

FIDELITY MONITOR & INSIGHT

JULY 2020

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MESSAGE FROM JACK

Vaccine Effort Looks Promising

Despite replicating billions of times, there are only about 20 types of Covid-19 circulating in the U.S. population, indicating a relatively slow mutation rate. That's because unlike most common viruses, Covid-19 has a proofreading enzyme that "checks its work" during replication, greatly reducing the odds of a sequencing error that might compromise its function.



Jack Bowers

In nature, genetic sophistication is usually a strength. But against biotech engineers with eradication on their minds, it's a key weakness. Other things being equal, a stable virus is a vulnerable virus when it comes to vaccine development.

Enter messenger RNA technology. While there are dozens of Covid-19 vaccine efforts globally, the front-runners in this race are using a clever new approach that could become the gold standard for safety, effectiveness, and speed-to-market. Messenger RNA tricks the body into detecting and generating antibodies for a fake infection that can't enter the body's cells. It does so by sending a message of infection via proteins that trigger an immune response.

Early trials are going so well that we may see FDA approval for the first Covid-19 vaccines in time to protect medical workers late this year. As for the U.S. population, I would guess the odds of reining in the virus to be 50% by the end of 2021, and 90% by the end of 2022. Assuming 10-20% of the population has natural immunity by the end of this year, we may only need 50% of the population inoculated to reach herd immunity. Perhaps the biggest challenge at this point is producing enough medical glass to store the doses.

From an investment standpoint it is now reasonable to count on a full economic recovery in less than three years. But we may also see a headwind for the health care sector: if a small number of vaccine producers eliminate the need for Covid-19 testing and treatment options, the sector as a whole might earn less than expected. As such, we recently trimmed the health care exposure in our models down to the S&P 500's 15% weighting.

MARKET OUTLOOK

New Surge In Covid-19 Cases Adds To Uncertainty Of Recovery

After bottoming on March 23, the S&P 500 has staged an incredibly strong rebound rising 42% and flirting with new highs (the Nasdaq did manage to hit a new high before pulling back). Initially, the rebound was driven largely by the Federal Reserve's extremely quick, extremely massive, and open-ended response to the pandemic. It appears that they learned a valuable lesson from their slow response to the financial crisis in 2008. And Congress did its part with its own massive stimulus package. The basic idea of these measures was to provide ample liquidity to the markets, help firms stay solvent, keep workers on the payroll, and replace the lost income for those who did get laid off until the pandemic ran its course and the



John M. Boyd

Mid-Year Fund Commentary

Begins on p. 5

economy recovered. That "playbook" looked sound as new U.S. cases of Covid-19 seemingly peaked in early April and then began to slowly decline.

However, as we are all painfully aware, cases are now surging, hitting new records daily in states (primarily in the South and West) that had been relatively unscathed and had loosened restrictions — or had never really enacted or enforced them in the first place. In response, governors in those states have either added new mandates (masks anyone?) or reinstated some of those that were previously relaxed. For example, Texas, Florida and Arizona just re-closed their bars. In short, what looked like a steady path to the "end" of the pandemic a month ago is now a far more uncertain course. Understandably, this has spooked the markets and has raised the risk of a correction, but I believe that the underlying trend remains positive for a number of reasons.

First, the Fed has made it clear that there are still "more bullets in their gun" and that they will do whatever it takes to support the economy (and not so subtly the stock and bond markets). Second, I think we've seen that wearing masks and practicing social distancing

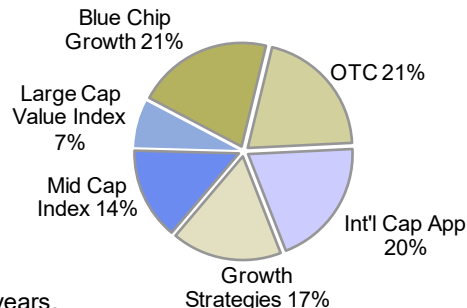
Unique Opportunities Target Risk: 1.20 (Current: 1.04) Foreign Holdings: 20.5% **YTD Return: 3.5%**

Stocks: 99.4% Bonds: 0.0% Cash: 0.6% Alternatives*: 0.0% Yield: 0.8%

| Holdings | Ticker | NAV | Shares | Value | Jun Ret |
|-----------------------|--------|----------|----------|-----------|---------|
| Blue Chip Growth | FBGRX | \$128.12 | 1,080.15 | \$138,389 | 7.9% |
| OTC | FOCPX | 14.48 | 9,316.01 | 134,896 | 5.9 |
| Int'l Cap App | FIVFX | 22.64 | 5,792.35 | 131,139 | 5.0 |
| Growth Strategies | FDEGX | 52.29 | 2,149.23 | 112,383 | 2.1 |
| Mid Cap Index | FSMDX | 21.35 | 4,409.14 | 94,135 | 1.8 |
| Large Cap Value Index | FLCOX | 10.98 | 4,419.23 | 48,523 | -0.6 |

Current Value (3/31/99 = \$100,000) \$659,465 4.3%

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



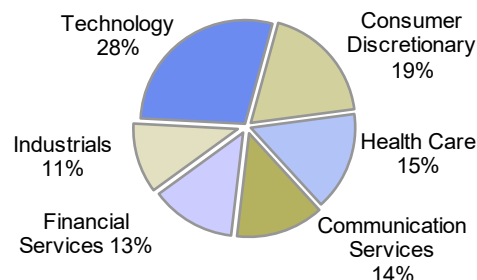
Select Target Risk: 1.20 (Current: 1.12) Foreign Holdings: 5.0% **YTD Return: 2.6%**

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

| Holdings | Ticker | NAV | Shares | Value | Jun Ret |
|------------------------|--------|---------|-----------|-------------|---------|
| Technology | FSPTX | \$23.09 | 62,035.85 | \$1,432,408 | 9.0% |
| Consumer Discretionary | FSCPX | 51.03 | 18,437.50 | 940,866 | 2.6 |
| Health Care | FSPHX | 30.13 | 25,746.40 | 775,739 | 1.6 |
| Communication Services | FBMPX | 65.85 | 10,402.54 | 685,007 | 1.2 |
| Financial Services | FIDSX | 7.92 | 83,387.22 | 660,427 | 2.6 |
| Industrials | FCYIX | 28.96 | 18,980.09 | 549,664 | -0.5 |

Current Value (12/31/88 = \$100,000) \$5,044,110 3.6%

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



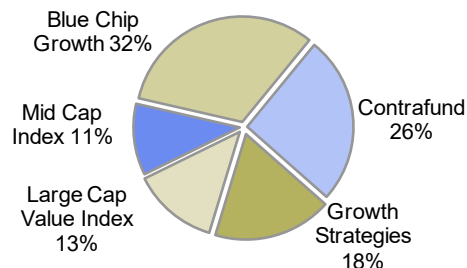
Growth Target Risk: 1.00 (Current: 1.08) Foreign Holdings: 4.1% **YTD Return: 4.8%**

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

| Holdings | Ticker | NAV | Shares | Value | Jun Ret |
|-----------------------|--------|----------|-----------|-------------|---------|
| Blue Chip Growth | FBGRX | \$128.12 | 8,693.94 | \$1,113,868 | 7.9% |
| Contrafund | FCNTX | 14.92 | 59,506.54 | 887,838 | 4.0 |
| Growth Strategies | FDEGX | 52.29 | 11,933.81 | 624,019 | 2.1 |
| Large Cap Value Index | FLCOX | 10.98 | 40,952.16 | 449,655 | -0.6 |
| Mid Cap Index | FSMDX | 21.35 | 17,678.88 | 377,444 | 1.8 |

Current Value (12/31/86 = \$100,000) \$3,452,823 4.0%

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



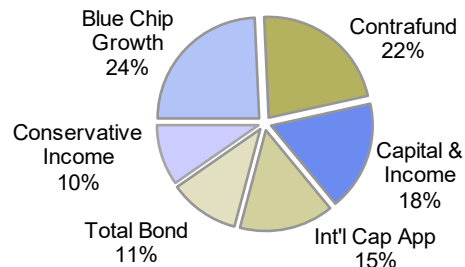
Growth & Income Target Risk: 0.66 (Current: 0.76) Foreign Holdings: 24.4% **YTD Return: 6.2%**

Stocks: 64.9% Bonds: 19.7% Cash: 1.9% Alternatives*: 13.5% Yield: 1.1%

| Holdings | Ticker | NAV | Shares | Value | Jun Ret |
|---------------------|--------|----------|-----------|-----------|---------|
| Blue Chip Growth | FBGRX | \$128.12 | 1,579.33 | \$202,343 | 7.9% |
| Contrafund | FCNTX | 14.92 | 12,404.03 | 185,068 | 4.0 |
| Capital & Income | FAGIX | 9.45 | 15,495.47 | 146,432 | 1.2 |
| Int'l Cap App | FIVFX | 22.64 | 5,523.40 | 125,050 | 5.0 |
| Total Bond | FTBFX | 11.34 | 8,202.76 | 93,019 | 1.4 |
| Conservative Income | FCONX | 10.06 | 8,058.55 | 81,069 | 0.3 |

Current Value (12/31/93 = \$100,000) \$832,982 3.9%

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



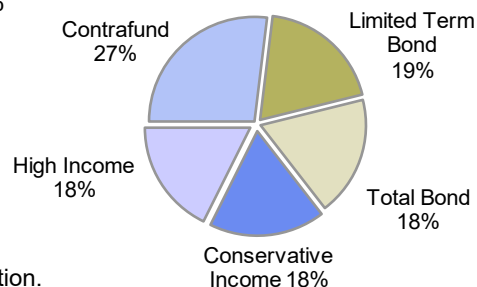
Income Target Risk: 0.33 (Current: 0.41) Foreign Holdings: 19.9% **YTD Return: 2.7%**

Stocks: 26.7% Bonds: 49.5% Cash: 3.4% Alternatives*: 20.4% Yield: 1.5%

| Holdings | Ticker | NAV | Shares | Value | Jun Ret |
|---------------------|--------|---------|----------|-----------|---------|
| Contrafund | FCNTX | \$14.92 | 8,053.62 | \$120,160 | 4.0% |
| Limited Term Bond | FJRLX | 11.92 | 7,187.79 | 85,678 | 1.0 |
| Total Bond | FTBFX | 11.34 | 7,266.16 | 82,398 | 1.4 |
| Conservative Income | FCONX | 10.06 | 7,887.61 | 79,349 | 0.3 |
| High Income | SPHIX | 8.19 | 9,635.38 | 78,914 | 0.2 |

Current Value (12/31/91 = \$100,000) \$446,500 1.6%

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



(especially avoiding large crowds where many are not doing either) can go a long way to reducing the spread. If these states follow the earlier path of the Northeast region, we will likely see cases begin to decline in a month or so. Importantly, most new cases are now among younger people who should require less hospitalizations. We have also improved treatment of the disease (deaths are still trending down despite the surge in new cases, though there is a lag to contend with) so strains on the hospital system should be less than earlier in the pandemic. In short, I think that the states will get things under control without shutting everything down again.

Shape Of Recovery Not Key

Won't this slow the recovery? Yes, but it shouldn't derail it. There has been a lot of ink spilled in debating whether the shape of the recovery will look like a "V," "U," "W," or more. However, Brian Levitt of Invesco researched the last three recoveries 1982-1990 (W-shaped), 2001-2007 (V-shaped) and 2009-2020 (U-shaped), finding that while all did well, the slower U-shaped recovery actually delivered the highest peak-to-trough annualized returns and lasted the longest.

There is ample evidence that a recovery is underway. In May, all four coincident indicators that the National Bureau of Economic Research uses to determine whether the economy is in a recession or a recovery/expansion rose versus April (though they were still horrible versus February). The recovery may be slower than originally expected, and will likely require further stimulus from Congress to bridge the longer recovery time, but it should continue

FUNDS YOU SHOULD BUY NOW

Growth: **Blue Chip Growth**, **Growth Co.** and **OTC** are aggressive large-cap options; **Contrafund** is more conservatively positioned. **Growth Strategies** provides active mid-cap exposure. **Mid Cap Index** is a lower-cost way to hold companies with market caps of \$2-10 billion.

Growth & Income: **Large Cap Value Index** holds attractively valued stocks such as financials (21%) and health care (16%), which also help to boost its dividend yield (3.5%) above the S&P 500 (2.4%).

International: **International Cap App** invests about three-quarters of its assets in developed foreign markets; the balance is in emerging markets.

High-Yield: **High Income** and **Capital & Income** (which holds some stocks) are the best ways to benefit from a rebound in this asset class.

Taxable Bond: **Conservative Income Bond** limits interest-rate risk with its extremely short duration; **Limited-Term Bond** reaches further for yield with more interest-rate-risk. **Total Bond** provides the broadest exposure to the bond market, including some high-yield and emerging market debt.

Muni Bond Funds: The Covid-driven recession has thrown budgets — at all government levels — into disarray. The only fund recommended at this time is the safest: **Conservative Income Muni**. ■

and stocks should benefit. As noted earlier, we could get a correction given concern over the surge. If so, the tech sector (where our

models are concentrated) held up better in the initial selloff and should continue to be a "relative" safe haven. ■

— John M. Boyd

MODEL PORTFOLIO TRADES

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

Select Model:

We sold 1/8 of our position in **Select Health Care** [FSPHX], bringing it down to 15% of the model and added the proceeds to our position in **Select Financial Services** [FIDSX] bringing it up to 13% of the model.

Annuity Sector Model:

We sold 1/12 of our position in **VIP Health Care** [FPDRC], bringing it down to 15% of the model and added the proceeds to our position in **VIP Financial Services** [FONNC] bringing it up to 13% of the model.

Remember that fund tickers differ among versions of Fidelity's annuity offerings, so the above VIP tickers may not match yours, but the underlying funds are the same.

Trade Rationale:

We trimmed health care a bit bringing it down to a market (S&P 500) weight of about 15%. As Jack notes in his *Message* on page 1, the development of effective vaccines by a small number of firms could eliminate the need for Covid-19 testing and treatment options, and the sector as a whole might earn less than expected. The financial services sector was hard hit in the selloff earlier this year making valuations more attractive and a loosening of some of the more onerous parts of the so-called Volcker Rule (making it easier for banks to invest in venture capital funds and also relaxing some limitations on derivatives trading) is a longer-term positive. ■

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 e-mail, and web **Annuit Model Portfolios** are on p. 10.

Worries Remain As The Economy Starts To Recover And Covid Cases Surge

Despite (or because of) the stock market's impressive rally off its March lows, many readers remain worried. Against a backdrop of (still) massive unemployment, rising Covid-19 cases in more than two dozen states and civil unrest across the country, it is certainly not hard to understand why there's so much concern. But don't fixate on the prevailing gloom, the market is focused on the future and it's telling us that it is likely to be better than what seems possible at the moment. Below are edited versions of some of the more common concerns we hear from readers and my responses. — *Jack Bowers*

Q: *I am surprised that the stock market has not reacted more adversely to the rising number of Covid-19 infections. Can you comment?*

A: With more options for treating those who are hospitalized (antivirals, blood thinners, clot-busters, steroids), fatality rates are on a downward trend, and are getting closer to that of the common flu. Hospital ICU capacity remains an issue in some areas, but the threat of a sudden surge with unknown upside is far less a concern compared with the situation in March. Against this backdrop, most states will probably not be inclined to re-visit their lockdowns, though some will slow their re-opening processes. That suggests the economic gains we are now seeing are unlikely to be reversed.

Q: *With stocks becoming more expensive, and the economic recovery path remaining anything but clear, does it still make sense to stay in stocks? It seems to me that the risk of a major selloff is growing.*

A: A few weeks ago, *The Wall Street Journal* looked at data provided by Fidelity, and reported that 18% of individual investors liquidated their entire stock portfolio between February and May (with almost a third of those age 65 and up doing as much). That fully explains why there is now a record amount of

cash on the sidelines. It also suggests that we've just been through one of the biggest market-timing events of the last century. Which by itself is a good reason to remain bullish.

The impact of all this on market behavior is best illustrated by considering Benjamin Graham's "Mr. Market," who has now undergone a major personality change resulting from the huge transfer of stock ownership from weak hands to strong hands. Mr. Market can still be edgy on some days when the short-sellers try to profit from negative headlines. But for the most part he is looking ahead more than two years and pretty much ignoring the forecasting noise from the analysts who focus on a short horizon that is relatively meaningless at this stage in the game. Mr. Market knows stocks today are not expensive relative to potential 2022 earnings, because the Fed is doing everything it can to prevent avoidable bankruptcies. And he's pretty accepting of any outcome that materializes, because a slow recovery will help the digital economy, whereas a fast recovery will be good news on the brick and mortar side. He knows that all that cash will not stay on the sidelines forever, especially when it is earning such a low yield. So not much will scare him at this stage.

Q: *I sold all my stocks without incurring major losses, and am now sitting in cash. Eventually I'd like to*

re-establish a fully invested position but I'm not really comfortable bearing the full risk of stocks at this time. What do you suggest?

A: In the April issue I ran a column titled "Getting Paid While Waiting," suggesting that cash could be put to work in **Capital & Income** or **High Income**. As a long-term strategy, investing in high-yield bonds has been just as viable as investing in the stock market, but it involves less risk and delivers a slightly lower return. The benefit of going this route is that you'll be closer to your comfort-zone from a risk standpoint, reducing the odds that you will feel compelled to go to cash the next time the economy comes under threat. The problem with market-timing is that the market pays you to bear risk. If you aren't bearing risk, you aren't getting paid.

Q: *When I look at the destruction from the riots/looting and the business impact of peaceful protests, I have a hard time believing that the economic recovery is going better than expected. How can stocks be rallying at a time like this?*

A: Economically speaking, the GDP destruction from the "non-essential" business lockdowns was at least 100 times greater than that of the riots and looting, so the latter doesn't really move the needle that much. Furthermore, the loss of business activity from the lockdowns is not usually covered by insurance, whereas the damage from riots and looting often is.

As for the overall business impact of the peaceful protests, my own observation is that consumers who may be avoiding downtown restaurants and hotels (out of concern), are still spending their leisure dollars in the suburbs. So while this situation is causing a lot of frustration on all sides, it should not be surprising that the stock market is largely ignoring it. ■

MID-YEAR COMMENTARY

Resurgent Covid Weighs On Stocks

Against the backdrop of the first true pandemic in 100 years that has so far infected 10 million, has claimed 500,000 lives (including 120,000 in the U.S.), and has thrown the global economy into recession, stocks, on balance, fared pretty well these past six months.



John Bonnanzio Or so it may appear. While the S&P 500 is down “just” 3.1% this year, what’s overlooked is that roughly three-quarters of its constituents saw their share prices fall. Moreover, only a handful of high-performing large-cap tech stocks (Amazon, Microsoft and Apple — which together account for 15% of the benchmark’s market weight) masked much of what really happened below the surface.

While 2020 got under way with record low unemployment, solid earnings growth and an accommodative Fed, late January brought news of a sinister new virus in some obscure place called Wuhan. Downplayed by Beijing and initially ignored by pretty much everyone, by February 24 the S&P 500’s single-digit return evaporated. By the end of the first quarter, the S&P 500 was down 19.6%, and the Russell was off 30.6%. And while hardly immune from the impending blowup, the tech-rich Nasdaq Composite showed resilience having declined 14.0% in the first quarter.

Bottoming a week before (March 23), investors started to look past Covid’s economic and human toll. Ignoring the U.S. economy’s shutdown, including 21 million lost jobs, 14.7% unemployment, and thousands of business bankruptcies, stock indexes dramatically rebound-

ed (though most are still in the red for the year).

Support for businesses and individuals by all levels of government has been unprecedented. From backstopping the fixed-income market to providing individuals and companies with cash assistance, government-paid Covid care and even suspending home evictions, never before has government (as well as many companies) moved so decisively to keep a full-blown recession from morphing into depression.

These actions, combined with “Operation Warp Speed,” which aims to fast-track Covid vaccines and/or treatments to market by late this year or early in 2021 (see *Message From Jack* on p. 1), helped to fuel a second quarter turnaround in the S&P 500 of 20.5%!

newed Covid concerns helped send the Dow Jones Industrials down 1,900 points (-6.9%) on June 11. That was followed by a 710-point drop (-2.7%) on June 24 as two dozen states confirmed the virus’ resurgence and a record number of infections were reported in the U.S. Nevertheless, the Dow’s second-quarter performance was its best in two decades.

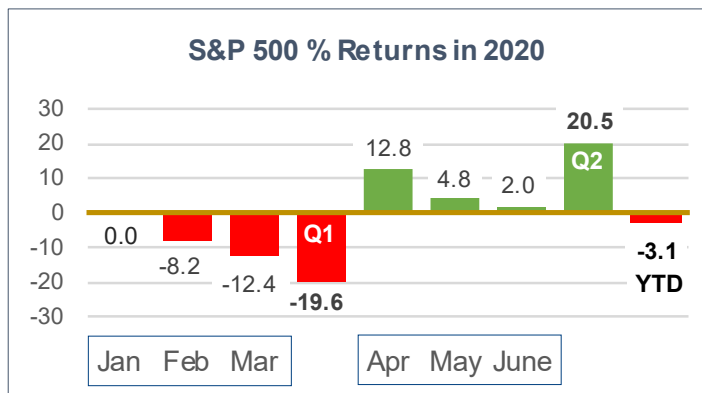
By the time the curtain had fallen on a tumultuous first-half, the S&P 500 retreated a modest 3.1%. For its part, the Dow dropped 8.4% but the Nasdaq rose 12.7%. In sharp contrast to that, mid-caps fell 9.1% and small caps tumbled 13.0%.

Stock Funds

Amid broad gains in June (the Nasdaq Composite popped 6.1%!), large-cap tech was consistently the most resilient over the past six volatile months. So it followed that Fidelity’s large-cap growth funds fared best: on average they rose 11.2% versus -7.0% for large-cap blend funds and -15.5% for large-cap value.

Some value funds received a much-needed lift from health care stocks and even gold companies (bullion has risen 18% this year). But energy shares were among their biggest performance robbers as crude prices plunged. Even bigger performance detractors were financials and industrials which have significantly larger representation in value funds.

Fund Commentary *cont’d* on page 12



June Inflection?

But if only investing were so easy. In late May, the killing of an African-American man by a white Minneapolis police officer sparked a nationwide wave of peaceful protests and sporadic rioting. The tumult continued through all of June. That, coupled with re-

| July Scorecard Rating Changes | | | |
|---|---------|-----|---|
| Fund | Ratings | | Comments |
| | Old | New | |
| Event Driven Opps | S | NR | Merged into Low-Priced Stock - see p. 12. |
| Sel Air Transportation | B | H ↓ | Industry subsidies will run out in September. |
| Sel Banking | B | B ↑ | Repeal of Volcker Rule should increase profitability. |
| Sel Brokerage & Inves | B | B ↑ | Repeal of Volcker Rule should increase profitability. |
| Value Discovery | H | B ↑ | Low risk and improved returns. |
| Disruptor Funds: Ratings will be provided once portfolio holdings are released by Fidelity. | | | |
| 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

JUNE 30, 2020

| Fund No. | Fund Ticker | Fund Name | \$Price (NAV) | Advice | Total Return (%) | | | Avg Annual (%) | | | | | Rel Vol (Risk) ¹ |
|-------------------------|-------------|------------------------------|---------------|------------|------------------|------------|--------------|----------------|-------------|-------------|-----------------------------|----------------|-----------------------------|
| | | | | | Jun | YTD | 3 Mo. | 1 Yr | 3 Yr | 5 Yr | 10 Yr | 15 Yr | |
| Comparative Indexes | | S&P 500 | 3100.3 | | 2.0 | -3.1 | 20.5 | 7.5 | 10.7 | 10.7 | 14.0 | 8.8 | 1.00 |
| | | Nasdaq Composite | 10058.8 | | 6.1 | 12.7 | 30.9 | 26.9 | 19.1 | 16.4 | 18.3 | 12.3 | 1.11 |
| | | Dow Jones Industrials | 25812.9 | | 1.8 | -8.4 | 18.5 | -0.5 | 9.1 | 10.6 | 13.0 | 9.1 | 1.01 |
| | | Russell 2000 (Small Caps) | 1441.4 | | 3.5 | -13.0 | 25.4 | -6.6 | 2.0 | 4.3 | 10.5 | 7.0 | 1.35 |
| | | Bloomberg Barclays Agg Bond* | | | 0.7 | 6.5 | 2.8 | 9.0 | 5.4 | 4.4 | 3.8 | 3.1 | 0.19 |
| Model Portfolios | | Unique Opportunities | | | 4.3 | 3.5 | 26.6 | 12.6 | 10.3 | 9.3 | 12.4 | 8.6 | 1.04 |
| | | Select Growth | | | 3.6 | 2.6 | 27.6 | 14.3 | 12.9 | 11.4 | 14.8 | 10.5 | 1.12 |
| | | Growth & Income | | | 4.0 | 4.8 | 27.9 | 13.6 | 12.6 | 10.4 | 13.0 | 8.1 | 1.08 |
| | | Income | | | 3.9 | 6.2 | 20.2 | 12.8 | 9.5 | 8.7 | 10.2 | 7.2 | 0.76 |
| | | | | | | | | | | | Rel Vol (Risk) ¹ | Assets (\$Mil) | |
| LARGE CAP GROWTH | | | | | Average | 4.7 | 11.2 | 29.2 | 22.9 | 17.6 | 14.1 | 16.3 | 1.07 |
| 312 | FBGRX | Blue Chip Growth | 128.12 | Buy | 7.9 | 18.9 | 37.8 | 32.0 | 22.3 | 17.4 | 18.8 | 1.17 | \$28,566 |
| 307 | FDCAX | Capital Appreciation | 35.93 | Hold | 4.5 | 6.1 | 27.3 | 15.5 | 14.1 | 10.1 | 14.1 | 1.03 | 4,711 |
| 22 | FCNTX | Contrafund | 14.92 | Buy | 4.0 | 9.6 | 26.9 | 17.9 | 16.4 | 14.1 | 15.6 | 1.05 | 99,433 |
| 3 | FFIDX | Fidelity Fund | 54.21 | OK to Buy | 3.0 | 6.9 | 23.4 | 20.5 | 15.3 | 11.7 | 14.1 | 0.95 | 4,403 |
| 333 | FTQGX | Focused Stock | 28.41 | Buy | 4.1 | 9.0 | 27.5 | 18.7 | 20.7 | 14.6 | 16.5 | 1.05 | 2,938 |
| 3336 | FIFNX | Founders Fund | 13.73 | OK to Buy | 5.8 | 18.5 | 34.7 | 25.7 | -- | -- | -- | -- | 43 |
| 25 | FDGRX | Growth Company (Closed) | 26.47 | Buy | 7.8 | 23.9 | 40.6 | 40.2 | 23.5 | 19.2 | 20.0 | 1.25 | 34,452 |
| 339 | FDSVX | Growth Discovery | 45.22 | Buy | 6.0 | 13.8 | 31.4 | 25.3 | 19.4 | 15.9 | 17.6 | 1.06 | 2,080 |
| 73 | FDFFX | Independence | 39.18 | OK to Buy | 2.6 | 7.1 | 24.1 | 16.9 | 14.2 | 9.4 | 13.8 | 1.01 | 3,619 |
| 1829 | FLGEX | Lrge Cap Growth Enhcd Index | 23.55 | OK to Buy | 4.1 | 9.6 | 26.2 | 21.4 | 17.0 | 13.8 | 16.1 | 1.00 | 1,210 |
| 2826 | FSPGX | Lrge Cap Growth Index | 19.05 | Buy | 4.3 | 9.8 | 27.8 | 23.2 | 18.9 | -- | -- | 1.04 | 4,447 |
| 21 | FMAGX | Magellan | 10.92 | OK to Buy | 2.5 | 7.1 | 24.0 | 16.8 | 14.8 | 12.1 | 13.8 | 1.00 | 18,029 |
| 1282 | FNCMX | Nasdaq Composite Index | 126.73 | OK to Buy | 6.1 | 12.5 | 31.0 | 26.7 | 18.9 | 16.1 | 18.1 | 1.11 | 8,594 |
| 93 | FOCPX | OTC | 14.48 | Buy | 5.9 | 13.2 | 30.9 | 29.2 | 19.6 | 18.3 | 19.5 | 1.14 | 15,679 |
| 320 | FDSSX | Stock Selector All Cap | 47.85 | OK to Sell | 3.0 | -0.1 | 25.1 | 10.3 | 10.4 | 9.8 | 13.4 | 1.09 | 8,610 |
| 5 | FTRNX | Trend | 121.51 | Buy | 4.5 | 13.6 | 28.9 | 25.7 | 19.3 | 15.7 | 17.3 | 1.05 | 2,335 |
| LARGE CAP BLEND | | | | | Average | 1.8 | -7.0 | 19.4 | 2.9 | 7.3 | 7.5 | 12.2 | 1.05 |
| 2328 | FXAIX | 500 Index | 107.95 | OK to Buy | 2.0 | -3.1 | 20.5 | 7.5 | 10.7 | 10.7 | 14.0 | 1.00 | 229,012 |
| 315 | FDEQX | Disciplined Equity | 42.21 | OK to Buy | 1.9 | 5.5 | 24.5 | 16.2 | 11.8 | 9.6 | 12.6 | 1.00 | 1,292 |
| 330 | FDGFX | Dividend Growth | 25.70 | OK to Sell | 1.3 | -17.0 | 17.1 | -7.8 | 3.5 | 4.8 | 10.3 | 1.16 | 4,622 |
| 332 | FEXPX | Export and Multinational | 17.41 | OK to Sell | 0.9 | -20.4 | 14.8 | -11.7 | 1.8 | 4.2 | 9.2 | 1.18 | 1,036 |
| 27 | FGRIX | Growth & Income | 37.28 | Hold | 2.1 | -11.3 | 15.7 | -0.5 | 5.1 | 6.5 | 11.9 | 1.03 | 5,335 |
| 1827 | FLCEX | Lrge Cap Core Enhcd Index | 16.01 | OK to Buy | 1.8 | -2.7 | 19.4 | 7.4 | 10.8 | 9.8 | 13.7 | 0.97 | 969 |
| 338 | FLCSX | Large Cap Stock | 28.94 | Hold | 2.4 | -12.0 | 17.2 | -1.2 | 5.2 | 6.5 | 12.5 | 1.10 | 2,251 |
| 361 | FGRTX | Mega Cap Stock | 14.04 | Hold | 2.9 | -9.5 | 17.5 | 2.1 | 6.7 | 7.5 | 12.6 | 1.01 | 773 |
| 300 | FMLX | New Millennium | 31.89 | Hold | 1.1 | -15.2 | 17.3 | -9.5 | 3.7 | 5.3 | 11.2 | 1.10 | 2,212 |
| 2361 | FSKAX | Total Market Index | 87.14 | OK to Buy | 2.3 | -3.5 | 22.1 | 6.4 | 10.0 | 10.0 | 13.7 | 1.05 | 46,378 |
| 5029 | FULVX | U.S. Low Volatility Equity | 9.67 | Hold | -0.3 | -7.0 | 14.9 | -- | -- | -- | -- | -- | 311 |
| 2941 | FITLX | U.S. Sustainability Index | 13.60 | OK to Buy | 1.7 | -1.9 | 20.4 | 9.3 | 11.5 | -- | -- | 0.97 | 393 |
| 3396 | FWOMX | Women's Leadership | 10.82 | Hold | 2.4 | -0.8 | 26.0 | 7.2 | -- | -- | -- | -- | 28 |
| 3231 | FNILX | Zero Large Cap Index | 11.02 | Buy | 2.2 | -2.0 | 21.5 | 8.9 | -- | -- | -- | -- | 2,033 |
| 3227 | FZROX | Zero Total Market Index | 10.93 | OK to Buy | 2.3 | -3.6 | 22.1 | 6.5 | -- | -- | -- | -- | 5,389 |
| LARGE CAP VALUE | | | | | Average | 0.2 | -15.5 | 15.2 | -7.4 | 1.6 | 4.1 | 9.6 | 1.04 |
| 1271 | FBCVX | Blue Chip Value | 16.87 | OK to Sell | 1.8 | -19.6 | 15.9 | -11.3 | -1.1 | 1.9 | 8.0 | 1.06 | 378 |
| 319 | FEQTX | Equity Dividend Income | 21.85 | OK to Buy | 0.8 | -14.5 | 16.8 | -5.4 | 2.4 | 4.9 | 9.6 | 1.06 | 4,052 |
| 23 | FEQIX | Equity-Income | 52.68 | Buy | -0.6 | -12.3 | 12.5 | -3.5 | 3.6 | 5.4 | 9.7 | 0.93 | 4,587 |
| 1828 | FLVEX | Lrge Cap Value Enhcd Index | 11.56 | OK to Buy | -0.7 | -15.6 | 13.6 | -7.9 | 2.6 | 4.8 | 10.9 | 1.03 | 3,481 |
| 2830 | FLCOX | Lrge Cap Value Index | 10.98 | Buy | -0.6 | -16.2 | 14.4 | -8.8 | 1.8 | -- | -- | 1.07 | 2,327 |
| 708 | FSLVX | Stock Sel Large Cap Value | 17.86 | Hold | -0.6 | -16.6 | 15.8 | -9.9 | 0.7 | 3.3 | 9.3 | 1.12 | 336 |
| 832 | FVDFX | Value Discovery | 26.21 | OK to Buy↑ | 1.3 | -13.4 | 17.9 | -4.9 | 1.5 | 4.0 | 10.4 | 1.01 | 1,666 |
| MID-CAP GROWTH | | | | | Average | 2.2 | 4.1 | 28.0 | 14.0 | 13.5 | 10.0 | 13.5 | 1.05 |
| 324 | FDEGX | Growth Strategies | 52.29 | Buy | 2.1 | 4.5 | 25.8 | 14.0 | 13.5 | 10.0 | 13.5 | 1.05 | 2,915 |
| 3403 | FMDGX | Mid Cap Growth Index | 21.71 | Buy | 2.3 | 3.7 | 30.1 | -- | -- | -- | -- | -- | 208 |
| MID-CAP BLEND | | | | | Average | 2.5 | -10.9 | 25.6 | -4.4 | 4.8 | 5.8 | 11.5 | 1.24 |
| 2365 | FSMAX | Extended Market Index | 60.23 | Buy | 4.1 | -5.6 | 31.2 | 1.1 | 6.4 | 6.8 | 12.3 | 1.33 | 23,324 |
| 2012 | FMEIX | Mid Cap Enhanced Index | 13.91 | OK to Buy | 1.9 | -9.6 | 24.3 | -2.9 | 4.2 | 5.3 | 11.9 | 1.20 | 1,150 |
| 2352 | FSMDX | Mid Cap Index | 21.35 | Buy | 1.8 | -9.1 | 24.6 | -2.3 | 5.8 | 6.8 | -- | 1.21 | 13,077 |
| 337 | FMCSX | Mid-Cap Stock | 30.18 | Hold | 1.4 | -13.3 | 21.4 | -7.5 | 3.8 | 5.2 | 11.2 | 1.15 | 4,308 |
| 2412 | FSSMX | Stock Selector Mid Cap | 32.19 | Hold | 2.9 | -14.2 | 25.6 | -7.9 | 3.7 | 4.8 | 10.7 | 1.33 | 292 |
| 3230 | FZIPX | Zero Extended Market Index | 8.75 | Hold | 2.9 | -13.4 | 26.8 | -7.1 | -- | -- | -- | -- | 530 |

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 a Specialty fund with 30%+ typically in foreign stocks. (p) Partial year; (↑) Rating upgraded; (↓) Rating downgraded.

FIDELITY SCORECARD

JUNE 30, 2020

| Fund No. | Fund Ticker | Fund Name | \$Price (NAV) | Advice | Total Return (%) | | | Avg Annual (%) | | | | Rel Vol (Risk) ¹ | Assets (\$Mil) | |
|-------------------------|-------------|----------------------------------|---------------|------------|------------------|------------|--------------|----------------|--------------|-------------|-------------|-----------------------------|----------------|--|
| | | | | | Jun | YTD | 3 Mo. | 1 Year | 3 Year | 5 Year | 10Year | | | |
| MID-CAP VALUE | | | | | Average | 1.4 | -18.7 | 21.1 | -10.6 | -1.2 | 1.5 | 9.3 | 1.32 | |
| 316 | FLPSX | Low-Priced Stock ⁵ | 42.93 | Hold | 1.6 | -14.2 | 19.2 | -3.7 | 2.5 | 3.8 | 10.3 | 1.08 | \$19,029 | |
| 762 | FSMVX | Mid Cap Value | 18.67 | OK to Sell | 0.7 | -19.3 | 19.1 | -12.7 | -3.6 | -0.2 | 9.0 | 1.30 | 852 | |
| 3404 | FIMVX | Mid Cap Value Index | 17.36 | OK to Sell | 1.1 | -18.2 | 19.7 | -- | -- | -- | -- | -- | 249 | |
| 39 | FDVLX | Value | 8.71 | Hold | 2.6 | -21.3 | 25.5 | -13.8 | -2.6 | 0.9 | 9.1 | 1.50 | 4,512 | |
| 14 | FSLSX | Value Strategies | 30.87 | Hold | 1.1 | -20.6 | 22.1 | -12.4 | -1.3 | 1.5 | 8.9 | 1.39 | 254 | |
| SMALL CAP GROWTH | | | | | Average | 3.3 | -2.4 | 28.5 | 6.1 | 13.5 | 11.4 | 15.2 | 1.27 | |
| 1388 | FCPGX | Small Cap Growth | 26.90 | Buy | 2.8 | -1.7 | 26.7 | 6.1 | 13.5 | 11.4 | 15.2 | 1.27 | 2,750 | |
| 3405 | FECGX | Small Cap Growth Index | 20.66 | OK to Buy | 3.8 | -3.2 | 30.4 | -- | -- | -- | -- | -- | 54 | |
| SMALL CAP BLEND | | | | | Average | 3.1 | -13.8 | 26.4 | -7.2 | 1.6 | 3.4 | 10.0 | 1.37 | |
| 384 | FSCRX | Small Cap Discovery | 19.15 | OK to Sell | 4.6 | -17.2 | 30.5 | -9.6 | -1.3 | 1.5 | 10.2 | 1.44 | 2,188 | |
| 2011 | FCPEX | Small Cap Enhanced Index | 11.12 | OK to Sell | 3.4 | -14.9 | 24.1 | -9.6 | -0.8 | 2.2 | 10.2 | 1.36 | 460 | |
| 2358 | FSSNX | Small Cap Index | 18.27 | Hold | 3.6 | -12.9 | 25.5 | -6.5 | 2.2 | 4.5 | -- | 1.35 | 11,021 | |
| 340 | FSLCX | Small Cap Stock | 15.68 | OK to Buy | 2.2 | -13.5 | 29.8 | -7.6 | 2.7 | 3.7 | 8.4 | 1.44 | 1,199 | |
| 336 | FDESCX | Stock Selector Small Cap | 22.87 | OK to Buy | 1.6 | -10.3 | 22.4 | -2.9 | 5.5 | 5.3 | 11.1 | 1.23 | 900 | |
| SMALL CAP VALUE | | | | | Average | 2.8 | -22.0 | 18.1 | -14.7 | -3.6 | 1.4 | 8.8 | 1.25 | |
| 1389 | FCPVX | Small Cap Value | 12.21 | OK to Sell | 2.7 | -20.3 | 17.4 | -14.7 | -3.6 | 1.4 | 8.8 | 1.25 | 1,202 | |
| 3406 | FISVX | Small Cap Value Index | 16.51 | OK to Sell | 2.9 | -23.6 | 18.9 | -- | -- | -- | -- | -- | 139 | |
| REAL ESTATE | | | | | | | | | | | | | | |
| 1368 | FIREX | International Real Estate | 11.48 | Hold | 1.1 | -11.8 | 10.1 | -3.0 | 5.3 | 5.2 | 8.8 | 0.81 | 214 | |
| 833 | FRIFX | Real Estate Income | 10.78 | OK to Sell | 4.4 | -13.0 | 16.8 | -8.1 | 1.2 | 4.2 | 7.1 | 0.97 | 2,031 | |
| 2355 | FSRNX | Real Estate Index | 13.15 | OK to Sell | 1.9 | -22.0 | 9.2 | -17.7 | -2.0 | 2.4 | -- | 1.12 | 2,031 | |
| 303 | FRESX | Real Estate Investment | 37.97 | OK to Sell | 1.9 | -15.3 | 10.4 | -10.0 | 1.3 | 5.1 | 9.6 | 1.00 | 3,698 | |
| ASSET ALLOCATION | | | | | | | | | | | | | | |
| 328 | FASIX | Asset Manager 20% | 13.77 | Hold | 1.5 | 1.7 | 7.5 | 5.5 | 4.6 | 4.2 | 4.8 | 0.30 | 5,200 | |
| 1957 | FTANX | Asset Manager 30% | 11.49 | Hold | 1.9 | 1.5 | 9.9 | 6.3 | 5.3 | 4.9 | 5.9 | 0.39 | 1,796 | |
| 1958 | FFANX | Asset Manager 40% | 12.08 | Hold | 2.1 | 1.1 | 11.9 | 6.6 | 5.8 | 5.4 | 6.8 | 0.49 | 1,822 | |
| 314 | FASMX | Asset Manager 50% | 18.65 | Hold | 2.4 | 0.4 | 13.9 | 6.7 | 6.1 | 5.8 | 7.6 | 0.58 | 9,066 | |
| 1959 | FSANX | Asset Manager 60% | 12.96 | Hold | 2.6 | -0.4 | 15.9 | 6.7 | 6.4 | 6.2 | 8.3 | 0.68 | 2,834 | |
| 321 | FASGX | Asset Manager 70% | 22.39 | Hold | 2.9 | -1.4 | 17.7 | 6.3 | 6.7 | 6.5 | 9.1 | 0.78 | 4,964 | |
| 347 | FAMRX | Asset Manager 85% | 19.58 | Hold | 3.2 | -2.5 | 20.3 | 6.2 | 7.1 | 7.1 | 10.1 | 0.91 | 2,379 | |
| 304 | FBALX | Balanced | 24.94 | Buy | 2.7 | 2.0 | 18.3 | 10.5 | 9.3 | 8.3 | 10.4 | 0.76 | 26,201 | |
| 355 | FFNOX | Four-in-One Index | 47.05 | Hold | 2.4 | -3.7 | 17.8 | 4.2 | 7.1 | 7.2 | 10.3 | 0.84 | 6,333 | |
| 3083 | FMSDX | Multi-Asset Income | 11.36 | OK to Buy | 0.5 | -1.1 | 11.1 | 7.8 | 7.0 | -- | -- | 0.52 | 80 | |
| 4 | FPURX | Puritan | 23.52 | Buy | 2.7 | 3.8 | 16.9 | 11.1 | 9.6 | 8.4 | 10.5 | 0.70 | 21,803 | |
| INTERNATIONAL | | | | | Average | 5.0 | -6.5 | 20.3 | 1.5 | 4.1 | 4.8 | 7.6 | 1.02 | |
| 309 | FICDX | Canada | 45.47 | Hold | 1.6 | -13.7 | 16.0 | -9.5 | 1.1 | 1.7 | 3.4 | 1.06 | 642 | |
| 352 | FHKCX | China Region | 44.32 | Hold | 11.6 | 12.1 | 25.6 | 29.1 | 14.6 | 7.7 | 10.6 | 1.19 | 1,275 | |
| 325 | FDIVX | Diversified International | 39.68 | OK to Buy | 5.5 | -2.0 | 21.5 | 7.9 | 5.5 | 4.5 | 7.9 | 0.92 | 8,991 | |
| 351 | FSEAX | Emerging Asia | 53.13 | OK to Buy | 13.6 | 16.9 | 33.1 | 29.1 | 14.9 | 11.6 | 10.3 | 1.10 | 1,184 | |
| 2053 | FEMEX | Emerg Europe, MidEast, Africa | 7.88 | Hold | 3.4 | -22.7 | 22.6 | -18.6 | -0.5 | 1.4 | 3.1 | 1.37 | 47 | |
| 322 | FEMKX | Emerging Markets | 35.00 | OK to Buy | 8.6 | 0.1 | 23.9 | 10.8 | 9.1 | 8.3 | 6.4 | 1.05 | 3,467 | |
| 2374 | FEDDX | Emerging Mkts Discovery | 13.31 | Hold | 10.6 | -8.0 | 29.0 | -1.8 | 0.5 | 3.3 | -- | 1.22 | 187 | |
| 2344 | FPADX | Emerging Markets Index | 9.93 | Hold | 7.1 | -9.6 | 18.8 | -3.4 | 1.9 | 2.6 | -- | 1.10 | 2,912 | |
| 5031 | FEOPX | Enduring Opportunities | 10.74 | OK to Buy | 3.6 | 2.0 | 24.9 | -- | -- | -- | -- | -- | 8 | |
| 301 | FIEUX | Europe | 33.53 | OK to Buy | 4.2 | -7.5 | 18.8 | -1.2 | 1.4 | 2.3 | 6.9 | 0.99 | 723 | |
| 2406 | FGILX | Global Equity Income | 14.70 | OK to Buy | 2.5 | -5.5 | 16.8 | 6.1 | 6.7 | 6.2 | -- | 0.85 | 68 | |
| 2348 | FSGGX | Global ex U.S. Index | 11.97 | Hold | 4.5 | -10.6 | 16.8 | -4.5 | 1.2 | 2.4 | -- | 0.95 | 5,334 | |
| 335 | FIVFX | International Cap App | 22.64 | Buy | 5.0 | -1.3 | 19.0 | 6.6 | 8.9 | 8.2 | 10.9 | 0.88 | 3,977 | |
| 305 | FIGRX | International Discovery | 44.01 | Hold | 4.9 | -3.1 | 22.1 | 5.7 | 4.6 | 4.2 | 7.6 | 0.93 | 6,826 | |
| 2010 | FIENX | International Enhanced Index | 8.64 | Hold | 3.7 | -10.9 | 15.4 | -6.3 | -0.2 | 1.9 | 6.4 | 0.92 | 1,136 | |
| 1979 | FIGFX | International Growth | 15.50 | OK to Buy | 3.9 | -2.7 | 18.1 | 8.0 | 7.8 | 7.0 | 9.7 | 0.87 | 1,237 | |
| 2363 | FSPSX | International Index | 38.29 | Hold | 3.4 | -10.9 | 15.8 | -4.7 | 1.0 | 2.2 | 6.0 | 0.91 | 25,540 | |
| 818 | FISMX | International Small Cap | 23.82 | OK to Sell | 3.2 | -15.2 | 17.9 | -8.3 | -1.0 | 3.5 | 8.5 | 1.03 | 1,064 | |
| 1504 | FSCOX | Int'l Small Cap Opps (Closed) | 19.25 | OK to Buy | 1.6 | -6.6 | 19.5 | 4.3 | 5.3 | 6.5 | 10.7 | 0.93 | 1,055 | |
| 2988 | FNIDX | International Sustainability Idx | 10.28 | Hold | 4.9 | -8.3 | 17.8 | -1.0 | 2.2 | -- | -- | 0.93 | 105 | |
| 1597 | FIVLX | International Value | 7.02 | OK to Sell | 4.8 | -15.8 | 17.2 | -10.3 | -4.0 | -1.5 | 3.4 | 1.05 | 400 | |
| 350 | FJPNX | Japan | 15.75 | Hold | 1.5 | -3.3 | 18.4 | 7.4 | 5.2 | 6.2 | 6.5 | 0.88 | 337 | |
| 360 | FJSCX | Japan Smaller Companies | 15.57 | OK to Sell | -0.6 | -9.6 | 11.9 | 1.1 | 2.9 | 6.4 | 10.5 | 0.79 | 597 | |
| 349 | FLATX | Latin America | 18.69 | OK to Sell | 8.9 | -36.4 | 25.4 | -26.8 | -2.9 | -1.1 | -3.4 | 2.00 | 327 | |
| 342 | FNORX | Nordic | 47.41 | Hold | 2.5 | -0.8 | 21.9 | 5.1 | 2.4 | 5.7 | 10.0 | 0.99 | 248 | |
| 94 | FOSFX | Overseas | 49.33 | OK to Buy | 3.4 | -4.7 | 18.8 | 2.7 | 4.5 | 5.4 | 8.9 | 0.90 | 5,901 | |
| 302 | FPBFX | Pacific Basin | 35.09 | Hold | 7.7 | 1.6 | 22.3 | 13.1 | 8.8 | 8.9 | 11.0 | 0.96 | 938 | |
| 2369 | FTEMX | Total Emerging Markets | 12.44 | Hold | 7.2 | -7.4 | 21.3 | -1.0 | 2.8 | 4.8 | -- | 1.02 | 189 | |
| 1978 | FTIEX | Total International Equity | 9.12 | OK to Buy | 4.8 | -7.0 | 19.2 | 0.8 | 3.7 | 4.3 | 6.9 | 0.95 | 63 | |
| 2834 | FTIHX | Total International Index | 11.06 | Hold | 4.2 | -11.0 | 17.4 | -4.6 | 1.0 | -- | -- | 0.96 | 4,181 | |
| 318 | FWWFX | Worldwide | 29.71 | Buy | 4.5 | 4.8 | 26.5 | 13.9 | 13.6 | 10.0 | 12.6 | 0.99 | 2,057 | |
| 3228 | FZILX | Zero International Index | 9.33 | Hold | 4.3 | -10.5 | 17.4 | -3.9 | -- | -- | -- | -- | 1,475 | |

FIDELITY SCORECARD

JUNE 30, 2020

| Fund No. | Fund Ticker | Fund Name | \$Price (NAV) | Advice | Total Return (%) | | | Avg Annual (%) | | | | Rel Vol (Risk) ¹ | Assets (\$Mil) | |
|------------------------------------|-------------|-----------------------------|---------------|------------|------------------|-------|------------|----------------|-------------|-------------|------------|-----------------------------|----------------|-------------|
| | | | | | Jun | YTD | 3 Mo. | 1 Year | 3 Year | 5 Year | 10Year | | | |
| SPECIALTY | | | | | | | | | | | | | | |
| 308 | FCV SX | Convertible Securities | 32.96 | OK to Buy | 3.0 | 6.1 | 20.5 | 15.5 | 11.9 | 7.7 | 9.8 | 0.75 | \$1,437 | |
| 2120 | FFGCX | Global Commodity Stock | 10.43 | Hold | 0.8 | -18.5 | 20.7 | -14.7 | -0.1 | -0.9 | 0.1 | 1.28 | 171 | |
| 3488 | FNSTX | Infrastructure Fund | 10.20 | OK to Sell | 1.3 | -3.0 | 14.7 | -- | -- | -- | -- | -- | 11 | |
| 122 | FLVCX | Leveraged Company Stock | 29.47 | Buy | 2.3 | -9.1 | 30.6 | 0.9 | 4.8 | 3.6 | 10.5 | 1.42 | 1,586 | |
| 1329 | FSDIX | Strategic Dividend & Income | 14.42 | Hold | 0.6 | -6.0 | 13.4 | 0.9 | 5.4 | 6.8 | 10.2 | 0.74 | 2,568 | |
| 1505 | FSRRX | Strategic Real Return | 7.79 | Hold | 1.7 | -6.9 | 8.9 | -4.1 | 0.8 | 0.8 | 2.5 | 0.52 | 158 | |
| 311 | FIUIX | Telecom & Utilities | 24.41 | Hold | -3.3 | -11.1 | 7.3 | -3.4 | 6.0 | 7.2 | 11.0 | 0.78 | 932 | |
| DISRUPTOR / MEGATREND FUNDS | | | | | Average | | 2.8 | | | | | | | |
| 6041 | FARMX | Agricultural Productivity | 11.04 | na | 1.2 | 10.4p | -- | -- | -- | -- | -- | -- | 4 | |
| 6036 | FBOTX | Disruptive Automation | 12.11 | na | 1.8 | 21.1p | -- | -- | -- | -- | -- | -- | 20 | |
| 6037 | FNETX | Disruptive Communications | 12.09 | na | 4.4 | 20.9p | -- | -- | -- | -- | -- | -- | 14 | |
| 6038 | FNTEX | Disruptive Finance | 11.95 | na | 0.8 | 19.5p | -- | -- | -- | -- | -- | -- | 12 | |
| 6039 | FMEDX | Disruptive Medicine | 11.19 | na | 1.2 | 11.9p | -- | -- | -- | -- | -- | -- | 16 | |
| 6040 | FTEKX | Disruptive Technology | 12.68 | na | 10.3 | 26.8p | -- | -- | -- | -- | -- | -- | 22 | |
| 6043 | FGDFX | Disruptors | 12.00 | na | 3.7 | 20.0p | -- | -- | -- | -- | -- | -- | 32 | |
| 6042 | FLOWX | Water Sustainability | 10.62 | na | -1.2 | 6.20p | -- | -- | -- | -- | -- | -- | 6 | |
| SELECT PORTFOLIOS | | | | | Average | | 1.9 | -7.8 | 24.4 | 1.0 | 5.6 | 6.2 | 11.1 | 1.36 |
| 34 | FSAIX | Air Transportation | 46.51 | Hold↓ | 4.5 | -34.3 | 14.0 | -31.1 | -7.3 | 0.5 | 9.8 | 1.58 | 254 | |
| 502 | FSAVX | Automotive | 32.73 | Hold | 4.3 | -1.3 | 35.0 | 13.6 | 8.3 | 4.0 | 10.8 | 1.41 | 36 | |
| 507 | FSRBX | Banking | 16.90 | Buy↑ | 2.2 | -34.6 | 15.8 | -25.4 | -7.1 | -0.3 | 6.8 | 1.71 | 303 | |
| 42 | FBIOX | Biotechnology | 23.83 | OK to Buy | 4.0 | 14.0 | 33.6 | 30.7 | 13.4 | 4.1 | 20.9 | 1.44 | 7,701 | |
| 68 | FSLBX | Brokerage & Investment | 77.44 | Buy↑ | 1.2 | -2.3 | 23.5 | 11.0 | 8.3 | 6.2 | 10.1 | 1.14 | 316 | |
| 69 | FSCHX | Chemicals | 11.05 | Hold | 0.7 | -10.7 | 25.9 | -12.3 | -4.1 | 1.9 | 11.3 | 1.40 | 629 | |
| 518 | FSDCX | Communications Equipment | 32.76 | Hold | 0.2 | -6.5 | 16.6 | -11.5 | 3.2 | 5.2 | 8.0 | 1.06 | 145 | |
| 503 | FBMPX | Communication Services | 65.85 | Buy | 1.2 | 5.3 | 26.5 | 15.6 | 11.8 | 8.9 | 16.1 | 1.10 | 614 | |
| 7 | FDCPX | Computers | 79.60 | OK to Buy | 6.8 | 0.5 | 18.2 | 20.8 | 15.0 | 13.5 | 14.2 | 1.08 | 522 | |
| 511 | FSHOX | Construction & Housing | 57.68 | OK to Buy | 3.2 | -1.3 | 33.0 | 10.0 | 10.4 | 9.9 | 15.5 | 1.35 | 272 | |
| 517 | FSCPX | Consumer Discretionary | 51.03 | Buy | 2.6 | 3.4 | 31.9 | 9.3 | 13.3 | 10.6 | 15.6 | 1.26 | 416 | |
| 98 | FSVLX | Consumer Finance | 12.93 | Hold | 2.6 | -26.7 | 24.4 | -22.0 | 0.8 | 2.7 | 9.2 | 1.62 | 108 | |
| 9 | FDFA X | Consumer Staples | 80.60 | OK to Buy | 0.5 | -7.3 | 11.2 | 1.1 | 1.0 | 4.0 | 10.0 | 0.85 | 746 | |
| 67 | FSDAX | Defense & Aerospace | 13.40 | Buy | -4.2 | -24.9 | 11.6 | -20.9 | 4.3 | 8.3 | 13.2 | 1.49 | 1,917 | |
| 60 | FSENX | Energy | 22.06 | Hold | -0.7 | -37.8 | 30.3 | -39.2 | -15.5 | -11.7 | -2.1 | 2.18 | 727 | |
| 43 | FSE SX | Energy Service | 11.71 | Hold | 1.9 | -52.1 | 42.1 | -54.9 | -33.3 | -24.6 | -11.1 | 2.93 | 160 | |
| 516 | FSLEX | Environment & Alt Energy | 21.51 | OK to Sell | 2.3 | -12.4 | 18.8 | -7.6 | 2.0 | 6.4 | 8.7 | 1.22 | 163 | |
| 66 | FID SX | Financial Services | 7.92 | Buy | 2.6 | -22.7 | 18.9 | -12.5 | 0.0 | 3.7 | 7.6 | 1.37 | 412 | |
| 41 | FSAGX | Gold | 30.46 | OK to Sell | 6.5 | 25.9 | 55.6 | 42.2 | 15.0 | 14.7 | -2.6 | 1.88 | 1,807 | |
| 63 | FSPHX | Health Care | 30.13 | Buy | 1.6 | 8.6 | 22.1 | 25.8 | 16.1 | 9.9 | 19.6 | 1.09 | 8,941 | |
| 505 | FSHCX | Health Care Services | 104.50 | OK to Buy | -3.1 | 0.5 | 15.9 | 19.3 | 12.0 | 9.3 | 16.0 | 1.22 | 1,059 | |
| 515 | FCYIX | Industrials | 28.96 | Buy | -0.5 | -14.4 | 20.0 | -11.8 | 1.8 | 4.8 | 10.9 | 1.32 | 455 | |
| 45 | FSPCX | Insurance | 50.02 | Hold | 2.2 | -18.1 | 15.6 | -13.4 | 0.5 | 5.6 | 10.9 | 1.13 | 175 | |
| 353 | FBSOX | IT Services | 78.53 | OK to Buy | 0.9 | 5.1 | 25.4 | 12.7 | 22.5 | 17.6 | 20.4 | 1.16 | 3,994 | |
| 62 | FDLSX | Leisure | 12.62 | Buy | -1.8 | -16.7 | 23.8 | -13.2 | 3.6 | 5.6 | 12.8 | 1.37 | 403 | |
| 509 | FSDPX | Materials | 63.31 | Hold | 2.2 | -8.4 | 24.3 | -8.4 | -3.4 | 0.1 | 7.0 | 1.29 | 390 | |
| 354 | FSMEX | Medical Tech & Devices | 61.81 | OK to Buy | 2.1 | 5.2 | 22.4 | 14.1 | 16.7 | 16.5 | 18.5 | 1.08 | 6,569 | |
| 513 | FSNGX | Natural Gas | 9.90 | Hold | -3.6 | -45.3 | 22.9 | -49.6 | -23.3 | -18.8 | -7.7 | 2.25 | 90 | |
| 514 | FNARX | Natural Resources | 18.44 | Hold | 0.4 | -30.3 | 34.8 | -28.9 | -9.6 | -8.4 | -1.4 | 2.06 | 265 | |
| 580 | FPHAX | Pharmaceuticals | 23.67 | Buy | 0.7 | 4.6 | 16.2 | 22.3 | 12.8 | 4.9 | 14.8 | 0.90 | 894 | |
| 46 | FSRPX | Retailing | 18.69 | OK to Buy | 3.6 | 11.0 | 34.9 | 18.4 | 19.3 | 16.5 | 20.1 | 1.25 | 2,955 | |
| 8 | FSELX | Semiconductors | 12.21 | Buy | 6.9 | 4.6 | 31.0 | 35.0 | 22.9 | 22.3 | 20.8 | 1.54 | 4,005 | |
| 28 | FSCSX | Software & IT Services | 22.79 | OK to Buy | 5.3 | 18.5 | 32.1 | 30.8 | 26.0 | 23.6 | 22.5 | 1.08 | 10,008 | |
| 64 | FSPTX | Technology | 23.09 | Buy | 9.0 | 20.8 | 36.4 | 42.7 | 25.0 | 22.9 | 20.2 | 1.23 | 8,290 | |
| 96 | FSTCX | Telecommunications | 63.79 | Hold | 0.4 | 6.1 | 15.4 | 14.4 | 6.9 | 7.7 | 10.4 | 0.78 | 232 | |
| 512 | FSRFX | Transportation | 72.61 | Hold | 2.2 | -15.4 | 19.2 | -11.6 | 0.6 | 5.2 | 11.4 | 1.33 | 276 | |
| 65 | FSUTX | Utilities | 80.57 | OK to Sell | -4.0 | -13.6 | 5.1 | -6.3 | 6.7 | 8.7 | 11.2 | 0.83 | 977 | |
| 963 | FWRLX | Wireless | 11.37 | OK to Buy | 5.0 | 8.2 | 24.4 | 28.5 | 16.2 | 12.9 | 13.5 | 0.87 | 382 | |
| SECTOR ETFs | | | | | Average | | 1.1 | -8.4 | 20.3 | -0.3 | 5.6 | 7.2 | 1.19 | |
| | FCOM | MSCI Communication Services | 35.31 | OK to Buy | 0.1 | -0.7 | 21.9 | 7.6 | 6.9 | 8.8 | -- | 1.05 | 530 | |
| | FDIS | MSCI Consumer Discretionary | 52.03 | Buy | 6.2 | 8.5 | 38.1 | 15.2 | 14.9 | 12.4 | -- | 1.31 | 773 | |
| | FSTA | MSCI Consumer Staples | 34.87 | OK to Buy | -0.1 | -6.1 | 8.5 | 3.1 | 4.7 | 6.7 | -- | 0.77 | 626 | |
| | FENY | MSCI Energy | 9.93 | Hold | -0.8 | -36.2 | 33.6 | -37.9 | -14.2 | -11.1 | -- | 2.17 | 477 | |
| | FNCL | MSCI Financials | 33.13 | Buy | 0.4 | -24.1 | 13.5 | -15.0 | -0.7 | 5.1 | -- | 1.30 | 730 | |
| | FHLC | MSCI Health Care | 49.77 | OK to Buy | -1.6 | 1.1 | 16.2 | 12.3 | 11.0 | 8.3 | -- | 0.95 | 1,900 | |
| | FIDU | MSCI Industrials | 35.90 | Buy | 1.8 | -13.7 | 18.4 | -7.9 | 2.9 | 6.9 | -- | 1.27 | 332 | |
| | FTEC | MSCI Information Technology | 82.24 | Buy | 7.0 | 14.3 | 31.5 | 33.8 | 25.9 | 22.3 | -- | 1.16 | 4,100 | |
| | FMAT | MSCI Materials | 30.83 | Hold | 2.2 | -8.9 | 26.4 | -3.8 | 1.6 | 4.5 | -- | 1.24 | 146 | |
| | FREL | MSCI Real Estate | 23.38 | OK to Sell | 2.3 | -14.1 | 13.2 | -7.2 | 3.1 | 5.9 | -- | 1.04 | 993 | |
| | FUTY | MSCI Utilities | 36.47 | OK to Sell | -4.8 | -12.1 | 2.4 | -4.0 | 5.9 | 10.0 | -- | 0.81 | 814 | |

FIDELITY SCORECARD

JUNE 30, 2020

| Fund No. | Fund Ticker | Fund Name | \$Price (NAV) | Advice | Total Return (%) | | | Avg Annual (%) | | | | SEC %Yield | Dur ² (Yrs) | Rel Vol (Risk) ¹ | |
|------------------------|-------------|--|---------------|------------|------------------|------------|-------------|----------------|-------------|------------|------------|------------|------------------------|-----------------------------|-------------|
| | | | | | Jun | YTD | 3 Mo. | 1 Yr | 3 Yr | 5 Yr | 10 Yr | | | | |
| TAXABLE BOND | | | | | Average | 0.7 | 5.6 | 3.0 | 7.9 | 4.8 | 3.8 | 3.6 | 1.03 | 4.9 | 0.22 |
| 2267 | FCONX | Conservative Income Bond | 10.06 | Buy | 0.3 | 0.8 | 1.9 | 2.0 | 2.0 | 1.6 | -- | 0.52 | 0.3 | 0.07 | |
| 2208 | FCBFX | Corporate Bond | 12.68 | Buy | 2.2 | 5.9 | 10.2 | 10.1 | 6.6 | 5.9 | 6.0 | 1.91 | 7.8 | 0.41 | |
| 2423 | FGBFX | Global Credit | 9.82 | Hold | 2.1 | 2.8 | 9.8 | 7.6 | 5.4 | 4.7 | -- | 2.49 | 7.1 | 0.44 | |
| 15 | FGMNX | GNMA (Ginnie Mae) | 11.80 | OK to Buy | -0.1 | 3.2 | 1.0 | 4.9 | 3.4 | 2.8 | 3.0 | 1.66 | 0.1 | 0.12 | |
| 54 | FGOVX | Government Income | 11.18 | Hold | 0.1 | 7.4 | 0.5 | 9.0 | 4.9 | 3.6 | 3.1 | 0.47 | 5.5 | 0.21 | |
| 2418 | FIPDX | Inflation-Protected Index ³ | 10.68 | OK to Buy | 1.1 | 6.1 | 4.2 | 8.3 | 5.0 | 3.8 | -- | 0.38* | 5.7 | 0.21 | |
| 32 | FTHRXX | Intermediate Bond | 11.49 | Buy | 1.2 | 5.0 | 4.7 | 6.9 | 4.3 | 3.5 | 3.4 | 1.07 | 4.0 | 0.18 | |
| 452 | FSTGX | Intermediate Gov't Income | 11.16 | OK to Buy | -- | 5.7 | 0.5 | 6.7 | 3.8 | 2.7 | 2.4 | 0.07 | 3.8 | 0.15 | |
| 3045 | FUAMX | Intermediate Treasury Index | 12.04 | Hold | 0.2 | 9.7 | 0.7 | 11.1 | 6.0 | 4.5 | 4.0 | 0.51 | 6.5 | 0.27 | |
| 4506 | FBIX | International Bond Index | 10.05 | Hold | 0.5 | 2.1 | 2.5 | -- | -- | -- | -- | 0.63 | 8.0 | -- | |
| 26 | FBNDX | Investment Grade Bond | 8.71 | Buy | 1.6 | 7.5 | 5.7 | 10.3 | 6.1 | 4.9 | 4.5 | 1.37 | 5.8 | 0.21 | |
| 2622 | FJRLX | Limited Term Bond | 11.92 | Buy | 1.0 | 3.3 | 4.6 | 5.0 | 3.5 | 2.8 | 3.0 | 1.20 | 2.7 | 0.16 | |
| 662 | FFXSX | Limited Term Government | 10.37 | OK to Buy | 0.1 | 4.1 | 0.4 | 4.9 | 2.9 | 2.0 | 1.6 | -0.02 | 2.8 | 0.11 | |
| 3047 | FNBGX | Long-Term Treasury Index | 16.96 | Sell | 0.3 | 21.6 | -0.6 | 25.4 | 11.9 | 9.3 | 7.6 | 1.35 | 19.2 | 0.72 | |
| 40 | FMSFX | Mortgage Securities | 11.65 | OK to Buy | 0.1 | 3.5 | 1.3 | 5.5 | 3.9 | 3.2 | 3.3 | 1.61 | 0.4 | 0.13 | |
| 450 | FSHBX | Short-Term Bond | 8.86 | OK to Buy | 0.7 | 2.8 | 3.0 | 4.2 | 2.8 | 2.2 | 1.8 | 0.82 | 2.0 | 0.10 | |
| 3041 | FNSOX | Short-Term Bond Index | 10.39 | OK to Buy | 0.3 | 4.1 | 1.6 | 5.4 | -- | -- | -- | 0.46 | 2.6 | -- | |
| 3049 | FUMBX | Short-Term Treasury Index | 10.89 | OK to Buy | 0.0 | 4.2 | 0.2 | 5.3 | 3.2 | 2.3 | 1.8 | 0.21 | 2.6 | 0.11 | |
| 3086 | FNDX | Sustainability Bond Index | 11.08 | Hold | 0.6 | 6.5 | 2.5 | 8.9 | -- | -- | -- | 1.20 | 5.4 | -- | |
| 820 | FTBFX | Total Bond | 11.34 | Buy | 1.4 | 5.3 | 5.9 | 8.1 | 5.3 | 4.7 | 4.5 | 1.79 | 5.5 | 0.23 | |
| 2326 | FXNAX | U.S. Bond Index | 12.54 | Hold | 0.7 | 6.5 | 2.8 | 9.0 | 5.4 | 4.3 | 3.8 | 1.37 | 5.5 | 0.19 | |
| HIGH-YIELD BOND | | | | | Average | 0.9 | -4.1 | 9.8 | -1.0 | 2.5 | 3.7 | 5.3 | 4.42 | 3.6 | 0.52 |
| 38 | FAGIX | Capital & Income | 9.45 | Buy | 1.2 | -5.7 | 14.4 | -0.6 | 3.6 | 4.5 | 7.1 | 4.38 | 4.8 | 0.71 | |
| 814 | FFRHXX | Floating Rate High Income | 8.74 | OK to Buy | 0.4 | -5.8 | 8.4 | -3.2 | 1.5 | 2.4 | 3.4 | 5.08 | 0.3 | 0.49 | |
| 1366 | FHIFX | Focused High Income | 8.48 | Buy | 0.2 | -2.9 | 7.2 | 1.0 | 3.7 | 4.3 | 5.7 | 3.87 | 3.7 | 0.41 | |
| 2297 | FGHXX | Global High Income | 8.91 | OK to Buy | 1.8 | -5.0 | 12.7 | -1.9 | 2.3 | 3.8 | -- | 5.33 | 3.8 | 0.61 | |
| 455 | SPHIX | High Income | 8.19 | Buy | 0.2 | -6.2 | 8.3 | -2.6 | 2.6 | 4.0 | 5.9 | 4.72 | 3.6 | 0.52 | |
| 331 | FNMX | New Markets Income | 14.15 | Hold | 2.6 | -3.9 | 12.0 | -2.3 | 0.5 | 4.0 | 5.3 | 4.84 | 5.4 | 0.67 | |
| 2580 | FSAHX | Short Duration High Income | 9.09 | Buy | -0.1 | -2.0 | 7.1 | 0.2 | 2.6 | 2.9 | -- | 3.76 | 2.3 | 0.37 | |
| 3082 | FADMXX | Strategic Income | 12.17 | OK to Buy | 1.0 | -1.0 | 8.2 | 1.7 | 3.3 | 4.0 | 4.8 | 3.34 | 4.9 | 0.38 | |
| MUNICIPAL BOND | | | | | Average | 1.0 | 1.0 | 1.9 | 3.0 | 3.5 | 3.3 | 3.7 | 1.31 | 5.6 | 0.22 |
| 434 | FSAZX | Arizona Muni Income | 12.45 | OK to Sell | 0.7 | 1.5 | 2.3 | 3.8 | 3.7 | 3.6 | 4.1 | 1.06 | 6.1 | 0.23 | |
| 1534 | FCSTX | Calif Limited Term Tax Free | 10.81 | OK to Sell | 0.3 | 1.4 | 2.1 | 2.7 | 2.2 | 2.0 | 2.1 | 0.69 | 3.1 | 0.13 | |
| 91 | FCFTX | California Muni Income | 13.25 | OK to Sell | 1.0 | 1.4 | 2.3 | 3.6 | 3.9 | 3.7 | 4.5 | 1.32 | 6.5 | 0.25 | |
| 407 | FICNX | Connecticut Muni Income | 11.79 | OK to Sell | 1.3 | 1.2 | 2.1 | 3.5 | 3.9 | 3.4 | 3.7 | 1.45 | 6.0 | 0.23 | |
| 2578 | FCRDXX | Conservative Income Muni | 10.04 | Buy | 0.4 | 0.5 | 0.6 | 1.2 | 1.3 | 1.0 | -- | 0.68 | 0.6 | 0.04 | |
| 36 | FLTMXX | Interm Municipal Income | 10.67 | OK to Sell | 1.1 | 1.5 | 2.7 | 3.4 | 3.6 | 3.2 | 3.3 | 1.23 | 4.9 | 0.22 | |
| 404 | FSTFX | Limited Term Muni Income | 10.76 | OK to Sell | 0.8 | 1.5 | 2.5 | 2.7 | 2.4 | 2.0 | 1.9 | 0.93 | 2.8 | 0.14 | |
| 429 | SMDMX | Maryland Muni Income | 11.60 | OK to Sell | 1.1 | 0.6 | 1.2 | 2.7 | 3.2 | 3.4 | 3.5 | 1.33 | 6.2 | 0.24 | |
| 70 | FDMMXX | Mass Muni Income | 12.44 | OK to Sell | 0.8 | 1.4 | 2.0 | 3.5 | 3.6 | 3.5 | 4.0 | 1.25 | 6.3 | 0.23 | |
| 81 | FMHTX | Michigan Muni Income | 12.60 | OK to Sell | 0.7 | 2.3 | 2.3 | 4.4 | 4.1 | 3.8 | 4.0 | 1.15 | 6.3 | 0.22 | |
| 82 | FIMIX | Minnesota Muni Income | 12.01 | OK to Sell | 0.4 | 2.0 | 2.1 | 4.0 | 3.7 | 3.4 | 3.5 | 1.02 | 5.9 | 0.22 | |
| 3469 | FMBIX | Municipal Bond Index | 19.97 | OK to Sell | 0.8 | 0.3 | 1.2 | -- | -- | -- | -- | 1.48 | 6.1 | -- | |
| 37 | FHIGX | Municipal Income | 13.26 | OK to Sell | 1.9 | 0.4 | 2.1 | 2.7 | 4.1 | 3.9 | 4.4 | 1.84 | 7.1 | 0.30 | |
| 416 | FNJHXX | New Jersey Muni Income | 12.07 | OK to Sell | 2.2 | -0.4 | 1.7 | 1.9 | 4.3 | 4.0 | 4.0 | 1.82 | 6.5 | 0.29 | |
| 71 | FTFMXX | New York Muni Income | 13.38 | OK to Sell | 1.2 | 0.5 | 1.2 | 2.5 | 3.5 | 3.4 | 3.9 | 1.54 | 7.1 | 0.27 | |
| 88 | FOHFX | Ohio Muni Income | 12.34 | OK to Sell | 0.8 | 0.9 | 1.7 | 3.0 | 3.5 | 3.7 | 4.1 | 1.37 | 6.2 | 0.24 | |
| 402 | FPXTX | Pennsylvania Muni Income | 11.34 | OK to Sell | 0.8 | 0.9 | 1.3 | 3.2 | 3.8 | 3.6 | 4.1 | 1.47 | 6.7 | 0.24 | |
| 90 | FTABX | Tax-Free Bond | 11.81 | OK to Sell | 1.9 | 0.6 | 2.3 | 3.0 | 4.2 | 4.0 | 4.5 | 1.95 | 6.9 | 0.30 | |

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 | |
|---|-------|---------------------------|------|--------|------|
| | | Jun | YTD | %Yield | |
| 55 | FDRXX | Gov't Cash Reserves | 0.00 | 0.27 | 0.01 |
| 458 | SPAXX | Government MM | 0.00 | 0.25 | 0.01 |
| 2742 | FZFX | Treasury MM | 0.00 | 0.25 | 0.01 |
| 415 | FDLXX | Treasury Only MM (closed) | 0.00 | 0.26 | 0.01 |
| PRIME MONEY MARKETS | | | | | |
| 454 | SPRXX | Money Market* | 0.00 | 0.36 | 0.01 |
| *Available in premium class shares (FZDXX) with a \$100,000 minimum (\$10,000 for certain Fidelity retirement accounts) and lower expenses. | | | | | |
| NATIONAL MUNICIPAL MONEY MARKETS | | | | | |
| 10 | FTEXX | Municipal Money Market | 0.00 | 0.38 | 0.01 |
| 275 | FMOXX | Tax-Exempt MM | 0.00 | 0.34 | 0.01 |

| STATE MUNICIPAL MONEY MARKETS | | | Total Return (%) | | SEC |
|-------------------------------|-------|-------------------------|------------------|------|--------|
| | | | Jun | YTD | %Yield |
| 433 | FSAXX | Arizona Muni MM | 0.00 | 0.32 | 0.01 |
| 97 | FCFXX | California Muni MM | 0.00 | 0.34 | 0.01 |
| 457 | FSPXX | California AMT Tax-Free | 0.00 | 0.33 | 0.01 |
| 418 | FCMXX | Connecticut Muni MM | 0.00 | 0.32 | 0.01 |
| 426 | FMSXX | Mass AMT Tax-Free | 0.00 | 0.37 | 0.01 |
| 74 | FDMXX | Massachusetts Muni MM | 0.00 | 0.37 | 0.01 |
| 420 | FMIXX | Michigan Muni MM | 0.00 | 0.33 | 0.01 |
| 417 | FNJXX | New Jersey Muni MM | 0.00 | 0.32 | 0.01 |
| 423 | FSJXX | New Jersey AMT Tax-Free | 0.00 | 0.36 | 0.05 |
| 92 | FNYXX | New York Muni MM | 0.00 | 0.35 | 0.01 |
| 422 | FSNXX | New York AMT Tax-Free | 0.01 | 0.39 | 0.03 |
| 419 | FOMXX | Ohio Muni MM | 0.00 | 0.32 | 0.01 |
| 401 | FPTXX | Pennsylvania Muni MM | 0.03 | 0.37 | 0.01 |

FIDELITY SCORECARD

JUNE 30, 2020

| Fund No. | Fund Ticker | Fund Name | Style | \$Price (NAV) | Advice | Total Return (%) | | | Avg Annual (%) | | | | Rel Vol (Risk) ¹ |
|--|-------------------------------|-----------------------------------|-------------------|---------------|------------|------------------|-------|-------|----------------|--------|--------|---------|-----------------------------|
| | | | | | | Jun | YTD | 3 Mo. | 1 Year | 3 Year | 5 Year | 10 Year | |
| FIDELITY PERSONAL RETIREMENT ANNUITY PORTFOLIOS | | | | | | | | | | | | | |
| Model Portfolios | Annuity Sector Model | | | | | 3.4 | 1.9 | 27.2 | 13.1 | 12.7 | 11.8 | 14.3 | 1.11 |
| | Annuity Growth Model | | | | | 4.5 | 3.0 | 28.6 | 11.9 | 11.6 | 10.0 | 12.7 | 1.10 |
| | Annuity Growth & Income Model | | | | | 4.0 | 5.6 | 19.8 | 13.2 | 8.7 | 7.4 | 9.4 | 0.74 |
| | Annuity Income Model | | | | | 1.5 | 3.2 | 9.9 | 7.1 | 4.6 | 4.5 | 5.1 | 0.40 |
| 9067 | FLRQC | Fid VIP Asset Manager | Allocation | 22.53 | Hold | 2.4 | 0.3 | 13.8 | 6.5 | 5.8 | 4.7 | 7.2 | 0.58 |
| 9066 | FAECC | Fid VIP Asset Manager: Growth | Allocation | 23.52 | Hold | 2.8 | -1.5 | 17.5 | 6.0 | 6.3 | 5.1 | 8.6 | 0.77 |
| 9069 | FJBAC | Fid VIP Balanced | Allocation | 29.19 | Buy | 2.6 | 1.8 | 17.8 | 10.1 | 8.9 | 7.9 | 10.2 | 0.76 |
| 9461 | FBIQC | Fid VIP Bond Index | Bond | 11.71 | Hold | 0.6 | 6.3 | 2.5 | 8.6 | -- | -- | -- | -- |
| 9173 | FVTAC | Fid VIP Communication Services | Sector | 21.88 | Buy | 1.1 | 4.9 | 26.4 | 15.0 | 10.9 | 10.0 | 11.9 | 1.05 |
| 9081 | FVHAC | Fid VIP Consumer Discretionary | Sector | 38.62 | Buy | 2.5 | 3.6 | 32.3 | 9.3 | 13.1 | 10.3 | 15.3 | 1.25 |
| 9171 | FCSAC | Fid VIP Consumer Staples | Sector | 27.65 | OK to Buy | 0.4 | -6.9 | 10.7 | 1.2 | 1.9 | 5.4 | 10.8 | 0.84 |
| 9065 | FPDFC | Fid VIP Contrafund | Large Growth | 36.31 | Buy | 3.5 | 9.1 | 25.2 | 19.2 | 13.4 | 11.2 | 13.7 | 0.99 |
| 9148 | FPRGC | Fid VIP Disciplined Small Cap | Small Blend | 19.38 | OK to Sell | 3.4 | -15.0 | 23.9 | -9.9 | -1.1 | 1.8 | 9.7 | 1.36 |
| 9074 | FZAMC | Fid VIP Emerging Capital App | Large Growth | 37.51 | Hold | 4.5 | 6.2 | 27.3 | 15.5 | 13.8 | 9.7 | 13.9 | 1.02 |
| 9198 | FEMAC | Fid VIP Emerging Markets | Emg Mkts | 11.72 | OK to Buy | 7.5 | -4.6 | 21.8 | 2.7 | 5.9 | 6.3 | 5.1 | 1.08 |
| 9085 | FJLLC | Fid VIP Energy | Sector | 8.30 | Hold | -0.6 | -38.1 | 30.2 | -39.6 | -15.6 | -11.9 | -2.3 | 2.18 |
| 9061 | FLOLC | Fid VIP Equity-Income | Large Value | 22.14 | Buy | -0.6 | -12.5 | 12.3 | -4.1 | 3.2 | 5.0 | 10.0 | 0.93 |
| 9469 | FEMJC | Fid VIP Extended Market Index | Mid Blend | 9.17 | Buy | 2.9 | -13.4 | 26.8 | -7.5 | -- | -- | -- | -- |
| 9083 | FONNC | Fid VIP Financial Services | Sector | 12.87 | Buy | 2.6 | -22.9 | 19.0 | -12.6 | -0.2 | 3.4 | 7.4 | 1.37 |
| 9361 | FFLCC | Fid VIP Floating Rate High Income | High-Yield Bond | 11.49 | OK to Buy | 0.6 | -4.6 | 8.9 | -1.9 | 1.6 | 2.4 | -- | 0.47 |
| 9157 | FMPAC | Fid VIP FundsManager 20 | Allocation | 16.97 | Hold | 1.0 | 2.2 | 6.0 | 5.6 | 4.4 | 3.7 | 4.2 | 0.24 |
| 9158 | FMPBC | Fid VIP FundsManager 50 | Allocation | 20.12 | Hold | 1.9 | 0.6 | 12.6 | 6.6 | 5.9 | 5.4 | 7.1 | 0.54 |
| 9197 | FMPCC | Fid VIP FundsManager 60 | Allocation | 19.22 | Hold | 2.1 | -0.5 | 14.8 | 6.2 | 6.2 | 5.8 | 8.0 | 0.65 |
| 9159 | FMPDC | Fid VIP FundsManager 70 | Allocation | 21.29 | Hold | 2.3 | -1.6 | 16.8 | 5.8 | 6.3 | 6.1 | 8.7 | 0.75 |
| 9160 | FMPDC | Fid VIP FundsManager 85 | Allocation | 21.92 | Hold | 2.7 | -3.3 | 19.7 | 5.1 | 6.7 | 6.7 | 9.8 | 0.90 |
| 9059 | FTNJC | Fid VIP Gov't Money Market | Money Mkt | 11.76 | -- | -0.0 | 0.2 | -0.0 | 1.0 | 1.2 | 0.7 | 0.3 | 0.01 |
| 9062 | FMNDC | Fid VIP Growth | Large Growth | 43.40 | Buy | 6.0 | 13.8 | 31.4 | 25.3 | 19.3 | 15.8 | 17.3 | 1.06 |
| 9070 | FLFNC | Fid VIP Growth & Income | Large Blend | 26.71 | Hold | 2.2 | -11.5 | 15.8 | -0.9 | 4.7 | 6.1 | 11.6 | 1.03 |
| 9068 | FIDPC | Fid VIP Growth Opportunities | Large Growth | 55.40 | Buy | 9.0 | 21.4 | 42.5 | 35.4 | 28.8 | 20.9 | 20.8 | 1.23 |
| 9084 | FPDRC | Fid VIP Health Care | Sector | 58.77 | Buy | 1.1 | 7.4 | 20.8 | 22.0 | 14.8 | 8.9 | 18.9 | 1.08 |
| 9060 | FBBLC | Fid VIP High Income | High-Yield Bond | 21.45 | Buy | 0.2 | -6.1 | 8.6 | -2.6 | 1.9 | 3.2 | 5.3 | 0.53 |
| 9064 | FXVLT | Fid VIP Index 500 | Large Blend | 32.71 | OK to Buy | 2.0 | -3.3 | 20.5 | 7.1 | 10.3 | 10.3 | 13.6 | 1.00 |
| 9082 | FBALC | Fid VIP Industrials | Sector | 32.72 | Buy | -0.3 | -14.2 | 20.0 | -11.6 | 1.7 | 4.6 | 10.7 | 1.32 |
| 9473 | FFIQC | Fid VIP International Index | Diversified Int'l | 9.35 | Hold | 4.3 | -10.7 | 17.2 | -4.4 | -- | -- | -- | -- |
| 9076 | FVJIC | Fid VIP Int'l Capital App | Diversified Int'l | 23.76 | Buy | 5.0 | -1.6 | 19.1 | 6.3 | 8.6 | 7.9 | 10.6 | 0.88 |
| 9063 | FTLKC | Fid VIP Investment Grade Bond | Inv Grd Bond | 18.81 | Buy | 1.4 | 5.8 | 5.6 | 8.6 | 5.2 | 4.4 | 4.0 | 0.22 |
| 9172 | FVMAC | Fid VIP Materials | Sector | 17.92 | Hold | 3.6 | -10.7 | 22.7 | -10.1 | -4.2 | -0.6 | 6.6 | 1.28 |
| 9071 | FNBS | Fid VIP Mid Cap | Mid Blend | 26.54 | Buy | 2.5 | -12.7 | 24.6 | -8.3 | 0.4 | 2.9 | 8.5 | 1.28 |
| 9088 | FEMMC | Fid VIP Overseas | Diversified Int'l | 18.75 | OK to Buy | 3.5 | -4.9 | 18.8 | 2.2 | 4.0 | 3.6 | 7.3 | 0.90 |
| 9072 | FFWKC | Fid VIP Real Estate | Sector | 23.16 | OK to Sell | 0.8 | -14.6 | 10.9 | -10.5 | -0.1 | 3.2 | 8.6 | 1.00 |
| 9075 | FGDQC | Fid VIP Strategic Income | High-Yield Bond | 20.88 | OK to Buy | 1.0 | -0.9 | 7.8 | 1.5 | 3.0 | 3.7 | 4.4 | 0.37 |
| 9086 | FYENC | Fid VIP Technology | Sector | 72.37 | Buy | 8.9 | 20.9 | 36.2 | 42.7 | 25.4 | 22.8 | 19.8 | 1.23 |
| 9465 | FTMJC | Fid VIP Total Market Index | Large Blend | 11.30 | OK to Buy | 2.3 | -3.8 | 22.0 | 6.1 | -- | -- | -- | -- |
| 9087 | FXRRC | Fid VIP Utilities | Sector | 31.12 | OK to Sell | -4.1 | -14.1 | 5.3 | -6.6 | 6.5 | 8.4 | 11.0 | 0.84 |
| 9079 | FKMSC | Fid VIP Value | Large Value | 21.12 | OK to Buy | 1.3 | -19.7 | 21.6 | -10.9 | -0.6 | 2.3 | 9.4 | 1.33 |
| 9073 | FRBSC | Fid VIP Value Strategies | Mid Value | 21.27 | Hold | 1.1 | -20.6 | 21.9 | -12.5 | -1.6 | 0.9 | 8.5 | 1.38 |
| 9347 | FBMEC | Black Rock Global Allocation | Global Allocation | 14.95 | Hold | 2.0 | 0.3 | 14.7 | 6.7 | 4.7 | 4.2 | 6.0 | 0.62 |
| 9349 | FTMEC | Franklin Templeton Global Bond | Global Bond | 10.82 | Hold | -0.6 | -5.5 | -0.8 | -6.6 | -1.1 | -0.4 | 2.2 | 0.34 |
| 9348 | FFMEC | Franklin Templeton US Gov't | Intermed Gov't | 11.27 | Hold | -0.1 | 3.4 | 0.7 | 4.6 | 2.9 | 2.0 | 1.8 | 0.12 |
| 9285 | FIGXC | Invesco Global Core Eqty | Global Stock | 13.76 | Hold | 3.1 | -9.3 | 21.2 | -1.5 | 1.9 | 3.4 | 6.4 | 1.09 |
| 9147 | FPRLC | Lazard Retirement Emerging Mkts | Emg Mkts | 13.70 | Hold | 2.8 | -22.2 | 11.9 | -16.7 | -5.4 | -1.4 | 1.0 | 1.18 |
| 9143 | FPRMC | Morgan Stanley Emerg Mkt Debt | Emg Mkt Bond | 19.77 | Hold | 3.6 | -3.8 | 12.2 | -1.4 | 1.7 | 3.6 | 4.1 | 0.65 |
| 9144 | FPRNC | Morgan Stanley Emerg Mkt Equity | Emg Mkts | 13.79 | Hold | 7.7 | -12.3 | 20.0 | -4.9 | -1.0 | 1.0 | 2.5 | 1.11 |
| 9146 | FPRPC | Morgan Stanley Global Strategist | Diversified Int'l | 14.50 | Hold | 2.4 | -6.3 | 13.8 | -1.1 | 3.1 | 3.6 | 6.4 | 0.68 |
| 9346 | FPMEC | Pimco Commodity Real Return | Commodities | 4.71 | Hold | 3.5 | -19.3 | 10.7 | -17.0 | -6.0 | -7.6 | -5.1 | 0.89 |
| 9276 | FPMBC | Pimco VIT Low Duration | Shrt-Term Bond | 12.34 | Buy | 0.5 | 2.0 | 2.0 | 3.0 | 2.1 | 1.5 | 1.7 | 0.09 |
| 9277 | FPNBC | Pimco VIT Real Return | TIPS | 14.69 | OK to Buy | 1.4 | 5.8 | 5.2 | 7.8 | 4.5 | 3.3 | 3.1 | 0.22 |
| 9278 | FPOBC | Pimco VIT Total Return | Intermed Bond | 15.33 | Hold | 1.1 | 6.0 | 4.2 | 8.1 | 4.9 | 4.0 | 3.7 | 0.20 |

| Annuity Sector | | Annuity Growth | | Annuity Growth & Income | | Annuity Income | |
|----------------------------|------------|----------------------------|------------|----------------------------|------------|----------------------------|------------|
| Fund | Allocation | Fund | Allocation | Fund | Allocation | Fund | Allocation |
| VIP Technology | 27% | VIP Growth Opps | 33% | VIP Growth Opps | 24% | Pimco VIT Low Duration | 33% |
| VIP Cons Discretionary | 18 | VIP Contrafund | 30 | VIP Contrafund | 21 | VIP Contrafund | 29 |
| VIP Health Care | 15 | VIP Extended Market | 22 | VIP Int'l Cap App | 19 | VIP Investment Grade | 21 |
| VIP Comm Services | 15 | VIP Equity-Income | 15 | VIP High Income | 17 | VIP High Income | 17 |
| VIP Financial Services | 13 | | | VIP Investment Grade | 10 | | |
| VIP Industrials | 12 | | | Pimco VIT Low Dur | 9 | | |
| Total Return: | | Total Return: | | Total Return: | | Total Return: | |
| Jun: 3.4% YTD: 1.9% | | Jun: 4.5% YTD: 3.0% | | Jun: 4.0% YTD: 5.6% | | Jun: 1.5% YTD: 3.2% | |

INCOME INVESTING

Alternatives To Dividend-Paying Stocks

With waves of companies slashing dividends, should high-yielding stock funds (such as Fidelity's 10-highest in the nearby table) play a role in income-oriented portfolios?

At first blush, this might seem like a good time to unload them. For starters, the IMF projects global GDP to decline 4.9% this year with the U.S. retreating 5.9%. In such an environment, profits are under pressure and would likely be under more if we get a second Covid lockdown.

Also, some corporate balance sheets had already been stretched heading into the pandemic as they gorged themselves on inexpensive debt. Making matters worse, operating costs are expected to rise through a combination of higher payroll expenses and even stepped-up health-safety measures.

And with so much economic uncertainty, some companies feel compelled to retain cash rather than dole it out as dividends.

In the case of the nation's biggest banks, the Fed's stress-test highlighted the sector's fragility — and that was with them factoring in a 10% unemployment rate rather than the nearly 15% recently recorded.

The upshot is that banks, typically one of the highest-dividend-paying sectors, won't be allowed to increase their dividends unless they can show the Federal Reserve a requisite amount of income growth. And that might not be enough.

Large banks with brokerage and investment banking divisions may actually have the financial wherewithal to up their payouts, but the Fed may be more focused on the actual health of a bank's underlying loan portfolios.

Dividend Chopping Block

Other sectors under pressure are energy and consumer discretionary.

In the first case, oil prices have nosedived amid a glut of supply and withering demand. One measure of the carnage is the decline in U.S. rotary rigs used for oil extraction: the present count is 188, down 76% from the 793 in operation a year ago! While Chevron and Exxon have committed to maintaining their dividends, for the first time in 80 years, Royal Dutch announced plans to slash theirs, and Occidental Petroleum and Apache are following suit.

| | Distributed Yield | YTD | Rating |
|---------------------|--------------------------|---------|------------|
| | Last 12 months 6/19-5/20 | Ret (%) | |
| Real Estate Inc | 5.01% | -13.0 | OK to Sell |
| EMEA Fund | 4.84% | -22.7 | Hold |
| Europe | 4.61% | -7.5 | OK to Buy |
| Real Estate Idx | 3.62% | -22.0 | OK to Sell |
| Nordic | 3.43% | -0.8 | Hold |
| Strategic Real Ret | 3.28% | -6.9 | Hold |
| International Value | 3.28% | -15.8 | OK to Sell |
| Global Comdty Stk | 3.13% | -18.5 | Hold |
| Int'l Enhanced Idx | 3.03% | -10.9 | Hold |
| Int'l Index | 2.98% | -10.9 | Hold |

As for travel and entertainment concerns, they were among the first to cut or suspend dividends: Delta Airlines, Marriott and Carnival come to mind. And with brick and mortar retailers still mostly closed and squeezed by Amazon, income-oriented investors should have concerns there, too.

But if the past is prologue, the very largest companies will do all they can to preserve their payouts. While it's hardly surprising that GM and Ford have suspended theirs, Apple and Microsoft might raise theirs because they can!

The Dividend King

Where does this leave real estate investment trusts (or REITs)?

REITs are the biggest dividend payers because they must be: 90% of their taxable income is paid to shareholders. But with malls and movie theaters empty, commercial and residential tenants unable to pay

their rents, hospital and self-storage REITs have fared a bit better.

So where's this leave REIT dividends? With their cash flow restrained, shareholders will be paid in company stock. But with the prospect of more pain to come and **Real Estate Index** fund down 22% this year, it's a perfect example of how a high dividend isn't worth the larger downside risk of a capital loss. In other words, don't be sucked into buying a fund simply because of its yield. To that end, we wouldn't run out to buy any of Fidelity's top-yielding funds.

Presently, a better (and less risky) approach to income generation is holding a combination of high-yield bonds and a diversified bond fund that's rich with corporates (rather than governments) securities. Keeping in mind that inflation is a negligible 0.1% (yes, that will rise as the economy recovers), even today's lower-yielding bonds will keep you ahead of inflation. For example, with yields of 4.38% and 4.72%, respectively, **Capital & Income** and **High Income** are giving high-yielding stock funds a run for their money, and they stand to benefit more from a recovering economy.

As for investment-grade funds, we like **Limited Term Bond** and **Total Bond** which yield 1.20% and 1.79%, respectively. Both have less credit risk relative to high-yield funds, while their yields get a boost from corporates. And, when combined with **Conservative Income's** very short-maturity corporates, risk is further reduced.

Amid so much uncertainty, corporate dividends will remain under stress for the foreseeable future. In fact, Bank of America estimates that dividend payouts for the S&P 500 could fall 10% this year, having hit a record high of \$491 billion last year. While that decline is already priced in, income investors should be especially careful to risk catching a falling knife. ■

— John Bonanzio

Inside Fidelity

Fund Merger — On June 19, Fidelity merged the closed **Event-Driven Opportunities** [FARNX] fund into **Low-Priced Stock** [FLPSX]. This ends the brief life of Event-Driven.

Launched with some fanfare in late December 2013, and armed with reams of back-testing suggesting that its “special situations” approach would yield market-beating returns, it basically enjoyed one good year out of its six-plus-year history: In 2016 it returned 20.0% versus 12.0% for the S&P 500.

However after a so-so year in

2017, it performed miserably in both 2018 (-19.2% versus -4.4%) and 2019 (up 5.5% versus 31.5%) leading to its closure and eventual disappearance.

For the record, we rate **Low-Priced Stock Hold**. (Categorized in our *Scorecard* as a mid-cap value fund, it is more precisely a specialty fund with small-, mid- and even large-cap holdings — plus a sizeable foreign stake.) To that end, investors wanting mid-cap exposure are advised to hold the more growth-oriented **Growth Strategies** [FDEGX] or **Mid Cap Growth Index** [FMDGX] funds.

New Funds — Fidelity has launched three actively managed, nontransparent ETFs. Each carries a familiar name: **Blue Chip Growth ETF**, **Blue Chip Value ETF** and **New Millennium ETF**. Available commission-free, Fidelity claims that they are more tax-efficient while expenses are a bit lower than their “regular” namesakes: all are capped at 0.59%. Even so, inefficient bid-ask spreads can overwhelm any fee advantage (thin trading and market volatility can widen spreads). And because timely performance data for ETFs is hard to come by, we have no plans to cover these offerings. ■

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 July:

500 Index, Agricultural Productivity, Asset Mgr 40%, Asset Mgr 50%, Balanced, Convertible Secs, Disruptive Automation, Disruptive Communications, Disruptive Finance, Disruptive Medicine, Disruptive Tech, Disruptors, Equity Dividend Inc, Equity-Inc, Global Credit, Global Equity Inc, Growth & Inc, Int’l Bond Index, Puritan, Strategic Dividend & Inc, Strategic Real Ret, Telecom & Utilities, Water Sustainability.

The final distributions for June were as follows:

| Fund | Ex-Date | \$ Amt | NAV |
|---------------------|---------|--------|-------|
| Capital & Inc | 6/5 | 0.025 | 9.73 |
| Event Driven Opp | 6/17 | 0.096 | 8.70 |
| Large Cap Stock | 6/5 | 0.603 | 30.67 |
| Lge Cap Grow Idx | 6/5 | 0.176 | 18.85 |
| Lge Cap Value Idx | 6/5 | 0.096 | 11.89 |
| Mid Cap Index | 6/5 | 0.129 | 22.45 |
| Mid-Cap Stock | 6/5 | 0.915 | 32.49 |
| Real Estate Idx | 6/5 | 0.070 | 14.50 |
| Real Estate Inc | 6/5 | 0.088 | 11.01 |
| Real Estate Invest | 6/5 | 0.095 | 40.62 |
| Small Cap Index | 6/5 | 0.041 | 19.08 |
| U.S. Low Volatility | 6/5 | 0.003 | 9.86 |
| Women’s Lead | 6/5 | 0.016 | 11.09 |

Fund Commentary *cont’d from page 5*

Funds with lower market caps have struggled the most this year. With the Russell 2000 down 13.0% and mid-caps off 9.1%, double-digit declines in these areas were the norm. The two worst-hit were **Small Cap Value Index** (down 23.6%) and the mid-cap-oriented **Value** fund (down 21.3%).

Select Funds

With investors fleeing stocks for “safe harbor” assets such as cash, **Select Gold** (up 25.9%) was a beneficiary of bullion’s 18% rise. But Fidelity’s tech-related offerings also surged, especially **Technology** (up 20.8%) which is the most diversified of its six offerings in that space. Other strong performers this first half were health-care related, communications/telecom and, perhaps surprisingly, **Retailing** (up 11.0%). The secret to its success: more than half the fund’s holdings are crowded into two hot subsectors: internet-related retail and home improvement stores.

Bond Funds

With bond yields falling in excess of a percentage point across virtually the entire maturity spectrum (the benchmark 10-year Treasury fell 127 basis points to 0.66%), **U.S. Bond Index** gained 6.5% in the first half. During the same period, Fidelity’s longest duration fund, **Long-Term Treasury Index**, skyrocketed 21.6%.

And while corporates rallied in the second quarter, first-quarter gains by government bond funds provided them with a sizeable performance lead through the entire first half. For example, **Intermediate Bond** rose 5.0% for the year-to-date versus 9.7% for **Intermediate Treasury Index**.

While falling bond yields also aided muni funds, concern over widening budget shortfalls were a headwind. Still, all but **NJ Muni Income** (-0.4%) gained ground through June. Among nationally diversified funds, **Intermediate Muni** and **Limited Term Muni** fared best rising 1.5% apiece. ■

— John Bonnanzio

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