

# FIDELITY MONITOR & INSIGHT

JULY 2022

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**MESSAGE FROM JACK**

## Surge In Stock Buybacks Reflects Insiders' Optimism

The widespread pessimism among individual investors stands in stark contrast to the outlook among S&P 500 executives who bought back shares at record levels in the first quarter and appear poised to do so again in the second quarter.



Jack Bowers

These insiders, who know more about future earnings growth potential than anyone else, can only be described as bullish. Despite higher borrowing costs, labor shortages, and the growing likelihood of a recession,

many are coming to the conclusion that they are sitting on far more cash than is necessary to sustain operations. And many are seeing the potential return on their own company shares being greater than other opportunities for deploying capital, such as automation, paying down debt, or acquisitions.

Stock buybacks are a form of shareholder compensation. Unlike dividends, which compensate shareholders directly, stock buybacks reduce the number of outstanding shares. Other things being equal, this boosts earnings per share, because shareholders end up owning a slightly bigger slice of the company. In effect, shareholders are compensated indirectly through stock price appreciation (which is taxed at lower rates than dividends if the shares are held for more than a year).

At the end of the first quarter (the latest period for which data is available), share repurchases were \$281 billion for the first three months of the year, and \$985 billion for the trailing 12-month period (an increase of 97.2% over the prior 12-month period). Both figures are all-time records. According to Howard Silverblatt, Standard & Poor's Senior Index Analyst, companies likely maintained their buyback activities in the second quarter, getting even more shares for the same expenditures, potentially providing an even greater boost to earnings per share.

Stock repurchasing activity was surprisingly widespread; 432 firms reported buyback activity in the first quarter, and 374 reported buybacks of at least \$5 million. And the impact was significant, with 17.6% of firms

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**MID-YEAR REPORT**

## Markets Turn Red Under Weight Of Inflation, Fed, Covid & War

"Market Outlook" and "Fund Commentary" have been combined this month to provide a more seamless overview of the markets and Fidelity's fund performance at mid-year.



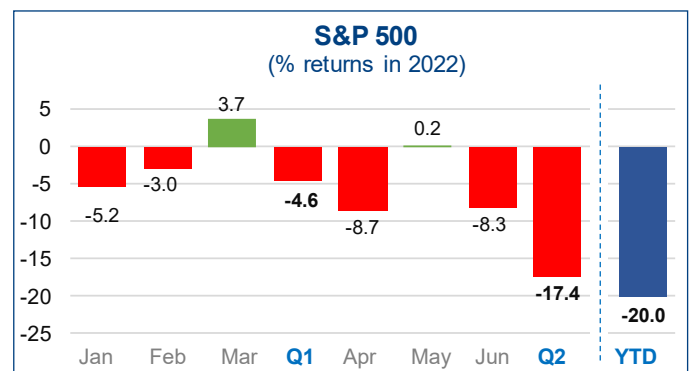
John Bonnanzio

By almost every measure, including the red-strewn chart below, the first six months of 2022 have been quite painful. In fact, the S&P 500 (down 20%) had its worst start since 1970; the Dow Industrials (down 14.4%) had its worst since 1962!

With stress fractures first appearing in September 2021 (when the Fed seemed perplexed over its oh-so-quiet concern of producer prices rising 4.2% annually versus nearly 11% today), inflation fears, supply-chain woes and a Chinese real estate bubble were easily discounted as the country's robust labor market and strong corporate profits made these issues appear surmountable.

And even after it became clear in December that Russian soldiers weren't amassing on the Ukraine border in an act of cultural unity, did a new Covid variant finally pack enough punch to pinch 2021's gargantuan gains.

Alas, a more humble view of what may lay ahead grew clearer in January: that years of unrestrained fiscal and monetary stimuli (and not just supply-chain woes) had also fueled inflation. Of course, that was before a single Russian "peacekeeper" had goose-stepped his way into Ukraine. Though the invasion united the West in ways Putin didn't consider, the economic downside was apparent: oil prices shot up 35% in the two weeks after



Mid-Year Report cont'd on page 4

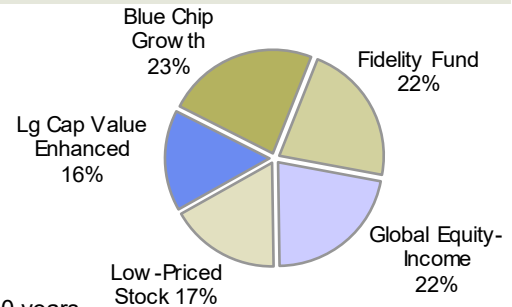
**Unique Opportunities** Target Risk: 1.20 (Current: 1.00) Foreign Holdings: 19.1% **YTD Return: -22.5%**

Stocks: 97.9% Bonds: 0.0% Cash: 2.1% Alternatives\*: 0.0% Yield: 0.6%

Holdings	Ticker	NAV	Shares	Value	Jun Ret
Blue Chip Growth	FBGRX	\$116.58	1,686.15	\$196,571	-11.0%
Fidelity Fund	FFIDX	58.06	3,169.43	184,017	-8.1
Global Equity-Income	FGILX	15.69	11,649.01	182,773	-7.3
Low-Priced Stock	FLPSX	46.52	3,066.97	142,675	-10.4
Lg Cap Value Enhanced	FLVEX	14.18	9,265.91	131,391	-9.0

**Current Value (3/31/99 = \$100,000)** **\$837,427** **-9.2%**

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



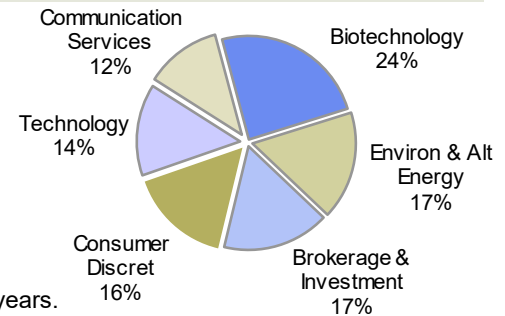
**Select** Target Risk: 1.20 (Current: 1.15) Foreign Holdings: 5.8% **YTD Return: -24.9%**

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

Holdings	Ticker	NAV	Shares	Value	Jun Ret
Biotechnology	FBIOX	\$14.49	98,303.79	\$1,424,422	8.1%
Environ & Alt Energy	FSLEX	26.38	37,427.92	987,349	-8.4
Brokerage & Investment	FSLBX	97.35	10,041.18	977,509	-10.4
Consumer Discret	FSCPX	42.33	21,982.32	930,511	-11.8
Technology	FSPTX	18.47	45,249.55	835,759	-10.6
Communication Services	FBMPX	61.62	11,248.73	693,147	-9.0

**Current Value (12/31/88 = \$100,000)** **\$5,848,697** **-6.3%**

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



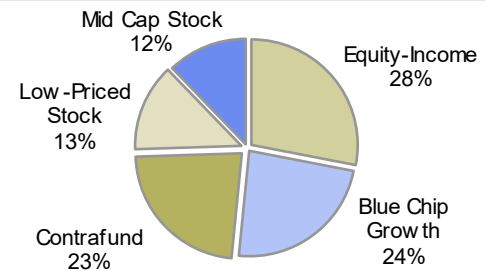
**Growth** Target Risk: 1.00 (Current: 1.03) Foreign Holdings: 15.1% **YTD Return: -22.9%**

Stocks: 96.8% Bonds: 0.0% Cash: 3.1% Alternatives\*: 0.0% Yield: 0.7%

Holdings	Ticker	NAV	Shares	Value	Jun Ret
Equity-Income	FEQIX	\$62.56	18,767.67	\$1,174,105	-7.0%
Blue Chip Growth	FBGRX	116.58	8,431.08	982,895	-11.0
Contrafund	FCNTX	13.30	72,139.21	959,452	-8.8
Low-Priced Stock	FLPSX	46.52	12,003.55	558,405	-10.4
Mid Cap Stock	FMCSX	35.05	14,515.03	508,752	-9.6

**Current Value (12/31/86 = \$100,000)** **\$4,183,609** **-9.1%**

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



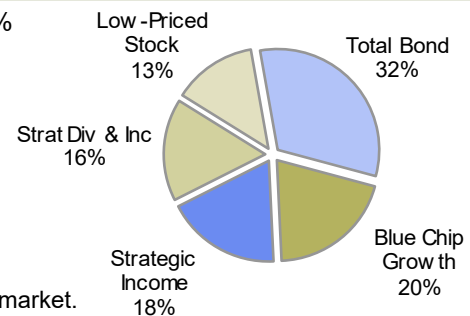
**Growth & Income** Target Risk: 0.66 (Current: 0.64) Foreign Holdings: 16.0% **YTD Return: -17.5%**

Stocks: 41.1% Bonds: 33.6% Cash: 1.5% Alternatives\*: 23.9% Yield: 2.5%

Holdings	Ticker	NAV	Shares	Value	Jun Ret
Total Bond	FTBFX	\$9.69	30,648.58	\$296,985	-2.5%
Blue Chip Growth	FBGRX	116.58	1,597.85	186,277	-11.0
Strategic Income	FADMX	11.03	15,371.08	169,543	-4.1
Strat Div & Inc	FSDIX	15.55	9,782.65	152,120	-5.5
Low-Priced Stock	FLPSX	46.52	2,659.22	123,707	-10.4

**Current Value (12/31/93 = \$100,000)** **\$928,632** **-6.1%**

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



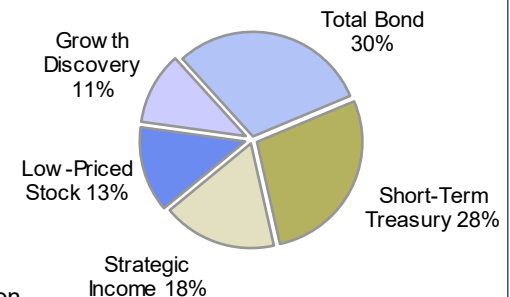
**Income** Target Risk: 0.33 (Current: 0.38) Foreign Holdings: 14.2% **YTD Return: -10.6%**

Stocks: 23.7% Bonds: 57.9% Cash: 1.5% Alternatives\*: 16.9% Yield: 2.1%

Holdings	Ticker	NAV	Shares	Value	Jun Ret
Total Bond	FTBFX	\$9.69	14,286.77	\$138,439	-2.5%
Short-Term Treasury	FUMBX	10.06	12,630.29	127,061	-0.7
Strategic Income	FADMX	11.03	7,238.15	79,837	-4.1
Low-Priced Stock	FLPSX	46.52	1,294.92	60,240	-10.4
Growth Discovery	FDSVX	42.65	1,192.85	50,875	-6.5

**Current Value (12/31/91 = \$100,000)** **\$456,451** **-3.8%**

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



Message cont'd from page 1

buying back enough shares to lift earnings per share by 4% or more year-over-year. The activity was less top-heavy compared with the past, with the top-20 firms accounting for 42.1% of the dollar volume, a significant improvement over the 51.8% in Q4 and a major improvement from 87.2% in Q1 of 2021. At the current level of 42.1%, the concentration of buyback dollars is similar to that of market capitalization, which for the top-20 stocks is around 35-40%.

The top spending buyback industries were communications services, technology, and financial services. This contrasts with the top dividend payers, which were consumer discretionary, utilities, and energy. But it was the health care group that saw the biggest increase over Q4, with repurchase activity rising 88.3% to \$41.1 billion. Compared with the amount of money that was paid out as dividends in the first quarter, companies spent more than twice as much on buybacks. Even over the 12 months ending 3/31/22, the S&P 500's buyback yield was 2.74%, greatly eclipsing the index's dividend yield of 1.63%. That made for a combined shareholder compensation yield of 4.36%.

Given the recent market decline, a return to the 5% combined yield level is easily within reach for the second quarter. That level of shareholder compensation would be similar to what occurred during the nine-year period from 2011-2019.

Clearly, corporate executives are continuing to reward shareholders at a healthy clip, and buybacks represent a steady stream of buying activity at a time when many individual investors have been selling.

Over the last month, many ana-

## FUNDS YOU SHOULD BUY NOW

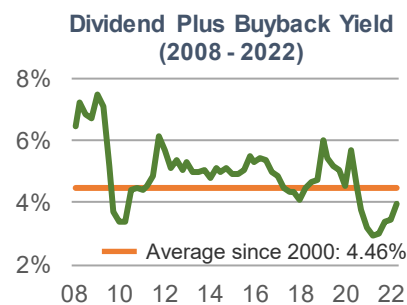
**Growth:** *Blue Chip Growth*, *Growth Company* and *OTC* are aggressive, volatile large-cap options; *Growth Discovery* and *Contrafund* are somewhat more conservatively positioned resulting in lower risk. **Low-Priced Stock** and **Mid Cap Stock** have lower market caps and hold companies that are significantly less pricey.

**Growth & Income:** *Equity-Income* holds attractively valued, dividend-producing stocks, whereas *Strategic Dividend & Income* emphasizes income over capital appreciation.

**Taxable Bond:** *Short-Term Treasury Index* effectively eliminates credit risk and has only limited interest-rate-risk; *Intermediate Treasury Index* offers a bit more yield with a bit more rate-risk. For those willing to assume more credit risk (relative to *Intermediate Treasury*), consider **Investment Grade Bond**. Finally, **Total Bond** provides diversified exposure (mostly corporates and U.S. bonds). However, it also holds riskier high-yield and emerging-market bonds.

**Muni Bond Funds:** *Limited Term Muni Income* is our preferred fund for tax-free bond income. ■

lysts and journalists have been comparing the current bear market with



others in the past, arguing that we still have a long way to go before the market bottoms. It's possible they're right, but they are ignoring the fact that buyback activity on

today's scale was not present prior to 2006, and even in 2009 it was not ramping up the way it is now.

My suggestion: take those gloomy forecasts with a grain of salt. Many growth-stock heavyweights are pouring cash into their own company stock, so it should come as no surprise if the bear market in large-cap growth stocks ends in the near future.

Our *Select Model* has already re-embraced the large-cap growth segment. In the coming months, we'll be looking to do the same in our other stock-oriented models. ■

— Jack Bowers

## MODEL PORTFOLIO TRADES

As announced on our Hotline message of Friday, June 3, on Monday, June 6, we made trades in our *Growth & Income*, *Income*, and corresponding annuity model portfolios. Trade details are posted on our website.

**Trade Rationale:** These trades accomplish several things: 1. Exposures to economically sensitive high-yield funds are reduced; 2. By moving further out on the yield curve with longer maturity bonds, our models are better protected should the Fed become too aggressive in raising short-term interest rates. (Of course, if the Fed inadvertently pushes the economy into recession, high-yield funds would also be hurt.); and 3. Post-trade, overall portfolio risk (as measured by relative volatility) is largely unchanged. ■

### Model Portfolios Key:

<sup>1</sup>Alternative 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. **Annuity Model Portfolios** are on p. 10.

the invasion whereas natural gas futures have ballooned 80% this year! This further fueled inflation and forced the World Bank and others to lower their GDP growth forecasts for 2022 and 2023. In fact, the final revision to first quarter GDP showed the U.S. economy contracting at an annual pace of 1.6%. That's in stark contrast to the 6.9% increase in last year's fourth quarter.

Of course, in lowering economic output, both corporate output (top line sales growth) and bottom line earnings must also be reconsidered by the markets.

To that end, earnings aggregator FactSet said that a year ago, industry analysts had overshot the S&P 500's June 23, 2022 closing price of 3795.73 by a rather optimistic 26%! To be fair, no one had alerted them as to Putin's impending war and its impact on energy and agricultural prices.

Nevertheless, a still rather healthy economy has analysts calling for 4.3% earnings growth next quarter. While hardly robust (in fact, it's the lowest growth rate since Q4 2020 when the pandemic was in full swing), it does suggest a strength to the economy that even declining consumer sentiment has failed to detect. (Concern over rising gas and food prices weighed on confidence in May and June, bringing levels to Covid-era lows.)

### Stock Funds

With the S&P 500 intermittently slipping into bear-market territory this year (as measured by a 20%-plus decline), most Fidelity stock funds experienced their own bear market: their average U.S. equity fund declined 20.4% during the first two quarters (though the average is skewed lower by the large number of their growth-oriented funds with significant exposures to downtrodden tech stocks).

Though no fund fared well in absolute terms, value-oriented offerings were relative outperformers because of their larger exposures to defensive sectors, especially energy,

### 2022 YTD PERFORMANCE\*



health care and utilities/telecom. Two large-cap value funds that benefited the most from this sector bias were **Equity Dividend Income** and **Blue Chip Value**. They fell "just" -6.0% and -7.0%, respectively, over the prior six months. As for Joel Tillinghast's mid-cap value-oriented **Low-Priced Stock** fund, it fell 13.5% during the period, though it's hard to imagine that he and his research team aren't finding stocks now selling at fire sale prices.

Conversely, large tech weights (as much as 40%) in **OTC**, **Growth Company**, **Growth Strategies**, **Trend** and especially **Blue Chip Growth** (down 36.5%) contributed to their year-to-date declines exceeding 30%.

But it wasn't only big-cap growth funds that were taken to the woodshed. **Small Cap Growth Index** and **Small Cap Growth** plunged 29.3% and 29.4%, respectively. Though tech and other growth sectors were also problematic, small-market cap companies are assumed to be more vulnerable to

higher borrowing costs (which is not always the case) and are also seen as more vulnerable to slowing economic conditions. (Another generalization that's often untrue.)

Regardless, with risk out of favor, investors leaned toward more defensive, dividend paying stocks whose valuations, by the way, are more reasonable than growth stocks.

**Action Recommendation:** Of course, if there's a silver lining to this year's market downturn, it's this: stock values are more attractive than they've been in years.

According to FactSet, the forward P/E ratio for the S&P 500 is now 15.8 (as of a week ago). This is below its five-year average of 18.6 and the 10-year average of 16.9. Though this is no guarantee of a bottom (in fact, it seems likely that the market will test more bottoms), it does suggest that a long-term entry point has been

opened. It may also be true that for many actively managed stock funds, some interesting investment opportunities are appearing.

Bottom line: Stock funds are for long-term investors. Hopefully you weren't overzealous and overweighted at the start of the selloff. Regardless, we don't see this as a good time for investors to lighten up their equity exposures.

### Select Funds

Year-to-date, only two Select funds are the green: **Energy** (up 33.7%) and the closely related **Natural Resources** (up 17.3%). As already noted, a war-mongering Russian made both those funds performance stars (though, frankly, the demise of the Keystone XL tar sands pipeline may have added to our energy woes).

On average, 34 Select funds retreated 18.5% through the first half. Those funds with already-identified value biases (such as health care) and certain areas of finance, were relative performance leaders. Con-

versely, tech-related Selects often experienced 30%-plus declines. The worst was **Semiconductors** (down 37.8%) whereas the far more diversified **Technology** (down 34.6%) didn't fare much better at all.

**Action Recommendation:** Suffice it to say, nothing in our *Select Model* has fared well so far this year. But as it's our most aggressive model designed for long-term investors, we remain optimistic that the model is well positioned to capture much of the market's upside as market sentiment turns.

### International Funds

The natural-resource-rich **Canada** (down 7.3%) and **Latin America** funds (down 4.0%) fared the best

this year, which isn't to say well. On the other hand, overseas markets looked just like our own: a sea of red ink. On average, 33 funds retreated 21.4%. **International Index**, a proxy for developed-market performance, retreated 19.2%, which was slightly better than U.S. stock performance. On the other hand, **Emerging Markets Index** (down 17.0%) fared better than our own largely because of a handful of commodity-rich exporters in Latin America and Asia.

**Action Recommendation:** In recent years, we've dabbled in the occasional foreign stock fund, but always felt that we could find more promising investment opportunities in our own proverbial back yard. In

this extremely unsettled market environment, that feeling has not changed. Indeed, when market optimism returns, we suspect that our best investment card to play will again be U.S. stock funds.

### High Yield Bond Funds

Growing concerns over the economy's strength weighed on high yield funds in the first half. Among U.S.-only funds, declines ranged from -4.7% for **Floating Rate High Income** to -14.2% for **Focused High Income**. **Global High Income** (which is 46% foreign, including an 18% slug in the emerging markets) fell 14.8% this

**Mid-Year Report** *cont'd on page 11*

## July Scorecard Rating Changes

Mutual Funds	Ticker	Ratings			Comments
		Old	New		
Agricultural Product	FARMX	<b>B</b>	H	↓	Potential loss of Russian gas supply could lead to fertilizer shortages.
Disruptive Medicine	FMEDX	B	<b>B</b>	↑	Outlook in health care sector is improving; sector tends to be recession-resistant.
Focused High Income	FHIFX	B	H	↓	As the economy slows, credit risk is likely to increase.
Growth & Income	FGRIX	<b>B</b>	B	↓	Energy bets have benefitted fund, but may be less helpful going forward.
Healthy Future	FAPHX		NR		Launched in May, this "Specialty" ESG fund will be rated once its holdings can be reviewed.
Large Cap Stock	FLCEX	<b>B</b>	B	↓	Energy bets have benefitted fund, but may be less helpful going forward.
Leveraged Co Stk	FLVCX	B	H	↓	Higher borrowing costs and economic slowdown are challenging headwinds.
Magellan	FMAGX	H	B	↑	Emphasizing large-cap growth stocks, fund provides reasonable risk relative to its peers.
Mega Cap Stock	FGRTX	<b>B</b>	B	↓	Large energy bets have benefitted fund, but may be less helpful going forward.
Multi-Asset Income	FMSDX	B	H	↓	Energy, convertibles and high-yield bonds may all weigh on fund as economy weakens.
Overseas	FOSFX	<b>B</b>	B	↓	Russian gas crisis presents large risk to European industrials.
Real Estate Index	FSRNX	B	H	↓	Risk of economic slowdown could weigh on sector, especially commercial real estate.
Real Estate Investment	FRESX	B	H	↓	Risk of economic slowdown could weigh on sector, especially commercial real estate.
Sel Health Care	FSPHX	B	<b>B</b>	↑	Outlook in health care sector is improving; sector tends to be recession-resistant.
Sel Med Tech & Dev	FSMEX	H	B	↑	Outlook in health care sector is improving; sector tends to be recession-resistant.
Sel Semiconductor	FSELX	<b>B</b>	B	↓	GPU demand is slumping due to plunge in crypto mining activity.
Small Cap Disc	FSCRX	<b>B</b>	B	↓	With the prospect of recession rising, the fund's upside versus its risk is diminished.
Small Cap Value	FCPVX	<b>B</b>	B	↓	With the prospect of recession rising, the fund's upside versus its risk is diminished.
Small Cap Growth Idx	FECGX	H	B	↑	The fund stands to benefit from its substantial exposure to faster-growing health care stocks.
Small Cap Growth	FCPGX	H	B	↑	The fund stands to benefit from its substantial exposure to faster-growing health care stocks.
Strategic Real Return	FSRRX	B	H	↓	Higher borrowing costs, interest rates and economic slowdown are challenging headwinds.
U.S. Low Volatility Eqty	FULVX	H	B	↑	Though its track record is short, fund is now performing in line with its risk mandate.
Value	FDVLX	<b>B</b>	B	↓	High relative volatility (1.45) may work against the fund if value falls out of favor.
<b>Sector ETFs (MSCI)</b>					
MSCI Health Care	FHLC	B	<b>B</b>	↑	Outlook in health care sector is improving; sector tends to be recession-resistant.
<b>Annuities</b>					
VIP Growth & Inc	FLFNC	<b>B</b>	B	↓	Energy bets have benefitted fund, but may be less helpful going forward.
VIP Health Care	FPDRC	B	<b>B</b>	↑	Outlook in health care sector is improving; sector tends to be recession-resistant.
VIP Overseas	FEMMC	<b>B</b>	B	↓	Russian gas crisis presents large risk to European industrials.
VIP Real Estate	FFWKC	B	H	↓	Risk of economic slowdown could weigh on sector, especially commercial real estate.

**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, 2022

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)					Rel Vol (Risk) <sup>1</sup>
					Jun	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr	15 Yr	
Comparative Indexes		S&P 500	3785.4		-8.3	-20.0	-16.1	-10.6	10.6	11.3	13.0	8.5	1.00
		Nasdaq Composite	11028.7		-8.7	-29.2	-22.3	-23.4	12.2	13.5	15.4	11.3	1.15
		Dow Jones Industrials	30775.4		-6.6	-14.4	-10.8	-9.1	7.2	10.0	11.7	8.4	0.97
		Russell 2000 (Small Caps)	1708.0		-8.2	-23.4	-17.2	-25.2	4.2	5.2	9.4	6.3	1.30
		Bloomberg Barclays Agg Bond*			-1.6	-10.3	-4.7	-10.4	-0.9	0.9	1.5	2.3	0.24
Model Portfolios		Unique Opportunities			-9.2	-22.5	-17.3	-18.0	12.7	11.2	12.4	7.7	1.00
		Select			-6.3	-24.9	-16.3	-21.0	9.8	10.8	13.2	9.1	1.15
		Grow th			-9.1	-22.9	-17.5	-17.8	11.2	11.6	11.9	7.3	1.03
		Grow th & Income			-6.1	-17.5	-12.2	-14.9	7.9	7.9	9.2	6.1	0.64
		Income			-3.8	-10.6	-6.7	-10.1	2.9	3.1	4.1	4.0	0.38
											Rel Vol (Risk) <sup>1</sup>	Assets (\$Mil)	
<b>LARGE CAP GROWTH</b>					<b>Average</b>	<b>-8.3</b>	<b>-27.7</b>	<b>-20.4</b>	<b>-20.7</b>	<b>11.8</b>	<b>13.3</b>	<b>14.3</b>	<b>1.12</b>
312	FBGRX	Blue Chip Grow th	116.58	Buy	-11.0	-36.5	-27.3	-32.0	11.9	14.2	15.6	1.33	\$32,357
307	FDCAX	Capital Appreciation	34.56	OK to Buy	-6.7	-21.7	-16.9	-14.5	12.3	12.7	12.9	1.02	4,896
22	FCNTX	Contrafund	13.30	Buy	-8.8	-28.2	-20.4	-22.0	8.4	11.3	12.9	1.08	87,149
3	FFIDX	Fidelity Fund	58.06	Buy	-8.0	-26.7	-18.6	-15.6	11.7	12.1	12.4	1.02	5,469
333	FTQGX	Focused Stock	26.17	OK to Buy	-7.6	-24.6	-16.3	-17.0	11.6	15.6	14.1	1.08	2,778
3336	FIFNX	Founders Fund	14.02	Hold	-10.3	-25.1	-19.0	-20.6	11.6	--	--	1.08	61
25	FDGRX	Grow th Company (Closed)	24.35	Buy	-8.7	-33.2	-25.0	-29.2	15.8	15.8	16.7	1.32	32,839
339	FDSVX	Grow th Discovery	42.65	Buy	-6.5	-23.5	-18.0	-17.1	14.1	15.1	15.2	1.07	2,337
1829	FLGEX	Lrge Cap Grow th Enhcd Index	23.44	Buy	-8.3	-25.3	-19.6	-16.8	13.3	13.9	14.2	1.07	1,395
2826	FSPGX	Lrge Cap Grow th Index	21.28	OK to Buy	-7.9	-28.1	-20.9	-18.8	12.5	14.2	--	1.13	8,293
21	F MAGX	Magellan	10.86	OK to Buy↑	-6.5	-26.5	-17.0	-16.3	9.3	11.1	13.0	1.05	22,869
1282	FNCMX	Nasdaq Composite Index	139.37	OK to Buy	-8.6	-29.2	-22.2	-23.3	12.1	13.3	15.2	1.15	10,000
93	FOCPX	OTC	13.51	Buy	-7.6	-31.1	-22.2	-25.2	13.0	13.8	17.0	1.17	15,318
320	FDSSX	Stock Selector All Cap	54.14	Hold	-8.3	-22.0	-17.2	-16.3	9.8	10.1	12.3	1.05	1,221
5	FTRNX	Trend	113.03	Hold	-9.7	-33.8	-24.7	-25.4	9.8	12.3	13.8	1.18	2,247
<b>LARGE CAP BLEND</b>					<b>Average</b>	<b>-8.3</b>	<b>-18.3</b>	<b>-14.8</b>	<b>-11.6</b>	<b>9.7</b>	<b>10.2</b>	<b>12.0</b>	<b>1.05</b>
2328	FXAIX	500 Index	131.92	OK to Buy	-8.3	-20.0	-16.1	-10.6	10.6	11.3	13.0	1.00	339,938
315	FDEQX	Disciplined Equity	47.16	OK to Sell	-8.5	-27.8	-18.7	-19.0	9.6	9.7	11.6	1.07	1,440
330	FDGFX	Dividend Grow th	30.85	OK to Buy	-7.3	-15.7	-11.7	-8.0	7.0	8.1	10.6	1.11	5,316
27	FGRIX	Grow th & Income	45.57	OK to Buy↓	-9.4	-11.9	-12.4	-7.2	10.3	9.4	11.7	1.02	6,843
1827	FLCEX	Lrge Cap Core Enhcd Index	17.78	Buy	-8.4	-17.6	-14.8	-8.7	11.9	12.1	13.0	0.97	1,530
338	FLCSX	Large Cap Stock	35.34	OK to Buy↓	-10.0	-14.2	-14.2	-10.2	9.7	9.3	12.2	1.08	2,579
361	FGRTX	Mega Cap Stock	16.42	OK to Buy↓	-10.0	-15.3	-15.6	-11.0	10.9	10.1	12.1	1.06	928
300	F MILX	New Millennium	37.99	Buy	-9.3	-9.3	-11.4	-7.3	8.2	9.3	11.2	1.11	2,311
2361	FSKAX	Total Market Index	105.11	Buy	-8.4	-21.3	-16.8	-14.2	9.6	10.5	12.5	1.04	61,654
5029	FULVX	U.S. Low Volatility Equity	10.02	OK to Buy↑	-3.9	-12.9	-8.7	-5.8	--	--	--	--	336
6391	FSEBX	Sustainability U.S. Equity	8.62	Hold	-8.3	-22.3	-16.7	-14.3	--	--	--	--	13
2941	FITLX	U.S. Sustainability Index	16.76	OK to Buy	-7.5	-20.9	-16.0	-10.6	11.2	11.8	--	1.01	2,149
3396	FWOMX	Women's Leadership	12.11	Hold	-8.0	-23.6	-16.1	-20.8	7.2	--	--	1.11	93
3231	FNILX	Zero Large Cap Index	13.32	OK to Buy	-8.3	-21.0	-16.7	-12.6	10.4	--	--	1.02	4,956
3227	FZROX	Zero Total Market Index	13.24	Buy	-8.4	-21.1	-16.7	-13.7	9.8	--	--	1.04	11,358
<b>LARGE CAP VALUE</b>					<b>Average</b>	<b>-8.0</b>	<b>-9.9</b>	<b>-10.2</b>	<b>-3.7</b>	<b>8.4</b>	<b>7.6</b>	<b>10.5</b>	<b>1.03</b>
1271	FBCVX	Blue Chip Value	22.68	Buy	-7.2	-7.0	-8.3	0.7	6.9	5.9	9.9	1.06	675
319	FEQTX	Equity Dividend Income	26.11	Buy	-7.7	-6.0	-8.3	-1.3	9.0	8.0	10.1	1.04	4,877
23	FEQIX	Equity-Income	62.56	Buy	-6.9	-10.6	-9.7	-4.3	9.3	8.5	10.4	0.91	6,422
1828	FLVEX	Lrge Cap Value Enhcd Index	14.18	Buy	-9.0	-11.5	-11.7	-5.0	9.0	8.7	11.5	1.03	5,842
2830	FLCOX	Lrge Cap Value Index	14.16	OK to Buy	-8.7	-12.9	-12.2	-6.9	6.8	7.2	--	1.04	5,053
708	FSLVX	Stock Sel Large Cap Value	22.69	OK to Buy	-9.1	-11.6	-12.1	-5.9	7.7	7.2	10.3	1.10	382
832	FVDFX	Value Discovery	34.62	Buy	-7.0	-9.6	-9.2	-3.4	10.2	8.0	11.1	1.02	2,835
<b>MID-CAP GROWTH</b>					<b>Average</b>	<b>-8.0</b>	<b>-31.3</b>	<b>-20.2</b>	<b>-27.4</b>	<b>5.4</b>	<b>8.5</b>	<b>11.4</b>	<b>1.14</b>
324	FDEGX	Grow th Strategies	43.38	Hold	-8.5	-31.7	-19.4	-25.3	5.4	8.5	11.4	1.14	2,226
3403	FMDGX	Mid Cap Grow th Index	20.56	Hold	-7.5	-31.0	-21.0	-29.6	--	--	--	--	461
<b>MID-CAP BLEND</b>					<b>Average</b>	<b>-9.8</b>	<b>-20.3</b>	<b>-16.4</b>	<b>-17.3</b>	<b>6.9</b>	<b>8.0</b>	<b>11.1</b>	<b>1.23</b>
2365	FSMAX	Extended Market Index	62.46	Hold	-9.2	-28.0	-20.6	-29.9	4.6	6.4	10.3	1.34	29,275
2012	FMEIX	Mid Cap Enhanced Index	14.99	OK to Buy	-10.2	-19.5	-15.3	-14.9	7.4	7.6	11.3	1.15	1,577
2352	FSMDX	Mid Cap Index	24.89	OK to Buy	-10.0	-21.6	-16.9	-17.3	6.6	8.0	11.3	1.16	22,516
337	FMC SX	Mid-Cap Stock	35.05	Buy	-9.6	-13.0	-13.1	-6.8	10.0	9.9	11.8	1.16	5,536
2412	FSSMX	Stock Selector Mid Cap	37.04	OK to Buy	-10.4	-18.1	-15.5	-14.3	7.0	8.2	10.6	1.28	323
3230	FZIPX	Zero Extended Market Index	10.23	Hold	-9.3	-21.5	-17.1	-20.3	6.0	--	--	1.29	1,166

**Notes:** \*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>5</sup>Almost a Specialty fund with 30%+ typically in foreign stocks. (p) Partial year; (↑) Rating upgraded; (↓) Rating downgraded.

# FIDELITY SCORECARD JUNE 30, 2022

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)			Rel Vol (Risk) <sup>1</sup>	Assets (\$Mil)	
					Jun	YTD	3 Mo.	1 Year	3 Year	5 Year			10Year
<b>MID-CAP VALUE</b>					<b>Average</b>	<b>-11.3</b>	<b>-14.4</b>	<b>-13.6</b>	<b>-8.5</b>	<b>10.1</b>	<b>7.5</b>	<b>10.8</b>	<b>1.28</b>
316	FLPSX	Low-Priced Stock <sup>5</sup>	46.52	Buy	-10.4	-13.5	-11.5	-9.9	9.7	8.1	10.6	1.09	\$23,308
762	FSMVX	Mid Cap Value	24.38	Buy	-10.9	-15.3	-14.0	-7.2	7.4	5.0	9.8	1.24	992
3404	FIMVX	Mid Cap Value Index	22.23	OK to Buy	-11.0	-16.3	-14.7	-10.1	--	--	--	--	797
39	FDVLX	Value	12.57	OK to Buy	-12.6	-14.4	-14.9	-9.1	11.5	8.2	11.5	1.45	7,187
14	FSLX	Value Strategies	45.32	Buy	-11.3	-12.5	-13.0	-6.1	11.7	8.9	11.0	1.34	502
<b>SMALL CAP GROWTH</b>					<b>Average</b>	<b>-6.8</b>	<b>-29.4</b>	<b>-19.7</b>	<b>-31.2</b>	<b>4.7</b>	<b>9.6</b>	<b>12.6</b>	<b>1.24</b>
1388	FCPGX	Small Cap Grow th	22.36	OK to Buy	-7.5	-29.4	-20.2	-29.0	4.7	9.6	12.6	1.24	2,521
3405	FECGX	Small Cap Grow th Index	19.93	OK to Buy	-6.2	-29.3	-19.1	-33.3	--	--	--	--	275
<b>SMALL CAP BLEND</b>					<b>Average</b>	<b>-8.5</b>	<b>-22.7</b>	<b>-15.9</b>	<b>-20.0</b>	<b>5.9</b>	<b>6.1</b>	<b>9.7</b>	<b>1.30</b>
384	FSCRX	Small Cap Discovery	22.73	OK to Buy	-8.9	-19.9	-15.1	-12.7	8.3	6.2	10.1	1.38	2,873
2011	FCPEX	Small Cap Enhanced Index	11.46	Hold	-8.7	-22.0	-15.7	-22.2	5.8	5.0	9.6	1.28	540
2358	FSSNX	Small Cap Index	21.12	Hold	-8.3	-23.4	-17.2	-25.2	4.3	5.3	9.5	1.30	17,162
340	FSLCX	Small Cap Stock	14.12	Hold	-7.7	-23.9	-14.6	-21.7	3.6	5.4	8.8	1.33	1,136
336	FDSCX	Stock Selector Small Cap	25.98	Hold	-8.9	-24.3	-17.0	-18.5	7.7	8.5	10.3	1.19	1,245
<b>SMALL CAP VALUE</b>					<b>Average</b>	<b>-10.3</b>	<b>-17.0</b>	<b>-15.2</b>	<b>-13.5</b>	<b>11.1</b>	<b>7.5</b>	<b>11.0</b>	<b>1.34</b>
1389	FCPVX	Small Cap Value	18.01	OK to Buy	-10.7	-16.7	-15.2	-10.7	11.1	7.5	11.0	1.34	2,453
3406	FISVX	Small Cap Value Index	21.46	OK to Buy	-9.9	-17.3	-15.2	-16.3	--	--	--	--	811
<b>REAL ESTATE</b>													
1368	FIREX	International Real Estate	11.40	OK to Sell	-8.3	-20.4	-14.8	-17.4	1.2	4.5	7.6	0.87	306
833	FRIFX	Real Estate Income	12.05	Hold	-4.8	-11.7	-8.6	-7.0	3.1	4.4	6.4	0.93	1,886
2355	FSRNK	Real Estate Index	16.03	Hold	-7.5	-20.5	-15.4	-8.0	1.5	3.7	6.3	1.16	2,658
303	FRESX	Real Estate Investment	43.94	Hold	-7.4	-18.7	-13.6	-4.9	4.2	5.5	7.5	1.05	4,866
<b>ASSET ALLOCATION</b>													
328	FASIX	Asset Manager 20%	13.31	Hold	-2.8	-9.8	-6.2	-8.4	1.9	2.7	3.4	0.32	4,015
1957	FTANX	Asset Manager 30%	11.27	Hold	-3.6	-12.1	-7.9	-10.2	2.8	3.6	4.4	0.42	1,765
1958	FFANX	Asset Manager 40%	12.02	Hold	-4.4	-13.8	-9.3	-11.4	3.6	4.3	5.4	0.50	1,618
314	FASMX	Asset Manager 50%	18.77	Hold	-5.2	-15.5	-10.8	-12.9	4.2	4.9	6.2	0.60	7,604
1959	FSANX	Asset Manager 60%	13.42	Hold	-6.0	-17.1	-12.1	-14.1	4.9	5.5	7.0	0.69	2,083
321	FASGX	Asset Manager 70%	23.64	Hold	-6.6	-18.2	-13.2	-14.8	5.7	6.1	7.8	0.77	3,762
347	FAMRX	Asset Manager 85%	21.25	Hold	-7.7	-20.4	-15.1	-16.4	6.6	7.0	9.1	0.90	1,819
304	FBALX	Balanced	24.83	Buy	-6.4	-18.1	-13.8	-12.8	8.7	8.7	9.5	0.78	30,970
3083	FMSDX	Multi-Asset Income	12.41	Hold	-5.8	-15.3	-13.9	-11.8	8.2	7.6	--	0.63	941
355	FFNOX	Multi-Asset Index	47.78	Hold	-7.3	-19.4	-14.0	-15.0	5.9	7.0	9.0	0.86	7,065
4	FPURX	Puritan	22.42	Buy	-6.5	-17.4	-12.7	-12.1	8.3	8.5	9.4	0.71	23,289
6477	FYMRX	Sustainable Multi-Asset	8.43	Hold	-6.3	-15.7p	-13.1	--	--	--	--	--	2
<b>INTERNATIONAL</b>					<b>Average</b>	<b>-8.1</b>	<b>-21.4</b>	<b>-13.7</b>	<b>-22.0</b>	<b>2.7</b>	<b>3.8</b>	<b>6.5</b>	<b>1.02</b>
309	FICDX	Canada	59.87	Hold	-9.4	-7.3	-13.3	-2.1	8.8	8.0	6.0	1.11	782
352	FHKCX	China Region	36.02	OK to Sell	2.2	-17.1	-1.9	-31.6	6.9	7.3	9.4	1.01	1,106
325	FDIVX	Diversified International	35.24	Hold	-9.8	-27.3	-17.3	-23.2	2.4	3.1	6.3	0.95	7,636
351	FSEAX	Emerging Asia	38.20	OK to Sell	2.9	-25.4	-5.8	-39.6	6.8	7.4	8.4	1.20	1,108
322	FEMKX	Emerging Markets	32.80	OK to Sell	-6.0	-24.9	-12.9	-29.1	3.8	5.5	6.1	0.97	3,824
2374	FEDDX	Emerging Mkts Discovery	13.47	Hold	-8.6	-16.0	-12.0	-21.9	3.8	2.9	4.9	1.12	221
2344	FPADX	Emerging Markets Index	10.03	OK to Sell	-5.9	-17.0	-10.2	-25.1	0.4	2.1	3.0	0.97	6,149
5031	FEOPX	Enduring Opportunities	11.12	OK to Buy	-8.5	-31.1	-19.8	-25.9	--	--	--	--	13
301	FIEUX	Europe	28.94	Hold	-8.5	-25.2	-14.5	-27.5	0.3	1.2	5.5	1.05	573
2406	FGILX	Global Equity Income	15.69	Buy	-7.3	-14.2	-11.5	-8.0	9.5	8.4	9.7	0.85	202
2348	FSGGX	Global ex U.S. Index	12.55	Hold	-8.2	-17.9	-12.6	-19.0	1.6	2.6	4.9	0.93	8,299
335	FVFX	International Cap App	20.04	OK to Buy	-9.6	-29.4	-18.9	-25.3	1.5	4.8	8.2	0.95	4,035
305	FIGRX	International Discovery	38.86	OK to Buy	-10.1	-26.6	-16.2	-24.3	2.6	3.2	6.3	1.00	3,619
2010	FIENX	International Enhanced Index	9.08	Hold	-9.4	-18.5	-12.9	-17.9	1.0	1.8	5.9	0.97	1,283
1979	FIGFX	International Grow th	15.32	OK to Buy	-8.9	-27.3	-16.1	-23.2	2.9	4.8	7.1	0.92	1,278
2363	FSPSX	International Index	39.83	Hold	-9.0	-19.2	-13.4	-17.3	1.4	2.4	5.6	0.97	35,548
818	FISMX	International Small Cap	26.27	Hold	-9.0	-18.7	-12.7	-17.6	3.1	3.0	8.6	1.07	1,205
1504	FSCOX	Int'l Small Cap Opps (Closed)	17.97	Hold	-10.6	-32.3	-17.5	-25.7	2.1	3.6	8.3	1.05	747
2988	FNIDX	International Sustainability Idx	10.58	Hold	-8.0	-20.0	-13.4	-20.9	1.7	2.5	--	0.91	378
1597	FVLX	International Value	7.96	OK to Buy	-10.9	-14.5	-13.3	-10.7	2.7	1.3	4.5	1.15	398
350	FJPNX	Japan	13.78	Hold	-9.3	-25.6	-14.6	-23.2	2.2	3.0	5.8	0.89	118
360	FJSCX	Japan Smaller Companies	12.64	OK to Sell	-7.2	-19.9	-10.9	-20.9	-2.3	0.1	8.1	0.77	382
349	FLATX	Latin America	18.36	OK to Sell	-14.3	-4.0	-21.0	-20.8	-9.5	-1.5	-4.3	1.93	234
342	FNORX	Nordic	46.78	Hold	-9.7	-27.5	-14.8	-25.0	7.5	4.9	10.3	1.14	277
94	FOSFX	Overseas	48.39	OK to Buy	-10.5	-28.5	-17.9	-22.5	2.0	3.4	7.7	1.01	6,496
302	FPBFX	Pacific Basin	29.48	Hold	-6.6	-24.4	-12.1	-26.1	4.6	5.4	9.5	0.86	773
6468	FSYJX	Sustainable Emerg Mkts Eqty	7.88	OK to Sell	-5.7	-21.2p	-11.5	--	--	--	--	--	2
6462	FSYRX	Sustainable Int'l Equity	7.67	NR	-9.7	-23.3p	-17.4	--	--	--	--	--	2
2369	FTEMX	Total Emerging Markets	11.32	OK to Sell	-6.8	-21.9	-11.7	-29.4	-2.3	0.4	3.2	0.97	117
1978	FTIEX	Total International Equity	9.16	OK to Buy	-8.5	-20.4	-12.9	-19.4	4.2	4.6	6.4	0.95	89
2834	FTIHX	Total International Index	11.68	Hold	-8.5	-18.5	-13.2	-19.4	1.7	2.6	--	0.95	8,058
318	FWWFX	Worldwide	26.95	OK to Buy	-8.0	-25.0	-15.9	-20.2	8.2	10.2	10.8	1.02	2,032
3228	FZILX	Zero International Index	9.76	Hold	-8.6	-18.6	-13.3	-19.4	1.6	--	--	0.95	2,756

# FIDELITY SCORECARD

JUNE 30, 2022

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) <sup>1</sup>	Assets (\$Mil)			
					Jun	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year					
<b>SPECIALTY</b>																
6385	FCAEX	Climate Action	8.10	Hold	-9.0	-27.3	-18.7	-20.3	--	--	--	--	\$17			
308	FCV SX	Convertible Securities	29.29	Hold	-6.5	-19.5	-16.6	-18.0	11.2	10.8	9.8	0.90	1,463			
2120	FFGCX	Global Commodity Stock	17.39	OK to Sell	-17.5	7.1	-17.7	12.0	14.4	11.8	4.6	1.42	830			
6553	FAPHX	Healthy Future Fund	9.62	NR	-5.7	-3.8p	--	--	--	--	--	--	1			
3488	FNSTX	Infrastructure Fund	11.59	OK to Sell	-8.3	-7.8	-11.2	-3.2	--	--	--	--	51			
122	FLVCX	Leveraged Company Stock	35.66	Hold↓	-12.0	-25.1	-19.0	-20.0	10.0	8.7	10.4	1.39	1,756			
1329	FSDIX	Strategic Dividend & Income	15.55	Buy	-5.5	-12.1	-10.1	-6.1	7.7	7.7	9.1	0.76	3,200			
1505	FSRRX	Strategic Real Return	8.92	Hold↓	-6.7	-4.1	-8.3	1.0	5.9	4.8	2.8	0.55	450			
311	FIJUX	Telecom & Utilities	27.93	OK to Buy	-5.3	0.8	-4.5	5.9	6.2	8.1	9.2	0.85	959			
<b>DISRUPTOR/MEGATREND FUNDS</b>					<b>Average</b>				<b>-8.5</b>	<b>-28.6</b>	<b>-21.4</b>	<b>-25.4</b>				
6041	FARMX	Agricultural Productivity	18.44	Hold↓	-14.7	-1.4	-17.4	2.3	--	--	--	--	132			
6036	FBOTX	Disruptive Automation	13.41	OK to Buy	-10.2	-33.8	-21.3	-27.3	--	--	--	--	32			
6037	FNETX	Disruptive Communications	10.67	Hold	-8.2	-34.5	-24.2	-37.9	--	--	--	--	7			
6038	FNTEX	Disruptive Finance	13.63	Hold	-10.4	-27.8	-21.4	-24.2	--	--	--	--	15			
6039	FMEDX	Disruptive Medicine	9.98	Buy↑	0.2	-27.5	-16.2	-26.3	--	--	--	--	10			
6040	FTEKX	Disruptive Technology	10.73	Hold	-9.1	-44.0	-30.3	-44.2	--	--	--	--	31			
6043	FGDFX	Disruptors	11.83	Hold	-7.6	-33.5	-22.7	-32.1	--	--	--	--	42			
6042	FLOWX	Water Sustainability	12.50	Hold	-7.7	-26.3	-17.8	-13.6	--	--	--	--	86			
<b>SELECT PORTFOLIOS</b>					<b>Average</b>				<b>-8.5</b>	<b>-18.5</b>	<b>-16.0</b>	<b>-13.5</b>	<b>8.5</b>	<b>9.0</b>	<b>11.4</b>	<b>1.30</b>
502	FSAVX	Automotive	44.69	Hold	-5.6	-31.0	-17.5	-24.5	18.5	13.2	13.0	1.54	111			
507	FSRBX	Banking	24.24	OK to Buy	-10.3	-16.8	-15.0	-10.7	4.9	4.4	9.7	1.66	464			
42	FBIOX	Biotechnology	14.49	Buy	8.1	-25.1	-10.4	-32.3	1.3	3.0	11.3	1.34	4,856			
68	FSLBX	Brokerage & Investment	97.35	Buy	-10.4	-26.0	-19.8	-16.9	13.2	10.6	12.5	1.26	838			
69	FSCHX	Chemicals	14.78	Hold	-15.2	-18.3	-13.4	-8.0	7.6	4.6	9.2	1.30	662			
503	FBMPX	Communication Services	61.62	Buy	-9.0	-32.1	-22.2	-35.4	5.4	7.2	11.5	1.19	696			
511	FSHOX	Construction & Housing	74.33	OK to Buy	-10.4	-31.2	-14.4	-14.3	14.9	13.2	14.2	1.33	461			
517	FSCPX	Consumer Discretionary	42.33	Buy	-11.8	-35.0	-26.3	-31.0	3.6	8.1	11.4	1.27	376			
9	FDFAX	Consumer Staples	90.08	OK to Buy	-3.6	-6.3	-3.9	0.4	9.3	5.9	8.7	0.82	876			
67	FSDAX	Defense & Aerospace	13.69	OK to Buy	-2.2	-6.2	-12.5	-12.3	-1.6	6.5	11.8	1.39	1,359			
60	FSENX	Energy	47.11	Hold	-17.1	33.7	-4.7	44.4	11.1	6.4	3.6	2.33	2,673			
516	FSLEX	Environment & Alt Energy	26.38	Buy	-8.4	-26.1	-19.6	-15.3	7.2	7.2	11.0	1.30	627			
66	FIDSX	Financial Services	10.46	OK to Buy	-10.2	-15.3	-14.4	-10.0	8.9	8.1	11.3	1.40	581			
98	FVLX	FinTech	12.70	Hold	-12.7	-30.0	-21.2	-33.3	-2.3	4.1	8.4	1.65	117			
41	FSAGX	Gold	21.38	Sell	-14.1	-17.6	-29.0	-22.5	1.9	2.5	-4.0	1.99	1,055			
63	FSPHX	Health Care	25.38	Buy↑	-0.7	-19.9	-12.2	-17.8	8.8	9.9	15.2	0.99	7,933			
505	FSHCX	Health Care Services	124.49	Buy	-2.3	-5.6	-7.4	0.5	16.9	13.5	14.9	1.09	1,303			
515	FCYIX	Industrials	25.88	OK to Buy	-6.7	-21.4	-16.3	-13.7	1.9	4.8	9.5	1.22	286			
45	FSPCX	Insurance	65.66	OK to Buy	-6.5	-5.2	-11.2	6.2	9.0	8.7	13.3	1.17	288			
353	FBSOX	IT Services	50.73	Hold	-8.7	-31.3	-19.7	-35.6	-0.2	10.1	14.4	1.28	2,146			
62	FDSLX	Leisure	12.86	OK to Buy	-12.4	-24.3	-20.2	-16.5	4.3	7.8	11.4	1.47	490			
509	FSDPX	Materials	89.40	Hold	-14.8	-18.2	-18.5	-8.0	9.5	5.2	7.1	1.22	545			
354	FSMEX	Medical Tech & Devices	57.42	OK to Buy↑	-5.2	-29.9	-19.6	-23.4	7.2	11.4	16.5	1.11	6,963			
514	FNARX	Natural Resources	32.97	Hold	-18.0	17.3	-11.3	23.0	9.7	6.5	3.1	2.02	714			
580	FPHAX	Pharmaceuticals	22.89	Buy	1.2	-2.5	-2.4	-1.3	12.3	10.7	12.0	0.77	809			
46	FSRPX	Retailing	14.93	Hold	-9.7	-33.9	-23.2	-32.5	6.3	11.5	14.9	1.22	2,643			
8	FSELX	Semiconductors	14.28	OK to Buy↓	-18.7	-37.8	-29.3	-19.7	22.6	20.4	21.8	1.54	5,910			
28	FSCSX	Software & IT Services	21.05	OK to Buy	-7.4	-27.2	-19.3	-23.7	11.3	16.1	18.0	1.13	8,913			
7	FDCPX	Tech Hardware	71.90	OK to Buy	-9.2	-28.5	-19.9	-20.2	15.7	14.3	13.2	1.06	715			
64	FSPTX	Technology	18.47	Buy	-10.6	-34.6	-25.7	-28.2	15.5	16.1	17.2	1.26	8,079			
96	FSTCX	Telecommunications	52.07	Hold	-4.4	-6.6	-3.1	-14.9	5.7	4.7	7.8	0.77	196			
512	FSRFX	Transportation	90.80	OK to Buy	-7.6	-14.1	-16.9	-5.7	8.8	8.2	12.7	1.25	577			
65	FSUTX	Utilities	101.79	OK to Buy	-6.1	-1.1	-6.6	13.7	8.3	10.5	10.6	0.98	1,293			
963	FWRLX	Wireless	10.75	Hold	-7.8	-21.6	-15.4	-19.6	11.6	11.2	11.9	0.95	337			
<b>SECTOR ETFs</b>					<b>Average</b>				<b>-8.8</b>	<b>-14.2</b>	<b>-14.3</b>	<b>-6.8</b>	<b>8.8</b>	<b>8.9</b>	<b>1.23</b>	
	FCOM	MSCI Communication Services	35.60	OK to Buy	-8.9	-30.4	-21.5	-34.0	3.3	4.6	--	1.19	607			
	FDIS	MSCI Consumer Discretionary	58.89	Buy	-11.1	-33.0	-25.4	-26.8	9.7	11.7	--	1.38	1,200			
	FSTA	MSCI Consumer Staples	43.27	OK to Buy	-2.6	-6.2	-5.1	3.9	10.3	8.3	--	0.73	1,100			
	FENY	MSCI Energy	19.40	Hold	-17.2	30.2	-6.4	36.8	9.7	6.1	--	2.38	1,700			
	FNCL	MSCI Financials	44.63	OK to Buy	-10.8	-19.3	-17.1	-13.0	6.1	6.6	--	1.33	1,700			
	FHLC	MSCI Health Care	60.67	Buy↑	-2.2	-11.0	-7.3	-3.6	12.0	11.4	--	0.86	2,800			
	FIDU	MSCI Industrials	45.20	OK to Buy	-7.5	-19.0	-15.6	-15.5	6.0	7.1	--	1.18	716			
	FTEC	MSCI Information Technology	96.50	Buy	-9.5	-28.4	-21.4	-17.5	16.8	18.9	--	1.18	5,700			
	FMAT	MSCI Materials	40.99	Hold	-14.4	-17.7	-17.0	-9.6	9.9	7.7	--	1.24	530			
	FREL	MSCI Real Estate	27.16	Hold	-7.5	-20.5	-15.4	-8.1	4.7	6.3	--	1.08	1,800			
	FUTY	MSCI Utilities	45.13	OK to Buy	-5.1	-1.2	-5.2	13.1	8.0	9.3	--	0.96	2,000			

# FIDELITY SCORECARD JUNE 30, 2022

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>	
					Jun	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr				
<b>TAXABLE BOND</b>					<b>Average</b>	<b>-1.7</b>	<b>-8.9</b>	<b>-4.4</b>	<b>-8.9</b>	<b>-0.6</b>	<b>0.9</b>	<b>1.3</b>	<b>2.95</b>	<b>5.4</b>	<b>0.25</b>
2267	FCONX	Conservative Income Bond	9.98	Hold	-0.1	-0.3	-0.1	-0.4	0.6	1.2	0.9	1.38	0.1	0.06	
2208	FCBFX	Corporate Bond	10.44	OK to Buy	-3.1	-14.8	-7.7	-14.7	-1.1	1.3	2.7	4.43	7.4	0.46	
6379	FFBFX	Environmental Bond	8.76	OK to Buy	-2.2	-11.3	-6.1	-11.5	--	--	--	2.90	--	--	
2423	FGBFX	Global Credit	7.96	Hold	-5.6	-17.2	-11.2	-17.2	-2.3	0.3	0.4	4.44	7.1	0.49	
15	FGMNX	GNMA (Ginnie Mae)	10.55	Hold	-1.8	-8.3	-4.1	-8.8	-1.4	0.2	1.0	1.73	4.7	0.17	
54	FGOVX	Government Income	9.59	OK to Buy	-1.2	-9.2	-4.0	-9.3	-1.3	0.4	0.9	2.30	6.3	0.24	
2418	FIPDX	Inflation-Protected Index	10.15	Hold	-3.2	-9.1	-6.2	-5.3	2.9	3.1	1.7	0.00*	5.1	0.26	
32	FTHRFX	Intermediate Bond	10.14	OK to Buy	-1.2	-7.3	-2.8	-7.9	-0.0	1.2	1.6	3.27	3.9	0.20	
452	FSTGX	Intermediate Gov't Income	9.88	OK to Buy	-0.9	-6.2	-1.9	-7.0	-0.8	0.5	0.8	2.48	3.9	0.17	
3045	FUAMX	Intermediate Treasury Index	10.06	OK to Buy	-1.0	-9.2	-3.4	-9.5	-0.9	0.9	1.1	3.18	6.5	0.29	
4506	FBIIX	International Bond Index	9.10	Hold	-1.4	-8.7	-4.2	-8.8	--	--	--	2.30	7.6	--	
26	FBNDX	Investment Grade Bond	7.39	Buy	-1.9	-10.8	-5.3	-10.6	-0.1	1.5	2.1	3.59	6.3	0.27	
2622	FJRLX	Limited Term Bond	10.95	Buy	-1.1	-5.5	-1.9	-6.2	-0.1	1.0	1.4	3.25	2.5	0.17	
662	FFXSX	Limited Term Government	9.61	OK to Buy	-0.8	-4.5	-1.1	-5.2	-0.5	0.5	0.6	2.06	2.7	0.12	
3047	FNBGX	Long-Term Treasury Index	11.53	Hold	-1.4	-20.9	-12.0	-18.5	-2.9	0.5	1.5	3.43	17.3	0.76	
40	FMSFX	Mortgage Securities	10.28	Hold	-1.8	-9.1	-4.0	-9.4	-1.4	0.3	1.3	1.81	5.7	0.18	
450	FSBFX	Short-Term Bond	8.28	Buy	-0.8	-3.5	-1.0	-4.0	0.2	1.0	1.1	2.83	1.7	0.11	
3041	FNSOX	Short-Term Bond Index	9.64	OK to Buy	-0.7	-4.4	-1.1	-5.1	0.1	--	--	3.28	2.6	0.11	
3049	FUMBX	Short-Term Treasury Index	10.06	Buy	-0.7	-4.3	-0.9	-4.9	-0.1	0.9	0.8	3.02	2.6	0.12	
3086	FNDX	Sustainability Bond Index	9.52	OK to Buy	-1.6	-10.1	-4.7	-10.3	-1.1	--	--	3.18	6.3	0.24	
6541	FIAEX	Sustainable Core Plus Bond	9.54	OK to Buy	-2.3	-4.2p	--	--	--	--	--	2.9	--	--	
6526	FAPGX	Sustainable Low Dur Bond	9.95	Hold	-0.2	-0.3p	--	--	--	--	--	1.3	--	--	
6502	FBAGX	Tactical Bond	9.04	Hold	-3.4	-8.9p	-7.5	--	--	--	--	4.34	--	--	
820	FTBFX	Total Bond	9.69	Buy	-2.5	-11.3	-6.2	-10.9	-0.2	1.4	2.3	4.03	6.2	0.28	
2326	FXNAX	U.S. Bond Index	10.64	OK to Buy	-1.6	-10.3	-4.7	-10.4	-0.9	0.9	1.5	3.29	6.4	0.24	
<b>HIGH-YIELD BOND</b>					<b>Average</b>	<b>-5.7</b>	<b>-12.6</b>	<b>-8.9</b>	<b>-11.7</b>	<b>-0.5</b>	<b>1.4</b>	<b>3.5</b>	<b>6.16</b>	<b>3.7</b>	<b>0.53</b>
38	FAGIX	Capital & Income	8.98	OK to Buy	-6.7	-13.9	-9.8	-11.2	3.7	4.5	6.3	5.75	3.6	0.70	
814	FFRHX	Floating Rate High Income	8.87	Hold	-2.4	-4.7	-4.8	-2.9	1.6	2.5	3.1	5.17	0.2	0.45	
1366	FHIFX	Focused High Income	7.49	Hold	-6.8	-14.2	-9.4	-13.0	-1.3	1.2	3.2	5.92	4.7	0.46	
2297	FGHNX	Global High Income	8.00	Hold	-6.9	-14.8	-10.3	-15.4	-1.4	0.9	3.6	6.81	3.9	0.62	
455	SPIIX	High Income	7.27	Hold	-7.4	-14.4	-10.8	-13.2	-1.8	1.0	3.5	7.46	4.4	0.54	
331	FNMX	New Markets Income	11.43	OK to Sell	-6.7	-18.0	-11.3	-19.1	-5.1	-2.3	1.7	7.04	5.9	0.67	
2580	FSAHX	Short Duration High Income	8.46	Hold	-4.9	-8.9	-7.0	-8.1	-0.0	1.5	--	6.54	2.4	0.37	
3082	FADMX	Strategic Income	11.03	Buy	-4.1	-11.8	-7.4	-11.0	0.4	1.9	3.1	4.62	4.8	0.41	
<b>MUNICIPAL BOND</b>					<b>Average</b>	<b>-1.3</b>	<b>-8.3</b>	<b>-2.9</b>	<b>-8.0</b>	<b>-0.3</b>	<b>1.3</b>	<b>2.1</b>	<b>2.68</b>	<b>5.4</b>	<b>0.25</b>
434	FSAZX	Arizona Muni Income	11.24	Hold	-1.4	-9.0	-3.3	-8.8	-0.6	1.1	2.3	2.65	5.8	0.26	
1534	FCSTX	Calif Limited Term Tax Free	10.20	Buy	-0.3	-4.7	-0.6	-4.6	-0.1	0.7	1.2	2.03	2.7	0.15	
91	FCITX	California Muni Income	11.93	Hold	-1.6	-9.4	-3.3	-8.9	-0.5	1.3	2.6	2.85	6.2	0.28	
407	FICNX	Connecticut Muni Income	10.76	Hold	-1.6	-8.6	-3.0	-8.1	-0.2	1.5	2.1	2.70	5.3	0.26	
2578	FCRD	Conservative Income Muni	9.97	OK to Buy	0.0	-0.5	0.1	-0.6	0.3	0.8	--	1.16	0.5	0.04	
36	FLTXX	Interm Municipal Income	9.95	OK to Buy	-0.9	-6.8	-1.9	-6.7	0.1	1.6	2.0	2.54	4.5	0.24	
404	FSTFX	Limited Term Muni Income	10.22	Buy	-0.3	-4.5	-0.6	-4.6	0.1	1.0	1.1	2.19	2.6	0.15	
429	SMDMX	Maryland Muni Income	10.53	Hold	-1.8	-9.4	-3.7	-9.0	-0.7	0.9	1.9	2.80	6.2	0.27	
70	FDMMX	Mass Muni Income	11.24	Hold	-1.7	-9.2	-3.4	-8.9	-0.6	1.1	2.1	2.78	6.1	0.27	
81	FMHTX	Michigan Muni Income	11.35	Hold	-1.7	-9.1	-3.5	-8.8	-0.3	1.4	2.3	2.79	6.3	0.25	
82	FIMIX	Minnesota Muni Income	10.93	Hold	-1.5	-8.1	-2.9	-7.8	-0.4	1.2	1.9	2.57	5.6	0.24	
3469	FMBIX	Municipal Bond Index	18.24	Hold	-2.0	-9.6	-3.7	-9.3	--	--	--	3.03	6.1	--	
37	FHIGX	Municipal Income	12.01	OK to Buy	-1.9	-10.4	-4.0	-10.0	-0.4	1.7	2.6	3.14	6.7	0.33	
416	FNJHX	New Jersey Muni Income	11.20	Hold	-1.8	-9.8	-3.4	-9.4	-0.2	2.1	2.4	2.82	6.2	0.34	
71	FTFMX	New York Muni Income	12.06	Hold	-2.0	-10.5	-3.7	-10.0	-0.8	1.1	2.2	3.12	7.1	0.32	
88	FOHFX	Ohio Muni Income	11.22	Hold	-1.5	-9.0	-3.3	-8.8	-0.6	1.1	2.4	2.78	6.1	0.26	
402	FPXTX	Pennsylvania Muni Income	10.34	Hold	-1.8	-9.8	-4.2	-9.3	-0.5	1.3	2.3	2.92	6.4	0.28	
6532	FSIKX	Sustainable Intermed Muni	9.95	Hold	1.2	-0.1p	--	--	--	--	--	--	--	--	
90	FTABX	Tax-Free Bond	10.75	OK to Buy	-2.0	-10.3	-4.0	-10.0	-0.3	1.7	2.7	3.34	6.7	0.33	

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 %Yield
			Jun	YTD	
55	FDRXX	Gov't Cash Reserves	0.06	0.10	1.04
458	SPAXX	Government MM	0.06	0.09	0.98
2742	FZFX	Treasury MM	0.06	0.09	0.98
415	FDLXX	Treasury Only MM (closed)	0.05	0.07	0.71
<b>PRIME MONEY MARKETS</b>					
454	SPRXX	Money Market*	0.07	0.12	1.27
*Available in premium class shares (FZDXX) with a \$100,000 minimum (\$10,000 for certain Fidelity retirement accounts) and lower expenses.					
<b>NATIONAL MUNICIPAL MONEY MARKETS</b>					
10	FTEXX	Municipal Money Market	0.04	0.09	0.65
275	FMOXX	Tax-Exempt MM	0.03	0.07	0.55

STATE MUNICIPAL MONEY MARKETS			Total Return (%)		SEC %Yield
			Jun	YTD	
433	FSAXX	Arizona Muni MM	0.02	0.04	0.40
97	FCFX	California Muni MM	0.03	0.07	0.50
457	FSPXX	California AMT Tax-Free	0.04	0.10	0.66
418	FCMXX	Connecticut Muni MM	0.03	0.06	0.48
426	FMSXX	Mass AMT Tax-Free	0.04	0.09	0.63
74	FDMXX	Massachusetts Muni MM	0.03	0.05	0.47
420	FMIXX	Michigan Muni MM	0.03	0.05	0.47
417	FNJXX	New Jersey Muni MM	0.03	0.05	0.51
423	FSJXX	New Jersey AMT Tax-Free	0.05	0.11	0.73
92	FNYXX	New York Muni MM	0.03	0.05	0.51
422	FSNXX	New York AMT Tax-Free	0.04	0.10	0.67
419	FOMXX	Ohio Muni MM	0.03	0.05	0.46
401	FPTXX	Pennsylvania Muni MM	0.03	0.06	0.53

# FIDELITY SCORECARD JUNE 30, 2022

Fund No.	Fund Ticker	Fund Name	Style	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) <sup>1</sup>
						Jun	YTD	3 Mo.	1 Year	3 Year	5 Year	10 Year	
<b>FIDELITY PERSONAL RETIREMENT ANNUITY PORTFOLIOS</b>													
Model Portfolios	Annuity Sector Model					-8.1	-24.8	-16.9	-20.4	9.6	10.8	13.1	1.09
	Annuity Growth Model					-8.8	-22.9	-17.0	-18.3	11.0	11.2	11.8	1.01
	Annuity Growth & Income Model					-6.6	-17.0	-12.2	-15.4	7.6	7.2	8.2	0.72
	Annuity Income Model					-3.8	-11.4	-7.4	-10.6	3.3	3.3	3.8	0.39
9067	FLRQC	Fid VIP Asset Manager	Allocation	23.77	Hold	-5.2	-15.7	-10.9	-13.1	4.0	4.6	5.9	0.59
9066	FAEEC	Fid VIP Asset Manager: Growth	Allocation	25.91	Hold	-6.7	-18.3	-13.3	-15.0	5.3	5.8	7.4	0.77
9069	FJBAC	Fid VIP Balanced	Allocation	33.82	Buy	-6.4	-18.1	-13.8	-13.0	8.5	8.4	9.3	0.77
9461	FBIQC	Fid VIP Bond Index	Bond	10.34	OK to Buy	-1.6	-10.5	-4.9	-10.8	-1.4	--	--	0.24
9173	FVTAC	Fid VIP Communication Services	Sector	22.03	Buy	-9.1	-32.2	-22.2	-35.7	5.0	6.5	8.6	1.20
9081	FVHAC	Fid VIP Consumer Discretionary	Sector	39.21	Buy	-11.8	-34.9	-26.3	-30.8	3.5	8.0	11.1	1.26
9171	FCSAC	Fid VIP Consumer Staples	Sector	35.29	OK to Buy	-3.6	-6.4	-3.9	-0.1	8.9	6.2	9.5	0.81
9065	FPDFC	Fid VIP Contrafund	Large Growth	40.16	Buy	-8.2	-27.2	-19.4	-18.4	9.6	10.0	11.6	1.04
9148	FPRGC	Fid VIP Disciplined Small Cap	Small Blend	25.22	OK to Buy	-8.7	-22.1	-15.7	-22.4	5.4	4.7	9.1	1.27
9074	FZAMC	Fid VIP Dynamic Capital App	Large Growth	45.77	OK to Buy	-6.8	-21.6	-16.9	-14.5	12.1	12.4	12.7	1.02
9198	FEMAC	Fid VIP Emerging Markets	Emg Mkts	12.50	OK to Sell	-5.0	-20.2	-8.6	-28.0	3.1	4.9	5.5	1.05
9085	FJLLC	Fid VIP Energy	Sector	18.56	Hold	-17.0	33.4	-4.6	43.7	10.6	6.1	3.4	2.33
9061	FLOLC	Fid VIP Equity-Income	Large Value	29.88	Buy	-7.1	-10.8	-9.8	-4.6	9.0	8.2	10.0	0.91
9469	FEMJC	Fid VIP Extended Market Index	Mid Blend	11.64	Hold	-9.4	-21.8	-17.1	-20.6	5.5	--	--	1.28
9083	FONNC	Fid VIP Financial Services	Sector	18.77	OK to Buy	-10.1	-15.6	-14.5	-10.4	8.4	7.7	11.0	1.40
9361	FFLCC	Fid VIP Floating Rate High Income	High-Yield Bond	12.29	OK to Buy	-2.7	-5.1	-5.0	-3.5	1.6	2.3	--	0.44
9157	FMPAC	Fid VIP FundsManager 20	Allocation	16.73	Hold	-3.1	-9.7	-6.3	-8.4	1.4	2.3	2.9	0.29
9158	FMPBC	Fid VIP FundsManager 50	Allocation	21.20	Hold	-5.6	-15.0	-10.7	-12.2	4.0	4.6	5.8	0.57
9197	FMPPC	Fid VIP FundsManager 60	Allocation	20.74	Hold	-6.3	-16.6	-11.9	-13.1	4.7	5.2	6.8	0.67
9159	FMPPC	Fid VIP FundsManager 70	Allocation	23.59	Hold	-7.0	-17.6	-13.0	-13.7	5.4	5.9	7.6	0.75
9160	FMPDC	Fid VIP FundsManager 85	Allocation	25.13	Hold	-8.0	-19.5	-14.6	-15.0	6.4	6.8	8.9	0.89
9059	FTNJC	Fid VIP Gov't Money Market	Money Mkt	11.71	--	0.0	-0.0	0.0	-0.1	0.2	0.6	0.2	0.01
9062	FMNDC	Fid VIP Growth	Large Growth	51.27	Buy	-6.6	-23.7	-18.1	-17.4	14.0	15.0	15.0	1.08
9070	FLFNC	Fid VIP Growth & Income	Large Blend	35.78	OK to Buy	-9.4	-12.1	-12.5	-7.6	9.9	9.0	11.2	1.02
9068	FIDPC	Fid VIP Growth Opportunities	Large Growth	54.42	Buy	-11.2	-36.4	-26.6	-37.3	10.0	16.0	15.6	1.42
9084	FPDRC	Fid VIP Health Care	Sector	59.23	Buy	-0.8	-19.8	-12.1	-17.6	7.1	8.8	14.5	0.97
9060	FBBLC	Fid VIP High Income	High-Yield Bond	20.99	Hold	-7.3	-14.1	-10.6	-13.1	-1.6	0.7	3.0	0.54
9064	FXVLT	Fid VIP Index 500	Large Blend	40.87	OK to Buy	-8.3	-20.1	-16.2	-10.9	10.2	10.9	12.6	1.00
9082	FBALC	Fid VIP Industrials	Sector	39.09	OK to Buy	-6.7	-21.5	-16.3	-13.9	1.8	4.7	9.3	1.22
9473	FFIQC	Fid VIP International Index	Diversified Int'l	10.09	Hold	-8.7	-18.8	-13.4	-19.7	1.1	--	--	0.94
9076	FVJIC	Fid VIP Int'l Capital App	Diversified Int'l	23.22	OK to Buy	-9.6	-29.5	-18.9	-25.4	1.3	4.6	7.9	0.95
9063	FTLKC	Fid VIP Investment Grade Bond	Inv Grd Bond	17.14	Buy	-1.9	-10.8	-5.4	-10.7	-0.3	1.2	1.8	0.27
9172	FVMAC	Fid VIP Materials	Sector	26.45	Hold	-14.8	-18.2	-18.5	-8.4	9.9	5.3	7.0	1.23
9071	FNBSC	Fid VIP Mid Cap	Mid Blend	35.30	Buy	-9.3	-21.2	-16.0	-14.6	6.8	6.1	9.5	1.22
9088	FENMC	Fid VIP Overseas	Diversified Int'l	19.40	OK to Buy	-10.4	-28.4	-17.8	-22.4	1.9	3.1	6.2	1.01
9072	FFWKC	Fid VIP Real Estate	Sector	27.79	Hold	-7.6	-20.6	-14.9	-8.1	2.4	3.6	6.1	1.03
9075	FGDQC	Fid VIP Strategic Income	High-Yield Bond	20.58	Buy	-4.1	-12.0	-7.4	-11.0	0.0	1.5	2.7	0.40
9086	FYENC	Fid VIP Technology	Sector	82.67	Buy	-10.7	-34.2	-25.8	-24.8	17.7	17.6	17.4	1.30
9465	FTMJC	Fid VIP Total Market Index	Large Blend	13.91	Buy	-8.4	-21.2	-16.8	-14.0	9.3	--	--	1.04
9087	FXRRC	Fid VIP Utilities	Sector	41.73	OK to Buy	-5.9	-1.1	-6.6	13.5	7.8	10.1	10.3	0.98
9079	FKMSC	Fid VIP Value	Large Value	32.87	OK to Buy	-9.8	-9.0	-10.7	-3.5	11.5	8.8	11.3	1.29
9073	FRBSC	Fid VIP Value Strategies	Mid Value	33.73	Buy	-11.3	-12.4	-12.9	-6.1	11.6	8.6	10.6	1.34
9347	FBMEC	Black Rock Global Allocation	Global Allocation	15.94	Hold	-6.1	-16.5	-10.4	-16.6	4.4	4.1	5.2	0.69
9349	FTMEC	Franklin Templeton Global Bond	Global Bond	9.63	Hold	-4.4	-6.1	-6.7	-8.3	-6.0	-3.0	-0.3	0.27
9348	FFMEC	Franklin Templeton US Gov't	Intermed Gov't	10.26	Buy	-1.4	-7.2	-3.2	-8.0	-1.6	-0.1	0.2	0.15
9285	FIGXC	Invesco Global Core Eqty	Global Stock	15.78	Hold	-5.0	-20.3	-13.0	-18.9	4.1	3.9	6.9	1.03
9147	FPRLC	Lazard Retirement Emerging Mkts	Emg Mkts	15.51	OK to Sell	-9.8	-15.4	-11.8	-19.4	-1.9	-0.8	1.1	1.12
9143	FPRMC	Morgan Stanley Emerg Mkt Debt	Emg Mkt Bond	16.51	OK to Sell	-8.0	-21.9	-14.1	-23.1	-6.3	-2.6	0.4	0.70
9144	FPRNC	Morgan Stanley Emerg Mkt Equity	Emg Mkts	13.56	OK to Sell	-9.7	-26.5	-16.0	-30.5	-2.2	-1.0	1.4	1.12
9146	FPRPC	Morgan Stanley Global Strategist	Diversified Int'l	15.28	Hold	-8.2	-17.4	-13.3	-16.4	1.4	2.9	4.6	0.74
9346	FPMEC	Pimco Commodity Real Return	Commodities	9.02	Hold	-12.7	15.0	-7.5	22.7	16.7	9.7	-0.7	1.09
9276	FPNMC	Pimco VIT Low Duration	Shrt-Term Bond	11.67	Buy	-1.4	-5.0	-1.7	-5.8	-0.9	0.2	0.5	0.12
9277	FPNBC	Pimco VIT Real Return	TIPS	14.76	Hold	-3.5	-9.4	-6.6	-6.1	2.7	2.8	1.3	0.28
9278	FPOBC	Pimco VIT Total Return	Intermed Bond	13.63	Hold	-2.3	-11.7	-5.9	-11.9	-1.3	0.5	1.4	0.27

Annuity Sector		Annuity Growth		Annuity Growth & Income		Annuity Income	
Fund	Allocation	Fund	Allocation	Fund	Allocation	Fund	Allocation
VIP Health Care	23%	VIP Equity-Income	35%	VIP Investment Grade	30%	VIP Investment Grade	35%
VIP Technology	20	VIP Contrafund	33	VIP Equity-Income	21	Frkln Temp U.S. Govt	26
VIP Financial Services	18	VIP Growth Opps	18	VIP Growth Opps	19	VIP Strategic Income	17
VIP Consumer Discret	16	VIP Value Strategies	14	VIP Strategic Income	16	VIP Value Strategies	12
VIP Comm Services	13			VIP Value Strategies	14	VIP Growth	10
VIP Industrials	10						
<b>Total Return:</b>		<b>Total Return:</b>		<b>Total Return:</b>		<b>Total Return:</b>	
Jun: -8.1% YTD: -24.8%		Jun: -8.8% YTD: -22.9%		Jun: -6.6% YTD: -17.0%		Jun: -3.8% YTD: -11.4%	

## Mid-Year Report *cont'd from p. 5*

year. As for **Capital & Income** (previously held in our *Growth & Income Model*), despite its 12% weight in energy and a similar amount in cash, it retreated 13.9% during the 6-month period.

As for **New Markets Income** (down 6.7% in June and 18.0% year-to-date), a credit-challenged emerging market fund, a stronger U.S. dollar has weighed on the currencies of Indonesia, Brazil, and South Africa — countries where the fund has significant exposures. But currency hasn't actually been the fund's underbelly, because its holdings are dollar-denominated. Instead, risk-averse investors shed the asset class because higher interest rates in developing markets increase default-risk.

### Action Recommendation:

Typically, high-yield bond funds are more economically sensitive than they are rate-sensitive (though they certainly do react to inflation expectations). With the risk of recession rising, our enthusiasm for the asset class is muted.

As our June 6 trade in the *Growth & Income Model* signaled, investors are better served right now by holding the diversified **Strategic Income** fund rather than the more aggressive **Capital & Income** (which also holds some stocks). Volatility from the former's diversified mix of high-yield bonds (including emerging market and floating-rate debt) are further tamed by its 31% weight in U.S. government bonds.

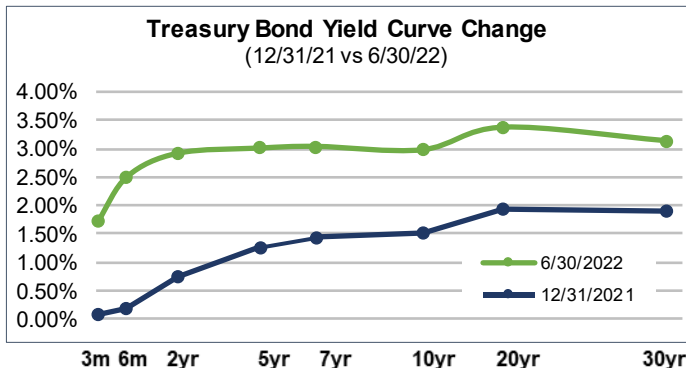
### Taxable Bonds

With the Fed raising interest rates 0.75 percentage points in June (its largest single hike since 1994) in response to 40-year-high inflation, bond funds continued to sell off. By certain measures, it was the worse six-month period for bonds

on record. Indeed, not a single taxable bond fund was positive.

Declines ranged from -0.3% for **Conservative Income Bond** (its NAV ended June 30 at \$9.98 versus the stable \$10.00 it seeks) to -20.9% for Fidelity's most interest-rate-sensitive fund, **Long-Term Treasury Index**. As for **U.S. Bond Index**, a proxy for the nation's bond market as it includes Treasuries, corporates and mortgage-backed securities, its year-to-date loss was -10.3%.

Behind all that red ink was the Fed moving short-term interest rates higher via bank lending rates. As the nearby chart shows, the most pronounced increase in bond yields occurred at the short end of the curve. For example, yields on 3- and 6-month Treasury notes jumped 166 basis points and 232 basis points, respectively. Of course, yields rose across the full maturity spectrum, which is why bond prices fell universally. Notably, the benchmark 10-year Treasury yield ended June 30 at 2.98%. That's a rise of 146 bps or 1.46 percentage points.



**Action Recommendation:** As discussed, federal stimuli, a tight labor market, a tight housing market, and rising oil prices have each played a role in today's inflation cycle. The question now, of course, is where we stand with respect to the end of that cycle.

This much is clear. The federal government's fiscal and monetary levers will continue to "tighten." The good news: The bond market knows that the government is finally

on the right side of the inflation battle, which suggests that the worst of the bad news for bonds is behind us. To that end, last month in the *Income Model*, we added to **Total Bond** at the expense of **Short-Term Treasury**. The move slightly increased its credit- and interest-rate-risk. (See Trade Box on p. 3.)

### Municipal Bond Funds

Though a distinct asset class from taxable bonds, munis faced the same selling pressures from investors this year as interest rates soared. Indeed, individuals (and less so institutional investors) bailed on munis even though their income is typically federally and state tax-free.

For example, **Municipal Bond Index** fund, which is Fidelity's proxy for the nation's \$4 trillion muni market, slid 9.6% in the first half of the year versus -10.3% for U.S. taxable bonds. At mid-year, not a single muni bond nor taxable bond fund was in positive territory.

Other muni bond fund offerings fared better, of course, if only because they hold shorter-maturing bonds. For the year-to-date, **Limited Term Muni Inc.** and **Intermediate Muni Inc.**, for example, fell 4.5% and 6.8%, respectively.

### Action Recommendation:

At some point this year, our appetite for yield will offset our concerns over rate-risk and we will likely upgrade muni funds with longer durations. In the meantime, the nationally diversified **Limited Term Muni** and **California Limited Term Tax Free** (for that state's residents) are our preferred choices for more highly taxed investors.

### Money Market Funds

Before getting too excited over the fact that money market funds are once again yielding a bit more than 0% (though not much more!), and

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## Inside Fidelity

**Index Fund Shakeup** — Index provider FTSE Russell made its annual changes to its U.S. equity benchmarks last month. But because of some notable market rotation this year and last, some changes will be more pronounced than

### DIVIDEND UPDATE

*In addition to regular monthly dividends paid by bond and money market funds and Asset Manager: 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	6/10	0.516	9.41
Founders Fund	6/10	0.255	14.93
Large Cap Stock	6/10	0.815	37.27
Lge Cap Grow Idx	6/24	0.039	22.25
Lge Cap Value Idx	6/24	0.071	14.51
Mid Cap Index	6/24	0.203	25.76
Mid-Cap Stock	6/10	1.733	37.14
MSCI Comm Svs	6/17	0.087	35.86
MSCI Con Discr	6/17	0.143	60.13
MSCI Con Staples	6/17	0.254	42.13
MSCI Energy	6/17	0.208	19.99
MSCI Financials	6/17	0.280	44.48
MSCI Health Care	6/17	0.199	58.96
MSCI Industrials	6/17	0.192	44.66
MSCI Info Tech	6/17	0.215	97.05
MSCI Materials	6/17	0.265	41.45
MSCI Real Estate	6/17	0.229	26.77
MSCI Utilities	6/17	0.279	42.76
Real Estate Idx	6/3	0.007	17.19
Real Estate Inc	6/3	0.136	12.63
Small Cap Dscvry	6/10	1.913	23.75
Small Cap Stock	6/10	1.138	14.83
U.S. Low Vol Eq	6/10	0.407	10.02

usual — including all five of the five biggest stocks in its large-cap barometers shifting positions.

With respect to Fidelity's suite of index funds, which closely track Russell benchmarks, they've already been reconstituted, albeit modestly. As for their five semi-actively managed Enhanced index funds, and funds that are simply benchmarked to Russell indices, they have the luxury of deciding when and if they will respond to these changes. At the very least, fund managers are typically cognizant of any changes to their benchmark's portfolio characteristics including sector weights and market capitalization.

Among the more notable changes Russell has made involve its large-cap stock indexes. And that's primarily because of the large declines experienced by tech stocks this year, including Meta Platforms (Facebook's parent).

In the case of former growth-stock-darling Meta, its prior 2.4% weight in the Russell 1000 Growth Index has shifted to the 1000 Value

Index. The move reflects Meta's lower P/E ratio and slower growth prospects. Conversely, Tesla has replaced Meta as the fifth-largest company in both the Russell 3000 and Russell 1000 indexes.

### Biggest U.S. Index Stocks

Company	Mkt Cap <sup>1</sup>
Apple	\$2.19
Microsoft	1.91
Alphabet (Google)	1.43
Amazon	1.08
Tesla	0.69

<sup>1</sup> In \$ trillions as of 6/29/2022

Small-cap funds will also see changes. With energy stocks pole-vaulting in market cap since 2021, many have grown out of Russell's small-cap 2000 index and into its mid- and even large-cap indexes.

Conversely, there are large-cap tech stocks that have essentially been demoted to mid- and small-cap benchmarks (Meta, Netflix and PayPal have lost more than half their value this year!), and have now transitioned to value indices to boot. ■

### Mid-Year Report *cont'd from p. 11*

are likely to rise further, let's remember that on an inflation-adjusted basis, real yields are negative. Case in point: **Money Market**, Fidelity's only retail prime fund, yielded 1.27% at month-end. Factor in 8.6% inflation and, well, you get the idea — over time, parking too much money in such funds will cost you dearly.

Alas, with the Fed likely to raise rates 0.50% this month or perhaps another 0.75%, cash is still not king, but money markets may be worth a closer look once taxable

yields breach 2.0%, which they may do later this year.

### Housekeeping

In last month's *Outlook*, I made the point that unprecedented federal spending in 2020 and 2021 (monies used to stimulate the economy during the pandemic) was a prime contributor to inflation. While I stand by that view, I can't stand by my math: I should have written that \$6.5 trillion in added spending amounts to \$20,000 for every man, woman and child in the U.S. — not \$2,000. I apologize for my error. ■

— John Bonnanzio

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