9	29.6	12.4	3.6	1.63	1,670
	FNCL	MSCI Financials	59.40	Buy	5.0	11.4	11.4	34.3	8.9	12.2	10.7	1.18	1,570
	FHLC	MSCI Health Care	69.77	OK to Buy	2.4	8.2	8.2	15.1	7.2	11.0	11.2	0.83	3,200
	FIDU	MSCI Industrials	67.81	Buy	4.8	11.1	11.1	30.1	10.8	13.9	11.3	1.14	967
	FTEC	MSCI Information Technology	155.84	Buy	1.5	8.7	8.7	37.9	14.7	22.5	20.2	1.31	9,430
	FMAT	MSCI Materials	52.37	Hold	6.4	7.9	7.9	16.9	7.7	12.9	8.8	1.28	500
	FREL	MSCI Real Estate	26.09	Hold	2.0	-1.1	-1.1	8.6	1.7	3.7	--	1.24	962
	FUTY	MSCI Utilities	42.42	Hold	6.8	4.8	4.8	0.1	3.8	5.3	8.1	0.97	1,100

FIDELITY SCORECARD MARCH 31, 2024

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				SEC %Yield	Dur ² (Yrs)	Rel Vol (Risk) ¹	
					Mar	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr				
TAXABLE BOND					<i>Average</i>	0.8	-0.2	-0.2	2.6	-1.8	0.7	1.5	4.47	5.2	0.35
2268	FCNVX	Conservative Income Bond	10.05	Buy	0.4	1.2	1.2	5.9	2.8	2.3	1.7	5.15	0.4	0.05	
2208	FCBFX	Corporate Bond	10.43	Hold	1.2	-0.0	-0.0	5.1	-2.0	1.5	2.7	5.15	6.9	0.52	
6379	FFEBX	Environmental Bond	8.41	Hold	0.9	-0.7	-0.7	1.8	--	--	--	4.14	6.1	--	
2423	FGBFX	Global Credit	7.76	Hold↑	2.1	2.5	2.5	8.9	-3.3	0.6	0.9	4.64	6.4	0.52	
15	FGMNX	GNMA (Ginnie Mae)	10.05	Hold	0.9	-1.2	-1.2	1.4	-2.7	-0.3	1.0	3.57	5.2	0.43	
54	FGOVX	Government Income	9.11	Hold	0.7	-1.0	-1.0	0.2	-3.0	-0.4	0.8	3.86	6.0	0.39	
2418	FIPDX	Inflation-Protected Index	9.03	OK to Sell	0.6	-0.1	-0.1	0.3	-0.6	2.4	2.1	3.58*	6.7	0.41	
32	FTHRX	Intermediate Bond	10.03	Buy	0.7	0.1	0.1	3.2	-1.0	1.3	1.7	4.45	3.7	0.27	
452	FSTGX	Intermediate Gov't Income	9.64	Hold	0.5	-0.3	-0.3	1.2	-1.8	0.2	0.8	3.99	3.8	0.26	
3045	FUAMX	Intermediate Treasury Index	9.59	Hold	0.7	-1.0	-1.0	-0.3	-3.0	-0.0	1.3	4.24	6.2	0.41	
4506	FBIIX	International Bond Index	9.17	Hold	1.0	0.3	0.3	5.1	-1.3	--	--	3.00	7.0	0.29	
26	FBNDX	Investment Grade Bond	7.15	OK to Buy	0.9	-0.4	-0.4	2.5	-2.0	1.2	2.0	4.77	6.1	0.42	
2622	FJRLX	Limited Term Bond	11.19	Buy	0.6	0.6	0.6	5.0	0.2	1.6	1.8	5.02	2.6	0.19	
662	FFXSX	Limited Term Government	9.48	OK to Buy	0.4	-0.1	-0.1	2.1	-1.0	0.5	0.7	4.29	2.8	0.19	
3047	FNBGX	Long-Term Treasury Index	9.74	OK to Sell	1.1	-3.0	-3.0	-6.3	-8.1	-2.9	1.2	4.49	15.3	0.88	
40	FMSFX	Mortgage Securities	9.74	Hold	0.9	-1.1	-1.1	1.3	-3.1	-0.4	1.1	3.86	5.8	0.46	
450	FSHBX	Short-Term Bond	8.37	Buy	0.4	0.7	0.7	4.5	0.6	1.6	1.4	4.72	1.8	0.13	
3041	FNSOX	Short-Term Bond Index	9.74	OK to Buy	0.4	0.2	0.2	3.2	-0.4	1.2	--	4.70	2.5	0.18	
3049	FUMBX	Short-Term Treasury Index	10.06	OK to Buy	0.4	-0.1	-0.1	2.3	-0.7	0.9	1.0	4.52	2.6	0.18	
3086	FNDSX	Sustainability Bond Index	9.19	Hold	0.8	-0.8	-0.8	1.6	-2.6	0.2	--	4.39	5.9	0.40	
6541	FIAXX	Sustainable Core Plus Bond	9.23	Hold	1.0	-0.5	-0.5	2.6	--	--	--	4.76	6.1	--	
6526	FAPGX	Sustainable Low Dur Bond	10.19	Buy	0.5	1.1	1.1	5.3	--	--	--	5.10	0.6	--	
6502	FBAGX	Tactical Bond	8.84	Hold	0.8	-0.2	-0.2	3.1	--	--	--	5.03	6.6	--	
820	FTBFX	Total Bond	9.47	OK to Buy	0.9	-0.2	-0.2	3.6	-1.5	1.5	2.3	5.09	5.9	0.41	
2326	FXNAX	U.S. Bond Index	10.27	OK to Buy	0.9	-0.7	-0.7	1.7	-2.5	0.3	1.6	4.42	6.0	0.41	
HIGH-YIELD BOND					<i>Average</i>	1.4	2.3	2.3	10.7	2.2	3.5	3.8	6.66	3.4	0.44
38	FAGIX	Capital & Income	9.93	OK to Buy	1.9	4.2	4.2	13.5	4.2	7.0	6.2	5.93	2.8	0.51	
814	FFRHX	Floating Rate High Income	9.32	Buy	0.8	2.3	2.3	11.7	5.9	5.1	4.2	8.76	0.2	0.22	
1366	FHIFX	Focused High Income	8.00	OK to Buy	1.3	1.1	1.1	7.9	1.1	2.8	3.4	5.93	3.7	0.48	
2297	FGHNX	Global High Income	8.68	OK to Buy	1.1	2.1	2.1	9.7	0.9	3.1	3.6	6.63	3.2	0.47	
455	SPHIX	High Income	7.71	OK to Buy	1.3	2.3	2.3	10.4	1.4	2.6	3.5	7.31	3.4	0.50	
331	FNMIX	New Markets Income	12.56	OK to Buy	2.3	2.4	2.4	15.0	0.5	1.1	2.9	6.45	6.9	0.62	
2580	FSAHX	Short Duration High Income	8.88	OK to Buy	1.1	1.9	1.9	9.4	2.6	3.3	3.1	6.96	2.1	0.32	
3082	FADMX	Strategic Income	11.47	OK to Buy	1.4	1.7	1.7	8.0	0.9	3.2	3.4	5.32	4.5	0.40	
MUNICIPAL BOND					<i>Average</i>	0.0	-0.1	-0.1	3.3	-0.3	1.4	2.3	3.23	5.5	0.37
434	FSAZX	Arizona Muni Income	11.44	Hold	0.1	-0.1	-0.1	3.4	-0.5	1.3	2.5	3.14	6.0	0.38	
1534	FCSTX	Calif Limited Term Tax Free	10.27	Hold	-0.1	-0.2	-0.2	1.8	-0.3	0.9	1.3	2.83	2.9	0.22	
91	FCTFX	California Muni Income	12.17	Hold	0.1	-0.2	-0.2	3.4	-0.3	1.5	2.7	3.21	6.3	0.41	
407	FICNX	Connecticut Muni Income	10.94	Hold	-0.1	-0.5	-0.5	3.3	-0.3	1.6	2.4	3.04	5.5	0.39	
2579	FMNDX	Conservative Income Muni	10.02	Buy	0.2	0.6	0.6	3.4	1.5	1.4	1.1	3.53	0.8	0.05	
36	FLTXX	Interm Municipal Income	10.12	OK to Buy	0.0	-0.1	-0.1	3.0	0.1	1.7	2.3	3.09	4.7	0.32	
404	FSTFX	Limited Term Muni Income	10.31	Buy	-0.1	-0.0	-0.0	2.4	-0.1	1.1	1.3	3.19	2.5	0.21	
429	SMDMX	Maryland Muni Income	10.74	Hold	0.0	-0.4	-0.4	3.3	-0.4	1.2	2.4	3.06	6.1	0.41	
70	FDMMX	Mass Muni Income	11.40	Hold	0.1	-0.1	-0.1	3.4	-0.7	1.2	2.4	3.26	6.6	0.39	
81	FMHTX	Michigan Muni Income	11.49	Hold	-0.0	-0.2	-0.2	3.5	-0.7	1.3	2.6	3.35	6.2	0.40	
82	FIMIX	Minnesota Muni Income	11.08	Hold	-0.0	-0.1	-0.1	2.8	-0.5	1.3	2.2	3.05	5.7	0.36	
3469	FMBIX	Municipal Bond Index	18.53	Hold	-0.1	-0.4	-0.4	2.7	-0.9	--	--	3.33	6.1	0.43	
7330	FMBAX	Municipal Core Plus	10.23	Hold	-0.1	-0.1	-0.1	--	--	--	--	3.45	5.6	--	
37	FHIGX	Municipal Income	12.26	Hold	0.1	-0.0	-0.0	3.9	-0.4	1.7	2.9	3.41	6.8	0.45	
416	FNJHX	New Jersey Muni Income	11.60	Hold	-0.0	-0.2	-0.2	4.3	0.1	2.1	3.0	3.15	6.2	0.43	
71	FTFMX	New York Muni Income	12.35	Hold	-0.0	-0.2	-0.2	4.0	-0.4	1.5	2.6	3.23	7.4	0.46	
88	FOHFX	Ohio Muni Income	11.39	Hold	0.1	0.1	0.1	3.1	-0.5	1.3	2.6	3.30	6.3	0.39	
402	FPXTX	Pennsylvania Muni Income	10.51	Hold	0.0	0.0	0.0	3.9	-0.5	1.4	2.6	3.38	6.3	0.42	
6532	FSIKX	Sustainable Intermed Muni	10.14	Hold	-0.0	-0.2	-0.2	3.5	--	--	--	3.19	5.0	--	
90	FTABX	Tax-Free Bond	10.99	Hold	-0.0	-0.1	-0.1	4.1	-0.3	1.8	3.0	3.49	6.8	0.45	

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
			Mar	YTD	
55	FDRXX	Gov't Cash Reserves	0.43	1.25	5.02
458	SPAXX	Government MM	0.42	1.24	4.97
2742	FZFX	Treasury MM	0.42	1.24	4.95
415	FDLXX	Treasury Only MM	0.42	1.24	4.96
PRIME MONEY MARKETS					
454	SPRXX	Money Market	0.43	1.26	5.04
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
			Mar	YTD	
10	FTEXX	Municipal Money Market	0.27	0.77	3.24
275	FMOXX	Tax-Exempt MM	0.26	0.74	3.13
STATE MUNICIPAL MONEY MARKETS					
457	FSPXX	California Muni MM ²	0.26	0.71	3.04
426	FMSXX	Massachusetts Muni MM ²	0.26	0.73	3.09
423	FJXX	New Jersey Muni MM ²	0.26	0.75	3.06
422	FSNXX	New York Muni MM ²	0.27	0.76	3.17
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 MARCH 31, 2024

Fund No.	Fund Ticker	Fund Name	Style	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) ¹
						Mar	YTD	3 Mo.	1 Year	3 Year	5 Year	10 Year	
FIDELITY PERSONAL RETIREMENT ANNUITY PORTFOLIOS													
Model Portfolios	Annuity Sector Model					3.1	10.8	10.8	29.1	7.8	15.2	12.9	1.15
	Annuity Growth Model					3.2	13.6	13.6	31.8	8.2	15.1	12.1	1.05
	Annuity Growth & Income Model					2.5	7.0	7.0	17.7	3.4	9.8	7.9	0.74
	Annuity Income Model					1.6	3.1	3.1	8.3	0.6	4.6	4.1	0.45
9067	FLRQC	Fid VIP Asset Manager	Allocation	27.95	Hold	1.9	3.9	3.9	11.5	2.3	6.3	5.2	0.64
9066	FAECC	Fid VIP Asset Manager: Growth	Allocation	32.15	Hold	2.4	5.5	5.5	15.4	3.8	8.4	6.5	0.78
9069	FJBAC	Fid VIP Balanced	Allocation	43.75	Buy	2.4	7.0	7.0	20.7	6.2	11.3	9.3	0.78
9461	FBIQC	Fid VIP Bond Index	Bond	10.43	OK to Buy	0.7	-0.9	-0.9	1.2	-2.9	-0.1	--	0.41
9173	FVTAC	Fid VIP Communication Services	Sector	35.21	Buy	2.4	12.1	12.1	45.1	4.6	14.1	10.7	1.25
9081	FVHAC	Fid VIP Consumer Discretionary	Sector	59.47	Buy	1.5	7.1	7.1	31.1	3.5	11.9	11.3	1.43
9171	FCSAC	Fid VIP Consumer Staples	Sector	40.18	OK to Buy	4.4	4.6	4.6	5.7	5.5	8.6	8.3	0.83
9065	FPDFC	Fid VIP Contrafund	Large Growth	62.99	Buy	3.3	16.8	16.8	42.1	12.5	16.7	12.8	1.08
9148	FPRGC	Fid VIP Disciplined Small Cap	Small Blend	34.14	OK to Buy	3.1	7.3	7.3	24.0	3.6	10.2	7.8	1.18
9074	FZAMC	Fid VIP Dynamic Capital App	Large Growth	67.55	Hold	2.8	14.0	14.0	36.2	11.1	16.9	12.6	1.06
9198	FEMAC	Fid VIP Emerging Markets	Emg Mkts	14.06	OK to Sell	4.8	3.1	3.1	8.4	-5.5	5.0	5.2	1.17
9085	FJLLC	Fid VIP Energy	Sector	26.21	OK to Sell	11.2	15.0	15.0	20.5	31.8	13.2	3.5	1.65
9061	FLOLC	Fid VIP Equity-Income	Large Value	38.15	Buy	4.9	9.0	9.0	19.6	9.1	11.4	8.9	0.83
9469	FEMJC	Fid VIP Extended Market Index	Mid Blend	15.24	OK to Buy	4.3	7.1	7.1	21.3	3.0	9.4	--	1.17
9083	FONNC	Fid VIP Financials	Sector	25.73	Buy	5.6	10.8	10.8	34.4	9.1	13.4	10.1	1.21
9361	FFLCC	Fid VIP Floating Rate High Income	High-Yield Bond	14.70	Buy	0.7	2.2	2.2	11.1	5.4	4.9	--	0.22
9157	FMPAC	Fid VIP FundsManager 20	Allocation	18.35	Hold	1.1	1.8	1.8	6.3	1.1	3.2	3.0	0.39
9158	FMPBC	Fid VIP FundsManager 50	Allocation	25.11	Hold	2.1	4.0	4.0	11.6	2.9	6.5	5.5	0.64
9197	FMPCC	Fid VIP FundsManager 60	Allocation	25.14	Hold	2.3	4.8	4.8	13.4	3.5	7.5	6.4	0.72
9159	FMPDC	Fid VIP FundsManager 70	Allocation	29.39	Hold	2.5	5.7	5.7	15.3	4.4	8.6	7.1	0.78
9160	FMPDC	Fid VIP FundsManager 85	Allocation	32.40	Hold	2.8	6.9	6.9	18.0	5.4	10.0	8.2	0.89
9059	FTNJC	Fid VIP Gov't Money Market	Money Mkt	12.54	--	0.4	1.2	1.2	4.8	2.3	1.6	1.0	0.04
9062	FMNDC	Fid VIP Growth	Large Growth	79.58	Buy	2.4	15.9	15.9	42.9	12.2	19.1	15.7	1.11
9070	FLFNC	Fid VIP Growth & Income	Large Blend	50.58	OK to Buy	4.6	10.8	10.8	25.1	11.9	14.0	10.9	0.97
9068	FIDPC	Fid VIP Growth Opportunities	Large Growth	88.05	Buy	2.7	14.9	14.9	45.7	3.9	17.4	16.8	1.39
9084	FPDRC	Fid VIP Health Care	Sector	71.56	OK to Buy	1.2	6.8	6.8	10.3	2.1	8.6	9.9	0.96
9060	FBBLC	Fid VIP High Income	High-Yield Bond	24.20	OK to Buy	1.3	2.0	2.0	9.2	1.0	2.5	3.0	0.49
9064	FXVLT	Fid VIP Index 500	Large Blend	58.03	OK to Buy	3.2	10.5	10.5	29.4	11.1	14.6	12.6	1.00
9082	FBALC	Fid VIP Industrials	Sector	63.50	Buy	4.7	16.1	16.1	39.1	12.6	12.5	9.9	1.21
9473	FFIQC	Fid VIP International Index	Diversified Int'l	12.61	OK to Buy	3.3	4.6	4.6	13.3	1.8	5.8	--	0.97
9076	FVJIC	Fid VIP Int'l Capital App	Diversified Int'l	33.24	Buy	2.0	8.3	8.3	21.1	4.3	9.7	8.2	1.21
9063	FTLKC	Fid VIP Investment Grade Bond	Inv Grd Bond	17.57	OK to Buy	0.9	-0.5	-0.5	2.2	-2.2	0.9	1.8	0.41
9172	FVMAC	Fid VIP Materials	Sector	34.03	Hold	7.5	9.1	9.1	13.0	7.8	11.5	6.1	1.31
9071	FNBSA	Fid VIP Mid Cap	Mid Blend	49.12	OK to Buy	5.0	12.4	12.4	25.0	7.3	11.7	8.9	1.09
9088	FEMMC	Fid VIP Overseas	Diversified Int'l	26.43	OK to Buy	3.1	7.9	7.9	17.7	4.6	9.0	5.7	1.13
9072	FFWKC	Fid VIP Real Estate	Sector	27.69	Hold	1.4	-1.2	-1.2	6.6	0.6	1.6	4.6	1.24
9075	FGDQC	Fid VIP Strategic Income	High-Yield Bond	22.93	OK to Buy	1.4	1.6	1.6	7.6	0.5	2.8	3.0	0.40
9086	FYENC	Fid VIP Technology	Sector	143.91	Buy	1.8	13.5	13.5	43.1	13.7	24.6	20.4	1.43
9465	FTMJC	Fid VIP Total Market Index	Large Blend	19.68	OK to Buy	3.2	10.0	10.0	29.0	9.6	13.9	--	1.02
9087	FXRRC	Fid VIP Utilities	Sector	46.52	Hold	7.6	6.4	6.4	8.6	8.0	7.5	8.4	0.96
9079	FKMSC	Fid VIP Value	Large Value	44.62	OK to Buy	5.5	8.2	8.2	27.8	11.9	14.3	10.2	1.12
9073	FRBSC	Fid VIP Value Strategies	Mid Value	46.64	OK to Buy	6.2	8.5	8.5	29.0	11.3	14.7	9.8	1.22
9347	FBMEC	Black Rock Global Allocation	Global Allocation	18.92	Hold	2.5	5.2	5.3	13.9	1.2	6.8	4.9	0.68
9349	FTMEC	Franklin Templeton Global Bond	Global Bond	9.53	Hold	0.1	-4.5	-4.5	-3.1	-3.2	-3.6	-1.4	0.55
9348	FFMEC	Franklin Templeton US Gov't	Intermed Gov't	10.30	Buy	0.8	-0.7	-0.7	1.2	-2.6	-0.6	0.3	0.34
9285	FIGXC	Invesco Global Core Eqty	Global Stock	20.55	Hold	3.2	9.7	9.7	22.2	4.7	8.5	6.2	1.00
9147	FPRLC	Lazard Retirement Emerging Mkts	Emg Mkts	19.47	Hold	1.6	2.4	2.4	16.0	2.2	4.0	2.3	0.98
9143	FPRMC	Morgan Stanley Emerg Mkt Debt	Emg Mkt Bond	20.01	Hold	2.7	4.7	4.7	15.5	-1.1	0.6	2.0	0.72
9144	FPRNC	Morgan Stanley Emerg Mkt Equity	Emg Mkts	16.05	OK to Sell	3.1	4.3	4.3	13.5	-4.3	2.5	2.1	1.07
9146	FPRPC	Morgan Stanley Global Strategist	Diversified Int'l	17.96	Hold	2.2	3.0	3.0	11.7	0.7	4.8	3.8	0.78
9346	FPMEC	Pimco Commodity Real Return	Commodities	7.99	OK to Sell	3.6	2.2	2.2	-1.7	7.6	6.9	-1.6	1.00
9276	FPMBC	Pimco VIT Low Duration	Shrt-Term Bond	12.15	Buy	0.3	0.5	0.5	3.7	-0.7	0.6	0.7	0.15
9277	FPNBC	Pimco VIT Real Return	TIPS	14.82	OK to Sell	0.7	0.1	0.1	0.5	-0.9	2.2	1.8	0.41
9278	FPOBC	Pimco VIT Total Return	Intermed Bond	13.93	Hold	1.0	-0.1	-0.1	2.9	-2.8	0.2	1.3	0.42

Annuity Sector		Annuity Growth		Annuity Growth & Income		Annuity Income	
Fund	Allocation	Fund	Allocation	Fund	Allocation	Fund	Allocation
VIP Technology	29%	VIP Growth	34%	VIP Growth Opps	25%	VIP Bond Index	32%
VIP Consumer Discret	17	VIP Contrafund	23	VIP Bond Index	24	Frkln Temp U.S. Gov't	24
VIP Comm Services	16	VIP Equity-Income	22	VIP Equity-Income	22	VIP Floating Rt High Inc	16
VIP Financials	14	VIP Growth Opps	21	VIP Total Market	15	VIP Growth	14
VIP Industrials	12			VIP Floating Rt High Inc	14	VIP Equity-Income	14
VIP Health Care	12						
Total Return:		Total Return:		Total Return:		Total Return:	
Mar: 3.1% YTD: 10.8%		Mar: 3.2% YTD: 13.6%		Mar: 2.5% YTD: 7.0%		Mar: 1.6% YTD: 3.1%	

FUND PROFILE

Leveraged Co. Stock: Unique Among Peers

Leverage, it seems, is somewhat in the eye of the beholder. The prospectus for **Leveraged Company Stock** [FLVCX] defines it to be companies with leveraged capital structures (which implies unfavorable debt-to-equity ratios) or firms that issue lower-quality debt (which implies bond ratings below investment grade). But many of the fund's top holdings do not meet either of those criteria. Instead, its two managers appear to be focusing on companies that issue debt to help finance stock buybacks and/or acquisitions.

We're not complaining.

The classic definition of a leveraged stock is any firm that issues debt to magnify its return on a given investment or project. Stock buybacks and acquisitions clearly fit that definition, and focusing on this category has allowed the fund to include chipmakers and technology disruptors — stocks that have been key to outperforming the Russell Midcap Index since Mark Notkin took over the fund in September of 2016. (Co-manager Brian Chang joined in October of 2019.)

Perhaps the most unique thing about Leveraged Company is that it

LEVERAGED CO. STOCK

Top-10 Stocks	Weight (in %)
Meta Platforms	4.0
Microsoft	3.7
UnitedHealth Group	3.0
JBS SA	2.7
PG&E	2.6
Cheniere Energy	2.5
Arthur J. Gallagher	2.5
Nvidia	2.4
Boyd Gaming	2.2
ON Semiconductor	2.2

operates out of Fidelity's high-yield bond group (unlike other stock funds which are in Fidelity's equity group). As a result, the fund's stock picks come from a different research group that looks at companies from a different perspective. Because of its unique investment process, we categorize it alongside Specialty funds on p. 8, though a case can be made for it to be in the High Yield Bond group where its emphasis on stocks would contrast with other funds that hold mostly bonds. (It's often highly correlated to both high-yield bond funds and stock funds.)

Interestingly, the fund's portfolio operates in the large-cap growth corner of the stylebox, but has valuations that are quite a bit cheaper than a typical large-cap growth fund. Morningstar calcu-

lates its P/E ratio to be 17, which is more like a large-cap value fund than a growth fund. Most large-cap growth funds are quite a bit higher: conservative **Stock Selector All Cap** is roughly 20, **Contrafund** is around 23 and **Blue Chip Growth** is running about 28.

Theme-wise, Leveraged Company is concentrating on both AI infrastructure and the transition to clean energy, which has made technology and industrials two of its top industry groups. The others are consumer discretionary and financials, suggesting the fund has potential to remain on an outperforming trend if market leadership shifts from pricey AI stocks to cyclicals as short-term interest rates come down.

Finally, there's no need to fear the fund based on its name. With an overall volatility score of 1.18, Leveraged Company is actually less risky than **Growth Strategies** (at 1.27). That's because the type of leverage in its portfolio exists only at the company level. That should not be confused with the strategies employed by leveraged ETFs, which often double or triple the risk of an underlying asset.

Rated *Buy*, Leveraged Company is an appropriate fit for the *Unique Opportunities Model*. ■

— Jack Bowers

Questions & Answers

Q: I'm now retired (65) and am wondering if I should be looking at your Annuity Models.

A: We're not big fans of variable annuities, because the tax rate on withdrawals is relatively high, meaning you generally cannot overcome it with the advantage of tax-deferred compounding (unless you invest aggressively and successfully over several decades, which is not how most annuity owners tend to invest).

Many readers set up annuity accounts in the 1990s when the tax

code was different, and they are now somewhat stuck in them tax-wise, so over the years we have created model portfolios to help maximize the tax-deferred compounding benefit for a given level of risk. But if you are simply putting new money to work in retirement, a regular taxable account invested in one of our non-annuity models works fine.

Q: Do you have plans to run your correlation matrix again? I find it very handy.

A: Yes. We plan to run a correlation matrix later this year. In the meantime, you can go to our website

(fmandi.com) and click on the *Correlation Tool* box (in left column) to generate your own numbers.

Q: I have cash in a checking account not earning any money. Do you recommend Federal Money Market funds or T-Bills for earning interest on short-term money?

A: If you go with **Treasury Only Money Market** [FDLXX] you would be able to do both. The only thing you would not have is FDIC insurance, but we think the risk of holding a Fidelity money market fund is low enough that FDIC-like insurance is unnecessary. ■

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

cash investment. Clearly, it is better to use time, not timing, to build long-term wealth.

Another argument against timing is that financial markets move to disappoint a majority of participants when risk perceptions are in flux. If a majority wants to buy, prices move up. If a substantial majority wants to sell, prices plunge. The only way to win at this game is to be

DIVIDEND UPDATE

In addition to regular monthly dividends paid by bond and money market funds and Asset Mgr: 20%/30%, the following funds may make a dividend or cap gain distribution in April:

500 Index, Asst Mgr 40% and 50%, Balanced, CA Ltd Term Tax Free, CA Muni Inc, Convertible Secs, Equity Div Inc, Equity-Inc, Extended Mkt Idx, Global Credit, Global Equity Inc, Growth & Inc, Infrastructure, Intern Term Treas Idx, Int'l Bond Idx, Int'l Idx, Long-Term Treas Idx, Multi-Asset Idx, Puritan, Short-Term Treas Idx, Strat Div & Inc, Strat Real Ret, Telecom & Utilities, Total Market Idx, and all Select funds.

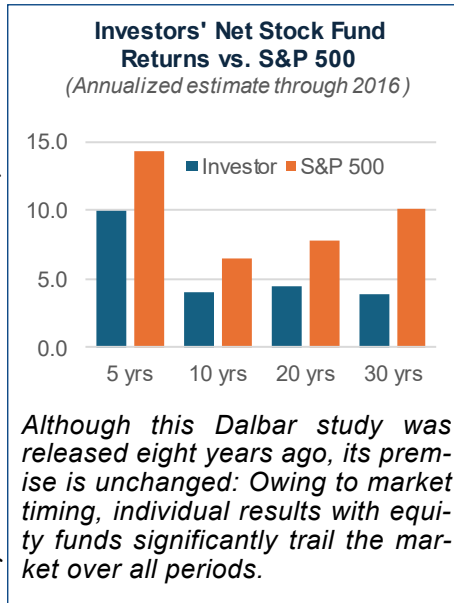
The final distributions for March were as follows:

Fund	Ex-Date	\$ Amt	NAV
Equity-Income	3/8	0.243	71.08
Hedged Equity	3/8	0.003	11.79
Macro Opps	3/8	0.050	8.97
Mid Cap Value	3/8	0.185	30.79
MSCI Comm Svcs	3/15	0.108	48.70
MSCI Cons Discr	3/15	0.170	80.22
MSCI Cons Stap	3/15	0.279	47.08
MSCI Energy	3/15	0.174	25.19
MSCI Financials	3/15	0.261	57.59
MSCI Health Care	3/15	0.238	68.56
MSCI Industrials	3/15	0.187	65.67
MSCI Info Tech	3/15	0.236	153.35
MSCI Materials	3/15	0.207	50.76
MSCI Real Estate	3/15	0.250	25.45
MSCI Utilities	3/15	0.385	41.00
Muni Core Plus	3/8	0.004	10.30
Risk Parity	3/8	0.129	9.46

in the minority all the time, riding through the ups and downs while looking to profit from the long-term trend.

The long-term growth rate for equities, of course, is substantially higher than that of cash or bonds. You can expect stock market returns to exceed inflation by roughly seven percentage points per year, meaning the portion of your portfolio invested in stocks has potential to double its purchasing power for each decade that passes.

This brings me to the final argument regarding market timing: it simply isn't necessary (see chart). Stock returns are so robust that you can blend in lower-return asset classes and target an overall risk level that's in your comfort zone — meaning you can stick with it through thick and thin. This approach might be a bit boring, but boring is how wealth gets built



with a high degree of certainty over long periods of time. ■

— Jack Bowers

Fund Commentary *cont'd from page 5*

past the news and remain focused on what the Fed and Chairman Powell have been signaling all year: rate cuts are coming. The only change is that the first cut is more likely to come in June.

That optimism was reflected in the Treasury bond yield curve. Though it remains inverted (with shorter-maturity bills yielding more than long maturity notes and bonds), yields were almost universally lower. (Bond prices move inversely to their yield.)

Notably, the benchmark 10-year Treasury yield retreated a modest five basis points in March to 4.20%. (For the quarter, however, it rose 32 basis points — with indications that bond funds did not fare well over the past three months.)

For the month and quarter, **U.S. Bond Index** fund (a diversified

proxy of the taxable market), rose 0.9%, but fell 0.7% for the quarter. At the maturity extremes, Fidelity's lineup of short-duration funds gained about 0.4% in March, whereas their most interest-rate sensitive offering, **Long-Term Treasury Index**, rose 1.1%. (For the quarter, it retreated 3.0%.)

In the municipal bond market, recent chatter about higher taxes on annual incomes above \$400,000 likely accelerated already strong fund inflows which push yields lower, but drive prices higher on existing issuance. That said, **Muni Bond Index** (down 0.1%) was virtually unchanged in March.

Finally, the yield on **Gov't Cash Reserves** (a money market fund) inched higher in March to 5.02%, up from 4.94% at the end of February. ■

— John Bonnanzio

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