

# FIDELITY MONITOR & INSIGHT

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## MESSAGE FROM JACK

### Second Wind For Stock Buybacks

It's a little bit surprising, but positive nonetheless. While some S&P 500 companies that suspended their dividends during the pandemic have yet to restore them, others are feeling so optimistic that they are boosting dividends and announcing new stock repurchase programs.



Jack Bowers

This all comes at a time when some individual investors see stocks as being overvalued, especially in sectors like technology and communications services. But insiders in those groups clearly disagree with that notion, and are buying back their own stock at a furious pace. The top-10 corporations that spent the most in Q4 '23 include Apple, Alphabet, Broadcom, Meta, and Microsoft.

From an S&P 500 standpoint, firms bought back \$219 billion in stock in 2023's fourth quarter, up 4% from a year earlier, with 429 firms participating (313 bought back \$5 million or more).

Are these companies making poor capital allocation decisions? Probably not. Their expenditures on AI technology are massive (even bigger than their buyback programs), and yet their buybacks are still financed largely from free cash flow (Meta is the only big participant whose debt ratio is climbing). Perhaps the more important question to ask is why tech executives are turning more bullish while some individual investors remain bearish. This is not how things played out when the tech bust took hold in 2001.

Most investors have no problem with buybacks, which function much like a tax-deferred automatic reinvestment of dividends (something that is familiar to retirement account holders). But there are those (usually non-investor types) who would like to see this money paid out as dividends, which generates tax revenue in the year it is paid, and leaves it up to the shareholders to decide whether or not to reinvest in the stock.

That's why a 1% corporate tax on stock buybacks was imposed beginning in 2023, and why President Biden still wants to quadruple it. While the tax initially slowed the pace of stock repurchases to \$795 billion in

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

## MARKET OUTLOOK

### Post-Covid, Economic Indicators Continue To Confound

Let's be honest: The economy and many of the usual economic indicators that Wall Street and Corporate America employ to prognosticate have become far less useful, and sometimes utterly useless.



John Bonnanzio

Apart from the fact that many well-known gauges were developed before the Rust Belt was home to some of the nation's wealthiest cities (think Detroit), and while Silicon Valley was still farmland, measuring the industrial output of auto manufacturers and steel mills is not the same as measuring the output of semiconductor manufacturers and software developers. While economists try to keep pace with such changes, the collapse of brick and mortar retailers, for example (first by Wal-Mart and later by Amazon), have had downstream repercussions that take years to first recognize, then more time to develop the means to measure it.

On that note, economic surveys are just that: surveys that are subject to significant revisions. Moreover, the Labor and Commerce Departments still mail to some businesses, suggesting an efficiency and timeliness rivaling only the U.S. Postal Service.

Another reason economic data seems less useful today is that forecasting models are, of course, built on prior data. If economic cycles were always the same, then forecasting tools would be extremely reliable. However, the past 24 years have no real economic or even political precedence. From the dot.com bust in 2000, to the terrorist attacks and two wars, the rise of China, trade wars, the mortgage/housing meltdown, the Great Recession and, most recently, Covid-19, the U.S. economy has been lurching from crisis to crisis.

Let's consider Covid.

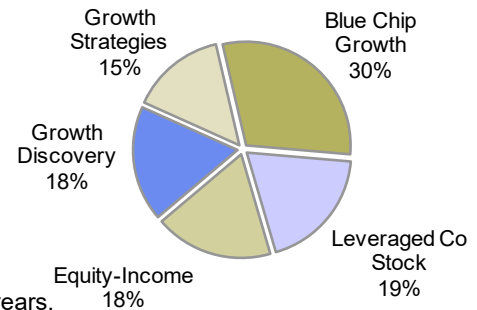
U.S. unemployment soared from 3.5% in February 2020 to 14.8% two months later! The federal government jumped into action with monetary and fiscal levers to keep a recession from turning into a depression. The Federal Reserve did its part by slashing interest rates down to zero percent and by purchasing trillions of dollars in mortgage and Treasury bonds. Money market

**Market Outlook** *cont'd on page 3*

**Unique Opportunities** Target Risk: 1.20 (Current: 1.13) Foreign Holdings: 8.1% **YTD Return: 13.6%**

Stocks: 98.9% Bonds: 0.0% Cash: 1.1% Alternatives\*: 0.0% Yield: 0.4%

Holdings	Ticker	NAV	Shares	Value	May Ret
Blue Chip Growth	FBGRX	\$208.06	1,711.17	\$356,026	7.6%
Leveraged Co Stock	FLVCX	40.28	5,637.45	227,077	5.6
Equity-Income	FEQIX	73.75	2,942.44	217,005	3.5
Growth Discovery	FDSVX	62.96	3,390.23	213,449	5.6
Growth Strategies	FDEGX	62.96	2,758.95	173,704	3.6



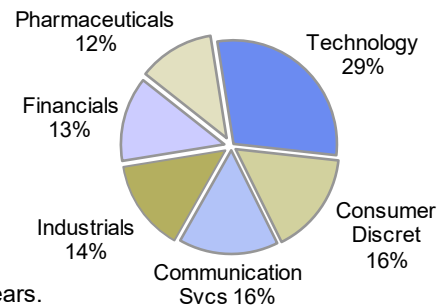
**Current Value (3/31/99 = \$100,000)** **\$1,187,260** **5.2%**

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: 8.9% **YTD Return: 11.2%**

Stocks: 99.1% Bonds: 0.0% Cash: 0.8% Alternatives\*: 0.0% Yield: 0.3%

Holdings	Ticker	NAV	Shares	Value	May Ret
Technology	FSPTX	\$33.01	75,845.74	\$2,503,668	7.6%
Consumer Discret	FSCPX	59.74	22,828.14	1,363,753	2.3
Communication Svcs	FBMPX	98.52	13,505.50	1,330,562	6.1
Industrials	FCYIX	38.91	31,322.08	1,218,742	2.8
Financials	FIDSX	12.98	86,989.92	1,129,129	3.4
Pharmaceuticals	FPHAX	28.66	35,463.85	1,016,394	5.5



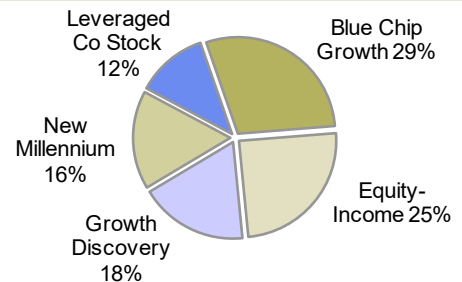
**Current Value (12/31/88 = \$100,000)** **\$8,562,249** **5.0%**

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: 7.1% **YTD Return: 14.9%**

Stocks: 99.1% Bonds: 0.0% Cash: 0.9% Alternatives\*: 0.0% Yield: 0.6%

Holdings	Ticker	NAV	Shares	Value	May Ret
Blue Chip Growth	FBGRX	\$208.06	8,556.19	\$1,780,201	7.6%
Equity-Income	FEQIX	73.75	20,579.64	1,517,748	3.5
Growth Discovery	FDSVX	62.96	17,482.17	1,100,677	5.6
New Millennium	FMLX	55.58	18,183.44	1,010,635	5.7
Leveraged Co Stock	FLVCX	40.28	18,074.28	728,032	5.6



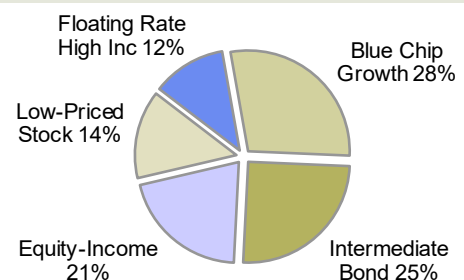
**Current Value (12/31/86 = \$100,000)** **\$6,137,294** **5.3%**

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: 0.71) Foreign Holdings: 14.7% **YTD Return: 8.9%**

Stocks: 62.3% Bonds: 25.4% Cash: 1.2% Alternatives\*: 11.1% Yield: 2.5%

Holdings	Ticker	NAV	Shares	Value	May Ret
Blue Chip Growth	FBGRX	\$208.06	1,621.56	\$337,381	7.6%
Intermediate Bond	FTHRX	9.95	29,913.77	297,642	1.1
Equity-Income	FEQIX	73.75	3,301.00	243,448	3.5
Low-Priced Stock	FLPSX	47.92	3,496.04	167,530	3.9
Floating Rate High Inc	FFRHX	9.31	14,979.03	139,455	0.8



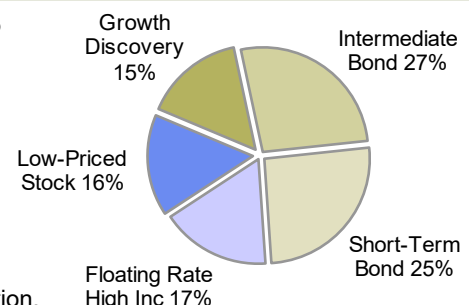
**Current Value (12/31/93 = \$100,000)** **\$1,185,456** **3.7%**

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: 19.4% **YTD Return: 4.5%**

Stocks: 30.5% Bonds: 52.4% Cash: 1.2% Alternatives\*: 15.8% Yield: 3.9%

Holdings	Ticker	NAV	Shares	Value	May Ret
Intermediate Bond	FTHRX	\$9.95	13,944.25	\$138,745	1.1%
Short-Term Bond	FSHBX	8.35	15,991.63	133,530	0.7
Floating Rate High Inc	FFRHX	9.31	9,390.04	87,421	0.8
Low-Priced Stock	FLPSX	47.92	1,702.41	81,580	3.9
Growth Discovery	FDSVX	62.96	1,266.02	79,708	5.6



**Current Value (12/31/91 = \$100,000)** **\$520,985** **2.0%**

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

## Market Outlook *cont'd from page 1*

funds had to be stabilized. And, in the space of four years, “fiscal stimulus” of every variety meant that Congress and two presidents turned a \$23 trillion dollar national debt into a \$33 trillion black hole.

Most visible were the lockdowns which emptied offices, roads, restaurants, hotels and airports. Americans sheltered in place with Netflix while waiting for a vaccine. Miraculously, it arrived in about a year. Nevertheless, coronavirus took 1.2 million American lives.

Against that dark and unprecedented backdrop, economic modeling went awry, leaving egg on the faces of most economists and market technicians. For example, the inverted yield curve (whereby shorter-maturity Treasury bills and notes yield more than longer maturing bonds), was no longer a reliable forecaster of recessions. In fact, it's now off by two years and counting. So while GDP slowed to an annualized rate of 1.6% in Q1 '24 from 2.6% for all of 2023, that's not close to recession.

Also mucking up economic models has been the Fed's 11 rate hikes in just over a year. Normally, such a dramatic policy reversal would kill interest-rate sensitive sectors, especially construction and autos. Not this time. Pent-up demand has employment in the building trades at record levels, and there's a building boom in manufacturing, data centers, highway construction and even power — much of it owing to “on-shoring” and energy transition spending incentivized by the government. (Lest we forget, Congress authorized \$1.2 trillion in November 2021 for infrastructure.) As for

## Market Outlook *cont'd on page 12*

## 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** invests in highly indebted companies whose balance sheets stand to benefit from higher-than-expected inflation.

**Growth & Income: Equity-Income** and **Equity-Dividend Income** hold attractively valued, dividend-producing stocks (see p. 4).

**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. ■

## MODEL PORTFOLIO TRADES

*As announced on our Hotline message of Friday, May 24, on Tuesday May 28 we made the following model portfolio trades:*

**Unique Opportunities Model:** We sold our entire position in **Japan Smaller Cos.** [FJSCX]. With the proceeds, we added half to **Equity-Income** [FEQIX] raising its stake to 18% from 13% and add the other half to **Leveraged Company Stock** [FLVCX] raising its stake to 19% from 14%.

**Growth Model:** We sold our entire position in **Growth Strategies** [FDEGX] and created a new 12% position in **Leveraged Co. Stock** [FLVCX].

**Annuity Income Model:** We sold our entire stake in **Franklin Templeton U.S. Government** [FFMEC] and create a new position of 24% in **Pimco VIT Low Duration** [FPMBC].

**Trade Rationale:** Our outlook for Japanese equities has diminished due to the weak yen and the inflation threat it represents. On the other hand, we continue to like the environment for dividend-producing and distressed stocks which could both benefit from a recovery in stock buyback activity.

As for the *Growth Model*, Leveraged Co. (profiled on p. 4) targets undervalued stocks in the mid-to-large growth segment much like Growth Strategies, but it carries less risk. (If Leveraged is unavailable to you in your account, continue to hold Growth Strategies.)

For the *Annuity Income Model*, moving to the Pimco fund modestly reduces portfolio risk while increasing our exposure to corporate bonds (at the expense of government bonds). ■

### 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.

## INCOME STRATEGIES

### Comparing Dividend-Paying Stock Funds

There are many ways for your portfolio to generate income. Virtually risk-free money market funds (MMF) first come to mind. But with inflation at 3.4% and the yield on **Gov't Cash Reserves** at about 5%, its “real” after-inflation yield is a modest 1.6%. Historically, that’s actually high. Notably, real MMF yields are typically closer to 0% and are often negative.

Safety can be pricey!

Of course, bond funds have the potential to yield more. But that’s a function of interest-rate and credit-risk. So while there are a handful of taxable bond funds yielding more than MMFs, and some muni bond funds that yield more on a tax-adjusted basis, even the specter of rising inflation or interest rates will send bond fund prices lower.

Income-oriented investors have also turned to high-yield bonds for income. Right now, the strong economy bodes well for this asset class, which is typically more economically sensitive than it is interest-rate-sensitive. Thanks, in part, to the inverted yield curve and the fact that **Floating Rate High Income** (up 3.6% YTD) is leveraged to low-quality short-term loans, we’ve favored it over other high-yield funds, and most other taxables, including **U.S. Bond Index** (down 1.6% YTD), which is nearly twice as risky (volatile).

Often overlooked by income-oriented investors is Fidelity’s suite of stock funds that, to varying degrees, seek out dividend paying stocks. For the most part, they are categorized in the *Scorecard* as large-cap value funds. But some are also equity-income funds, an investment style that has fallen into disuse given the popularity and success of growth-oriented funds.

Over the past 10 years, Fidelity’s large-cap growth funds have an aver-

age annual return of 15.1% versus 8.5% for their much smaller fleet of large-cap value funds (which we’re using as a proxy for equity-income funds). And while the former are about 30% riskier than the latter, there’s no question that in absolute and risk-adjusted terms, tech-rich large-cap growth funds have served investors better since the dot.com bubble bottomed in October 2002.

Nevertheless, as tech companies have matured, they are starting to return earnings to their shareholders in the form of dividends (others may also be buying back shares — see p. 1). Indeed, companies that one doesn’t think of as dividend-paying are often held in the large-cap value and blend funds shown in the nearby table. For our purposes, we’re only showing funds whose dividend yields exceed the S&P 500’s, whereas we omit in our review **Dividend Growth** and **Mega Cap Stock** whose investment charters don’t consider income.

**Note:** There was a time (2003 to 2012) when most dividends were taxed at 15%. But today, and depending on your income, “qualified” dividends passed through funds are typically taxed within the range of 0% to 20% (the same as capital gains).

#### “Equity-Income” Funds

**Blue Chip Value - Hold** - Manager Sean Gavin (who also runs **Value Discovery**) looks for companies that he believes are undervalued; he focuses on firms where there is a significant price dislocation, believing that a stock’s market value will move towards its intrinsic (fair) value over time. Management seeks to purchase securities with a large “margin of safety” and uses three different valuation measures to de-

termine a company’s intrinsic value.

The fund is fairly concentrated and includes companies with both cheap valuations and high-quality franchises — those with above-average returns on invested capital and that operate in businesses protected by strong entry barriers.

Capital preservation is as important a factor in investing as is upside potential. The fund is structured to maintain a lower beta (sensitivity to market risk) and a higher-quality orientation than its

benchmark, the Russell 1000 Value Index.

#### Equity Dividend Income - Buy -

Invests in dividend stocks and aims for an overall yield that exceeds that of the S&P 500. In fact, with a dividend yield of 3.3%, it’s the highest within our comparable universe.

Benchmarked against the Russell 3000 Value, it’s comparable to **Equity-Income**. However, it sometimes makes bigger bets and deviates more from its benchmark (though it still tends to operate in the large-cap value segment). A measure of that departure is called Active Share, which is 76% for this fund versus 68% for Equity-Income.

Dividend stocks tend to hold up better during stock market downturns, especially in selloffs driven by rising interest rates and/or rising inflation, making this fund a solid bet during tough times. That said, we do not expect this or other value-oriented funds to outpace the S&P 500 over sustained periods of time.

**Equity-Income - Buy** - Invests in dividend-paying stocks and aims for an overall yield that exceeds that of the S&P 500 (2.3% versus 1.5%).

Eye On Income		
Fund	Div Yield %	Rel Vol (Risk)
Blue Chip Value	2.5	0.82
Equity Div. Income	3.3	0.85
Equity-Income	2.3	0.82
Dividend Growth	1.8	0.92
Growth & Income	1.9	0.96
Lg Cap Value Idx	2.2	0.93
Mega Cap Stock	1.6	1.02
Strat. Div & Inc	2.3	0.72
Stk Sel Large Cap	2.2	0.95
Value Discovery	2.4	0.81
<b>S&amp;P 500</b>	<b>1.5</b>	<b>1.00</b>

**Dividends** *cont'd on page 11*

FUND COMMENTARY

## Stocks Rise Again!

The last week of May was a dud, but stocks continued to soar last month — albeit with a few tense days mixed in.

The latest wrinkle in the Fed Funds rate saga came courtesy of the Minneapolis Fed president. He conjectured that the FOMC may have to hold rates higher and longer than initially thought (see p. 1 *Market Outlook*). And he didn't dismiss the possibility of a rate hike!

Investors' response was unmistakable: bond yields spiked (prices fell) and all 11 sectors of the S&P 500 turned red. The less-reported good news: Wall Street analysts have been quietly raising their second-quarter earnings estimates. That's unsurprising. Although high interest rates and inflation are straining the consumer, unemployment is low and the economy is growing.

## Market Indexes

Thanks largely to chip stocks generally, and Nvidia in particular, the Nasdaq Composite soared 7.0% in May. Just five months into the year, it's up 11.8%. The S&P 500 fared nearly as well: it rose 5.0% and 11.3% for the month and year, respectively. As such, the Dow Industrials' breach of the 40,000 level certainly feels less important now than it did when it broke its all-time high. Up a solid, but comparatively modest 2.6% in May, an earnings miss by Salesforce and only one constituent chip maker (Intel) have made the index an also-ran (Boeing has been an ongoing drag).

In a sign that investors may be optimistic about the direction of borrowing costs, the interest-rate sensitive small-cap Russell 2000 gained a solid 5.0% last month. (Similarly, real estate funds also gained ground.)

## Fund Performance

With apologies for this month's truncated space for fund reviews, here are May's highlights:

- Large-cap growth funds rose an average of 6.1%. With six funds returning 7.0% or more, **Blue Chip Growth** fared best (up 7.6%).

- Sector-wise, the diversified **Select Technology** gained 7.6%, but that was easily surpassed by **Semiconductors** (up 11.2%).

- Despite concerns over trade wars and currencies weakening relative to the U.S. dollar, foreign stocks rose in concert with U.S. markets. **International Index** basically matched the S&P 500 having risen 5.1% for the month.

- With the yield on the benchmark 10-year Treasury falling 23 basis points to 4.46%, **U.S. Bond Index** rose 1.6%. (Bond prices move inversely to their yield.) ■

— John Bonnanzio

## June Scorecard Rating Changes

Mutual Funds	Ticker	Ratings			Comments
		Old	New		
Focused Stock	FTQGX	B	<b>B</b>	↑	Strong stock selection warrants an upgrade.
China Region	FHKCX	S	H	↑	China making incremental steps towards shoring up its real estate market.
Dividend Growth	FDGFX	H	B	↑	Improving performance without adding risk.
Ext Mkt IDX	FSMAX	B	H	↓	Prefer the actively managed Mid Cap Stock.
Healthy Future Fund	FAPHX	B	H	↓	Performance concerns amid unclear investment universe.
International IDX	FSPSX	B	H	↓	Prefer actively managed foreign stock funds.
Japan	FJPNX	B	H	↓	Weak yen may increase inflationary pressures.
Japan Smaller Cos	FJSCX	<b>B</b>	B	↓	Weak yen may increase inflationary pressures (see p. 3 <i>Trade</i> box).
Lg Cap Growth IDX	FSPGX	B	H	↓	Prefer actively managed large-cap growth funds (see <i>Scorecard</i> ).
Mid Cap Growth IDX	FMDGX	<b>B</b>	B	↓	Prefer actively managed funds.
Mid Cap IDX	FSMDX	B	H	↓	Prefer the actively managed Mid Cap Stock.
Mid Cap Stk	FMCSX	H	B	↑	Prefer this actively managed fund over index options.
Nasdaq Comp IDX	FNCMX	B	H	↓	Prefer actively managed large-cap growth funds (see <i>Scorecard</i> ).
Strategic Div & Income	FSDIX	B	H	↓	Prefer Equity-Income which potentially provides superior risk-adjusted performance.
Total Int'l Equity	FTIEX	H	B	↑	Prefer this actively managed, diversified foreign stock fund over index options.
Zero Ext Mkt IDX	FZIPX	B	H	↓	Prefer the actively managed Mid Cap Stock.
Zero International IDX	FZILX	B	H	↓	Prefer actively managed foreign stock funds.
<b>Selects</b>					
Construction & Housing	FSHOX	H	B	↑	Despite high mortgage rates, demand is picking up.
Gold	FSAGX	<b>S</b>	S	↑	Chinese central bank buying of gold is unlikely to abate anytime soon.
Software & IT Services	FSCSX	B	H	↓	Spending on IT services is slowing owing to headcount reductions and more AI spending.
<b>Annuity (VIP)</b>					
Ext Mkt IDX	FEMJC	B	H	↓	Prefer actively managed foreign stock funds.
Frkln Temp U.S. Gov't	FFMEC	<b>B</b>	B	↓	Prefer less rate-sensitive corporate bonds (see p. 3 <i>Trade</i> box).
International IDX	FFIQC	B	H	↓	Prefer actively managed foreign stock funds.

**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

MAY 31, 2024

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)					Rel Vol (Risk) <sup>1</sup>
					May	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr	15 Yr	
Comparative Indexes		S&P 500	5277.5		5.0	11.3	3.9	28.2	9.6	15.8	12.7	14.6	1.00
		Nasdaq Composite	16735.0		7.0	11.8	4.2	30.4	7.6	18.5	15.8	17.3	1.24
		Dow Jones Industrials	38686.3		2.6	3.5	-0.3	20.0	6.0	11.6	11.3	13.3	0.94
		Russell 2000 (Small Caps)	2070.1		5.0	2.7	1.1	20.1	-1.7	8.6	7.7	11.4	1.23
		Bloomberg Barclays Agg Bond*			1.6	-1.6	-0.0	1.2	-3.1	-0.2	1.3	1.5	0.41
Model Portfolios		Unique Opportunities			5.2	13.6	4.4	30.4	5.5	16.7	11.7	13.8	1.13
		Select			5.0	11.2	3.5	27.4	5.3	15.7	12.6	15.1	1.13
		Growth			5.3	14.9	5.2	31.5	7.1	16.7	12.5	13.9	1.04
		Growth & Income			3.7	8.9	4.2	20.1	3.3	10.8	8.8	10.3	0.71
		Income			2.0	4.5	2.0	10.8	0.9	4.9	4.2	5.8	0.39

												Rel Vol (Risk) <sup>1</sup>	Assets (\$Mil)
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**LARGE CAP GROWTH** Average **6.1 16.6 4.4 36.5 9.6 18.8 15.1 1.18**

312	FBGRX	Blue Chip Growth	208.06	Buy	7.6	20.1	6.8	44.7	9.5	22.2	17.5	1.39	\$53,493
307	FDCAX	Capital Appreciation	45.24	Hold	4.7	14.0	2.7	33.2	9.2	17.4	13.0	1.06	6,032
22	FCNTX	Contrafund	19.34	Buy	6.9	20.3	4.9	42.0	10.8	17.9	14.7	1.09	118,349
3	FFIDX	Fidelity Fund	86.65	OK to Buy	6.1	16.3	5.9	34.3	10.8	18.0	13.4	1.09	7,156
333	FTQGX	Focused Stock	38.40	Buy↑	7.0	26.8	8.2	46.4	11.9	18.5	14.7	1.14	3,525
3336	FIFNX	Founders Fund	20.65	Hold	4.6	13.2	0.8	32.9	6.7	17.1	--	1.16	84
25	FDGRX	Growth Company (closed)	37.83	Buy	7.5	18.5	5.4	38.3	9.6	23.5	18.5	1.34	49,885
339	FDSVX	Growth Discovery	62.96	Buy	5.6	16.9	3.4	37.6	10.6	20.0	16.0	1.11	4,643
2826	FSPGX	Lg Cap Growth Index	33.35	Hold↓	6.0	13.1	3.3	33.6	11.1	19.3	--	1.19	22,102
21	FMAGX	Magellan	13.92	Hold	4.5	16.5	3.6	37.1	9.9	15.9	13.1	1.17	31,365
1282	FNCMX	Nasdaq Composite Index	212.59	Hold↓	7.0	11.8	4.2	30.8	7.8	18.6	15.8	1.24	15,162
93	FOCPX	OTC	21.38	Buy	7.3	16.9	6.3	35.4	9.3	20.4	17.6	1.17	20,842
320	FDSSX	Stock Selector All Cap	74.72	Hold	3.4	8.0	1.9	24.9	6.5	14.9	11.6	1.00	1,933
5	FTRNX	Trend	177.41	Buy	7.2	19.4	4.8	39.5	10.8	19.5	15.6	1.36	3,187

**LARGE CAP BLEND** Average **4.7 12.3 4.8 29.2 9.0 15.6 11.7 0.99**

2328	FXAIX	500 Index	183.61	OK to Buy	5.0	11.3	3.9	28.2	9.6	15.8	12.7	1.00	512,391
315	FDEQX	Disciplined Equity	67.18	Buy	5.5	14.9	4.2	35.7	8.9	16.7	11.7	1.13	1,828
330	FDGFX	Dividend Growth	38.92	OK to Buy↑	7.0	18.1	10.0	36.6	10.6	13.9	10.3	0.92	6,305
27	FGRIX	Growth & Income	60.78	OK to Sell	4.1	12.5	6.3	27.9	10.0	15.5	11.1	0.96	8,783
338	FLCSX	Large Cap Stock	51.65	Hold	4.6	14.5	7.5	31.9	10.8	16.5	11.7	1.00	4,188
361	FGRTX	Mega Cap Stock	24.02	OK to Buy	4.8	14.7	7.5	32.4	11.4	17.7	12.4	1.02	1,750
300	FMLX	New Millennium	55.58	Buy	5.7	16.4	5.5	35.1	13.4	16.3	11.8	0.96	4,615
6391	FSEBX	Sustainable U.S. Equity	12.25	Hold	4.3	11.4	3.3	26.6	--	--	--	--	23
2361	FSKAX	Total Market Index	144.91	OK to Buy	4.7	10.2	3.4	27.7	7.7	14.9	12.0	1.02	87,501
5029	FULVX	U.S. Low Volatility Equity	11.44	OK to Sell	2.1	7.1	1.5	16.2	3.6	--	--	0.74	31
2941	FITLX	U.S. Sustainability Index	23.74	OK to Buy	4.7	11.7	3.5	30.7	10.1	16.4	--	1.04	3,654
3396	FWOMX	Women's Leadership	16.47	OK to Sell	3.7	8.2	2.8	23.8	3.9	12.6	--	1.09	106
3231	FNILX	Zero Large Cap Index	18.73	OK to Buy	4.8	11.2	3.7	28.6	9.1	15.8	--	1.01	8,844
3227	FZROX	Zero Total Market Index	18.33	OK to Buy	4.7	10.3	3.4	27.9	8.0	15.1	--	1.02	19,751

**LARGE CAP VALUE** Average **2.7 7.2 3.8 20.7 6.2 11.1 8.5 0.87**

1271	FBCVX	Blue Chip Value	26.34	Hold	2.1	5.8	3.5	18.5	7.0	9.6	7.7	0.82	729
319	FEQTX	Equity Dividend Income	28.81	Buy	2.5	6.6	3.1	20.8	6.9	11.4	8.8	0.85	5,209
23	FEQIX	Equity-Income	73.75	Buy	3.5	10.2	6.0	23.5	7.2	12.3	9.1	0.82	7,247
2830	FLCOX	Lg Cap Value Index	17.40	Hold	3.1	7.6	3.7	21.7	5.4	10.8	--	0.93	7,670
708	FSLVX	Stock Sel Large Cap Value	27.27	Buy	2.9	7.8	4.1	24.8	6.9	12.0	8.7	0.95	470
832	FVDFX	Value Discovery	36.82	Hold	2.1	4.9	2.4	14.8	3.6	10.6	8.1	0.81	2,826

**MID-CAP GROWTH** Average **2.3 7.9 0.0 24.5 3.2 12.8 10.9 1.24**

324	FDEGX	Growth Strategies	62.96	Buy	3.6	11.6	2.6	27.1	4.9	12.8	10.9	1.26	3,239
3403	FMDGX	Mid Cap Growth Index	28.23	OK to Buy↓	1.1	4.2	-2.5	21.9	1.6	--	--	1.22	943

**MID-CAP BLEND** Average **3.6 5.2 1.4 23.2 2.3 11.1 9.3 1.13**

2365	FSMAX	Extended Market Index	80.74	Hold↓	3.4	3.4	-0.1	24.6	-1.3	10.2	8.8	1.22	36,563
2352	FSMDX	Mid Cap Index	31.65	Hold↓	2.9	5.7	1.5	23.1	3.1	11.1	9.5	1.10	33,442
337	FMCSX	Mid-Cap Stock	43.07	OK to Buy↑	3.4	6.3	1.8	22.1	5.2	12.3	9.8	0.99	6,432
2412	FSSMX	Stock Selector Mid Cap	44.14	OK to Buy	4.5	7.0	2.6	24.2	3.7	11.6	9.3	1.14	347
3230	FZIPIX	Zero Extended Market Index	12.70	Hold↓	4.0	3.7	0.9	22.1	0.9	10.3	--	1.18	1,541

**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. <sup>1</sup>Relative Volatility (Rel Vol) versus the S&P 500 over the last 36 months; 1.50 means the fund has been 50% more volatile. <sup>2</sup>Duration is a measure of interest rate sensitivity. <sup>3</sup>Stated yield is actual distributed yield over prior 12 months. <sup>4</sup>Almost a Specialty fund with 30%+ typically in foreign stocks. (p) Partial year; (↑) Rating upgraded; (↓) Rating downgraded.

# FIDELITY SCORECARD

MAY 31, 2024

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) <sup>1</sup>	Assets (\$Mil)	
					May	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year			
<b>MID-CAP VALUE</b>					<b>Average</b>	<b>4.2</b>	<b>7.7</b>	<b>4.6</b>	<b>29.6</b>	<b>6.8</b>	<b>14.4</b>	<b>9.3</b>	<b>1.14</b>	
316	FLPSX	Low-Priced Stock <sup>5</sup>	47.92	Buy	3.9	8.7	5.2	26.3	6.4	13.4	9.4	0.90	\$24,190	
762	FSMVX	Mid Cap Value	31.48	OK to Buy	4.5	8.8	4.2	34.6	8.5	13.5	8.5	1.21	1,189	
3404	FIMVX	Mid Cap Value Index	26.71	Hold	3.6	6.2	3.2	23.7	3.8	--	--	1.10	892	
39	FDVLX	Value	15.50	Hold	4.7	7.9	5.4	32.7	7.2	15.6	9.7	1.27	7,979	
14	FSLSX	Value Strategies	59.08	OK to Buy	4.6	6.9	4.7	30.8	7.9	15.1	9.8	1.22	732	
<b>SMALL CAP GROWTH</b>					<b>Average</b>	<b>5.0</b>	<b>8.2</b>	<b>1.0</b>	<b>23.7</b>	<b>-0.9</b>	<b>11.4</b>	<b>12.4</b>	<b>1.26</b>	
1388	FCPGX	Small Cap Growth	31.47	OK to Buy	4.7	11.8	2.0	29.0	1.3	11.4	12.4	1.24	2,820	
3405	FECPX	Small Cap Growth Index	25.49	Hold	5.3	4.6	-0.0	18.5	-3.2	--	--	1.29	598	
<b>SMALL CAP BLEND</b>					<b>Average</b>	<b>4.8</b>	<b>4.4</b>	<b>1.2</b>	<b>24.1</b>	<b>1.7</b>	<b>10.6</b>	<b>8.4</b>	<b>1.18</b>	
384	FSCRX	Small Cap Discovery	27.44	Buy	3.1	3.2	-1.0	24.0	4.1	12.0	8.0	1.15	2,615	
2358	FSSNX	Small Cap Index	25.72	Hold	5.0	2.7	1.1	20.2	-1.5	8.8	7.9	1.23	24,702	
340	FSLCX	Small Cap Stock	17.70	OK to Buy	5.5	2.8	0.9	23.5	-0.4	8.0	7.7	1.18	1,107	
336	FDSCX	Stock Selector Small Cap	36.41	OK to Buy	5.8	9.0	3.7	28.8	4.7	13.6	10.1	1.18	1,666	
<b>SMALL CAP VALUE</b>					<b>Average</b>	<b>3.9</b>	<b>1.4</b>	<b>1.5</b>	<b>22.3</b>	<b>1.2</b>	<b>12.7</b>	<b>8.9</b>	<b>1.20</b>	
1389	FCPVX	Small Cap Value	20.17	Buy	3.1	2.0	0.8	22.8	2.6	12.7	8.9	1.18	2,555	
3406	FISVX	Small Cap Value Index	24.28	Hold	4.7	0.8	2.3	21.8	-0.1	--	--	1.23	1,144	
<b>REAL ESTATE</b>														
1368	FIREX	International Real Estate	9.86	OK to Sell	2.9	-4.1	2.8	1.5	-8.9	-0.3	2.6	0.97	177	
833	FRIFX	Real Estate Income	11.64	Hold	2.6	1.5	1.1	9.0	0.7	3.7	5.0	0.56	1,062	
2355	FSRNX	Real Estate Index	15.01	Hold	4.5	-4.9	-2.0	8.4	-2.3	0.9	4.2	1.23	2,383	
303	FRESX	Real Estate Investment	36.58	Hold	5.7	-5.0	-1.8	6.1	-1.4	2.5	5.3	1.21	2,337	
<b>ASSET ALLOCATION</b>														
328	FASIX	Asset Manager 20%	13.39	Hold	1.8	1.5	1.0	6.5	0.3	3.3	3.2	0.39	3,211	
1957	FTANX	Asset Manager 30%	11.64	Hold	2.1	2.2	1.2	8.2	0.6	4.5	4.1	0.48	1,350	
1958	FFANX	Asset Manager 40%	12.70	Hold	2.3	3.0	1.4	10.0	1.0	5.7	4.9	0.56	1,469	
314	FASMIX	Asset Manager 50%	20.24	Hold	2.6	3.7	1.7	11.8	1.4	6.8	5.6	0.63	7,077	
1959	FSANX	Asset Manager 60%	15.27	Hold	2.9	4.5	2.0	13.7	1.8	7.8	6.3	0.71	2,139	
321	FASGX	Asset Manager 70%	27.17	Hold	3.0	5.4	2.2	15.7	2.5	9.1	7.1	0.77	4,005	
347	FAMRX	Asset Manager 85%	25.91	Hold	3.5	6.8	2.7	18.8	3.2	10.8	8.2	0.88	2,130	
304	FBALX	Balanced	28.84	Buy	3.7	7.5	2.8	19.4	5.0	12.0	9.4	0.78	35,961	
3083	FMSDX	Multi-Asset Income	13.89	Hold	3.8	5.6	4.2	13.0	2.5	10.0	--	0.59	1,095	
355	FFNOX	Multi-Asset Index	57.04	Hold	4.0	6.7	3.1	19.2	3.7	10.2	8.2	0.88	7,896	
4	FPURX	Puritan	25.46	Buy	4.2	9.7	3.1	22.3	5.7	11.9	9.4	0.76	25,777	
6477	FYMRX	Sustainable Multi-Asset	10.09	Hold	3.9	6.8	3.2	16.4	--	--	--	--	20	
<b>INTERNATIONAL</b>					<b>Average</b>	<b>3.9</b>	<b>6.8</b>	<b>4.0</b>	<b>17.3</b>	<b>0.0</b>	<b>8.1</b>	<b>5.9</b>	<b>1.07</b>	
309	FICDX	Canada	67.61	Hold	3.2	4.8	3.1	17.5	5.9	10.5	5.7	0.95	849	
352	FHKCX	China Region	35.89	Hold↑	4.3	12.1	10.7	14.7	-10.8	6.4	6.1	1.54	831	
325	FDIVX	Diversified International	44.80	OK to Buy	4.8	9.1	4.2	17.5	1.0	9.0	5.6	1.04	9,032	
351	FSEAX	Emerging Asia	43.07	Hold	2.6	7.8	5.9	18.9	-10.7	7.9	7.3	1.31	907	
322	FEMKX	Emerging Markets	37.93	Hold	3.0	6.0	3.7	14.8	-5.3	7.0	5.7	1.13	4,184	
2374	FEDDX	Emerging Mkts Discovery	16.40	OK to Buy	0.0	-0.2	1.7	13.7	0.2	8.3	5.2	0.88	449	
2344	FPADX	Emerging Markets Index	10.43	OK to Sell	1.7	3.8	4.0	12.1	-6.0	3.4	2.8	1.02	7,396	
5031	FEOPX	Enduring Opportunities	15.31	OK to Buy	3.7	8.4	1.4	22.7	1.6	--	--	1.14	14	
301	FIEUX	Europe	37.67	Hold	4.9	9.7	5.7	17.2	-1.8	7.2	3.8	1.04	572	
2406	FGILX	Global Equity Income	19.69	OK to Buy	4.3	8.8	4.7	19.3	5.8	12.3	8.7	0.83	151	
2348	FSGGX	Global ex U.S. Index	14.98	Hold	4.0	6.4	4.8	17.0	0.6	7.0	4.1	0.96	9,861	
335	FIVFX	International Cap App	28.41	Buy	3.7	7.1	0.9	20.1	2.2	9.5	8.2	1.21	5,351	
305	FIGRX	International Discovery	49.90	Hold	5.2	12.4	5.7	20.0	-1.0	8.5	5.4	1.02	3,857	
1979	FIGFX	International Growth	20.55	OK to Buy	4.8	7.3	2.1	17.5	2.0	9.8	7.2	1.14	1,534	
2363	FSPSX	International Index	50.83	Hold↓	5.1	7.7	5.3	18.9	3.3	8.3	4.8	1.00	48,569	
818	FISMX	International Small Cap	32.82	OK to Buy	3.9	4.7	4.7	16.8	1.2	8.0	6.7	0.91	1,556	
1504	FSCOX	Int'l Small Cap Opps (closed)	20.46	Hold	4.4	2.5	2.0	12.5	-2.2	7.0	6.3	1.18	612	
2988	FNIDX	International Sustainability Idx	12.44	Hold	4.1	6.3	5.0	15.4	-0.7	6.5	--	1.00	424	
1597	FIVLX	International Value	10.84	OK to Buy	5.3	10.4	7.8	27.0	7.0	10.2	4.4	0.98	646	
350	FJPNX	Japan	16.54	Hold↓	3.3	2.9	-0.1	9.6	-1.5	6.9	5.8	1.02	169	
360	FJSCX	Japan Smaller Companies	15.56	OK to Buy↓	3.1	3.3	0.4	11.6	0.5	4.2	6.0	0.90	438	
349	FLATX	Latin America (closed)	18.98	OK to Sell	-0.9	-10.0	-7.1	8.0	-1.0	-1.3	-1.5	1.43	220	
342	FNORX	Nordic	70.65	OK to Buy	7.2	12.4	8.2	26.5	3.8	14.9	8.0	1.16	339	
94	FOSFX	Overseas	65.15	OK to Buy	4.5	8.0	3.2	17.3	2.0	9.1	6.7	1.13	8,972	
302	FPBFX	Pacific Basin	30.29	Hold	4.0	2.4	3.6	10.1	-4.5	7.5	7.0	1.12	649	
6468	FSYJX	Sustainable Emerg Mkts Eqty	8.57	Hold	1.8	4.6	2.1	13.3	--	--	--	--	4	
6462	FSYRX	Sustainable Int'l Equity	9.76	Hold	6.0	10.3	6.9	16.9	--	--	--	--	8	
1978	FTIEX	Total International Equity	11.72	OK to Buy↑	4.2	8.1	6.0	20.3	1.6	9.6	6.1	0.99	136	
2834	FTIHX	Total International Index	13.95	Hold	4.0	6.1	4.9	16.8	0.3	7.0	--	0.96	12,284	
318	FWWFX	Worldwide	37.46	OK to Buy	6.9	20.4	7.2	36.2	6.8	14.8	11.0	1.05	2,546	
3228	FZILX	Zero International Index	11.77	Hold↓	4.1	6.3	4.8	17.3	0.8	7.3	--	0.97	4,024	

# FIDELITY SCORECARD

MAY 31, 2024

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) <sup>1</sup>	Assets (\$Mil)
					May	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year		
<b>SPECIALTY</b>													
6041	FARMX	Agricultural Productivity	17.86	OK to Sell	0.3	-2.6	2.5	0.5	-0.8	--	--	1.22	\$54
6385	FCAEX	Climate Action	11.52	Hold	7.4	16.5	7.9	29.8	--	--	--	--	26
308	FCV SX	Convertible Securities	33.15	Hold	2.8	2.8	2.3	11.5	0.3	11.8	7.7	0.69	1,466
2120	FFGCX	Global Commodity Stock	19.89	OK to Sell	4.4	11.3	16.0	22.3	9.2	14.4	5.3	1.31	391
6553	FAPHX	Healthy Future Fund	12.73	Hold ↓	6.3	12.4	4.8	22.7	--	--	--	--	6
6875	FEQHX	Hedged Equity	11.99	OK to Sell	3.8	8.0	2.2	20.6	--	--	--	--	228
3488	FNSTX	Infrastructure Fund	12.81	Hold	7.1	5.4	8.1	11.8	3.0	--	--	0.95	40
122	FLVCX	Leveraged Company Stock	40.28	Buy	5.6	15.5	4.9	38.5	6.7	15.9	9.6	1.18	2,131
6519	FAQAX	Macro Opportunities	8.72	OK to Sell	0.5	-4.5	-1.5	-7.5	--	--	--	--	6
6513	FAPSX	Risk Parity	9.57	OK to Sell	3.3	2.9	3.3	10.7	--	--	--	--	2
1329	FSDIX	Strategic Dividend & Income	16.63	Hold ↓	3.4	5.1	2.6	14.7	3.8	9.0	7.8	0.72	2,924
1505	FSRRX	Strategic Real Return	8.58	Hold	2.3	3.7	4.2	10.5	3.8	5.6	3.0	0.50	258
311	FIUIX	Telecom & Utilities	31.38	Hold	10.7	18.7	19.1	29.5	10.5	10.1	8.4	0.89	909
6042	FLOWX	Water Sustainability	17.52	Hold	4.0	9.4	5.4	26.3	6.4	--	--	1.24	97
<b>SELECT PORTFOLIOS</b>					<b>Average</b>	<b>3.3</b>	<b>8.2</b>	<b>3.2</b>	<b>25.0</b>	<b>5.5</b>	<b>13.4</b>	<b>10.5</b>	<b>1.25</b>
502	FSAVX	Automotive	51.62	Hold	-0.8	-2.3	-8.0	15.1	-2.3	16.7	8.3	1.44	88
507	FSRBX	Banking	26.41	OK to Buy	3.4	6.1	7.1	45.3	0.5	8.5	7.7	1.51	373
42	FBIOX	Biotechnology	18.40	Hold	4.7	3.6	-5.5	12.1	-2.6	7.7	7.5	1.24	4,327
68	FSLBX	Brokerage & Investment	145.59	OK to Buy	4.7	8.1	2.6	41.1	9.2	18.5	11.8	1.35	840
69	FSCHX	Chemicals	15.14	Hold	3.8	3.2	3.9	20.0	2.5	11.4	6.7	1.24	608
503	FBMPX	Communication Services	98.52	Buy	6.1	15.1	5.7	39.3	2.9	14.9	11.4	1.23	1,309
511	FSHOX	Construction & Housing	114.37	OK to Buy ↑	1.6	7.5	-0.3	34.3	10.5	20.9	15.2	1.35	760
517	FSCPX	Consumer Discretionary	59.74	Buy	2.3	3.1	-2.4	26.7	1.2	11.7	11.1	1.41	501
9	FDFA X	Consumer Staples	94.97	OK to Buy	1.4	4.2	4.0	7.8	4.4	9.1	6.8	0.83	806
67	FSDAX	Defense & Aerospace	17.92	OK to Buy	4.4	7.7	8.2	27.4	7.5	7.9	10.5	1.11	1,593
60	FSENX	Energy	63.72	OK to Sell	0.7	14.8	11.0	31.1	28.9	16.1	3.0	1.63	2,396
353	FBSOX	Enterprise Technology Services <sup>3</sup>	55.76	Hold	-2.9	-4.9	-11.3	11.8	-6.3	4.7	11.4	1.19	1,815
516	FSLEX	Environment & Alt Energy	36.23	Hold	5.9	9.9	5.1	28.2	5.2	13.5	9.8	1.26	509
66	FIDSX	Financials	12.98	Buy	3.4	9.7	4.5	36.5	5.7	13.2	10.3	1.20	693
98	FSVLX	FinTech	15.78	Hold	-3.4	-0.6	-7.3	15.1	-6.5	4.0	6.5	1.28	104
41	FSAGX	Gold	25.16	OK to Sell ↑	6.8	13.7	31.8	10.0	-6.8	7.9	3.6	1.73	1,044
63	FSPHX	Health Care	28.31	OK to Buy	0.0	1.7	-3.6	5.2	-0.8	10.1	9.9	0.95	7,417
505	FSHCX	Health Care Services	123.54	Hold	-0.6	-3.8	-4.6	4.9	1.0	11.8	11.4	0.96	1,415
515	FCYIX	Industrials	38.91	Buy	2.8	13.9	2.7	41.5	10.3	12.6	9.6	1.21	572
45	FSPCX	Insurance	86.62	Buy	6.3	16.8	5.1	37.6	15.0	15.4	12.6	0.97	652
62	FDLSX	Leisure	18.75	OK to Buy	0.2	3.4	-1.3	19.9	7.2	12.8	11.7	1.19	645
509	FSDPX	Materials	101.43	Hold	2.8	8.1	6.6	21.2	3.7	13.5	5.9	1.28	529
354	FSMEX	Medical Tech & Devices	62.71	Hold	-0.5	3.3	-2.9	2.7	-3.2	8.5	12.8	1.21	5,525
514	FNARX	Natural Resources	47.82	Hold	1.5	17.5	14.0	34.6	22.6	16.7	3.6	1.49	678
580	FPHAX	Pharmaceuticals	28.66	Buy	5.5	22.4	7.3	30.9	13.5	17.1	10.4	0.81	1,336
46	FSRPX	Retailing	19.30	Hold	3.5	9.9	-0.7	31.1	1.5	13.9	14.9	1.20	2,884
8	FSELX	Semiconductors	33.25	OK to Buy	11.2	37.1	13.5	59.8	30.1	39.7	27.7	2.17	16,760
28	FSCSX	Software & IT Services	25.40	Hold ↓	-2.8	-6.5	-11.2	14.5	3.7	15.0	16.5	1.20	11,015
7	FDCPX	Tech Hardware	103.21	OK to Buy	5.2	9.6	4.1	25.1	5.7	19.7	14.0	1.12	906
64	FSPTX	Technology	33.01	Buy	7.6	15.8	4.0	34.0	11.2	24.5	20.1	1.44	13,797
96	FSTCX	Telecommunications	46.62	Hold	7.4	2.2	5.0	17.1	-6.2	3.7	4.2	1.05	138
512	FSRFX	Transportation	106.21	Hold	0.8	2.2	-3.5	20.1	5.1	11.7	9.5	1.24	572
65	FSUTX	Utilities	116.40	Hold	11.3	19.9	21.3	25.5	12.5	10.7	9.5	0.99	1,245
963	FWRLX	Wireless	12.08	Hold	8.6	7.1	5.0	22.8	1.1	12.8	9.8	1.07	300
<b>SECTOR ETFs</b>					<b>Average</b>	<b>3.9</b>	<b>7.8</b>	<b>4.1</b>	<b>22.8</b>	<b>6.6</b>	<b>12.3</b>	<b>10.3</b>	<b>1.17</b>
	FCOM	MSCI Communication Services	50.64	OK to Buy	6.4	13.9	5.0	32.8	-0.3	10.6	8.9	1.19	1,020
	FDIS	MSCI Consumer Discretionary	79.00	Buy	1.2	0.3	-3.4	21.3	0.9	14.2	12.7	1.40	1,370
	FSTA	MSCI Consumer Staples	48.03	OK to Buy	2.5	8.2	4.4	11.5	6.2	10.4	8.6	0.76	1,090
	FENY	MSCI Energy	25.66	OK to Sell	0.1	12.2	9.5	27.3	26.4	15.1	2.8	1.61	1,860
	FNCL	MSCI Financials	58.54	Buy	3.2	9.8	3.5	35.1	4.8	11.6	10.6	1.17	1,580
	FHLC	MSCI Health Care	67.56	OK to Buy	2.3	4.8	-0.9	12.7	4.4	11.5	10.7	0.84	2,970
	FIDU	MSCI Industrials	66.43	Buy	2.3	8.8	2.6	31.9	7.8	14.2	10.8	1.14	1,040
	FTEC	MSCI Information Technology	158.70	Buy	7.9	10.7	3.4	29.7	13.9	23.6	20.1	1.32	9,160
	FMAT	MSCI Materials	51.67	Hold	3.7	6.4	5.0	24.6	3.7	14.1	8.4	1.26	505
	FREL	MSCI Real Estate	25.08	Hold	4.5	-5.0	-2.0	8.4	-2.4	2.9	--	1.23	890
	FUTY	MSCI Utilities	46.83	Hold	8.7	15.7	17.9	15.3	6.8	7.4	8.8	0.99	1,140

# FIDELITY SCORECARD

MAY 31, 2024

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				SEC %Yield	Dur <sup>2</sup> (Yrs)	Rel Vol (Risk) <sup>1</sup>	
					May	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr				
<b>TAXABLE BOND</b>					<b>Average</b>	<b>1.4</b>	<b>-0.7</b>	<b>0.3</b>	<b>2.3</b>	<b>-2.2</b>	<b>0.2</b>	<b>1.2</b>	<b>4.71</b>	<b>5.1</b>	<b>0.35</b>
2268	FCNVX	Conservative Income Bond	10.05	Buy	0.4	2.1	1.3	5.8	3.0	2.4	1.8	5.20	0.4	0.05	
2208	FCBFX	Corporate Bond	10.31	Hold	2.0	-0.5	0.7	5.0	-2.7	1.0	2.3	5.33	6.8	0.52	
6379	FFEBX	Environmental Bond	8.29	Hold	1.7	-1.6	0.0	1.4	--	--	--	4.36	6.1	--	
2423	FGBFX	Global Credit	7.65	Hold	1.3	1.8	1.4	8.1	-3.9	0.1	0.7	4.98	6.3	0.51	
15	FGMNX	GNMA (Ginnie Mae)	9.91	Hold	1.8	-2.0	0.1	0.9	-3.1	-0.7	0.7	3.79	5.2	0.44	
54	FGOVX	Government Income	8.97	Hold	1.5	-2.0	-0.3	-0.2	-3.6	-1.0	0.5	4.09	5.9	0.39	
2418	FIPDX	Inflation-Protected Index	9.04	OK to Sell	1.7	0.2	0.8	1.6	-1.4	2.0	1.8	3.71*	6.5	0.40	
32	FTHRFX	Intermediate Bond	9.95	Buy	1.1	-0.1	0.5	3.0	-1.4	0.9	1.6	4.73	3.7	0.27	
452	FSTGX	Intermediate Gov't Income	9.56	Hold	1.1	-0.7	0.2	1.2	-2.1	-0.2	0.7	4.30	3.8	0.26	
3045	FUAMX	Intermediate Treasury Index	9.44	Hold	1.6	-2.0	-0.4	-1.0	-3.8	-0.7	1.0	4.55	6.2	0.41	
4506	FBIIX	International Bond Index	9.06	Hold	0.2	-0.5	0.1	3.7	-1.6	--	--	3.16	6.9	0.29	
26	FBNDX	Investment Grade Bond	7.04	OK to Buy	1.6	-1.3	0.0	2.0	-2.7	0.6	1.7	4.94	6.2	0.42	
2622	FJRLX	Limited Term Bond	11.17	Buy	1.0	1.0	1.0	5.1	0.1	1.5	1.7	5.27	2.5	0.19	
662	FFXSX	Limited Term Government	9.44	OK to Buy	0.9	-0.1	0.4	2.3	-1.1	0.3	0.7	4.54	2.8	0.19	
3047	FNBGX	Long-Term Treasury Index	9.37	OK to Sell	2.9	-6.1	-2.1	-7.2	-9.8	-4.4	0.4	4.80	14.9	0.89	
40	FMSFX	Mortgage Securities	9.57	Hold	2.0	-2.2	-0.2	0.5	-3.5	-0.9	0.8	4.17	5.8	0.47	
450	FSHBX	Short-Term Bond	8.35	Buy	0.7	1.1	0.9	4.6	0.6	1.5	1.4	5.02	1.8	0.13	
3041	FNSOX	Short-Term Bond Index	9.73	OK to Buy	1.0	0.4	0.7	3.4	-0.5	1.0	--	4.95	2.5	0.18	
3049	FUMBX	Short-Term Treasury Index	10.04	OK to Buy	0.9	-0.0	0.5	2.5	-0.8	0.7	1.0	4.80	2.6	0.18	
3086	FNDSX	Sustainability Bond Index	9.06	Hold	1.6	-1.6	-0.0	1.1	-3.1	-0.3	--	4.65	5.8	0.41	
6541	FIAXX	Sustainable Core Plus Bond	9.09	Hold	1.7	-1.4	0.1	2.1	--	--	--	4.98	6.1	--	
6526	FAPGX	Sustainable Low Dur Bond	10.22	Buy	0.6	2.0	1.3	5.4	--	--	--	5.17	0.6	--	
6502	FBAGX	Tactical Bond	8.70	Hold	1.7	-1.0	-0.0	2.7	--	--	--	5.39	6.4	--	
820	FTBFX	Total Bond	9.34	OK to Buy	1.7	-0.8	0.3	3.3	-2.1	1.0	2.1	5.28	5.9	0.41	
2326	FXNAX	U.S. Bond Index	10.12	Hold	1.6	-1.6	-0.0	1.2	-3.1	-0.2	1.3	4.65	5.9	0.41	
<b>HIGH-YIELD BOND</b>					<b>Average</b>	<b>1.4</b>	<b>2.8</b>	<b>1.9</b>	<b>11.6</b>	<b>1.8</b>	<b>3.6</b>	<b>3.6</b>	<b>6.66</b>	<b>3.3</b>	<b>0.44</b>
38	FAGIX	Capital & Income	9.90	OK to Buy	2.0	4.7	2.4	14.2	3.5	7.1	6.1	5.75	2.7	0.51	
814	FFRHX	Floating Rate High Income	9.31	Buy	0.8	3.6	2.1	12.3	5.9	5.2	4.2	8.20	0.2	0.22	
1366	FHIFX	Focused High Income	7.95	OK to Buy	1.2	1.3	1.4	8.6	0.8	2.7	3.3	6.07	3.6	0.47	
2297	FGHNX	Global High Income (closed)	8.67	OK to Buy	1.6	2.9	1.9	11.3	0.5	3.1	3.5	6.65	3.3	0.47	
455	SPHIX	High Income	7.67	OK to Buy	1.3	2.8	1.7	11.3	1.2	2.6	3.4	7.46	3.3	0.50	
331	FNMIX	New Markets Income	12.50	OK to Buy	1.7	2.8	2.7	16.7	-0.4	1.2	2.4	6.65	6.7	0.61	
2580	FSAHX	Short Duration High Income	8.85	OK to Buy	0.8	2.6	1.7	10.3	2.6	3.4	3.0	7.13	2.3	0.32	
3082	FADMX	Strategic Income	11.38	OK to Buy	1.6	1.6	1.4	8.2	0.4	3.0	3.2	5.39	4.4	0.41	
<b>MUNICIPAL BOND</b>					<b>Average</b>	<b>-0.3</b>	<b>-1.4</b>	<b>-1.3</b>	<b>2.9</b>	<b>-1.1</b>	<b>0.8</b>	<b>2.0</b>	<b>3.48</b>	<b>5.5</b>	<b>0.36</b>
434	FSAZX	Arizona Muni Income	11.27	Hold	-0.0	-1.2	-0.9	3.4	-1.3	0.7	2.1	3.37	5.9	0.38	
1534	FCSTX	Calif Limited Term Tax Free	10.14	Hold	-0.3	-1.1	-1.1	2.1	-0.7	0.5	1.1	3.13	2.9	0.22	
91	FCTFX	California Muni Income	11.95	Hold	-0.3	-1.5	-1.3	3.1	-1.2	0.8	2.3	3.42	6.3	0.40	
407	FICNX	Connecticut Muni Income	10.69	Hold	-0.5	-2.3	-1.9	2.5	-1.3	0.8	2.0	3.33	5.3	0.39	
2579	FMNDX	Conservative Income Muni	10.01	Buy	0.3	1.0	0.6	3.6	1.6	1.4	1.1	3.69	0.8	0.05	
36	FLTMX	Interm Municipal Income	9.94	OK to Buy	-0.5	-1.4	-1.3	2.7	-0.7	1.1	2.0	3.38	4.6	0.31	
404	FSTFX	Limited Term Muni Income	10.23	Buy	-0.1	-0.5	-0.6	2.8	-0.4	0.8	1.1	3.46	2.5	0.20	
429	SMDMX	Maryland Muni Income	10.52	Hold	-0.3	-2.0	-1.6	2.7	-1.5	0.6	2.0	3.28	6.2	0.41	
70	FDMMX	Mass Muni Income	11.20	Hold	-0.0	-1.4	-1.3	2.9	-1.6	0.6	2.0	3.47	6.6	0.38	
81	FMHTX	Michigan Muni Income	11.31	Hold	-0.2	-1.3	-1.1	3.1	-1.5	0.8	2.2	3.60	6.1	0.40	
82	FIMIX	Minnesota Muni Income	10.85	Hold	-0.4	-1.7	-1.7	2.3	-1.4	0.6	1.8	3.28	5.7	0.36	
3469	FMBIX	Municipal Bond Index	18.14	Hold	-0.4	-2.0	-1.8	2.2	-1.9	--	--	3.60	6.2	0.43	
7330	FMBAX	Municipal Core Plus	10.02	Hold	-0.3	-1.6	-1.5	--	--	--	--	3.69	5.5	--	
37	FHIGX	Municipal Income	12.03	Hold	-0.2	-1.4	-1.3	3.3	-1.4	1.0	2.5	3.66	6.9	0.45	
416	FNJHX	New Jersey Muni Income	11.34	Hold	-0.4	-1.9	-1.8	3.3	-1.0	1.3	2.5	3.41	6.1	0.43	
71	FTFMX	New York Muni Income	12.09	Hold	-0.3	-1.8	-1.7	3.0	-1.6	0.7	2.1	3.47	7.4	0.46	
88	FOHFX	Ohio Muni Income	11.18	Hold	-0.2	-1.2	-1.2	2.9	-1.4	0.7	2.2	3.55	6.2	0.38	
402	FPXTX	Pennsylvania Muni Income	10.31	Hold	-0.2	-1.4	-1.4	3.4	-1.5	0.7	2.2	3.66	6.3	0.41	
6532	FSIKX	Sustainable Intermed Muni	9.91	Hold	-0.6	-2.0	-1.8	2.8	--	--	--	3.43	5.0	--	
90	FTABX	Tax-Free Bond	10.78	Hold	-0.2	-1.5	-1.4	3.4	-1.4	1.1	2.5	3.72	6.7	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; <sup>1</sup>Closed to new accounts; <sup>2</sup>Name changed to Premium Class shares (formerly AMT). <sup>3</sup>IT Services has been renamed Enterprise Technology Services.

TAXABLE GOV'T MONEY MARKETS			Total Return (%)		SEC %Yield
			May	YTD	
55	FDRXX	Gov't Cash Reserves	0.43	1.25	4.99
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
<b>PRIME MONEY MARKETS</b>					
454	SPRXX	Money Market	0.43	1.26	5.03
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
			May	YTD	
10	FTEXX	Municipal Money Market	0.27	0.77	3.19
275	FMOXX	Tax-Exempt MM	0.26	0.74	3.10
<b>STATE MUNICIPAL MONEY MARKETS</b>					
457	FSPXX	California Muni MM <sup>2</sup>	0.26	0.71	3.02
426	FMSXX	Massachusetts Muni MM <sup>2</sup>	0.26	0.73	3.06
423	FJXX	New Jersey Muni MM <sup>2</sup>	0.26	0.75	3.11
422	FSNXX	New York Muni MM <sup>2</sup>	0.27	0.76	3.15
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

MAY 31, 2024

Fund No.	Fund Ticker	Fund Name	Style	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) <sup>1</sup>
						May	YTD	3 Mo.	1 Year	3 Year	5 Year	10 Year	
<b>FIDELITY PERSONAL RETIREMENT ANNUITY PORTFOLIOS</b>													
Model Portfolios	Annuity Sector Model					4.4	10.2	2.6	25.7	5.6	15.6	12.8	1.15
	Annuity Growth Model					5.6	15.3	4.7	32.5	6.5	16.2	12.2	1.05
	Annuity Growth & Income Model					3.6	7.7	3.3	18.3	2.2	10.1	7.8	0.74
	Annuity Income Model					2.2	3.1	1.6	8.7	-0.3	4.5	3.9	0.41
9067	FLRQC	Fid VIP Asset Manager	Allocation	27.87	Hold	2.6	3.6	1.6	11.4	1.0	6.5	5.0	0.63
9066	FAEEC	Fid VIP Asset Manager: Growth	Allocation	32.08	Hold	3.0	5.3	2.2	15.3	2.1	8.7	6.3	0.77
9069	FJBAC	Fid VIP Balanced	Allocation	43.88	Buy	3.7	7.4	2.7	18.9	4.8	11.7	9.1	0.78
9461	FBIQC	Fid VIP Bond Index	Bond	10.35	Hold	1.7	-1.7	-0.1	1.0	-3.4	-0.6	--	0.42
9173	FVTAC	Fid VIP Communication Services	Sector	36.29	Buy	6.0	15.5	5.6	39.8	2.9	14.7	10.7	1.23
9081	FVHAC	Fid VIP Consumer Discretionary	Sector	57.13	Buy	2.2	2.9	-2.5	26.3	1.1	11.5	10.8	1.41
9171	FCSAC	Fid VIP Consumer Staples	Sector	39.98	OK to Buy	1.4	4.1	3.9	7.6	4.0	8.7	7.7	0.82
9065	FPDFC	Fid VIP Contrafund	Large Growth	64.41	Buy	6.7	19.4	5.6	39.1	10.9	17.6	12.8	1.08
9148	FPRGC	Fid VIP Disciplined Small Cap	Small Blend	33.36	OK to Buy	4.9	4.8	0.8	24.7	1.9	11.0	7.9	1.19
9074	FZAMC	Fid VIP Dynamic Capital App	Large Growth	67.49	Hold	4.7	13.8	2.7	32.9	9.1	17.3	12.6	1.06
9198	FEMAC	Fid VIP Emerging Markets	Emg Mkts	14.62	OK to Sell	2.0	7.2	9.0	17.3	-5.5	6.3	5.2	1.15
9085	FJLLC	Fid VIP Energy	Sector	26.16	OK to Sell	0.6	14.7	10.9	30.7	28.5	15.8	2.8	1.63
9061	FLOLC	Fid VIP Equity-Income	Large Value	38.50	Buy	3.4	10.0	5.9	23.0	6.9	12.1	8.8	0.82
9469	FEMJC	Fid VIP Extended Market Index	Mid Blend	14.73	Hold	4.0	3.5	0.8	21.6	0.3	9.7	--	1.18
9083	FONNC	Fid VIP Financials	Sector	25.46	Buy	3.4	9.6	4.5	36.3	5.4	12.8	10.0	1.19
9361	FFLCC	Fid VIP Floating Rate High Income	High-Yield Bond	14.88	Buy	0.7	3.5	2.0	11.8	5.4	4.9	--	0.22
9157	FMPAC	Fid VIP FundsManager 20	Allocation	18.31	Hold	1.8	1.5	0.9	6.4	0.3	3.0	2.8	0.39
9158	FMPBC	Fid VIP FundsManager 50	Allocation	25.00	Hold	2.7	3.6	1.6	11.5	1.4	6.6	5.3	0.64
9197	FMPCC	Fid VIP FundsManager 60	Allocation	25.06	Hold	3.0	4.5	1.9	13.5	1.9	7.7	6.1	0.71
9159	FMPDC	Fid VIP FundsManager 70	Allocation	29.31	Hold	3.3	5.4	2.2	15.4	2.6	8.8	6.9	0.78
9160	FMPDC	Fid VIP FundsManager 85	Allocation	32.34	Hold	3.6	6.7	2.6	18.2	3.3	10.4	8.0	0.88
9059	FTNJC	Fid VIP Gov't Money Market	Money Mkt	12.65	--	0.4	2.1	1.2	4.9	2.6	1.7	1.1	0.04
9062	FMNDC	Fid VIP Growth	Large Growth	80.33	Buy	5.6	16.9	3.3	37.6	10.5	19.9	15.8	1.11
9070	FLFNC	Fid VIP Growth & Income	Large Blend	51.36	OK to Buy	4.1	12.5	6.2	27.7	9.8	15.2	10.8	0.96
9068	FIDPC	Fid VIP Growth Opportunities	Large Growth	89.94	Buy	6.8	17.4	4.9	39.0	3.5	18.7	17.1	1.38
9084	FPDRC	Fid VIP Health Care	Sector	68.16	OK to Buy	0.0	1.7	-3.6	5.1	-0.7	9.1	9.3	0.95
9060	FBBLC	Fid VIP High Income	High-Yield Bond	24.24	OK to Buy	1.0	2.1	1.5	9.9	0.7	2.4	2.9	0.48
9064	FXVLT	Fid VIP Index 500	Large Blend	58.39	OK to Buy	4.9	11.1	3.8	27.7	9.2	15.4	12.3	1.00
9082	FBALC	Fid VIP Industrials	Sector	62.27	Buy	2.8	13.8	2.7	41.3	10.1	12.4	9.5	1.21
9473	FFIQC	Fid VIP International Index	Diversified Int'l	12.79	Hold	4.1	6.1	4.7	16.8	0.4	6.7	--	0.97
9076	FVJIC	Fid VIP Int'l Capital App	Diversified Int'l	32.88	Buy	3.7	7.1	0.9	19.7	1.9	9.2	7.9	1.21
9063	FTLKC	Fid VIP Investment Grade Bond	Inv Grd Bond	17.43	OK to Buy	1.8	-1.2	0.1	1.8	-2.8	0.4	1.5	0.42
9172	FVMAC	Fid VIP Materials	Sector	33.67	Hold	2.5	7.9	6.4	21.0	3.4	13.6	5.8	1.28
9071	FNBSC	Fid VIP Mid Cap	Mid Blend	48.83	OK to Buy	5.4	11.8	4.4	28.8	5.4	12.5	8.8	1.10
9088	FEMMC	Fid VIP Overseas	Diversified Int'l	26.44	OK to Buy	4.4	7.9	3.1	16.9	1.8	8.9	5.6	1.12
9072	FFWKC	Fid VIP Real Estate	Sector	26.78	Hold	6.0	-4.4	-2.0	6.4	-3.2	1.0	3.6	1.25
9075	FGDQC	Fid VIP Strategic Income	High-Yield Bond	22.90	OK to Buy	1.6	1.5	1.3	7.8	-0.0	2.6	2.7	0.40
9086	FYENC	Fid VIP Technology	Sector	147.13	Buy	7.7	16.0	4.1	33.6	13.1	25.8	20.6	1.44
9465	FTMJC	Fid VIP Total Market Index	Large Blend	19.69	OK to Buy	4.7	10.0	3.3	27.4	7.7	14.6	--	1.02
9087	FXRRC	Fid VIP Utilities	Sector	52.40	Hold	11.1	19.8	21.2	25.4	12.3	10.3	9.2	0.99
9079	FKMSC	Fid VIP Value	Large Value	44.16	OK to Buy	3.6	7.1	4.4	28.6	8.5	14.7	9.8	1.11
9073	FRBSC	Fid VIP Value Strategies	Mid Value	46.00	OK to Buy	4.6	7.0	4.7	30.9	7.9	15.0	9.4	1.22
9347	FBMEC	Black Rock Global Allocation	Global Allocation	18.84	Hold	3.4	4.8	2.1	13.8	-0.5	6.9	4.7	0.68
9349	FTMEC	Franklin Templeton Global Bond	Global Bond	9.27	Hold	1.9	-7.0	-2.6	-3.2	-4.3	-4.1	-1.9	0.57
9348	FFMEC	Franklin Templeton US Gov't	Intermed Gov't	10.22	OK to Buy	1.4	-1.5	0.0	0.8	-2.9	-0.9	0.1	0.34
9285	FIGXC	Invesco Global Core Eqty	Global Stock	20.52	Hold	3.3	9.5	3.0	22.9	2.3	9.4	6.0	0.99
9147	FPRLC	Lazard Retirement Emerging Mkts	Emg Mkts	20.07	Hold	2.4	5.5	4.7	21.2	1.2	5.1	2.1	0.96
9143	FPRMC	Morgan Stanley Emerg Mkt Debt	Emg Mkt Bond	19.93	Hold	1.7	4.3	2.3	15.4	-2.3	0.5	1.6	0.71
9144	FPRNC	Morgan Stanley Emerg Mkt Equity	Emg Mkts	16.36	OK to Sell	1.3	6.3	5.1	17.3	-5.3	3.5	1.9	1.05
9146	FPRPC	Morgan Stanley Global Strategist	Diversified Int'l	18.00	Hold	3.4	3.2	2.4	13.5	-0.9	5.1	3.6	0.77
9346	FPMEC	Pimco Commodity Real Return	Commodities	8.29	OK to Sell	2.1	6.1	7.6	10.6	4.6	8.5	-1.3	0.95
9276	FPMBC	Pimco VIT Low Duration	Shrt-Term Bond	12.19	Buy	0.7	0.8	0.7	4.1	-0.7	0.4	0.6	0.15
9277	FPNBC	Pimco VIT Real Return	TIPS	14.83	OK to Sell	1.7	0.2	0.8	1.9	-1.8	1.8	1.4	0.41
9278	FPOBC	Pimco VIT Total Return	Intermed Bond	13.85	Hold	1.9	-0.7	0.5	2.7	-3.4	-0.3	1.1	0.42

Annuity Sector	
Fund	Allocation
VIP Technology	29%
VIP Comm Services	17
VIP Consumer Discret	16
VIP Financials	14
VIP Industrials	12
VIP Health Care	12
<b>Total Return:</b>	
<b>May: 4.4% YTD: 10.2%</b>	

Annuity Growth	
Fund	Allocation
VIP Growth	34%
VIP Contrafund	23
VIP Equity-Income	22
VIP Growth Opps	21
<b>Total Return:</b>	
<b>May: 5.6% YTD: 15.3%</b>	

Annuity Growth & Income	
Fund	Allocation
VIP Growth Opps	25%
VIP Invest Grade Bond	24
VIP Equity-Income	22
VIP Total Market	15
VIP Floating Rt High Inc	14
<b>Total Return:</b>	
<b>May: 3.6% YTD: 7.7%</b>	

Annuity Income	
Fund	Allocation
VIP Invest Grade Bond	32%
Pimco VIT Low Duration	23
VIP Floating Rt High Inc	17
VIP Equity-Income	14
VIP Growth	14
<b>Total Return:</b>	
<b>May: 2.2% YTD: 3.1%</b>	

## Dividends *cont'd from page 4*

Benchmarked against the Russell 3000 Value index, its strategy is a time-tested approach that dates back almost six decades, and it places the fund solidly in the large-cap value corner of the stylebox.

As noted earlier, a strategy like this fund's was once considered a sure-fire bet for outperforming over the long run, because dividend stocks tend to hold up better during stock market downturns, especially in selloffs driven by rising interest rates and/or rising inflation. While we expect large-cap growth funds generally, and tech-rich funds in particular, to outperform over time, this fund provides a margin of safety in the current market environment.

**Growth & Income - OK to Sell** - Managed by Matt Fruhan since 2011 (he also runs **Mega Cap Stock**), this large-cap blend fund seeks a high total return through income and capital appreciation. Specifically, it favors dividend-paying stocks that allow it to maintain a somewhat higher dividend yield than the S&P 500 (1.9% versus 1.5%), along with higher earnings growth.

The manager also looks for companies that have attractive earnings and yield potential over the next two to three years, and is drawn to companies whose outlook is different

from market consensus.

With respect to other large-cap blend funds, we prefer **Disciplined Equity** and **New Millennium**. On the other hand, if Growth & Income were classified alongside large-cap value funds, it would compare more favorably and its rating would likely be higher.

**Large Cap Value Index - Hold** - This was recently downgraded to show our preference for actively managed stock funds (such as Equity Dividend Inc. and Equity-Inc., which have superior three-year returns and less risk). The fund is designed to closely track the returns and characteristics of the Russell 1000 Value which consists of America's biggest stocks with a value designation based on various metrics.

**Strategic Dividend & Income - Hold** - This is actually a Specialty asset allocation fund (not an equity-income fund) whose higher-than-market yield is derived from dividend-paying and preferred stocks (50% and 21%, respectively), convertibles (11%), and REITs (14%). While this diversified composition reduces risk and provides an attractive yield of 2.3%, REITs have been weighing on its performance.

**Stock Selector Large Cap Value - Buy** - This team-run fund has sec-

tor weights in close alignment to its Russell 1000 Value Index benchmark. This fund attempts to add value through active stock selection — Fidelity's core competency — and also to minimize risk (currently 0.96) via sector and/or market timing. The fund seeks to deliver attractive risk-adjusted returns over time. True to its name, it holds large, underappreciated, high-quality companies with strong competitive positions and superior returns on invested capital. That results in an investment style and portfolio characteristics that are consistent. The fund's long-term focus often leads it to firms with recurring revenues and the ability to grow earnings and cash flow over multiyear periods.

**Value Discovery - Hold** - Financials, health care and consumer staples are the backbone of this fund, which has been managed by Sean Gavin (who also manages Blue Chip Value) since 2012. A large-cap value fund, its focus is on capital gains, not income. But with its eye on value, Gavin seeks out significant price dislocation, believing that a stock's market value will move towards its intrinsic (fair) value over time. The fund's Russell 3000 Value benchmark includes mid- and small cap firms whereas the larger-cap Russell 1000 does not. ■

— John Bonnanzio

## Leveraged Company Stock

Although **Leveraged Company Stock** invests in companies with distressed balance sheets, their bonds are often high-yield (junk). But Leveraged doesn't invest in those securities. Instead, it holds their stocks, which is why **the fund emphasizes capital growth over income**.

Held in two model portfolios, this is a large-cap fund that tilts towards growth owing partly to its 25% stake in tech stocks. (As the table shows, many of its top holdings are hardly distressed!) In fact, it's actually benchmarked against the blended Russell MidCap index. Moreover, its secondary benchmark is a proprietary one designed by Fidelity. As such, evaluating its performance is challenging. (We think of it as a growth fund holding cheap stocks.)

While one might expect Leveraged Company to yield as much as an equity-income offering, at 0.9% (as of 4/30), that's one reason we don't consider it an equity-income offerings. Moreover, this Specialty stock fund is roughly 30% riskier than the equity-income funds on p. 4. ■

### Top Holdings

(as of 3/28/24 in %)

Meta Platforms*	4.8
Nvidia	3.7
Microsoft	3.4
Arthur J Gallagher	3.0
Vistra	2.7
ON Semiconductor	2.0
Amazon.com	2.0
Cheniere Energy	2.0
Boyd Gaming	2.0
Fiserv	1.9
<b>Total</b>	<b>21.6</b>

\*Class A shares

## Inside Fidelity

**Private Placement** — Some Fidelity funds may soon have small stakes in xAI, Elon Musk’s latest artificial intelligence company. (He was a founder of Open AI before resigning in 2018.) Though it is not known how much or which funds will hold these private placements, xAI has raised \$6 billion from Fidelity and other institutions in a follow-on round of financing. In a tweet from

his social media site X (formerly Twitter), Musk put a “pre-money valuation” of \$18 billion on the company (which may have already appreciated to \$24 billion).

As for Fidelity, its large-cap growth funds, especially **Contra-fund**, are no strangers to having small stakes in restricted stocks — including various Musk-led enterprises. For example, as of Dec. 31, 2023, Manager Will Danoff had accumulated various share classes of

Space Exploration Technologies (SpaceX) which were then valued at \$237 million, plus \$53 million of X.

Though that’s just a pittance of Contra’s \$117 billion in assets (at that time), Danoff and his peers not only have a long and successful record investing in startups (Facebook - now Meta Platforms - comes to mind), early-stage investments also serve as research windows into emerging businesses and sectors. ■

## Market Outlook *cont'd from page 3*

autos, not even expensive loans and leases have cooled the pent-up demand for cars and trucks.

With these industries integral to the economy’s health, and massive stimulus nowhere to be found in anyone’s models, it’s not surprising that forecasters completely missed the mark. Likewise, everyone’s been wrong about inflation — including

the Fed. While there’s been progress, recent forecasting has been challenging. But again, if you don’t have pandemic-triggering inflation in your data, your economic modeling is going to miss the mark.

If all this sounds like an apology for the dismal science of economics, I’ll confess to my having a certain weakness for the subject. Of course, we use a lot of data to help form our

opinions on the financial markets. However, recent failures by economists are important reminders for all investors — ourselves included — that long-term investment success is a function of remaining disciplined in managing risk, and therefore maintaining an appropriate asset allocation through all market conditions. ■

— John Bonnanzio

## 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 June:*

Cap & Inc., Focused High Inc, Founders, Global High Inc, High Inc, Lg Cap Growth Idx, Lg Cap Stock, Lg Cap Value Idx, Mid Cap Idx, Mid-Cap Stock, MSCI Cons Discret, MSCI Cons Staples, MSCI Energy, MSCI Financials, MSCI Healthcare, MSCI Ind, MSCI Info Tech, MSCI Materials, MSCI Real Estate, MSCI Telecomm, MSCI Utilities, Real Estate Inc, Real Estate Idx, Real Est Inv, Short Dur High Inc, Small Cap Disc, Small Cap Idx, Small Cap Stock, U.S. Low Vol, Women’s Leadership

*The final distribution for May is as follows:*

Fund	Ex-Date	\$ Amt	NAV
Magellan	5/10	0.423	13.85

## Message From Jack *cont'd from page 1*

2023, below 2022’s record of \$923 billion, buybacks are now back on a growth track, and are expected to cross above the \$1 trillion mark in 2025. (From a yield standpoint, the S&P 500 dividend plus buyback yield dropped to 3.3% last year, down from 4.6% in 2022.)

While a number of stock indexes have reached new highs (see p. 5) elevating valuations, strong buyback activity and solid corporate earnings growth provide stocks with a tailwind.

## Portfolio Trades

Given the improving outlook, last month, we made some minor adjustments to our models (see p. 3).

In the *Unique Opportunities Model*, we decided to eliminate our

position in **Japan Smaller Companies**, which had been benefitting from a surge in the popularity of buybacks (which was prompted by new 2023 stock exchange rules for undervalued firms). The weak yen is now undermining that trend by boosting inflationary pressures, so we decided to move back to domestic funds that could benefit from a rebound in stock buyback activity here at home.

In a somewhat related move for the *Growth Model*, we replaced **Growth Strategies with Leveraged Co. Stock** (p. 11). While both funds target undervalued stocks in the mid-cap and large-cap growth segments, Leveraged carries less risk and has greater potential to benefit from stock buyback activity. ■

— Jack Bowers

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