

FIDELITY MONITOR & INSIGHT

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MESSAGE FROM JACK

Is There A Future For Value Stocks?

Warren Buffett, in the opening paragraph of his latest annual report, omitted his introductory discussion about Berkshire's change in per-share book value. The shift,



Jack Bowers

he explained, is due to the fact that the measure has lost its relevance. The firm's major value now resides in its operating companies, not its stock portfolio. And because the firm will likely be doing significant stock repurchases in the future, the book-to-value measure will only get more out of touch with economic reality as time goes on.

Could the same be said of value stocks?

Not long ago, value strategies were widely viewed as the best way to outperform over the long run. But market behavior clearly changed after the Financial Crisis in 2008. Over the past 10 years, for example, the average annual return for Fidelity's large-cap value funds is 12.6% versus 16.3% for their large-cap growth funds and 15.7% for the "blended" S&P 500. Moreover, the shift appears somewhat fundamental in nature.

As I write this article at work, my car's battery is charging in the parking lot. Soon I'll be using PayPal to make an online purchase. My Instacart grocery purchase just got delivered to the office, and back at home a solar array is reducing grid demand. Granted, I try to live in the future more than most people do. Nevertheless, not much of what I'm doing can be considered good news for value stocks.

At the end of 2006, the financial, energy, and utility groups made up about 40% of the S&P 500. Today it's just 22%. This is not just from the direct effects of technology disruption. As competition intensifies and abundance replaces scarcity, the impact is deflationary. It holds down interest rates and creates a headwind for firms that operate with slower growth.

The implications for investors are significant. Value funds that focus mainly on cheap sectors, as opposed to looking for undervalued stocks in all industries, are at risk of becoming permanent laggards. And so for stock portfolios in general, we believe it makes sense to tilt

Value Stocks *cont'd on page 12*

MARKET OUTLOOK

The Economy (And Earnings) Not On Death's Door After All

The narrative that drove the 19.8% plunge in stock prices in last year's fourth quarter (9/20—12/24) was that the economy was in the midst of a drastic slowdown, with many forecasting a nearby recession. Indeed, the initial estimate for first-quarter GDP growth from the Atlanta Fed's GDPNow forecasting model was just 0.3%.



John M. Boyd

Well a funny thing happened on the way to that slowdown — the economy actually accelerated! The initial estimate for the first-quarter came in at 3.2%, up sharply from 2.2% in last year's fourth-quarter.

Some important caveats need to be kept in mind, however. First, there will be two more estimates of GDP to come and there can be significant revisions. Second, several internals in the report were far less robust. Inventories rose 33%, which is a potential drag going forward (when goods are produced to inventory that adds to GDP — but sales from inventory do not). And exports rose 3.7% while imports fell by the same amount, leading to a lower trade deficit which alone added about one percentage point to GDP growth. We shouldn't count on that to continue. Excluding those two factors, final sales to domestic purchasers rose a more modest 2.3%, the lowest rate in three years. And consumer spending slowed to a 1.2% gain, the weakest in a year, while housing continues to be a drag on GDP with residential investment dropping 2.8%, its fifth straight quarterly decline.

However, recent data suggest the economy may have some positive momentum for the second quarter. Retail sales rose 1.6% in March and were 3.6% higher than a year ago. Non-defense capital goods orders less aircraft (a proxy for business investment) rose 1.3% and were 5.3% higher than a year ago. While sales of existing homes declined again in March, new home sales were 3% higher than a year ago.

Economists expect growth to moderate to around 2.0% going forward; we'll see. But that is still a far cry from the doom and gloom being propagated at the beginning of the year.

Market Outlook *cont'd on page 3*

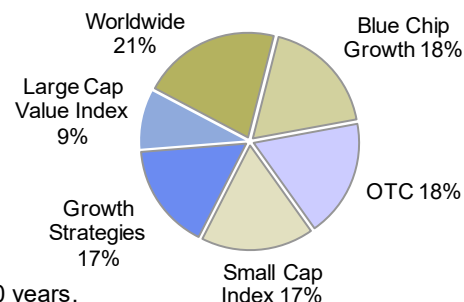
Unique Opportunities Target Risk: 1.20 (Current: 1.12) Foreign Holdings: 11.5% **YTD Return: 20.6%**

Stocks: 98.8% Bonds: 0.0% Cash: 1.3% Alternatives*: 0.0% Yield: 0.6%

Holdings	Ticker	NAV	Shares	Value	Apr Ret
Worldwide	FWWFX	\$27.34	4,539.80	\$124,118	3.9%
Blue Chip Growth	FBGRX	102.62	1,038.16	106,536	4.9
OTC	FOCPX	12.36	8,601.69	106,317	5.9
Small Cap Index	FSSNX	20.42	4,957.80	101,238	3.4
Growth Strategies	FDEGX	46.05	2,073.63	95,491	4.2
Large Cap Value Index	FLCOX	12.58	4,218.94	53,074	3.5

Current Value (3/31/99 = \$100,000) \$586,775 4.6%

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



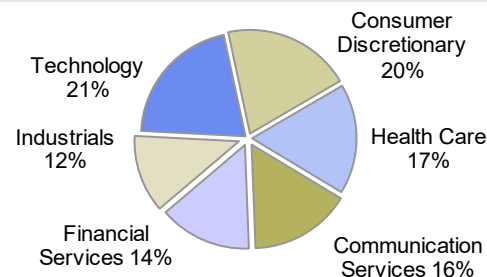
Select Target Risk: 1.20 (Current: 1.16) Foreign Holdings: 9.6% **YTD Return: 20.1%**

Stocks: 99.2% Bonds: 0.0% Cash: 0.8% Alternatives*: 0.0% Yield: 0.3%

Holdings	Ticker	NAV	Shares	Value	Apr Ret
Technology	FSPTX	\$17.23	53,066.26	\$914,332	6.4%
Consumer Discretionary	FSCPX	47.47	18,391.66	873,052	5.8
Health Care	FSPHX	23.40	32,192.14	753,296	-4.3
Communication Services	FBMPX	63.11	10,934.15	690,054	6.6
Financial Services	FIDSX	10.16	62,010.61	630,028	7.9
Industrials	FCYIX	35.53	14,946.14	531,036	5.1

Current Value (12/31/88 = \$100,000) \$4,391,798 4.4%

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



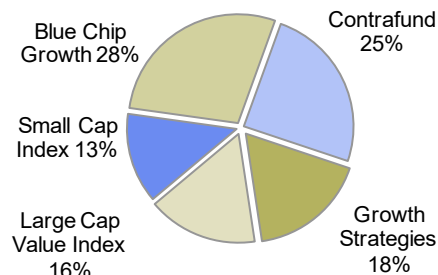
Growth Target Risk: 1.00 (Current: 1.10) Foreign Holdings: 4.5% **YTD Return: 19.5%**

Stocks: 99.2% Bonds: 0.0% Cash: 0.8% Alternatives*: 0.0% Yield: 0.6%

Holdings	Ticker	NAV	Shares	Value	Apr Ret
Blue Chip Growth	FBGRX	\$102.62	8,356.01	\$857,494	4.9%
Contrafund	FCNTX	13.11	57,128.71	748,957	4.9
Growth Strategies	FDEGX	46.05	11,514.05	530,222	4.2
Large Cap Value Index	FLCOX	12.58	39,096.14	491,829	3.5
Small Cap Index	FSSNX	20.42	19,878.77	405,925	3.4

Current Value (12/31/86 = \$100,000) \$3,034,427 4.3%

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



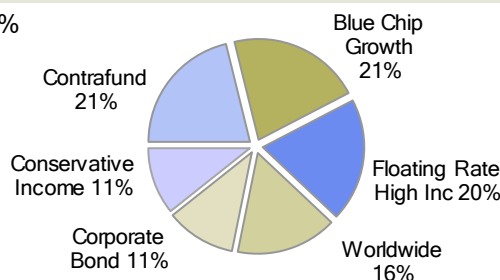
Growth & Income Target Risk: 0.66 (Current: 0.72) Foreign Holdings: 22.3% **YTD Return: 12.9%**

Stocks: 57.0% Bonds: 21.6% Cash: 2.7% Alternatives*: 18.7% Yield: 1.8%

Holdings	Ticker	NAV	Shares	Value	Apr Ret
Contrafund	FCNTX	\$13.11	11,908.38	\$156,119	4.9%
Blue Chip Growth	FBGRX	102.62	1,517.94	155,771	4.9
Floating Rate High Inc	FFRHX	9.57	15,220.44	145,660	1.6
Worldwide	FWWFX	27.34	4,329.01	118,355	3.9
Corporate Bond	FCBFX	11.51	7,109.11	81,826	0.6
Conservative Income	FCONX	10.04	7,884.46	79,160	0.3

Current Value (12/31/93 = \$100,000) \$736,890 3.0%

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



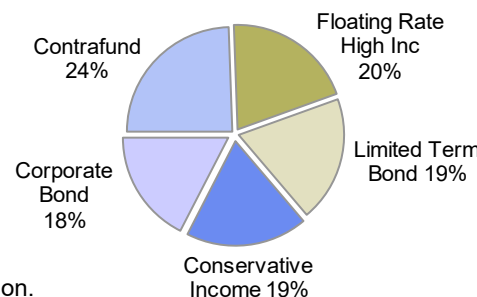
Income Target Risk: 0.33 (Current: 0.36) Foreign Holdings: 25.1% **YTD Return: 7.5%**

Stocks: 23.8% Bonds: 53.7% Cash: 3.1% Alternatives*: 19.3% Yield: 2.7%

Holdings	Ticker	NAV	Shares	Value	Apr Ret
Contrafund	FCNTX	\$13.11	7,731.81	\$101,364	4.9%
Floating Rate High Inc	FFRHX	9.57	8,674.10	83,011	1.6
Limited Term Bond	FJRLX	11.49	6,992.50	80,344	0.4
Conservative Income	FCONX	10.04	7,717.22	77,481	0.3
Corporate Bond	FCBFX	11.51	6,297.37	72,483	0.6

Current Value (12/31/91 = \$100,000) \$414,683 1.7%

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



Significantly, despite the robust GDP growth, inflation actually declined, with the personal consumption expenditure index (the Fed's preferred inflation gauge) falling to 1.4% from 1.9% in the last quarter. This suggests that the Fed will continue to keep rate hikes on hold.

Earnings Estimates Too Dire?

In response to expectations of a significantly slowing economy, corporate earnings estimates for 2019 were slashed, with many suggesting we would see an earnings contraction in the first quarter. But, as with the economy, it would seem that the forecasts were too gloomy. With a little over half of the S&P 500 reporting, so far, 75% of firms have beaten their earnings estimates for the first-quarter and Standard & Poor's now projects earnings growth for that quarter at 1.9%. And estimates for the remainder of 2019 have stopped being marked down.

Don't Try To Be A Hero

While these developments are supportive of stocks, there are ample reasons to remain cautious. If your allocations to stocks are consistent with your long-range goals and risk tolerance, then great, no need to worry. But don't ramp up your exposure beyond that point trying to capture more upside. Let's remember that the global economy still looks weak, there is yet no trade deal with China, and Brexit still looms. Also the S&P 500 is already up 18.2% so far this year (including dividends). As a result, the market is more expensive with the 12-month trailing P/E now around its 25-year average of 19, versus just 16.5 at the end of 2018. ■

— John M. Boyd

FUNDS YOU SHOULD BUY NOW

Growth: **Blue Chip Growth**, **Growth Company** and **OTC** are aggressive (risky) large-cap options; **Contrafund** is more conservatively positioned. **Growth Strategies** provides mid-cap exposure. **Small Cap Index** offers low-cost exposure to roughly 2,000 smaller-cap stocks.

Growth & Income: **Large Cap Value Index** holds attractively valued stocks (see p. 1), such as financials and health care, which also helps to boost its yield above the S&P 500 (2.6% vs. 2.0%).

International: **Worldwide** provides mostly (61%) large-cap U.S. exposure. As for the remainder, 36% is foreign equities with most of that in European equities, including 6% in the U.K.

High-Yield: **Floating Rate High Income**'s portfolio of lower-quality bank loans drive its 5.3% yield, however, credit risk is substantial.

Taxable Bond: **Conservative Income Bond** limits interest-rate risk with its extremely short duration; **Limited-Term Bond** reaches a bit further for yield with more rate-risk, while **Corporate Bond** boosts its yield with lower-credit and more interest-rate-sensitive bonds.

Muni Funds: Tax-equivalent yields are currently attractive. ■

MODEL PORTFOLIO TRADES

As announced on our Hotline message of Friday, April 26, on Monday, April 29, we made the following model portfolio trades:

Unique Opportunities Model:

We sold one-half of our 36% position in **OTC** [FOCPX] fund and established a new 18% position in **Blue Chip Growth** [FBGRX].

Growth Model:

We sold one-third of our 37% position in **Contrafund** [FCNTX], bringing it down to 25%, and with the proceeds increased our stake in **Blue Chip Growth** [FBGRX] from 16% to 28%.

Growth & Income Model:

We sold one-half of our 43% position in **Contrafund** [FCNTX] and established a new 21% position in **Blue Chip Growth** [FBGRX].

Annuity Growth Model:

We sold one-fifth of our 35% position in **VIP Growth** [FMNDC], bringing it down to 28%, and with the proceeds increased our stake in **VIP Growth Opportunities** [FIDPC] from 21% to 28%.

Annuity Growth & Income Model:

We sold one-half of our 40% position in **VIP Contrafund** [FPDFC] and with the proceeds established a new 20% position in **VIP Growth Opportunities** [FIDPC].

Fund tickers differ among versions of Fidelity's annuities, so the above VIP tickers (also shown on p. 10) may not match yours, but the underlying funds are typically the same.

Model Trades Rationale: In the models where we are purchasing and/or adding to **Blue Chip Growth** and **VIP Growth Opportunities**, growth-stock exposure is generally being increased. More specifically, these funds modestly increase the models' exposures to manufacturers of semiconductors. To that end, artificial intelligence (AI) is reshaping the technology landscape, and chipmakers stand to benefit more than software developers from that emergent technology.

The models' risk levels (relative volatility) are largely unaffected by the trades. Finally, **Contrafund**, **VIP Growth** and **VIP Contrafund** are still rated *Buy*. In fact, we continue to hold the funds in other models. ■

Model Portfolios Key:

¹Alternative investments include such areas as high-yield bonds, commodities, real estate. Portfolio trades and total returns do not take taxes into account. Some percentage figures may not sum to 100 due to rounding. Dividends are reinvested. Consider the tax implications of trades before you decide to buy or sell any fund. Any trades are detailed on p. 3 and are announced on regularly scheduled Friday evening Hotline updates via telephone, e-mail, and web (see p. 12). **Annuity Model Portfolios** are on p. 10.

BOND FUNDS

“Ultrashorts” Look Ultra Good vs. Cash

With the average Fidelity stock fund up almost 19% this year, **Conservative Income Bond’s** 1.3% return doesn’t seem particularly alluring. Likewise, **U.S. Bond Index** (up 2.9%) feels like another comparative laggard.

But as with most things in life, perspective is everything.

While Conservative Income’s performance is far from eye-catching, when this ultrashort-term bond fund is used as an alternative to a money market fund (which is how we use it in our *Growth & Income* and *Income Model* portfolios), its appeal becomes apparent, especially for income-oriented investors and those who are nervous about stocks and bonds alike.

Some History

Between December 2016 and December 2018, the Fed raised rates seven times from 0.25% to the current 2.50%. As money market funds only hold very short-term “paper,” their yields move in near-perfect sync with the Federal Funds target rate. During that same period, for example, the yield on **Money Market** (Fidelity’s only “prime” fund that’s available to retail investors) rose from a bare-bones 0.54% to its current 2.23%.

For the foreseeable future, however, yields on both money funds and ultrashort-term bond funds are likely staying put. Though first-quarter GDP accelerated to an annual rate of 3.2%, that figure is both subject to later revisions (up and more likely down) plus a bit of derision from naysayers. (Some pundits think the rate can’t be sustained.) Regardless, inflation is certainly quiescent (see Jack’s article on p. 1), and for the time being, rate hikes are on hold.

While it’s the case that yields on money funds and Conservative In-

come (and its tax-free counterpart **Conservative Income Muni**) have barely budged, further out on the yield curve fixed-income investors are hardly being paid much of a yield premium for assuming additional interest-rate risk.

That takes us back to both our ultrashort bond funds! (For ease of comparison, we’ll stick with the taxable variety.)

While Fidelity’s taxable money funds are yielding a hair’s-breadth above 2%, Conservative Income yields 2.51%. And whereas money markets offer no opportunity to appreciate in value, Conservative Income can provide modest upside potential. So far this year, it’s up 1.3% whereas **Money Market’s** compounding income translates into a year-to-date total return of 0.7%.

Granted, **Short-Term Treasury Index** yields more and has a better total return, but that’s because it has substantially more rate-risk (its duration is 2.6 years versus only 0.2 years for Conservative Income). Case in point, Short-Term’s relative

volatility (as measured over three years) is 0.14 versus 0.03 for Conservative Income Bond. (Statistically speaking, Conservative Income Muni actually has zero risk, though its steady NAV masks its modest credit-risk.)

The bottom line is this: Fidelity’s Conservative Income funds are presently suitable, higher-yielding alternatives to money funds, though they are a bit riskier and may not provide the liquidity of money markets. At the same time, if you’re looking at the stock market’s meteoric rise this year and have some fears that you are over-exposed to stocks while not especially enamored with today’s bond yields, you are not without alternatives. ■

— John Bonnanzio

More highly taxed investors should consider holding Conservative Income Muni in place of its taxable counterpart. Currently yielding 1.66%, investors in the two top federal income tax brackets (35% and 37%) would benefit from its tax-equivalent yield of about 2.71% and 2.80%, respectively. Check with your tax planner. ■

JACK’S Q&A

Health-related Selects Get Bruised

Q: Do you think this down-run for health care stocks is over?

— Doug, via email

A: I think it’s over. Most likely, the sector’s heightened political risk is largely imagined, meaning that bargain-hunting could reverse the selloff in the short run. As such, our model remains overweighted in health care.

A single-payer system faces long odds. Americans would have to trust that government can hire talented people who are frugal with taxpayer money, and who work as hard as those in private industry (that trust gets earned in places like Germany, Denmark, and Norway, but not here). Americans

Health-related Selects

April Fund Returns (in %)

Biotechnology	-4.3
Health Care	-4.3
Pharmaceuticals	-3.8
Health Care Svcs.	-3.0
Medical Tech & Dev	-2.9
S&P 500	+4.0

would also need to support being taxed by a national 5% GST tax like Canada’s, because the amount of money required for such a system can’t be raised by taxing the wealthy or investment gains/transactions alone.

That said, medical insurance providers may still face a headwind. CVS/Aetna intends to act like a disruptor by squeezing margins on prescription drugs and grabbing market share from traditional medical providers with their walk-in clinics. Perhaps United Health’s CEO, instead of saying things that would allow short-sellers to slam the entire health care segment, should have focused on the real threat that’s knocking on his door today. ■

FUND COMMENTARY

S&P And Nasdaq Set New Record Highs

A more accommodative Fed coupled with better-than-expected first-quarter earnings helped to propel two key stock indexes past their former 2018 high-water marks.



John Bonnanzio

Record closes for the S&P 500 and Nasdaq Composite first occurred on April 23. That's notable for at least two reasons:

1. The widely watched gauges have now erased their "correction-territory" declines inflicted in 2018's brutal fourth quarter selloff, and; 2. This year's stock-market gains mark their strongest start in about three decades.

More records were set at month-end: a stronger-than-expected read on first-quarter GDP, tame inflation, and slightly elevated consumer spending propelled those gains.

Market Indexes

The large-cap S&P 500 rose an impressive 4.0% in April. In so doing, it outpaced the small-cap Russell 2000 (up 3.4%). On the other hand, it slightly trailed the Nasdaq Composite (up 4.8%) which drew its strength from a number of areas within the broad tech camp, including chip and computer makers, communication services, and software. On the other hand, health care stocks, including biotech, weighed on the Composite.

As for the more concentrated Dow Industrials (which consists of only 30 stocks), it gained 2.7% last month, but was a relative laggard as Intel, Walmart and ExxonMobil weighed on its performance.

As for year-to-date returns, they're historic and a bit nerve-racking. Just four months into the year and the Nasdaq has soared 22.4%, its strongest start since 1991.

The S&P has gained 18.2% and the Dow has jumped 14.8%. (These returns are their best four-month starts since 1987 and 1999, respectively.)

Stock Funds

Reflecting the market's big leap forward, the average Fidelity stock fund rose 4.0% in April and they're now up 18.6% for the year.

As mentioned on p. 11, tech- and FAANG-rich large-cap growth funds continue to be performance leaders: **OTC** gained 5.9% in April. That was followed by the **Nasdaq Composite Index** fund's 5.0% return, whereas **Blue Chip Growth** and **Contrafund** both gained 4.9%.

But big gains weren't restricted to big-cap funds. For example, **Small Cap Stock** and **Small Cap Discovery** (up 5.0% apiece) have also been the beneficiaries of low interest rates, a robust economy, and investors embracing risk-assets.

High Yield Funds

Junk bond investors also surveyed the economic landscape and saw no reason not to reach for more yield (take a bit more risk). While **High Income** gained 1.5% in April, **Floating Rate High Income** (which was the only such fund to retreat in March), rallied 1.6%. The more diversified **Strategic Income** rose 0.8%.

New Fund Launch

Women's Leadership Fund will launch on May 8. As we went to press, we learned that it will be managed by Nicole Connolly and be benchmarked against the diversified Russell 3000 Index (which consists of value and growth stocks).

As its name suggests, its objective is largely a socially conscious one: investing in the stocks of companies "that prioritize and advance women's leadership and development."

Two years ago, Fidelity entered the socially conscious investment market with its rollouts of **U.S. Sustainability Index** and its international counterpart; a bond fund followed last year.

At this time, we do not rate socially conscious funds, although we are reviewing that policy. ■

Bond Funds

March's inverted yield curve vanished just as fast in April as it had appeared in March. It did so as longer-term bond yields rose and shorter-term ones slipped. That charge is reflected in April's bond fund returns: **Long-Term Treasury Index** and **Intermediate Treasury Index** fell 1.9% and 0.3%, respectively, while **Short-Term Treasury Index** managed a modest gain of 0.2%.

For its part, the yield on the benchmark 10-year Treasury rose 10 basis points to close out April at 2.51%. **U.S. Bond Index** (a proxy for the broad bond market), was unchanged in April, though it's up 2.9% for the year. ■

— John Bonnanzio

May Scorecard Rating Changes

Fund	Ratings		Comments
	Old	New	
Event Driven Opp's	H	S ↓	Strategy is yielding unacceptable risk-adjusted returns.
Global Equity-Income	H	B ↑	Solid risk-adjusted returns aided by hefty US exposure.
Japan	B	H ↓	Macro-economic headwinds may be considerable.
Latin America	B	S ↓	Politics and nat resources drive this risky fund's returns.
Multi-Asset Income		B N/C	New to "Scorecard"; see "Inside Fidelity" on p. 12.
New Millennium	H	H N/C	Reclassified to Large Cap Blend from Large Cap Growth.
Sel Semiconductors	B	B ↑	Artificial intelligence (AI) reshaping technology landscape.
Sel Soft & IT Svcs	B	B ↓	Artificial intelligence (AI) reshaping technology landscape.
Small Cap Enh'd Indx	B	B ↓	Elevated risk (1.54 rel vol) relative to peers unwarranted.
Value Strategies	S	H ↑	Better credit conditions; reclassified to Mid-Cap Value.
VIP Value Strategies	S	H ↑	Better credit conditions.

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

APRIL 30, 2019

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)					Rel Vol (Risk) ¹
					Apr	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr	15 Yr	
Comparative Indexes		S&P 500	2945.8		4.0	18.2	9.5	13.5	14.9	11.6	15.3	9.0	1.00
		Nasdaq Composite	8095.4		4.8	22.4	11.5	15.8	20.6	15.8	18.1	11.2	1.23
		Dow Jones Industrials	26592.9		2.7	14.8	7.0	12.6	17.2	12.6	15.4	9.3	1.02
		Russell 2000 (Small Caps)	1591.2		3.4	18.5	6.5	4.6	13.6	8.6	14.1	8.7	1.47
		Barclays Aggregate Bond*			-0.0	2.9	1.9	5.3	1.8	2.5	3.6	2.3	0.28
Model Portfolios		Unique Opportunities			4.6	20.6	10.5	6.0	13.1	8.9	13.8	9.2	1.12
		Select			4.4	20.1	9.4	10.1	15.2	11.5	15.8	10.2	1.16
		Growth			4.3	19.5	9.2	10.1	14.5	10.5	13.9	8.2	1.10
		Growth & Income			3.0	12.9	6.8	6.7	10.4	8.2	11.0	7.2	0.72
		Income			1.7	7.5	4.0	3.4	4.5	4.0	6.6	4.5	0.36
											Rel Vol (Risk) ¹	Assets (\$Mil)	
LARGE CAP GROWTH					Average	4.5	20.7	10.7	13.3	17.7	13.2	16.3	1.21
312	FBGRX	Blue Chip Growth	102.62	Buy	4.9	22.2	11.4	18.1	21.5	15.8	18.3	1.24	\$22,962
307	FDCAX	Capital Appreciation	35.08	Hold	4.1	18.2	10.0	9.1	13.6	10.5	15.3	1.16	4,816
22	FCNTX	Contrafund	13.11	Buy	4.9	20.1	9.8	12.7	17.6	13.7	16.1	1.20	96,226
3	FFIDX	Fidelity Fund	47.36	Hold	4.3	17.8	9.7	9.8	13.7	10.9	13.6	1.04	4,072
333	FTQGX	Focused Stock	25.29	Buy	4.8	21.1	12.6	20.9	19.5	13.1	16.6	1.21	2,890
25	FDGRX	Growth Company (Closed)	19.78	Buy	3.3	23.5	11.6	12.0	22.0	16.2	18.7	1.43	28,854
339	FDSVX	Growth Discovery	37.67	Buy	4.2	21.2	11.6	15.8	19.6	14.1	17.1	1.18	1,717
73	FDFFX	Independence	36.94	Hold	4.5	19.8	10.2	9.0	14.1	8.7	14.7	1.21	3,471
1829	FLGEX	Lrge Cap Growth Enhcd Index	20.09	OK to Buy	4.3	19.1	9.1	13.3	16.3	12.8	16.0	1.12	1,129
2826	FSPGX	Lrge Cap Growth Index	15.75	Buy	4.5	21.3	11.3	17.3	--	--	--	--	2,250
21	FMAGX	Magellan	10.69	Hold	4.5	19.2	9.8	10.0	14.8	12.0	13.7	1.16	15,282
1282	FNCMX	Nasdaq Composite Index	105.43	OK to Buy	5.0	22.5	11.6	15.7	20.3	15.6	17.9	1.25	6,775
93	FOCPX	OTC	12.36	Buy	5.9	24.2	13.2	15.7	23.5	17.7	19.4	1.40	13,281
320	FDSSX	Stock Selector All Cap	45.94	OK to Sell	4.0	19.5	9.1	7.7	14.4	10.3	14.3	1.13	8,574
5	FTRNX	Trend	104.01	OK to Buy	3.9	20.1	10.1	12.8	17.0	13.4	16.9	1.23	1,904
LARGE CAP BLEND					Average	4.1	17.7	8.7	10.7	13.2	9.7	14.4	1.05
2328	FXAIX	500 Index	102.41	Hold	4.1	18.3	9.5	13.5	14.9	11.6	15.3	1.01	193,593
315	FDEQX	Disciplined Equity	36.05	Hold	4.2	18.2	9.3	7.7	11.2	8.5	12.6	1.05	1,193
330	FDGFX	Dividend Growth	29.61	OK to Buy	4.7	17.0	7.6	11.1	12.2	9.1	14.3	0.98	5,877
332	FEXPX	Export and Multinational	21.05	OK to Buy	4.5	16.4	7.1	10.7	11.8	9.4	12.7	1.01	1,436
3336	FIFNX	Founders Fund	10.86	OK to Buy	3.7	8.4p	--	--	--	--	--	--	7
27	FGRIX	Growth & Income	39.21	Hold	4.4	17.8	8.7	9.6	12.8	9.1	13.9	1.11	6,058
1827	FLCEX	Lrge Cap Core Enhcd Index	15.31	OK to Buy	3.5	16.0	7.7	11.8	14.4	10.8	14.8	1.00	838
338	FLCSX	Large Cap Stock	32.11	Hold	4.4	19.0	9.0	9.6	13.5	9.3	15.5	1.17	2,805
361	FGRTX	Mega Cap Stock	15.89	Hold	4.5	17.6	9.2	10.9	13.3	9.6	14.8	1.05	1,546
300	FMLX	New Millennium	36.31	Hold	3.2	16.3	7.1	6.8	13.1	8.6	14.9	1.02	3,067
2361	FSKAX	Total Market Index	83.33	OK to Buy	4.0	18.6	9.2	12.6	14.7	11.2	15.3	1.05	47,327
2941	FITLX	U.S. Sustainability Index	12.59	NA	3.7	17.8	9.6	13.9	--	--	--	--	141
3231	FNILX	Zero Large Cap Index	10.21	OK to Buy	4.1	18.3	9.4	--	--	--	--	--	650
3227	FZROX	Zero Total Market Index	10.41	OK to Buy	4.0	18.6	9.2	--	--	--	--	--	3,133
LARGE CAP VALUE					Average	3.4	14.5	6.5	7.5	9.9	7.6	12.6	1.00
1271	FBCVX	Blue Chip Value	19.48	Hold	2.5	10.9	4.0	3.6	8.4	7.3	11.5	1.01	482
319	FEQTX	Equity Dividend Income	25.25	OK to Buy	3.7	15.7	7.0	7.9	9.9	8.0	12.4	1.00	4,883
23	FEQIX	Equity-Income	58.30	OK to Buy	3.6	16.2	8.2	11.1	10.9	7.5	12.4	0.99	5,328
1828	FLVEX	Lrge Cap Value Enhcd Index	13.04	OK to Buy	3.1	14.3	5.9	7.6	11.5	8.6	13.8	1.02	3,676
2830	FLCOX	Lrge Cap Value Index	12.58	Buy	3.5	15.9	7.6	9.1	--	--	--	--	2,090
708	FSLVX	Stock Sel Large Cap Value	20.32	Hold	4.4	15.7	7.3	8.2	9.4	7.4	12.4	1.00	850
832	FVDFX	Value Discovery	28.41	OK to Buy	2.9	12.9	5.3	5.1	9.1	7.2	13.1	0.95	2,325
MID-CAP GROWTH					Average	4.2	21.3	11.1	12.1	12.4	10.5	14.2	1.08
324	FDEGX	Growth Strategies	46.05	Buy	4.2	21.3	11.1	12.1	12.4	10.5	14.2	1.08	2,530
MID-CAP BLEND					Average	3.6	19.3	7.8	8.6	12.8	9.0	15.1	1.17
2365	FSMAX	Extended Market Index	62.86	Buy	3.7	20.2	7.7	8.5	14.1	9.2	15.3	1.32	23,999
2012	FMEIX	Mid Cap Enhanced Index	14.94	OK to Buy	3.3	19.0	7.2	7.0	11.4	8.7	15.1	1.16	1,195
2352	FSMDX	Mid Cap Index	22.53	OK to Buy	3.8	20.9	9.2	10.7	12.8	9.7	--	1.15	9,703
337	FMCSX	Mid-Cap Stock	35.30	OK to Buy	3.3	15.8	6.7	7.9	12.4	8.5	15.3	0.97	5,375
2412	FSSMX	Stock Selector Mid Cap	36.35	OK to Buy	4.0	20.6	8.4	9.1	13.3	8.9	14.6	1.23	589
3230	FZIPX	Zero Extended Market Index	9.70	OK to Buy	3.5	19.3	7.4	--	--	--	--	--	358
MID-CAP VALUE					Average	3.7	18.7	6.8	2.3	8.7	6.5	14.0	1.17
316	FLPSX	Low-Priced Stock ⁵	49.02	Buy	2.3	13.0	4.2	-0.2	9.6	7.0	13.6	0.96	25,191
762	FSMVX	Mid Cap Value	22.29	Hold	3.4	16.8	5.0	-0.3	6.8	6.1	14.1	1.16	1,429
39	FDVLX	Value	10.60	OK to Buy	4.6	21.8	8.5	3.9	8.9	6.4	14.0	1.29	6,393
14	FSLSX	Value Strategies	37.26	Hold [↑]	4.6	23.0	9.6	6.0	9.5	6.7	14.3	1.27	341

Notes: *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. ⁵Almost an Asset Allocation fund with 30%+ typically in foreign stocks. ⁶Formerly Multimedia ⁷Formerly VIP Telecommunications. ⁸Formerly MSCI Telecom Services. (p) Partial year; (↑) Rating upgraded; (↓) Rating downgraded.

FIDELITY SCORECARD

APRIL 30, 2019

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) ¹	Assets (\$Mil)	
					Apr	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year			
SMALL CAP GROWTH					Average	2.8	23.1	9.6	10.6	20.3	14.3	17.3	1.44	
1388	FCPGX	Small Cap Growth (Closed)	26.10	Buy	2.8	23.1	9.6	10.6	20.3	14.3	17.3	1.44	\$2,844	
SMALL CAP BLEND					Average	3.9	19.1	6.7	5.2	11.2	7.9	14.1	1.39	
384	FSCRX	Small Cap Discovery (Closed)	23.60	OK to Buy	5.0	20.5	7.7	5.0	8.6	6.6	15.6	1.30	3,022	
2011	FCPEX	Small Cap Enhanced Index	12.46	OK to Buy↓	2.8	16.8	4.9	1.9	10.3	7.3	13.8	1.54	677	
2358	FSSNX	Small Cap Index	20.42	Buy	3.4	18.5	6.5	4.7	13.8	8.8	--	1.47	8,530	
340	FSLCX	Small Cap Stock	16.89	Buy	5.0	20.3	6.6	6.7	10.8	8.6	12.8	1.33	1,517	
336	FDCSX	Stock Selector Small Cap	23.89	Buy	3.1	19.6	8.1	7.9	12.3	8.1	14.1	1.33	1,084	
SMALL CAP VALUE					Average	4.5	15.8	6.4	-0.2	8.4	7.4	13.9	1.22	
1389	FCPVX	Small Cap Value	15.21	Hold	4.5	15.8	6.4	-0.2	8.4	7.4	13.9	1.22	1,667	
SPECIALTY														
308	FCVSX	Convertible Securities	28.99	Hold	3.9	15.9	7.4	13.6	10.2	5.0	12.0	0.71	1,408	
2624	FARNX	Event Driven Opportunities	11.16	Sell↓	1.0	6.4	0.2	-16.0	6.8	5.6	--	1.38	192	
2120	FFGCX	Global Commodity Stock	12.41	Hold	-0.2	10.8	1.5	-5.8	7.7	-1.5	3.1	1.21	376	
122	FLVCX	Leveraged Company Stock	29.97	OK to Buy	5.2	25.2	9.9	5.2	10.4	5.7	14.4	1.39	2,030	
1329	FSDIX	Strategic Dividend & Income	15.17	Hold	1.8	13.2	6.4	11.4	9.5	7.8	13.2	0.72	3,029	
1505	FSRRX	Strategic Real Return	8.35	OK to Sell	0.4	6.7	2.3	2.4	3.5	0.6	5.1	0.40	207	
311	FIUIX	Telecom & Utilities	26.82	Hold	0.9	9.8	6.1	13.8	9.9	8.2	12.8	0.84	1,041	
REAL ESTATE														
1368	FIREX	International Real Estate	11.97	Hold	-1.1	11.6	2.5	2.6	8.1	6.0	11.2	0.90	251	
833	FRIFX	Real Estate Income	12.20	Hold	0.6	9.0	3.3	11.4	7.3	6.6	11.5	0.50	2,806	
2355	FSRNX	Real Estate Index	16.51	Hold	-0.2	15.4	3.7	17.6	6.2	8.0	--	1.25	1,944	
303	FRESX	Real Estate Investment	44.60	Hold	0.4	16.2	4.4	18.0	6.8	8.7	16.2	1.22	4,137	
ASSET ALLOCATION														
328	FASIX	Asset Manager 20%	13.30	Hold	0.8	5.2	2.7	4.4	4.2	3.4	5.7	0.27	4,836	
1957	FTANX	Asset Manager 30%	11.04	Hold	1.1	6.9	3.3	4.5	5.3	4.2	6.9	0.36	1,555	
1958	FFANX	Asset Manager 40%	11.61	Hold	1.5	8.5	4.1	4.7	6.4	4.8	8.0	0.45	1,655	
314	FASMX	Asset Manager 50%	18.04	Hold	1.9	10.1	4.8	4.6	7.3	5.4	9.0	0.55	9,053	
1959	FSANX	Asset Manager 60%	12.54	Hold	2.3	11.7	5.5	4.5	8.4	5.9	9.8	0.65	2,733	
321	FASGX	Asset Manager 70%	22.01	Hold	2.7	13.2	6.1	4.4	9.4	6.5	10.6	0.75	4,978	
347	FAMRX	Asset Manager 85%	19.38	Hold	3.1	15.5	7.1	4.4	10.9	7.3	11.8	0.90	2,363	
304	FBALX	Balanced	23.51	Buy	3.3	14.3	7.2	9.3	10.5	8.3	11.5	0.74	25,004	
355	FFNOX	Four-in-One Index	46.09	Hold	3.1	14.9	7.3	7.6	11.0	7.7	11.6	0.82	6,245	
3083	FMSDX	Multi-Asset Income	10.80	OK to Buy	3.0	11.1	5.5	11.0	7.0	--	--	0.52	18	
4	FPURX	Puritan	21.98	Buy	2.7	12.5	6.5	7.7	10.4	8.3	11.5	0.74	21,651	
INTERNATIONAL					Average	3.2	14.7	6.7	-1.6	9.4	5.0	9.8	1.14	
309	FICDX	Canada	51.32	Hold	3.4	17.2	5.6	5.1	6.0	2.0	7.0	1.07	928	
352	FHKCX	China Region	35.89	Hold	2.4	21.8	10.5	0.4	16.9	9.2	11.5	1.47	1,213	
325	FDIVX	Diversified International	36.51	OK to Buy	3.7	15.4	9.3	-1.3	6.9	3.6	8.6	1.04	9,096	
351	FSEAX	Emerging Asia	44.07	Hold	2.7	19.1	11.5	4.2	15.4	9.2	10.3	1.27	1,104	
2053	FEMEX	Emerg Europe, MidEast, Africa	9.89	Hold	5.9	12.9	2.9	-1.4	10.1	3.7	7.9	1.37	96	
322	FEMKX	Emerging Markets	31.86	Hold	3.5	19.6	9.1	-0.6	13.1	6.4	9.1	1.26	3,660	
2374	FEDDX	Emerging Mkts Discovery	13.63	Hold	0.7	11.4	3.6	-11.1	9.0	4.1	--	1.20	237	
2344	FPADX	Emerging Markets Index	10.71	Hold	2.3	12.3	2.9	-4.6	11.1	4.4	--	1.22	2,564	
301	FIEUX	Europe	36.51	OK to Buy	4.8	16.3	8.5	-1.6	5.7	1.9	8.3	1.24	941	
2406	FGILX	Global Equity-Income	14.03	OK to Buy↑	3.0	15.5	9.2	6.1	9.0	6.7	--	0.86	70	
2348	FSGGX	Global ex U.S. Index	12.87	Hold	2.8	13.3	5.4	-2.8	8.4	2.9	--	0.96	5,544	
335	FIVFX	International Cap App	21.26	OK to Buy	3.6	19.2	10.4	4.5	10.9	7.8	12.6	1.11	2,737	
305	FIGRX	International Discovery	41.91	Hold	2.8	14.9	8.9	-4.2	7.0	3.6	8.6	1.06	6,608	
2010	FIENX	International Enhanced Index	9.45	Hold	2.3	11.8	4.4	-5.7	7.8	3.3	8.7	0.97	1,560	
1979	FIGFX	International Growth	14.18	OK to Buy	4.6	18.1	10.9	5.4	9.8	5.8	11.3	1.02	995	
2363	FSPSX	International Index	41.08	Hold	3.0	13.3	6.4	-2.8	7.8	2.7	8.2	0.94	27,120	
818	FISMX	International Small Cap	26.36	OK to Buy	2.4	11.3	4.9	-7.4	9.2	6.3	12.8	0.95	1,289	
1504	FSCOX	International Small Cap Opps	18.68	OK to Buy	4.5	15.7	9.5	-4.0	10.1	7.0	14.1	1.07	1,032	
2988	FNIDX	International Sustainability Idx	10.60	NA	3.0	13.0	5.3	-2.5	--	--	--	--	53	
1597	FIVLX	International Value	8.13	Hold	3.6	11.8	5.3	-7.3	3.8	0.3	6.2	1.01	457	
350	FJPNX	Japan	14.83	Hold↓	3.3	13.1	6.3	-5.3	10.2	6.8	7.1	1.05	398	
360	FJSCX	Japan Smaller Companies	16.43	Hold	1.3	8.5	3.8	-9.6	9.8	9.3	12.7	1.00	664	
349	FLATX	Latin America	23.80	OK to Sell↓	2.0	11.1	-5.4	-6.9	9.7	-2.0	2.2	2.14	490	
342	FNORX	Nordic	46.57	OK to Sell	4.3	9.1	3.2	3.0	3.8	3.2	12.4	1.27	275	
94	FOSFX	Overseas	47.36	OK to Buy	4.2	15.9	9.1	-1.1	8.4	5.4	9.4	1.05	6,421	
302	FPBFX	Pacific Basin	31.03	OK to Buy	3.4	17.9	10.5	-0.6	11.4	8.4	14.3	1.17	890	
2369	FTEMX	Total Emerging Markets	12.76	Hold	1.5	12.4	3.9	-2.1	9.8	4.9	--	1.00	213	
1978	FTIEX	Total International Equity	9.12	Hold	4.0	16.6	8.4	-0.6	8.7	4.3	9.2	1.01	75	
2834	FTIHX	Total International Index	11.89	Hold	2.8	13.2	5.3	-3.4	--	--	--	--	2,584	
318	FWWFX	Worldwide	27.34	Buy	3.9	18.3	10.7	9.7	14.1	9.0	13.1	1.08	2,445	
3228	FZILX	Zero International Index	9.91	Hold	2.7	13.0	5.2	--	--	--	--	--	986	

FIDELITY SCORECARD

APRIL 30, 2019

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) ¹	Assets (\$Mil)	
					Apr	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year			
SELECT PORTFOLIOS					Average	3.5	18.2	8.0	6.8	12.3	8.5	14.1	1.50	
34	FSAIX	Air Transportation	76.20	OK to Buy	4.3	16.9	6.0	7.5	14.4	11.3	19.3	1.59	\$300	
502	FSAVX	Automotive	33.62	OK to Sell	3.9	13.1	2.9	-0.8	6.8	3.5	14.6	1.30	37	
507	FSRBX	Banking	26.40	Hold	8.7	21.6	7.6	-0.8	13.5	9.1	14.0	1.90	494	
42	FBIOX	Biotechnology	19.67	Hold	-4.3	14.9	1.8	1.6	10.0	9.0	18.5	2.25	7,099	
68	FSLBX	Brokerage & Investment	73.87	Hold	8.3	17.1	8.1	-1.4	13.9	6.7	11.9	1.50	324	
69	FSCHX	Chemicals	13.43	OK to Sell	4.0	13.5	6.2	-5.0	9.2	5.8	14.9	1.39	1,130	
518	FSDCX	Communications Equipment	41.63	OK to Buy	4.1	21.7	13.6	15.7	19.3	10.9	13.1	1.18	255	
503	FBMPX	Communication Services ⁶	63.11	Buy	6.6	23.1	10.6	27.6	13.6	10.2	18.8	1.28	634	
7	FDCPX	Computers	75.32	Hold	7.3	20.4	9.1	11.4	23.3	11.4	16.5	1.35	532	
511	FSHOX	Construction & Housing	57.27	Hold	5.6	24.8	14.1	15.2	11.8	11.4	15.4	1.38	255	
517	FSCPX	Consumer Discretionary	47.47	Buy	5.8	21.9	10.8	14.9	15.2	12.7	17.2	1.26	475	
98	FSVLX	Consumer Finance	16.94	OK to Buy	6.7	26.1	12.8	15.7	16.8	10.6	14.1	1.35	134	
9	FDFAV	Consumer Staples	83.46	Hold	3.5	21.3	11.5	14.1	4.0	5.9	12.1	1.14	862	
67	FSDAX	Defense & Aerospace	17.24	Buy	4.6	22.5	8.8	8.7	21.1	14.1	18.5	1.58	2,750	
60	FSENX	Energy	39.28	Hold	2.8	18.8	5.8	-15.4	0.2	-5.7	4.8	2.01	1,182	
43	FSESX	Energy Service	29.57	Hold	-2.8	18.0	0.2	-36.9	-11.6	-16.5	-1.5	2.74	308	
516	FSLEX	Environment & Alt Energy	25.58	OK to Sell	4.1	20.4	10.1	11.2	13.8	8.5	11.0	1.28	197	
66	FIDSX	Financial Services	10.16	Buy	7.9	19.0	8.4	1.6	13.9	9.1	11.6	1.39	566	
41	FSAGX	Gold	17.92	Sell	-6.6	-0.8	-6.8	-6.9	-7.5	-2.5	-3.5	2.47	944	
63	FSPHX	Health Care	23.40	Buy	-4.3	6.1	-3.7	6.0	11.4	11.1	18.8	1.50	6,945	
505	FSHCX	Health Care Services	84.27	OK to Buy	-3.0	-3.9	-12.1	1.4	10.2	12.2	17.2	1.61	1,084	
515	FCYIX	Industrials	35.53	Buy	5.1	23.9	11.9	9.4	11.8	8.3	15.6	1.42	652	
45	FSPCX	Insurance	60.58	Hold	6.4	18.0	10.2	7.4	12.1	10.3	15.4	1.12	222	
353	FBSOX	IT Services	70.75	OK to Buy	4.7	31.4	18.2	26.1	24.6	20.1	22.2	1.33	3,382	
62	FDSLX	Leisure	15.52	Hold	5.3	20.1	11.5	10.0	15.7	11.9	16.8	1.17	495	
509	FSDPX	Materials	71.17	OK to Sell	3.1	14.3	6.3	-6.3	6.1	1.9	10.9	1.30	618	
354	FSMEX	Medical Tech & Devices (closed)	52.18	Buy	-2.9	10.4	1.6	17.4	19.1	18.5	18.5	1.47	6,425	
513	FSNGX	Natural Gas	21.60	Hold	2.9	21.4	7.5	-10.9	-2.5	-11.4	0.4	2.07	204	
514	FNARX	Natural Resources	26.77	Hold	2.9	19.0	6.9	-11.4	0.7	-5.9	4.3	1.77	442	
580	FPHAX	Pharmaceuticals	20.04	OK to Buy	-3.8	6.8	3.1	11.8	4.8	5.0	15.0	1.22	703	
46	FSRPX	Retailing	16.23	Buy	5.8	21.3	10.8	16.5	18.8	18.6	20.7	1.33	3,294	
8	FSELX	Semiconductors	10.71	Buy↑	11.4	36.2	21.3	20.3	30.5	22.5	21.5	1.77	3,555	
28	FSCSX	Software & IT Services	18.51	OK to Buy↓	6.2	25.8	16.8	23.5	26.9	20.0	22.2	1.28	7,235	
64	FSPTX	Technology	17.23	Buy	6.4	28.4	19.6	11.4	26.5	18.9	20.1	1.51	5,747	
96	FSTCX	Telecommunications	57.47	Hold	0.9	9.8	3.4	7.2	4.7	6.3	10.4	1.09	223	
512	FSRFX	Transportation	95.03	OK to Buy	3.3	16.9	5.8	8.0	15.0	10.4	18.4	1.64	451	
65	FSUTX	Utilities	89.39	OK to Sell	1.6	11.6	8.4	16.9	13.4	9.3	13.8	0.93	1,173	
963	FWRLX	Wireless	9.80	Hold	5.9	19.2	13.4	14.7	15.6	9.1	12.2	1.01	275	
SECTOR ETFs					Average	3.1	17.2	7.9	11.5	11.6	9.4	1.31		
	FCOM	MSCI Communication Services ⁸	33.92	Hold	6.1	19.4	8.4	20.1	8.7	9.3	--	1.32	349	
	FDIS	MSCI Consumer Discretionary	46.19	OK to Buy	5.3	20.9	9.8	15.4	15.6	13.7	--	1.24	707	
	FSTA	MSCI Consumer Staples	34.69	Hold	2.5	14.5	8.6	17.1	6.3	8.2	--	1.06	501	
	FENY	MSCI Energy	18.05	Hold	-0.2	16.4	4.3	-9.5	0.7	-5.5	--	1.80	539	
	FNCL	MSCI Financials	40.76	Buy	8.6	18.6	8.6	3.6	16.0	11.5	--	1.50	1,200	
	FHLC	MSCI Health Care	43.30	Buy	-2.7	5.2	-0.8	10.1	11.4	11.2	--	1.26	1,500	
	FIDU	MSCI Industrials	39.89	Buy	4.4	22.3	9.8	10.3	13.4	9.6	--	1.43	461	
	FTEC	MSCI Information Technology	63.10	OK to Buy	6.4	28.5	18.9	23.1	27.3	19.6	--	1.35	2,400	
	FMAT	MSCI Materials	32.51	OK to Sell	3.2	14.9	7.1	-0.0	8.9	5.6	--	1.21	228	
	FREL	MSCI Real Estate	25.93	Hold	-0.2	17.0	4.8	18.6	8.4	--	--	1.22	752	
	FUTY	MSCI Utilities	38.62	Sell	0.8	11.6	7.6	17.9	10.8	10.3	--	1.04	644	

Scorecard Change

Keen observers will have already noticed that the 10 Factor-based ETFs that had occupied this very space have been removed.

Our decision to eliminate the entire lineup was instigated by Fidelity's rollout of three more Factor funds. Their inclusion would have squeezed our typographical abilities

to the breaking point (making all the other funds on this particular page even more difficult to read!). Other "factors": Obtaining timely and accurate ETF data is more than a little bit challenging (Fidelity doesn't even publish figures for normal return periods). And it can't be overlooked that shareholder assets in these 13 funds is a modest \$1.5 billion, whereas we cover more than \$1

trillion dollars in fund assets throughout these "Scorecard" pages. Finally, this new space will be quite useful whenever we need a little more room for one of our columns.

Should interest in Factor ETFs substantially grow, naturally, we may someday revisit our decision. In the meantime, we trust that the 274 other fund choices will, for the time being, suffice! ■

FIDELITY SCORECARD

APRIL 30, 2019

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				SEC %Yield	Dur ² (Yrs)	Rel Vol (Risk) ¹									
					Apr	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr												
TAXABLE BOND													Average	0.1	2.8	1.8	4.7	1.7	2.1	3.4	2.64	4.8	0.26
2267	FCONX	Conservative Income Bond	10.04	Buy	0.3	1.3	0.8	2.4	1.6	1.1	--	2.51	0.2	0.03									
2208	FCBFX	Corporate Bond	11.51	Buy	0.6	6.2	3.7	6.5	3.9	3.7	--	3.43	6.9	0.35									
2423	FGBFX	Global Credit	9.19	Hold	0.7	6.2	3.8	5.4	2.5	1.2	--	2.27	6.5	0.42									
15	FGMNX	GNMA (Ginnie Mae)	11.35	OK to Buy	0.1	2.2	1.4	4.7	1.5	2.1	3.3	2.73	3.3	0.19									
54	FGOVX	Government Income	10.17	Hold	-0.2	1.9	1.4	4.6	1.0	1.9	2.6	2.38	5.5	0.27									
2418	FIPDX	Inflation-Protected Index ³	9.81	OK to Sell	0.2	3.5	2.1	3.2	1.7	1.7	--	0.33*	5.3	0.29									
32	FTHRFX	Intermediate Bond	10.80	Buy	0.2	2.8	1.9	5.0	1.8	2.1	4.2	2.58	3.8	0.20									
452	FSTGX	Intermediate Gov't Income	10.42	OK to Buy	0.1	1.6	1.2	4.2	0.8	1.4	2.0	2.12	3.7	0.20									
3045	FUAMX	Intermediate Treasury Index	10.70	OK to Buy	-0.3	2.1	1.5	6.2	0.9	2.4	3.2	2.43	6.3	0.37									
26	FBNDX	Investment Grade Bond	7.89	Buy	0.2	3.9	2.3	5.8	2.8	2.8	4.9	2.88	5.4	0.27									
2622	FJRLX	Limited Term Bond	11.49	Buy	0.4	2.7	1.8	4.3	1.9	1.8	4.2	2.64	2.4	0.12									
662	FFXSX	Limited Term Government	9.91	OK to Buy	0.1	1.3	0.9	3.3	0.7	1.0	1.3	2.06	2.6	0.13									
3047	FNBGX	Long-Term Treasury Index	12.90	Hold	-1.9	2.7	2.1	6.7	1.0	4.6	5.4	2.90	17.7	0.91									
40	FMSFX	Mortgage Securities	11.12	OK to Buy	0.1	2.3	1.5	4.9	1.7	2.5	3.8	2.79	3.7	0.21									
450	FSHBX	Short-Term Bond	8.62	OK to Buy	0.3	1.7	1.2	3.4	1.5	1.3	2.2	2.37	1.7	0.07									
3041	FNSOX	Short-Term Bond Index	9.95	OK to Buy	0.2	1.9	1.3	3.9	--	--	--	2.52	2.6	--									
3049	FUMBX	Short-Term Treasury Index	10.38	OK to Buy	0.2	1.4	1.1	3.7	1.0	1.2	1.4	2.33	2.6	0.14									
3086	FNDX	Sustainability Bond Index	10.22	NA	-0.1	2.9	1.8	--	--	--	--	2.91	5.5	--									
820	FTBFX	Total Bond	10.56	Buy	0.4	4.2	2.4	5.4	3.0	3.1	5.3	3.39	5.3	0.25									
2326	FXNAX	U.S. Bond Index	11.50	Hold	-0.0	2.9	1.9	5.4	1.8	2.5	3.6	2.95	5.7	0.28									
HIGH-YIELD BOND													Average	1.2	7.9	3.3	4.8	6.2	4.2	8.1	4.82	3.4	0.41
38	FAGIX	Capital & Income	10.08	Hold	2.4	12.7	5.4	6.7	8.6	5.9	11.5	4.30	3.6	0.59									
814	FFRHX	Floating Rate High Income	9.57	Buy	1.6	5.8	3.0	4.2	5.2	3.5	5.1	5.31	0.2	0.26									
1366	FHIFX	Focused High Income	8.65	OK to Buy	1.2	8.9	4.0	7.2	6.4	4.2	7.5	4.25	3.8	0.37									
2297	FGHNX	Global High Income	9.48	Hold	1.5	7.9	3.6	4.0	6.5	4.2	--	5.22	3.2	0.40									
455	SPHIX	High Income	8.83	Hold	1.5	8.8	3.8	5.8	7.8	4.6	9.2	5.22	3.5	0.42									
331	FNMIX	New Markets Income	14.99	Hold	0.0	6.8	1.0	1.4	4.9	4.3	8.2	5.43	6.5	0.63									
2580	FSAHX	Short Duration High Income	9.44	OK to Buy	0.9	6.3	2.8	4.8	5.4	3.0	--	4.67	1.8	0.28									
3082	FADMX	Strategic Income	12.29	OK to Buy	0.8	6.1	2.6	4.0	5.0	3.6	6.9	4.15	4.2	0.31									
MUNICIPAL BOND													Average	0.3	2.9	2.2	5.5	2.2	3.1	4.0	1.94	5.4	0.29
434	FSAZX	Arizona Muni Income	12.11	OK to Buy	0.4	3.1	2.3	5.8	2.2	3.6	4.5	1.77	5.9	0.33									
1534	FCSTX	Calif Limited Term Tax Free	10.61	OK to Buy	0.1	1.5	0.9	3.5	1.1	1.6	2.2	1.49	3.0	0.17									
91	FCTFX	California Muni Income	12.96	OK to Buy	0.4	3.3	2.5	6.1	2.3	3.7	4.9	1.92	6.4	0.34									
407	FICNX	Connecticut Muni Income	11.50	OK to Buy	0.5	3.5	2.5	6.3	1.9	3.1	3.8	2.03	5.5	0.33									
2578	FCRD	Conservative Income Muni	10.03	Buy	0.0	0.6	0.4	1.8	1.0	0.8	--	1.66	0.5	0.00									
36	FLTMX	Interm Municipal Income	10.44	Buy	0.2	2.8	2.0	5.4	2.2	2.8	3.6	1.92	4.9	0.27									
404	FSTFX	Limited Term Muni Income	10.58	Buy	0.1	1.6	1.0	3.6	1.3	1.4	2.0	1.60	2.8	0.16									
429	SMDMX	Maryland Muni Income	11.39	OK to Buy	0.3	2.9	2.1	5.4	2.1	3.3	4.0	1.83	6.1	0.33									
70	FDMMX	Mass Muni Income	12.17	OK to Buy	0.4	3.1	2.5	5.3	2.1	3.4	4.4	1.98	6.1	0.34									
81	FMHTX	Michigan Muni Income	12.24	OK to Buy	0.4	3.1	2.4	5.9	2.4	3.6	4.2	1.98	6.1	0.32									
82	FIMIX	Minnesota Muni Income	11.66	OK to Buy	0.3	3.2	2.4	5.7	2.1	3.0	3.6	1.84	6.1	0.30									
37	FHIGX	Municipal Income	13.09	OK to Buy	0.4	3.7	2.8	6.7	2.8	3.9	4.9	2.30	6.8	0.36									
416	FNJHX	New Jersey Muni Income	12.02	OK to Buy	0.5	3.8	2.9	7.1	3.3	3.8	4.3	2.10	6.3	0.35									
71	FTFMX	New York Muni Income	13.22	OK to Buy	0.5	3.6	2.8	6.2	2.3	3.6	4.3	1.97	6.5	0.33									
88	FOHFX	Ohio Muni Income	12.13	OK to Buy	0.3	2.9	2.2	5.6	2.2	3.8	4.4	2.00	6.1	0.35									
402	FPXTX	Pennsylvania Muni Income	11.17	OK to Buy	0.3	3.3	2.5	5.8	2.5	3.5	4.3	2.15	6.5	0.30									
90	FTABX	Tax-Free Bond	11.61	OK to Buy	0.4	3.7	2.8	6.6	2.8	4.0	4.9	2.40	6.8	0.35									

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

TAXABLE GOV'T MONEY MARKETS			Total Return (%)		SEC	STATE MUNICIPAL MONEY MARKETS			Total Return (%)		SEC
			Apr	YTD	%Yield				Apr	YTD	%Yield
55	FDRXX	Gov't Cash Reserves	0.17	0.69	2.09	433	FSAXX	Arizona Muni MM	0.11	0.39	1.83
458	SPAXX	Government MM	0.17	0.68	2.07	97	FCFXX	California Muni MM	0.11	0.38	1.79
2742	FZFX	Treasury MM	0.17	0.67	2.09	457	FSPXX	California AMT Tax-Free	0.12	0.43	1.80
415	FDLXX	Treasury Only MM	0.17	0.67	2.03	418	FCMXX	Connecticut Muni MM	0.11	0.48	1.80
PRIME MONEY MARKETS						426	FMSXX	Mass AMT Tax-Free	0.12	0.44	1.90
454	SPRXX	Money Market*	0.18	0.74	2.23	74	FDMXX	Massachusetts Muni MM	0.11	0.47	1.70
*Available in premium class shares (FZDXX) with a \$100,000 minimum (\$10,000 for certain Fidelity retirement accounts) and lower expenses.						420	FMIXX	Michigan Muni MM	0.11	0.37	1.75
NATIONAL MUNICIPAL MONEY MARKETS						417	FNJXX	New Jersey Muni MM	0.11	0.39	1.65
10	FTEXX	Municipal Money Market	0.12	0.44	1.86	423	FSJXX	New Jersey AMT Tax-Free	0.12	0.43	1.77
275	FMOXX	Tax-Exempt MM	0.12	0.41	1.79	92	FNYYX	New York Muni MM	0.11	0.40	1.78
						422	FSNXX	New York AMT Tax-Free	0.13	0.45	1.97
						419	FOMXX	Ohio Muni MM	0.11	0.48	1.75
						401	FPTXX	Pennsylvania Muni MM	0.11	0.38	1.80

FIDELITY SCORECARD

APRIL 30, 2019

Fund No.	Fund Ticker	Fund Name	Style	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) ¹
						Apr	YTD	3 Mo.	1 Year	3 Year	5 Year	10 Year	
FIDELITY PERSONAL RETIREMENT ANNUITY PORTFOLIOS													
Model Portfolios	Annuity Sector Model					4.6	20.6	9.9	10.7	15.7	12.1	15.7	1.12
	Annuity Growth Model					3.8	20.4	9.8	12.0	14.5	10.4	13.8	1.11
	Annuity Growth & Income Model					2.6	12.1	6.0	7.2	8.4	6.7	10.0	0.67
	Annuity Income Model					1.5	7.0	3.6	4.4	4.5	3.8	6.3	0.34
9067	FLRQC	Fid VIP Asset Manager	Allocation	20.96	Hold	1.9	9.9	4.7	4.3	6.6	4.5	8.6	0.56
9066	FAECC	Fid VIP Asset Manager: Growth	Allocation	22.06	Hold	2.6	13.0	6.0	4.1	8.5	5.3	10.1	0.76
9069	FJBAC	Fid VIP Balanced	Allocation	26.43	Buy	3.3	14.3	7.2	9.0	10.2	7.9	11.6	0.75
9461	FBIQC	Fid VIP Bond Index	Bond	10.48	Hold	-0.0	2.9	1.8	--	--	--	--	--
9173	FVTAC	Fid VIP Communication Services ⁷	Sector	19.42	Buy	6.5	23.5	10.8	23.8	9.6	9.2	12.1	1.18
9081	FVHAC	Fid VIP Consumer Discretionary	Sector	35.81	Buy	5.8	21.8	10.7	14.4	14.9	12.3	16.9	1.25
9171	FCSAC	Fid VIP Consumer Staples	Sector	27.45	Hold	3.3	21.4	11.3	13.9	4.4	8.2	12.9	1.15
9065	FPDFC	Fid VIP Contrafund	Large Growth	30.26	Buy	4.0	19.2	9.0	10.3	13.4	10.0	14.0	1.10
9148	FPRGC	Fid VIP Disciplined Small Cap	Small Blend	21.60	Buy	2.8	16.7	4.9	1.6	9.9	6.8	13.2	1.54
9074	FZAMC	Fid VIP Dynamic Capital App	Large Growth	32.14	Hold	4.0	18.0	9.9	8.8	13.1	9.9	15.1	1.14
9198	FEMAC	Fid VIP Emerging Markets	Emg Mkts	11.37	Hold	3.4	19.4	9.0	-1.0	12.7	6.0	8.6	1.25
9085	FJLLC	Fid VIP Energy	Sector	14.51	Hold	2.8	18.7	5.7	-15.4	0.1	-5.9	4.7	2.00
9061	FLOLC	Fid VIP Equity-Income	Large Value	23.07	Buy	3.6	15.8	8.0	10.5	10.4	7.0	12.7	0.98
9469	FEMJC	Fid VIP Extended Market Index	Mid Blend	10.04	Buy	3.4	19.1	7.2	--	--	--	--	--
9083	FONNC	Fid VIP Financial Services	Sector	14.80	Buy	7.8	18.8	8.4	1.3	13.6	8.9	11.5	1.38
9361	FFLCC	Fid VIP Floating Rate High Income	High-Yield Bond	11.74	Buy	1.6	5.8	3.0	3.7	4.7	--	--	0.25
9157	FMPAC	Fid VIP FundsManager 20	Allocation	15.83	Hold	0.7	4.9	2.6	4.0	3.6	2.9	4.5	0.26
9158	FMPBC	Fid VIP FundsManager 50	Allocation	18.64	Hold	1.8	9.6	4.8	4.3	6.8	4.9	7.8	0.54
9197	FMPCC	Fid VIP FundsManager 60	Allocation	17.88	Hold	2.2	11.2	5.5	4.4	7.9	5.7	9.0	0.64
9159	FMPDC	Fid VIP FundsManager 70	Allocation	19.94	Hold	2.7	12.8	6.3	4.3	8.8	6.1	9.9	0.74
9160	FMPDC	Fid VIP FundsManager 85	Allocation	20.72	Hold	3.2	15.1	7.3	4.4	10.6	7.2	11.4	0.89
9059	FTNJC	Fid VIP Gov't Money Market	Money Mkt	11.61	--	0.2	0.6	0.5	1.7	0.8	0.4	0.2	0.02
9062	FMNDC	Fid VIP Growth	Large Growth	34.60	Buy	4.2	21.4	11.7	15.7	19.5	13.8	16.7	1.17
9070	FLFNC	Fid VIP Growth & Income	Large Blend	27.36	Hold	4.4	17.6	8.5	9.0	12.3	8.7	13.5	1.09
9068	FIDPC	Fid VIP Growth Opportunities	Large Growth	41.11	Buy	4.2	26.4	12.7	35.5	25.8	17.9	19.9	1.23
9084	FPDRC	Fid VIP Health Care	Sector	45.15	Buy	-4.5	5.6	-4.0	5.5	11.4	10.9	18.5	1.51
9060	FBBLC	Fid VIP High Income	High-Yield Bond	21.74	Hold	1.5	9.1	4.1	5.9	6.7	3.8	8.2	0.40
9064	FXVLT	Fid VIP Index 500	Large Blend	30.49	Hold	4.0	18.1	9.4	13.1	14.5	11.2	15.0	1.00
9082	FBALC	Fid VIP Industrials	Sector	36.94	Buy	5.0	23.8	11.8	9.2	11.5	8.2	15.4	1.42
9473	FFIQC	Fid VIP International Index	Diversified Int'l	9.76	Hold	2.8	13.0	5.2	--	--	--	--	--
9076	FVJIC	Fid VIP Int'l Capital App	Diversified Int'l	21.67	OK to Buy	3.6	19.2	10.4	4.3	10.6	7.6	12.4	1.11
9063	FTLKC	Fid VIP Investment Grade Bond	Inv Grd Bond	16.86	Buy	0.2	3.8	2.2	5.2	2.4	2.6	4.5	0.27
9172	FVMAC	Fid VIP Materials	Sector	20.32	OK to Sell	3.1	14.3	6.3	-6.4	5.8	1.6	10.6	1.30
9071	FNBSC	Fid VIP Mid Cap	Mid Growth	29.33	Buy	3.6	18.7	8.0	0.4	10.5	7.4	12.7	1.24
9088	FEMMC	Fid VIP Overseas	Diversified Int'l	17.91	OK to Buy	4.2	15.8	9.0	-1.5	7.5	3.5	8.4	1.08
9072	FFWKC	Fid VIP Real Estate	Sector	25.64	Hold	0.0	16.2	4.1	15.4	5.1	7.0	15.1	1.24
9075	FGDQC	Fid VIP Strategic Income	High-Yield Bond	20.19	OK to Buy	0.9	6.0	2.6	3.6	4.5	3.2	6.3	0.31
9086	FYENC	Fid VIP Technology	Sector	50.91	Buy	6.4	28.3	19.6	12.0	27.1	18.5	19.7	1.51
9465	FTMJC	Fid VIP Total Market Index	Large Blend	10.65	OK to Buy	4.0	18.3	9.1	--	--	--	--	--
9087	FXRRC	Fid VIP Utilities	Sector	32.89	OK to Sell	1.6	11.5	8.3	16.7	13.1	9.0	13.6	0.94
9079	FKMSC	Fid VIP Value	Large Value	23.86	OK to Buy	4.5	19.5	8.9	5.5	8.7	7.0	13.6	1.14
9073	FRBSC	Fid VIP Value Strategies	Mid Value	24.53	Hold	4.5	22.7	9.4	5.5	9.1	6.0	13.9	1.24
9347	FBMEC	Black Rock Global Allocation	Global Allocation	13.85	Hold	1.6	9.2	3.8	1.7	5.6	3.4	6.8	0.59
9349	FTMEC	Franklin Templeton Global Bond	Global Bond	11.64	Hold	1.6	3.4	1.2	2.9	3.6	1.1	4.7	0.49
9348	FFMEC	Franklin Templeton US Gov't	Intermed Gov't	10.57	Hold	-0.1	1.8	1.0	3.7	0.6	1.1	1.8	0.19
9285	FIGXC	Invesco Global Core Eqty	Global Stock	14.22	Hold	3.9	17.1	7.6	-0.0	8.5	4.7	8.0	1.09
9147	FPRLC	Lazard Retirement Emerging Mkts	Emg Mkts	16.36	Hold	2.3	9.8	-1.5	-9.6	7.1	1.0	6.6	1.32
9143	FPRMC	Morgan Stanley Emerg Mkt Debt	Emg Mkt Bond	19.36	Hold	-0.2	7.4	2.0	3.4	3.9	3.1	6.1	0.59
9144	FPRNC	Morgan Stanley Emerg Mkt Equity	Emg Mkts	14.56	Hold	2.9	10.5	2.4	-7.9	7.6	2.1	6.7	1.19
9146	FPRPC	Morgan Stanley Global Strategist	Diversified Int'l	14.46	Hold	1.9	9.8	4.1	2.3	6.3	2.9	8.1	0.60
9346	FPMEC	Pimco Commodity Real Return	Commodities	5.72	Hold	0.1	9.0	2.3	-8.2	-0.5	-9.9	-0.7	0.87
9276	FPMBC	Pimco VIT Low Duration	Shrt-Term Bond	11.83	Buy	0.2	1.5	0.9	2.2	1.0	0.8	--	0.08
9277	FPNBC	Pimco VIT Real Return	TIPS	13.32	OK to Sell	0.3	3.8	2.0	2.4	1.6	1.2	--	0.28
9278	FPOBC	Pimco VIT Total Return	Intermed Bond	13.79	Hold	0.1	3.1	1.7	4.5	2.3	2.3	--	0.25

Annuity Sector		Annuity Growth		Annuity Growth & Income		Annuity Income	
Fund	Allocation	Fund	Allocation	Fund	Allocation	Fund	Allocation
VIP Technology	22%	VIP Growth	28%	VIP Floating Rate Hi Inc	20%	Pimco VIT Low Duration	34%
VIP Cons Discretionary	19	VIP Growth Opps	28	VIP Contrafund	20	VIP Contrafund	26
VIP Comm Services	17	VIP Equity-Income	17	VIP Growth Opps	20	VIP Investment Grade	21
VIP Financial Services	15	VIP Mid Cap	15	VIP Equity-Income	20	VIP Floating Rate Hi Inc	19
VIP Health Care	14	VIP Disciplined Sm Cap	12	VIP Investment Grade	10		
VIP Industrials	13			Pimco VIT Low Dur	10		
Total Return:		Total Return:		Total Return:		Total Return:	
Apr: 4.6% YTD: 20.5%		Apr: 3.8% YTD: 20.4%		Apr: 2.6% YTD: 12.1%		Apr: 1.5% YTD: 7.0%	

FUND UPDATE

Growth Managers Cautiously Handle FAANGs And Tech

For the past few years, the FAANGs (Facebook, Apple, Amazon, Netflix and Alphabet's Google — plus Microsoft) have been market-darlings. Accounting for about a quarter of the Russell 3000 Growth Index's market cap, they've outperformed roughly 85% of their peers. Funds that underweighted them (including S&P 500-benchmarked offerings, of which FAANGs are constituents) did so at their peril.

Or at least that was the case until

last year's unforgiving fourth quarter when they unexpectedly sunk their teeth into unwitting investors. While the Nasdaq is back in record territory, some Fidelity managers have expressed concerns about being "twice bitten." But apart from silos of cash, we see few signs of capitulation over growth stocks generally and over FAANGs (and, yes, Microsoft) in particular. Below is an update on the large-cap growth funds in our model portfolios.

Blue Chip Growth YTD ↑ 22.2%

With a third of the fund's assets in tech stocks, Manager Sonu Kalra clearly isn't nervous about the sector being over-bought. Then again, with the fund benchmarked against the Russell 1000 Growth index, its seemingly rich allocation to tech is a market-weight.

Now almost a decade running Blue Chip, this skilled manager continues to make his biggest wager in consumer discretionary stocks. Granted, that sector (and the fund) consists of two FAANGs (Amazon and Netflix), but Blue Chip also holds more traditional "brick and mortar" retailers that have been benefiting from the strong economy. They include Home Depot, Dollar Tree and TJX.

On that score, Sonu — like so many other managers — entered 2019 a bit leery that the economy could maintain its growth trajectory. After all, share prices tumbled late last year partly for that belief. Of course, with the first read on

GDP suggesting first-quarter growth of 3.2%, it's a near-certainty that consumer stocks will remain significantly overweighted by Sonu.

Contrafund YTD ↑ 20.1%

In recent years, volatility (risk) has crept higher. And, with the fund trailing its S&P 500 benchmark in two of the past three years (though it walloped it in 2017!), Contra's 5-year risk-adjusted performance is now just a bit better than its large-cap growth peers. (Partly for this reason we've trimmed our exposure here and have added it to Blue Chip Growth — see p. 5.)

All that said, the giant Contrafund is up 20.1% this year versus its benchmark return of 18.2%.

Credit Manager Will Danoff's overweight in tech, including a 1% stake in high-flying chipmakers. Likewise, communication services is also powering performance. (Notably, **Select Semiconductors** and **Communication Services** are up 36.2% and 23.1%, respectively

for the year!) Fortunately, the fund has only a market-weight in health care (see p. 4).

Looking ahead, Will says that he continues to favor faster-growing companies that are "positioned for an environment in which earnings growth is a prominent driver of stock performance." With earnings helping to drive Contra up 4.9% last month, that approach is fine by us!

OTC YTD ↑ 24.2%

Is there anything not to like about Fidelity's #1-performing growth fund? While we'll concede that it's 40% more volatile than the market, **Growth Company** is even riskier, although its performance hasn't been quite as good. (Though they've both been pretty darn good!)

With that in mind, OTC's record belongs to others, not its current manager Chris Lin, who took sole control of the portfolio last September. Of course, Fidelity didn't hand the reigns of one of its most successful funds to a newbie: Chris is a seasoned tech analyst who's been following computers, electronics and even biotechs for a number of years. And, given that half of OTC's benchmarked assets are in tech and health care, Chris is showing that he's an excellent fit for the fund.

VIP Growth Opp's YTD ↑ 26.4%

Kyle Weaver is finally getting the attention he deserves for managing this and similar growth-oriented portfolios. Though his sector bets here aren't as aggressive as his peers, as the table shows, Kyle significantly underweighted industrials when it lagged other sectors in its ability to generate commensurately strong revenue and earnings growth. And like his Fidelity colleagues, he likes "disruptors," including the controversial e-cigarette maker Juul Labs which is taking market share from competitors like British American Tobacco — another portfolio holding. ■

— John Bonnanzio

Growth Fund Exposures (% of assets) ¹						
	Tech	FAANGs ²	Cons Disc	Health Care	Industrials	Comm Svcs
Blue Chip Growth	33.1	26.6	22.6	13.4	5.0	16.8
Contrafund	28.8	28.0	11.8	14.5	4.2	16.9
Large Cap Growth Idx ³	32.8	31.4	15.0	13.1	11.7	12.0
OTC	40.6	33.9	16.0	8.8	2.6	22.2
500 Index (S&P)	21.1	13.1	10.1	14.5	9.4	10.1
VIP Growth Opp's	34.6	22.0	16.3	12.0	4.4	16.4

¹As of 3/31/19; ²Reporting periods vary; ³Proxy for Russell 1000 Growth. Index funds shown in italics

One-Off Distribution

On April 12, **Select Communication Services** (formerly Select Multimedia — a *Select Model* holding) had a large distribution equaling 30% of its NAV. The trigger for this one-time event was its late-2018 change to its new investment charter and benchmark.

While Communication Services' share price declined by 30% that day, it was offset by shareholders receiving commensurately more shares. Although the distribution is a taxable event when shares are held in taxable accounts, fortunately, it was all in the form of long-term capital gains. That likely means a reduced tax rate of 0%, 15%, or 20%, and the potential to sell and create a short-term loss that more than offsets the tax impact for anyone affected. ■

Inside Fidelity

Fund Launches — We've commenced coverage of **Multi-Asset Income** whose non-retail shares have been available since 2015. An Asset Allocation fund, it stands apart from its peers in that it has a larger mix of lower-quality, high-yield bonds (17%), bank loans (12%), emerging market debt (5%) and "converts" (4%). They help to lift Multi-Asset's yield to 3.1%. That's above the S&P 500's 2.2%, and it surpasses all other Asset Manager (AM) funds. That includes the income-oriented **Asset Manager 20%**, which yields 2.5%. (Several AM funds hold more higher-quality bonds, including U.S. Treasurys.)

Multi-Asset's 50% stake in stocks is run by Ramona Persaud. While that slice is more income-oriented like **Balanced** and **Puritan**

(and less like the growth-oriented stocks in the Asset Manager funds), a better comparison is to **Equity-Income**, which Ramona has capably run since 2011 (where she's just been named lead manager).

Rated **OK to Buy**, the fund's risk falls between **AM 40%** to **AM 50%**.

Note: As we went to press, Women's Leadership Fund was set to launch (see p. 5).

Manager Changes — **Capital Appreciation's** longtime manager Fergus Shiel has retired. It's now run by Jason Weiner and Asher Anolic who transitioned onto Cap App in October. While their other charges (**Growth Discovery** and **VIP Growth**) are rated **Buy**, we're watching Cap App (which by prospectus is less growth-oriented) to gauge how it's repositioned. ■

DIVIDEND UPDATE

In addition to monthly dividends paid by bond and money market funds and Asset Mgr: 20%/30%, the following funds may make a dividend or capital gain distribution in May: Magellan and Inflation-Protected Bond.

The final distributions for April were as follows:

Fund	Ex-Date	\$ Amt	NAV
500 Index	4/5	0.574	100.48
Air Transportation	4/12	0.748	76.29
Asset Mgr 40%	4/5	0.038	11.53
Asset Mgr 50%	4/5	0.044	17.90
Automotive	4/5	0.127	33.75
Balanced	4/5	0.093	23.14
Banking	4/5	0.566	25.34
Biotechnology	4/5	0.772	21.32
Brokerage	4/5	1.216	70.74
Chemicals	4/12	0.438	13.72
Comm Equip	4/12	0.645	42.20
Comm Services	4/12	18.854	62.12
Computers	4/12	6.444	74.15
Consmr Disc	4/5	0.974	46.23
Consmr Fincl	4/5	0.014	16.25
Const & Housing	4/5	2.153	56.26
Convert Sec	4/5	0.078	28.44
Energy	4/5	0.053	39.19
Envrn & Alt Engy	4/12	0.399	25.68
Equity Div Inc	4/5	0.127	24.74
Equity-Inc	4/5	0.281	57.09

Fund	Ex-Date	\$ Amt	NAV
Extd Mkt Index	4/12	0.996	62.55
Four-in-One Idx	4/12	0.261	45.67
Global Credit	4/5	0.051	9.12
Global Equity Inc	4/5	0.054	13.81
Growth & Inc	4/5	0.212	38.24
Insurance	4/5	2.360	57.94
Intl Index	4/12	0.100	40.84
IT Services	4/12	0.360	68.93
Leisure	4/5	0.015	15.19
Natrl Resources	4/5	0.075	26.54
Pharmaceuticals	4/5	0.552	20.88
Puritan	4/5	0.086	21.66
Retailing	4/5	0.312	15.86
Semiconductors	4/12	0.008	10.37
Software	4/12	1.904	17.87
Strat Div & Inc	4/5	0.072	15.07
Strat Real Return	4/5	0.005	8.37
Telecom and Util	4/5	0.140	26.82
Telecomm	4/12	0.266	59.07
Total Mkt Index	4/12	0.371	82.34
Transportation	4/12	2.826	95.80

Value Stocks *cont'd from page 1*

things in favor of growth stocks, much as we've been doing in our model portfolios.

I'm not suggesting that value strategies and value funds will always lag the market. Value stocks continue to play a role in reducing portfolio volatility. That's why our *Growth* and *Unique Opportunities Models* hold modest positions in **Large Cap Value Index** (and **VIP Equity-Income** in the annuity models). Financial stocks in particular may benefit from long-overdue deregulation efforts which are finally bearing fruit this year. (Our *Select Model* holds a market weighting in **Financial Services**). But it would be foolish to presume that value stocks have a built-in long-term advantage, as many investors believed in years past. ■

— Jack Bowers

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