

# FIDELITY MONITOR & INSIGHT

AUGUST 2018

PUBLISHED SINCE 1985

## MESSAGE FROM JACK

### Moving Ahead Of The GICS Crowd

Does it make sense to be the early adopter, or wait until the dust settles?

A sector shake-up is in the works. Both S&P Dow Jones and MSCI plan to replace their Telecommunications sector with a new Communication Services sector, boosting its weight in the S&P 500 from 2% to about 10%. To do that, dozens of stocks (including tech disruptors Alphabet, Facebook, and Netflix) will be pulled out of the Consumer Discretionary and Technology groups at the end of the third quarter. Without a stake in the new sector, existing exposure to faster-growing firms could disappear at that time.



Jack Bowers

After scratching my head over this for a few months, I've concluded the *Select Model* is better off being an early mover. **Select Chemicals** has been hurt by rising feedstock costs, a stronger dollar, and foreign tariffs on U.S. agriculture — factors for which there may be no short-term relief. Meanwhile, Fidelity is proposing that **Multimedia** go head-to-head with the new Communication Services sector (pending shareholder approval). That creates an easy repositioning path, given the relatively light overlap in stocks held by **Consumer Discretionary**, **Multimedia**, and **Technology**.

Another consideration: the Selects are active funds, so they're free to play all the passive money that could be sloshing around. The specifics of the sector realignment will be announced on August 1, and implemented September 30. Opportunities could develop between those two dates. One possibility: Out-of-favor stocks in the media and telecom groups could benefit as investor interest grows in the newly created sector.

Finally, the exchange from Chemicals to Multimedia pulls the *Select Model* more toward growth without much impact on its overall volatility score (much like last month's rebalancing from **Financial Services** to **Health Care**). The performance on the value side has been rather dismal this year. That might change going forward. But in an age of tech disruption it should come as no surprise if growth stocks maintain their market leadership.

## MARKET OUTLOOK

### Despite Tech Selloff, Stocks Still Look Attractive

Facebook's nearly 20% plunge after reporting disappointing earnings growth and the subsequent selloff in other large-cap tech stocks serves as a stark reminder that good things don't last forever. That includes bull markets. But tech's woes, as dramatic as they are, do not signal the end of this particular bull. While near-term turbulence is likely (and August could be a rough month — more on that later), most fundamental factors are still favorable for further gains in stocks.



John M. Boyd

### It Is A Broad-Based Advance

A healthy market uptrend is characterized by broad participation across a variety of market sectors and stocks. While the FANG+ stock index (which includes Facebook, Amazon, Apple, Netflix, Google parent Alphabet) gets a lot of attention, and obviously has had an outsized impact, this advance has been driven by more than just those stocks. Since the S&P 500's closing high on January 26, the cumulative advance/decline line for the S&P 500 (a count of the total number of advancing stocks in the index less decliners) has hit nearly 20 new highs — the very definition of a broad-based rally.

### Earnings Continue To Sizzle

S&P 500 earnings per share continue to surprise on the upside and estimates are continuing to be revised higher. With 265 firms having reported so far for the second quarter, 82% have beaten earnings estimates. Importantly, 72% of firms have also beaten sales estimates — so it's not just "financial engineering." So far, sales for the quarter are up over 10% year-over-year, while earnings are up 28%. Moreover, this strong growth is expected to continue over the last two quarters of the year, now projected to grow 29% and 25%, respectively.

### Economic Growth Accelerating

The first estimate for second-quarter GDP came in at 4.1%, up sharply from the first quarter's (newly revised)

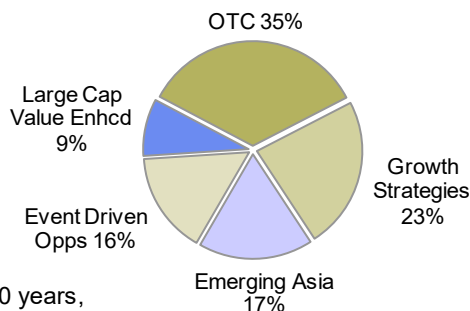
**Unique Opportunities** Target Risk: 1.20 (Current: 1.16) Foreign Holdings: 22.9% **YTD Return: 6.3%**

Stocks: 97.9% Bonds: 0.0% Cash: 2.2% Alternatives\*: 0.0% Yield: 0.5%

Holdings	Ticker	NAV	Shares	Value	Jul Ret
OTC	FOCPX	\$12.50	16,099.96	\$201,250	1.3%
Growth Strategies	FDEGX	44.11	3,086.93	136,164	3.1
Emerging Asia	FSEAX	43.27	2,356.16	101,951	0.7
Event Driven Opps	FARNX	14.16	6,421.19	90,924	-0.5
Large Cap Value Enhcd	FLVEX	13.54	3,786.85	51,274	3.7

**Current Value (3/31/99 = \$100,000) \$581,563 1.5%**

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



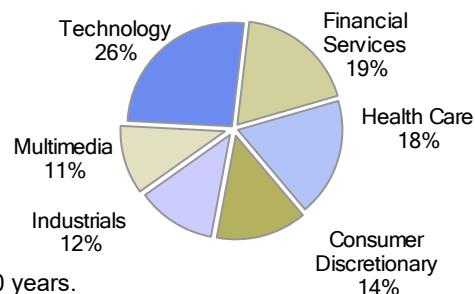
**Select** Target Risk: 1.20 (Current: 1.19) Foreign Holdings: 10.3% **YTD Return: 7.0%**

Stocks: 99.3% Bonds: 0.0% Cash: 0.8% Alternatives\*: 0.0% Yield: 0.3%

Holdings	Ticker	NAV	Shares	Value	Jul Ret
Technology	FSPTX	\$181.60	6,041.31	\$1,097,102	1.5%
Financial Services	FIDSX	111.53	7,059.29	787,322	3.8
Health Care	FSPHX	253.73	3,061.72	776,851	3.5
Consumer Discretionary	FSCPX	45.63	12,954.15	591,098	1.7
Industrials	FCYIX	35.90	14,349.11	515,133	5.6
Multimedia	FBMPX	78.86	5,726.43	451,587	2.6

**Current Value (12/31/88 = \$100,000) \$4,219,093 3.0%**

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



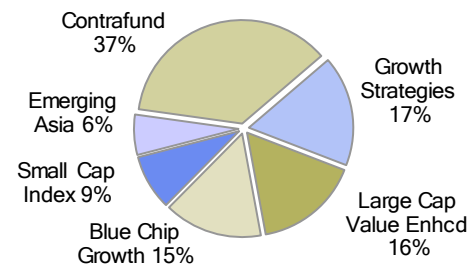
**Growth** Target Risk: 1.00 (Current: 1.02) Foreign Holdings: 10.1% **YTD Return: 8.1%**

Stocks: 98.7% Bonds: 0.1% Cash: 1.3% Alternatives\*: 0.0% Yield: 0.6%

Holdings	Ticker	NAV	Shares	Value	Jul Ret
Contrafund	FCNTX	\$134.63	7,923.75	\$1,066,775	1.9%
Growth Strategies	FDEGX	44.11	11,426.98	504,044	3.1
Large Cap Value Enhcd	FLVEX	13.54	35,091.98	475,145	3.7
Blue Chip Growth	FBGRX	99.75	4,465.05	445,388	1.0
Small Cap Index	FSSPX	22.11	11,382.97	251,677	1.8
Emerging Asia	FSEAX	43.27	4,246.83	183,760	0.7

**Current Value (12/31/86 = \$100,000) \$2,926,790 2.2%**

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



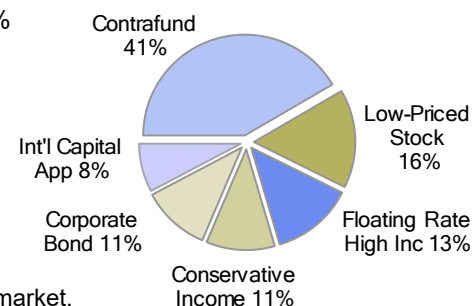
**Growth & Income** Target Risk: 0.66 (Current: 0.68) Foreign Holdings: 21.9% **YTD Return: 4.2%**

Stocks: 62.7% Bonds: 21.5% Cash: 4.0% Alternatives\*: 11.9% Yield: 1.3%

Holdings	Ticker	NAV	Shares	Value	Jul Ret
Contrafund	FCNTX	\$134.63	2,202.26	\$296,490	1.9%
Low-Priced Stock	FLPSX	55.65	2,025.41	112,714	1.2
Floating Rate High Inc	FFRHX	9.63	9,709.91	93,506	0.8
Conservative Income	FCONX	10.04	7,741.62	77,726	0.3
Corporate Bond	FCBFX	11.21	6,913.63	77,502	0.9
Int'l Capital App	FIVFX	21.12	2,623.10	55,400	1.1

**Current Value (12/31/93 = \$100,000) \$713,338 1.3%**

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



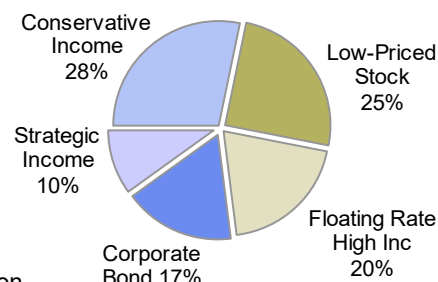
**Income** Target Risk: 0.33 (Current: 0.31) Foreign Holdings: 27.1% **YTD Return: -0.4%**

Stocks: 22.9% Bonds: 47.2% Cash: 5.4% Alternatives\*: 24.5% Yield: 2.6%

Holdings	Ticker	NAV	Shares	Value	Jul Ret
Conservative Income	FCONX	\$10.04	11,356.60	\$114,020	0.3%
Low-Priced Stock	FLPSX	55.65	1,804.99	100,448	1.2
Floating Rate High Inc	FFRHX	9.63	8,352.13	80,431	0.8
Corporate Bond	FCBFX	11.21	6,124.22	68,652	0.9
Strategic Income	FADMX	12.21	3,302.04	40,318	0.6

**Current Value (12/31/91 = \$100,000) \$403,869 0.7%**

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



2.2%, and the strongest in four years. While that figure was boosted by a surge in soybean exports to get ahead of Chinese retaliatory tariffs that took effect in July, there is underlying strength, too. If you exclude net exports, inventories and government spending, we had 4.3% growth, even stronger than the headline figure! The reduction in inventories (which subtracted 1% from growth in the second quarter), should help the third quarter as restocking occurs. In short, don't expect another 4% quarter, but we should still see growth above the weak trend of the past few years.

### History Says ...

Historically, August is a tough month for stocks, especially in a mid-term election year. The Nasdaq, in particular, has had a rough time falling on average 1.8% for the month.

However, longer-term the picture could be brighter. The Bespoke Investment Group recently released an interesting study. They note that since 1935, the S&P 500 has delivered gains in each of the months of April through July 11 times. In all 11 cases, the market gained further ground from August through the end of the year, with an average return of 10.8%. The most recent occurrence was just last year when the market rose 8.2% over the final five months. This year the S&P 500 has for a twelfth time notched positive returns each month from April through July, so perhaps the stage is set for another good finish.

Regardless of historical parallels, and despite what may be a rocky time ahead, as long as the underlying fundamentals remain strong, we continue to like stocks. ■

— John M. Boyd

## FUNDS YOU SHOULD BUY NOW

**Growth:** **Blue Chip Growth**, **Growth Company** and **OTC** are aggressive large-cap options; **Contrafund** is more conservatively positioned. **Growth Strategies** provides mid-cap exposure. Style-agnostic, **Event Driven Opportunities** often “leans” towards mid-cap growth while the diversified **Low-Priced Stock** is more value-oriented. **Small Cap Index** provides low-cost exposure to nearly 2,000 smaller-cap stocks.

**Growth & Income:** **Large Cap Value Enhanced** provides exposure to attractively valued financials and health care, which also helps to boost its yield well above the S&P 500 (2.9% vs. 2.0%).

**International:** **Int'l Cap App** is a lower-risk approach to developed (and some developing) equity markets; **Emerging Asia** offers faster growth in industry “disruptors,” but with much higher risk

**High-Yield:** **Strategic Income** moderates high-yield bond risk via diversification in multiple asset classes; **Floating Rate High Income** should benefit from rising short-term interest rates.

**Taxable Bond:** **Conservative Income Bond** limits interest-rate risk with its extremely short duration; **Corporate Bond** boosts its yield with lower-credit and more interest-rate-sensitive bonds.

**Muni Bond:** Our preferred choice is **Conservative Income Muni**. ■

## MODEL PORTFOLIO TRADES

As announced on our Hotline message of Friday July 27, on Monday July 30 we made the following model portfolio trades:

### Select Model:

We sold **Select Chemicals** [FSCHX] and bought **Select Multimedia** [FBMPX].

### Growth & Income Model:

We sold **Strategic Income** [FADMX] and bought **Floating Rate High Income** [FFRHX].

### Income Model:

We sold 1/2 of **Strategic Income** [FADMX], bringing it down from about 20% of the model to around 10%. We added the proceeds to our existing position in **Floating Rate High Income** [FFRHX], bringing it from about 10% of the model to 20%.

### Annuity Sector Model:

We sold **VIP Materials** [FVMAC] and bought **VIP Telecommunications** [FVTAC].

### Annuity Growth & Income Model:

We sold **VIP Strategic Income** [FGDQC] and bought **VIP Floating Rate High Income** [FFLCC].

### Annuity Income Model:

We sold 1/2 of **VIP Strategic Income** [FGDQC] making it about 10% of the model and added the proceeds to **VIP Floating Rate High Income** [FFLCC], making it about 19%.

*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.*

### Model Trade Rationales and Notes:

For a rationale of the trades into Multimedia in the *Select Model* and VIP Telecomm in the *Annuity Sector Model* see *Jack's Message* on page 1. By reducing or eliminating our holdings in Strategic Income we are reducing our exposure to emerging market debt which has struggled with a rising dollar that we expect to continue strengthening. In Floating Rate, we earn a higher yield, but with less risk, owing to that fund's extremely short duration (90% of the fund is in 6 month or less maturities). ■

### 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 telephone, e-mail, and web (see p. 12). **Annuitant Model Portfolios** are on p. 10.

## FUND PROFILES

### How We're Playing Fed "Tightenings"

Even the casual observer of bond funds knows that 2018 has so far been tough on the wallet.

On several occasions, the yield on the bellwether 10-year Treasury has briefly breached 3%. However, the yield curve has been flattening because the Fed has been busy raising short-term interest rates. It's already done so twice this year with two more hikes expected. That would mean the Fed will have raised rates nine times since December 2015 to a top range of 2.25% to 2.50%. Against that backdrop, taxable and muni funds have struggled.

Here's how we're playing today's interest-rate environment.

#### Conservative Income

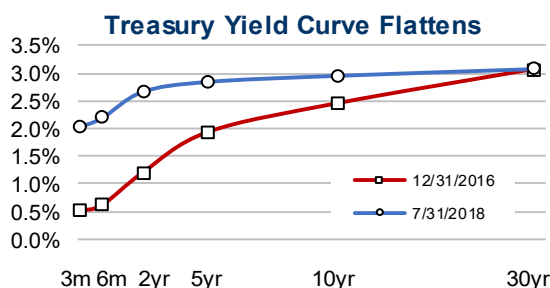
While rising short-term interest rates obviously weigh on the value of existing short-term notes, bond funds hold securities of varying maturities. So, as older maturing bonds effectively "age out" of a fund, they're replaced by new, higher-yielding bonds.

This is true in shorter-term bond funds, and it's especially true in the super-short duration **Conservative Income Bond** whose holdings are constantly replaced. Albeit ever-so-slightly, this portfolio churning is what's actually helping to keep this year's performance (up 1.1%) in the black. In contrast to that, **U.S. Bond Index** — a proxy for the broad bond market — is down 1.6%.

With its weighted average maturity well short of a year, Conservative Income is a kind of money market fund on steroids. Yes, it's riskier than holding a "cash" fund because it takes more credit-risk than money funds are allowed to assume. Notably, non-prime money markets hold very, very short-term government paper, whereas Conservative Income is 90% invested in

riskier corporate bonds, including a sizeable chunk (about a third) in foreign corporate bank loans. (The fund's overall credit quality is "medium.")

As to an earlier point, duration is a short 0.13 years, suggesting that a 1% rise in interest rates would clip 0.13% of the fund's value. Viewed another way, about half the fund's assets mature inside 30 days. That



Since late 2016, short-term bond yields have risen faster than longer-term ones, causing a "flattening" of the curve (blue line). If the flattening leads to an inversion (the 10-year yield becoming lower than the 2-year), a recession often follows. But that may not happen this time, as long rates are being held down not because investors expect a slowdown, but from strong overseas demand owing to the fact that yields are even lower on foreign developed market debt.

leaves Managers Rob Galusza and Julian Potenza with the opportunity to constantly replenish the fund with slightly higher-yielding bonds.

Granted, Conservative Income is no way to get rich quick. But it is a good way to secure a 2.15% yield at a time when **Gov't Cash Reserves** yields an even more paltry 1.61%.

While money market funds are safer, once inflation is taken into account, your inflation-adjusted return right now is negative. While Conservative Income's inflation-adjusted yield isn't much better, it does help from an after-tax standpoint.

#### Floating Rate High Income

As evidenced by our July 30 trades (see p.3), this high-yield bond fund is playing an increasingly important role in our models' income-strategies.

At a time when taxable bond funds with roughly the same interest-rate risk are yielding only about 2%,

it's clear that Floating Rate's 4.36% yield is the result of additional credit risk. In fact, it's taking considerably more risk via its nearly 500 non-investment-grade leveraged bank loans.

Naturally, companies that are highly indebted (leveraged), must pay investors a higher yield because they are riskier bets. Notably, 80% of the fund's assets are in credits rated BB and B. With that in mind, Floating Rate has a modest wind to its back in the form of a healthy economy and strong corporate earnings — both make the risk of default less likely right now. It also helps that Fidelity has a deep pool of credit analysts to mitigate some of the risk that's inherent to holding leveraged bank loans.

While we generally don't encourage investors to "reach for yield," Floating Rate currently has its risk and potential reward in the appropriate balance. ■

— John Bonnanzio

Why is **Limited Term Bond** down 0.3% this year while **Limited Term Muni Income** is up 0.6%?

Despite their many similarities, munis are a distinct asset class from taxables. While the values of both are directly affected by interest rates, munis are especially sensitive to how well state and local governments manage their budgets. Other concerns include tax rates and fees (from revenue bonds). Each plays a role in an issuer's all-important credit rating.

That said, munis' lead this year simply comes down to supply and demand. In the aftermath of federal tax cuts, issuance of new bonds is down about 20% from last year's level. However, anxiety over stocks is contributing to strong demand for bonds generally, and for less rate-sensitive short- and intermediate-term munis in particular. On that note, whereas we hold **Conservative Income Bond** in both our income-oriented models, more highly taxed individuals should consider **Conservative Income Muni** for its higher tax-equivalent yield. ■

FUND COMMENTARY

## Stocks Rise Though Investors Get Jittery

In the final week of July, disappointing top- and bottom-line growth for social media icon Facebook ignited a three-day selloff in the broader tech sector. At one point, the FANG+ index, which includes companies as disparate as Amazon, Apple and Tesla, fell more than 10% (which is considered correction territory).



John Bonnanzio

But thanks to earlier gains and a nice end-of-month pop, July was far from a bust. The Nasdaq Composite (which had taken a bruising from investors who briefly forgot that boffo earnings growth make tech valuations quite reasonable), managed a month-to-date gain of 2.2%. For the year, it's the only major equity benchmark with double-digit returns: it's up 11.8%.

Against the backdrop of trade disputes and other foreign policy detours, the bellwether Dow Industrials cobbled together an impressive monthly gain of 4.8% (though it's now up just 4.1% for the year). The broader S&P 500 returned 3.7% in July and is up 6.5% for the year.

Another area that, in relative terms, cooled in July was small-cap stocks. Briefly the darling of equity investors, the Russell 2000 "only" managed a gain of 1.7% last month, though its year-to-date return of 9.5% is also quite impressive. And, as if looking for other overlooked bargains, investors scooped up mid-caps. Up 2.5% for the month, the area got a helping hand from financials (especially banks), industrials and health care. For the year, the Russell Midcap has gained 4.9%.

### Stock Funds

The ground beneath Fidelity's expansive lineup of stock funds

shifted last month as value-oriented funds outperformed growth funds. The former benefited from strong showings by financials, and big energy companies, whereas the latter struggled at the hand of tech, biotech and communication shares.

Among last month's top-performers were the large-cap **Equity-Income** and **Equity Dividend Income**, which jumped 4.7% and 4.3%, respectively.

The biggest laggards were small-cap funds; even the top-performing (and closed) **Small Cap Growth** struggled, rising 1.4%.

Though burdened by Facebook and other FANGs, Fidelity's most popular large-cap growth funds still gained ground: **Contrafund** rose 1.9%, **Growth Company** gained 1.4%, and **Blue Chip Growth** advanced 1.0%.

### International Funds

With the U.S. and Europe calling a truce on trade disputes, **Europe** fund (up 3.5%) and other euro-heavy diversified stock funds bounced back last month. However, with President Trump showing no signs of capitulating to the Chinese, **China Region** fund retreated 1.8%. Other funds with significant exposures to the Pacific Rim struggled last month, including **Japan Smaller Companies** (down 1.5%)

and **Emerging Markets Discovery** (down 0.2%). More broadly, Fidelity's largest foreign stock fund by assets, **Diversified International**, rose 2.1% in July but is down 0.6% this year.

### Fixed-Income Funds

As discussed on the facing page, the yield curve continued to flatten in July; 2-year Treasury notes saw their yields rise 15 basis points to 2.67%, and the benchmark 10-year Treasury rose 11 basis points to finish the month yielding 2.96%. As bond prices move inversely to their yields, most bond funds lost ground. The broadly diversified **U.S. Bond Index** was flat for the month, and is down 1.6% for the year. For its part, **Intermediate Municipal Income** rose 0.3%.

With the economy surging 4.1% in the second quarter and many anticipating strong growth ahead, economically sensitive junk bonds rose. **High Income** gained a solid 1.0% while **Global High Income** (up 1.6%) benefited even more from GDP growth (it's more than 60% weighted in U.S. high yield) and easing trade tensions.

Finally, the yield on **Gov't Cash Reserves** ended July at 1.61%. That's up from 0.95% at the start of the year. ■

— John Bonnanzio

August Scorecard Rating Changes					
Fund	Ratings			Comments	
	Old	New			
Global Commodity Stk	H	S	↓	Despite subsidies, "ag" stocks face headwinds.	
Laz Ret Emerging Mkt	H	S	↓	Prefer the less volatile VIP Fidelity Emerging Markets.	
Leveraged Co Stock	<b>B</b>	B	↓	Risk too great; prefer to own growth stocks.	
MS Emg Mkt Equity	B	H	↓	Prefer the less volatile VIP Fidelity Emerging Markets.	
MSCI Materials	<b>B</b>	H	↓	The rising price of feedstock (oil/gas) weighing on sector.	
Sel Chemicals	<b>B</b>	H	↓	The rising price of feedstock (oil/gas) weighing on sector.	
Sel Materials	B	H	↓	The rising price of feedstock (oil/gas) weighing on sector.	
Sel Multimedia	H	<b>B</b>	↑	Reorganization of sector (p. 1) presents opportunities.	
Value Discovery	<b>B</b>	B	↓	Most value funds offer limited upside potential right now.	
VIP Contrafund	B	<b>B</b>	↑	New management team (see p. 12) bodes well for fund.	
VIP Materials	<b>B</b>	H	↓	The rising price of feedstock (oil/gas) weighing on sector.	
VIP Telecom	H	<b>B</b>	↑	Reorganization of sector (p. 3) presents opportunities.	

**B** = Buy; **B** = OK to Buy; **H** = Hold; **S** = OK to Sell; **S** = Sell; **NC** = No Change; **NR** = No Rating  
 (↑) Rating upgraded; (↓) Rating downgraded.

# FIDELITY SCORECARD

JULY 31, 2018

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)					Rel Vol (Risk) <sup>1</sup>
					Jul	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr	15 Yr	
Comparative Indexes		S&P 500	2816.3		3.7	6.5	6.9	16.2	12.5	13.1	10.7	9.4	1.00
		Nasdaq Composite	7671.8		2.2	11.8	8.9	22.2	15.7	17.5	14.0	11.5	1.24
		Dow Jones Industrials	25415.2		4.8	4.1	5.8	18.7	15.7	13.1	11.3	9.7	1.10
		Russell 2000 (Small Caps)	1670.8		1.7	9.5	8.7	18.7	12.0	11.3	10.4	10.2	1.36
		Barclays Aggregate Bond*			0.0	-1.6	0.7	-1.0	1.3	2.1	3.5	2.1	0.26
Model Portfolios		Unique Opportunities			1.5	6.3	5.1	15.4	10.8	11.0	8.7	10.7	1.16
		Select Growth			3.0	7.0	5.8	18.6	12.5	14.2	10.6	10.8	1.19
		Growth & Income			2.2	8.1	6.2	18.1	10.9	11.7	8.9	9.4	1.02
		Income			1.3	4.2	3.3	10.3	8.4	9.5	7.6	7.9	0.68
											Rel Vol (Risk) <sup>1</sup>	Assets (\$Mil)	
<b>LARGE CAP GROWTH</b>					<b>Average</b>	<b>2.4</b>	<b>10.5</b>	<b>7.2</b>	<b>21.6</b>	<b>13.3</b>	<b>14.7</b>	<b>11.5</b>	<b>1.18</b>
312	FBGRX	Blue Chip Growth	99.75	Buy	1.0	13.7	8.7	25.2	14.9	17.1	13.9	1.24	\$20,727
307	FDCAX	Capital Appreciation	38.30	OK to Buy	0.9	8.8	5.6	18.9	9.7	12.1	10.9	1.19	5,191
22	FCNTX	Contrafund	134.63	Buy	1.9	11.6	7.1	22.1	14.3	15.3	11.6	1.09	98,243
3	FFIDX	Fidelity Fund	48.69	Hold	3.9	7.7	5.9	19.5	10.5	12.6	9.1	1.03	4,260
333	FTQGX	Focused Stock	25.75	OK to Buy	2.1	13.7	7.8	26.9	13.2	13.2	11.3	1.16	2,194
25	FDGRX	Growth Company (Closed)	201.70	Buy	1.4	12.9	7.2	24.8	17.0	18.0	14.0	1.37	27,939
339	FDSVX	Growth Discovery	36.77	Buy	2.8	12.9	8.1	22.3	14.6	16.0	11.1	1.13	1,598
73	FDFFX	Independence	40.65	Hold	3.1	9.0	6.3	19.7	8.1	12.0	7.9	1.33	3,663
1829	FLGEX	Lrge Cap Growth Enhcd Index	20.54	OK to Buy	3.2	8.5	7.3	22.4	13.4	14.8	11.8	1.06	1,124
2823	FSUIX	Lrge Cap Growth Index	14.71	OK to Buy	2.9	10.2	8.4	22.6	--	--	--	--	18
21	FMAGX	Magellan	108.77	Hold	3.3	9.0	6.6	20.7	12.3	14.3	8.7	1.12	15,717
1282	FNCMX	Nasdaq Composite Index	101.09	OK to Buy	2.2	11.5	8.8	21.6	15.5	17.3	13.7	1.24	6,123
300	FMLX	New Millennium	42.52	OK to Sell	2.5	6.9	5.5	17.0	11.4	11.5	11.2	1.05	3,420
93	FOCPX	OTC	12.50	Buy	1.3	13.8	9.5	24.3	18.2	18.8	15.4	1.50	13,340
320	FDSSX	Stock Selector All Cap	47.25	OK to Sell	2.7	7.5	6.0	17.2	12.2	12.9	9.8	1.07	9,179
5	FTRNX	Trend	107.54	OK to Buy	2.4	10.5	7.0	20.7	13.7	15.4	12.3	1.13	1,919
<b>LARGE CAP BLEND</b>					<b>Average</b>	<b>4.0</b>	<b>5.1</b>	<b>6.3</b>	<b>15.0</b>	<b>10.6</b>	<b>11.7</b>	<b>9.6</b>	<b>1.05</b>
650	FUSEX	500 Index	98.48	Hold	3.7	6.4	6.9	16.1	12.4	13.0	10.6	1.00	3,780
315	FDEQX	Disciplined Equity	40.09	Hold	3.2	3.3	4.6	12.8	8.8	11.1	7.7	0.99	1,263
330	FDGFX	Dividend Growth	33.79	Hold	4.4	2.9	5.3	13.6	8.8	10.6	9.9	0.97	6,057
332	FEXPX	Export and Multinational	22.80	Hold	4.3	2.7	5.3	13.8	9.1	10.7	8.1	0.96	1,499
27	FGRIX	Growth & Income	39.34	Hold	4.3	4.7	6.9	13.7	10.4	10.9	7.8	1.14	6,281
1827	FLCEX	Lrge Cap Core Enhcd Index	15.68	Buy	3.8	7.0	6.7	19.1	12.1	12.7	10.3	1.00	711
338	FLCSX	Large Cap Stock	33.45	Hold	4.4	5.6	7.0	14.8	10.9	11.8	11.4	1.21	3,009
361	FGRTX	Mega Cap Stock	18.37	Hold	4.8	5.4	7.1	14.1	10.6	11.4	10.3	1.13	1,741
397	FSTMX	Total Market Index	81.18	OK to Buy	3.3	6.7	7.0	16.4	12.1	12.7	10.7	1.01	826
2939	FENSX	U.S. Sustainability Index	11.92	NA	4.0	6.2	6.2	15.3	--	--	--	--	9
<b>LARGE CAP VALUE</b>					<b>Average</b>	<b>3.6</b>	<b>1.8</b>	<b>4.9</b>	<b>8.6</b>	<b>8.3</b>	<b>9.6</b>	<b>8.1</b>	<b>1.03</b>
1271	FBCVX	Blue Chip Value	19.90	OK to Buy	3.4	1.5	3.8	6.8	7.1	9.7	6.7	1.08	394
319	FEQTX	Equity Dividend Income	28.11	OK to Buy	4.3	2.4	5.7	9.9	9.2	9.7	7.8	0.98	5,164
23	FEQIX	Equity-Income	59.82	OK to Buy	4.7	2.0	6.5	8.6	8.6	8.7	7.7	1.02	5,495
1828	FLVEX	Lrge Cap Value Enhcd Index	13.54	Buy	3.7	2.6	4.5	12.5	10.1	10.8	9.1	1.02	3,843
2827	FLCDX	Lrge Cap Value Index	12.36	Hold	4.0	2.1	4.8	9.5	--	--	--	--	8
708	FSLVX	Stock Sel Large Cap Value	21.09	Hold	3.7	1.8	4.8	8.4	8.1	9.4	7.1	0.97	920
832	FVDFX	Value Discovery	29.25	OK to Buy	3.1	1.1	3.7	6.2	7.7	10.0	8.6	0.96	2,324
14	FSLSX	Value Strategies	42.47	Hold	1.8	0.9	5.3	7.2	7.4	8.8	9.4	1.17	377
<b>MID-CAP GROWTH</b>					<b>Average</b>	<b>3.1</b>	<b>7.3</b>	<b>6.5</b>	<b>17.3</b>	<b>8.5</b>	<b>12.1</b>	<b>9.2</b>	<b>0.93</b>
324	FDEGX	Growth Strategies	44.11	Buy	3.1	7.3	6.5	17.3	8.5	12.1	9.2	0.93	2,556
<b>MID-CAP BLEND</b>					<b>Average</b>	<b>2.1</b>	<b>5.7</b>	<b>5.8</b>	<b>14.8</b>	<b>10.1</b>	<b>11.2</b>	<b>10.2</b>	<b>1.06</b>
398	FSEMEX	Extended Market Index	66.85	OK to Buy	1.6	7.8	7.4	17.4	10.9	11.5	11.0	1.19	644
2012	FMEIX	Mid Cap Enhanced Index	16.03	OK to Buy	2.3	2.4	4.3	12.9	9.3	11.4	10.8	1.03	1,288
2349	FSCLX	Mid Cap Index	21.81	OK to Buy	2.5	4.8	5.5	13.2	10.0	11.3	--	1.02	78
337	FMCSX	Mid-Cap Stock	38.85	OK to Buy	2.3	5.9	5.5	14.1	10.2	10.9	10.0	0.98	5,812
2412	FSSMX	Stock Selector Mid Cap	43.00	OK to Buy	1.8	7.6	6.4	16.4	10.1	10.8	8.9	1.09	517
<b>MID-CAP VALUE</b>					<b>Average</b>	<b>1.7</b>	<b>0.4</b>	<b>2.8</b>	<b>8.9</b>	<b>7.3</b>	<b>9.7</b>	<b>9.8</b>	<b>1.00</b>
316	FLPSX	Low-Priced Stock <sup>5</sup>	55.65	Buy	1.2	2.1	1.0	12.1	8.3	9.7	10.5	0.86	28,813
762	FSMVX	Mid Cap Value	24.82	Hold	2.0	-2.4	2.7	7.6	6.1	9.7	10.0	1.04	2,008
39	FDVLX	Value	12.28	Hold	2.1	1.4	4.6	7.0	7.4	9.6	9.1	1.10	7,031

**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 an Asset Allocation fund with 30%+ typically in foreign stocks.

(p) Partial year; (↑) Rating upgraded; (↓) Rating downgraded.

# FIDELITY SCORECARD

JULY 31, 2018

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) <sup>1</sup>	Assets (\$Mil)			
					Jul	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year					
<b>SMALL CAP GROWTH</b>					<b>Average</b>			<b>1.4</b>	<b>15.6</b>	<b>8.9</b>	<b>28.8</b>	<b>15.0</b>	<b>15.6</b>	<b>13.1</b>	<b>1.18</b>	
1388	FCGPX	Small Cap Growth (Closed)	28.59	Buy	1.4	15.6	8.9	28.8	15.0	15.6	13.1	1.18		\$3,272		
<b>SMALL CAP BLEND</b>					<b>Average</b>			<b>1.4</b>	<b>6.8</b>	<b>6.7</b>	<b>15.0</b>	<b>9.4</b>	<b>10.1</b>	<b>10.4</b>	<b>1.24</b>	
384	FSCRX	Small Cap Discovery (Closed)	26.49	Hold	0.5	2.1	3.1	8.2	6.9	8.0	13.2	1.20		4,270		
2011	FCPEX	Small Cap Enhanced Index	14.67	Buy	1.2	7.6	7.9	14.0	9.5	10.6	10.4	1.38		811		
2356	FSSPX	Small Cap Index	22.11	Buy	1.8	9.5	8.7	18.7	12.1	11.4	--	1.36		92		
340	FSLCX	Small Cap Stock	18.76	Hold	1.5	5.8	6.1	15.2	8.8	10.7	8.9	1.08		1,658		
336	FDSCX	Stock Selector Small Cap	28.90	Buy	2.2	9.2	7.7	18.7	9.6	10.0	9.3	1.19		1,148		
<b>SMALL CAP VALUE</b>					<b>Average</b>			<b>1.7</b>	<b>1.9</b>	<b>3.5</b>	<b>10.9</b>	<b>9.9</b>	<b>9.8</b>	<b>12.1</b>	<b>1.02</b>	
1389	FCPVX	Small Cap Value (Closed)	20.71	Hold	1.7	1.9	3.5	10.9	9.9	9.8	12.1	1.02		2,056		
<b>SPECIALTY</b>																
308	FCVSV	Convertible Securities	28.71	Hold	-0.4	4.2	3.7	7.3	4.2	5.5	5.8	0.86		1,350		
2624	FARNX	Event Driven Opportunities	14.16	Buy	-0.5	3.8	1.4	7.6	13.7	--	--	1.43		484		
2120	FFGCX	Global Commodity Stock	13.81	OK to Sell ↓	1.1	4.8	2.6	17.4	9.6	2.9	--	1.66		415		
122	FLVCX	Leveraged Company Stock	34.31	OK to Buy ↓	0.2	2.5	3.1	10.9	6.5	7.8	6.8	1.32		2,373		
1329	FSDIX	Strategic Dividend & Income	15.42	Hold	2.4	2.5	5.5	7.6	8.4	8.6	8.2	0.72		2,996		
1505	FSRRX	Strategic Real Return	8.88	OK to Sell	-0.5	0.8	0.8	3.3	2.7	1.3	2.3	0.40		282		
311	FIUIX	Telecom & Utilities	26.20	OK to Sell	0.4	3.7	4.1	5.5	9.0	9.2	8.1	0.99		948		
<b>REAL ESTATE</b>																
1368	FIREX	International Real Estate	11.78	Hold	0.9	1.1	-0.9	8.8	6.8	7.0	5.0	1.01		244		
833	FRIFX	Real Estate Income	12.05	Hold	0.8	1.6	4.5	2.4	6.4	6.5	8.7	0.47		2,532		
2353	FRXIX	Real Estate Index	15.74	OK to Sell	0.5	2.3	8.9	3.7	5.6	8.0	--	1.27		35		
303	FRESX	Real Estate Investment	42.48	OK to Sell	0.5	2.3	8.1	3.1	6.7	8.6	8.1	1.25		3,939		
<b>ASSET ALLOCATION</b>																
328	FASIX	Asset Manager 20%	13.40	Hold	0.6	0.6	1.4	2.9	3.5	3.7	4.5	0.29		4,800		
1957	FTANX	Asset Manager 30%	11.11	Hold	0.8	1.0	1.7	4.1	4.5	4.8	5.4	0.38		1,441		
1958	FFANX	Asset Manager 40%	11.77	Hold	1.0	1.4	2.0	5.4	5.3	5.8	6.0	0.47		1,548		
314	FASMX	Asset Manager 50%	18.49	Hold	1.3	1.9	2.3	6.7	6.1	6.7	6.7	0.57		9,058		
1959	FSANX	Asset Manager 60%	12.85	Hold	1.5	2.3	2.5	7.9	7.0	7.5	7.3	0.66		2,640		
321	FASGX	Asset Manager 70%	23.06	Hold	1.8	3.0	2.9	9.5	7.8	8.3	7.6	0.76		5,064		
347	FAMRX	Asset Manager 85%	20.27	Hold	2.2	3.8	3.4	11.6	9.0	9.6	8.3	0.91		2,331		
304	FBALX	Balanced	24.86	Buy	2.2	5.5	5.1	11.3	8.5	9.6	8.3	0.73		24,639		
355	FFNOX	Four-in-One Index	45.93	Hold	2.6	3.8	4.1	11.2	8.8	9.4	8.0	0.85		6,167		
4	FPURX	Puritan	24.48	Buy	2.1	5.3	5.1	12.7	8.7	10.0	8.7	0.73		22,244		
<b>INTERNATIONAL</b>					<b>Average</b>			<b>2.0</b>	<b>-1.6</b>	<b>-1.3</b>	<b>6.8</b>	<b>7.7</b>	<b>7.2</b>	<b>4.7</b>	<b>1.23</b>	
309	FICDX	Canada	54.31	OK to Sell	2.5	-0.6	3.9	6.0	6.1	3.8	1.7	1.08		1,022		
352	FHKCX	China Region	34.95	Hold	-1.8	-2.9	-3.0	9.9	9.2	10.4	8.2	1.86		1,259		
325	FDIVX	Diversified International	39.78	OK to Buy	2.1	-0.6	0.4	4.8	4.0	6.4	3.6	1.14		10,384		
351	FSEAX	Emerging Asia	43.27	Buy	0.7	-3.9	-1.1	7.5	11.0	9.8	5.7	1.45		1,262		
2053	FEMEX	Emerg Europe, MidEast, Africa	9.94	Hold	3.7	-4.0	-3.2	10.4	9.4	4.8	3.1	1.58		92		
322	FEMKX	Emerging Markets	31.00	OK to Buy	1.2	-5.3	-4.1	6.5	10.3	7.1	2.2	1.38		3,938		
2374	FEDDX	Emerging Mkts Discovery	14.33	Hold	-0.2	-6.7	-8.3	2.2	9.1	5.4	--	1.32		254		
2341	FPEMX	Emerging Markets Index	10.88	Hold	2.3	-4.7	-5.1	4.2	8.2	5.2	--	1.49		36		
301	FIEUX	Europe	42.07	OK to Buy	3.5	-0.6	1.4	6.4	4.6	5.7	3.8	1.32		1,097		
2406	FGILX	Global Equity-Income	14.44	Hold	2.9	0.6	3.7	9.3	6.9	8.7	--	0.91		75		
2345	FSGUX	Global ex U.S. Index	13.37	Hold	2.5	-1.3	-1.5	5.7	6.0	5.4	--	1.14		37		
335	FIVFX	International Cap App	21.12	Buy	1.1	0.3	0.8	9.8	8.4	9.6	7.1	1.10		2,354		
305	FIGRX	International Discovery	44.97	Hold	1.6	-1.5	-0.9	5.7	4.8	6.4	4.1	1.13		7,252		
2010	FIENX	International Enhanced Index	10.10	Hold	2.5	-0.4	-1.6	6.6	6.2	7.2	3.8	1.13		1,762		
1979	FIGFX	International Growth	13.79	OK to Buy	1.5	0.7	1.6	7.3	6.1	7.5	6.1	1.06		935		
399	FSIIX	International Index	43.11	Hold	2.6	-0.1	-0.8	6.2	5.1	5.8	3.5	1.11		666		
818	FISMX	International Small Cap	29.13	OK to Buy	-0.1	-2.6	-3.5	5.8	10.2	10.1	7.9	0.99		1,465		
1504	FSCOX	International Small Cap Opps	19.41	OK to Buy	0.3	0.4	-3.1	10.0	9.4	10.4	6.2	1.04		1,057		
2986	FNIYX	International Sustainability Idx	10.94	NA	2.5	-1.9	-1.4	5.0	--	--	--	--		6		
1597	FIVLX	International Value	8.89	Hold	2.9	-1.9	-1.9	2.4	2.3	3.8	1.7	1.08		469		
350	FJPNX	Japan	15.55	OK to Buy	1.2	0.6	-1.1	11.3	8.8	7.2	3.8	1.14		175		
360	FJSCX	Japan Smaller Companies	18.24	OK to Buy	-1.5	-3.8	-4.7	9.3	12.0	10.2	9.1	0.98		806		
349	FLATX	Latin America	22.74	OK to Sell	9.5	-7.1	-13.1	-3.1	6.2	-3.2	-4.3	2.32		480		
342	FNORX	Nordic	55.40	OK to Sell	6.7	4.0	10.9	8.9	9.0	10.5	6.4	1.29		332		
94	FOSFX	Overseas	50.70	OK to Buy	1.8	0.0	0.1	6.4	6.9	8.7	4.4	1.10		6,280		
302	FPBFX	Pacific Basin	34.31	OK to Buy	0.2	-3.3	-0.6	9.4	10.8	10.6	8.9	1.18		963		
2369	FTEMX	Total Emerging Markets	12.75	OK to Buy	1.6	-5.9	-4.5	1.6	8.7	6.2	--	1.10		267		
1978	FTIEX	Total International Equity	9.17	Hold	1.9	-1.5	-1.0	6.2	6.1	6.3	3.8	1.08		82		
2831	FTIGX	Total International Index	12.38	Hold	2.3	-1.2	-1.6	6.1	--	--	--	--		21		
318	FWWFX	Worldwide	28.43	OK to Buy	1.7	7.7	4.4	17.3	9.5	10.3	7.9	1.08		2,022		

# FIDELITY SCORECARD

JULY 31, 2018

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) <sup>1</sup>	Assets (\$Mil)	
					Jul	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year			
<b>SELECT PORTFOLIOS</b>					<b>Average</b>	<b>2.7</b>	<b>5.6</b>	<b>5.3</b>	<b>15.4</b>	<b>10.7</b>	<b>11.1</b>	<b>10.3</b>	<b>1.56</b>	
34	FSAIX	Air Transportation	81.31	Hold	7.6	2.2	7.3	18.2	14.3	16.2	16.5	1.39	\$330	
502	FSAVX	Automotive	35.77	OK to Sell	-0.1	0.3	1.8	14.6	4.4	6.1	10.5	1.68	44	
507	FSRBX	Banking	33.43	OK to Buy	2.5	2.2	2.0	13.1	11.4	11.8	9.1	1.80	671	
42	FBIOX	Biotechnology	232.41	Hold	1.7	10.5	9.4	13.5	-1.7	12.7	15.9	2.75	8,746	
68	FSLBX	Brokerage & Investment	77.13	OK to Buy	0.6	-0.9	-1.8	12.0	7.1	8.6	7.5	1.80	385	
69	FSCHX	Chemicals	166.74	Hold↓	3.6	-0.3	7.3	12.5	15.4	12.2	11.9	1.58	1,594	
518	FSDCX	Communications Equipment	37.46	Hold	-0.3	10.8	1.3	16.6	10.5	11.1	8.8	1.32	221	
7	FDCPX	Computers	95.92	Hold	1.8	8.3	6.4	20.1	15.9	12.9	12.8	1.52	534	
511	FSHOX	Construction & Housing	60.11	Hold	0.8	-2.6	6.5	12.1	9.0	11.0	12.7	1.34	276	
517	FSCPX	Consumer Discretionary	45.63	Buy	1.7	11.9	6.5	23.6	11.2	13.2	14.4	1.17	429	
98	FSVLX	Consumer Finance	15.82	OK to Buy	1.4	2.0	4.3	15.4	9.4	9.7	5.8	1.33	101	
9	FDFAV	Consumer Staples	81.83	Hold	3.6	-5.7	5.4	-5.5	2.7	6.0	8.7	1.10	917	
67	FSDAX	Defense & Aerospace	179.82	Buy	5.4	10.9	5.5	29.1	20.8	17.2	14.4	1.31	2,897	
60	FSENX	Energy	48.87	Hold	2.1	9.4	3.6	24.5	7.9	1.3	0.4	2.14	1,884	
43	FSESX	Energy Service	45.47	Hold	0.5	0.3	-4.1	7.6	0.8	-6.2	-5.5	2.52	413	
516	FSLEX	Environment & Alt Energy	25.58	Hold	6.5	-0.7	6.0	10.3	13.2	10.4	6.9	1.30	156	
66	FIDSX	Financial Services	111.53	Buy	3.8	0.1	1.6	12.5	10.4	11.1	6.5	1.37	719	
41	FSAGX	Gold	18.44	Sell	-3.3	-11.2	-4.2	-10.8	12.9	-2.5	-5.3	3.27	984	
63	FSPHX	Health Care	253.73	Buy	3.5	17.6	9.3	19.3	5.7	16.6	16.2	1.57	7,236	
505	FSHCX	Health Care Services	96.43	Hold	4.2	13.4	8.3	21.2	10.5	16.1	14.7	1.37	915	
515	FCYIX	Industrials	35.90	Buy	5.6	1.9	6.1	16.4	11.4	11.0	10.7	1.31	724	
45	FSPCX	Insurance	68.72	OK to Sell	6.0	-1.5	1.1	2.5	9.2	11.5	10.7	1.14	255	
353	FBSOX	IT Services	62.59	Buy	2.1	16.7	7.5	31.7	17.5	19.1	17.1	1.19	2,671	
62	FDLSX	Leisure	157.01	Hold	1.8	0.0	-1.4	12.6	7.9	12.3	14.1	1.11	482	
509	FSDPX	Materials	84.69	Hold↓	2.6	-2.0	5.2	9.7	8.7	7.2	7.5	1.55	848	
354	FSMEX	Medical Technology & Devices	51.11	Buy	3.1	21.6	11.3	23.8	17.1	20.6	14.7	1.43	5,230	
503	FBMPX	Multimedia	78.86	Buy↑	2.6	5.2	12.7	2.7	4.9	9.6	14.1	1.50	510	
513	FSNGX	Natural Gas	26.17	Hold	2.7	9.8	8.0	14.7	2.1	-3.6	-3.8	2.57	293	
514	FNARX	Natural Resources	31.83	Hold	1.9	5.8	3.9	20.4	6.2	0.1	-0.3	2.03	1,090	
580	FPHAX	Pharmaceuticals	20.52	Hold	7.6	11.3	10.1	10.2	-2.8	9.6	12.5	1.35	756	
46	FSRPX	Retailing	15.63	OK to Buy	1.6	18.4	8.6	36.0	17.5	18.8	19.9	1.14	3,032	
8	FSELX	Semiconductors	11.36	OK to Buy	1.1	7.7	7.8	28.1	26.7	25.1	17.2	1.68	3,569	
28	FSCSX	Software & IT Services	19.04	Buy	3.1	17.2	10.4	31.5	23.1	21.3	18.0	1.39	6,477	
64	FSPTX	Technology	181.60	Buy	1.5	12.4	6.9	25.3	23.9	20.9	16.4	1.52	6,316	
96	FSTCX	Telecommunications	56.36	Hold	1.3	-2.9	3.0	-2.2	6.3	6.6	7.9	1.09	245	
512	FSRFX	Transportation	103.19	OK to Sell	7.7	4.1	8.0	22.8	13.2	15.3	13.3	1.54	482	
65	FSUTX	Utilities	86.30	OK to Sell	0.6	8.7	4.9	10.1	11.5	10.6	7.9	1.09	735	
963	FWRLX	Wireless	10.19	Hold	3.6	1.6	4.3	7.3	9.4	10.4	8.9	1.15	246	
<b>SECTOR ETFs</b>					<b>Average</b>	<b>2.9</b>	<b>3.9</b>	<b>6.0</b>	<b>11.7</b>	<b>10.5</b>		<b>1.34</b>		
	FDIS	MSCI Consumer Discretionary	43.30	OK to Buy	1.1	11.3	7.1	21.2	11.9	--	--	1.14	628	
	FSTA	MSCI Consumer Staples	32.37	Hold	3.7	-4.3	7.0	0.1	4.9	--	--	1.05	312	
	FENY	MSCI Energy	21.50	Hold	1.2	8.5	5.5	20.4	5.8	--	--	1.90	634	
	FNCL	MSCI Financials	41.05	Buy	4.7	1.6	2.5	13.3	13.6	--	--	1.46	1,570	
	FHLC	MSCI Health Care	43.74	Buy	5.9	10.1	9.3	15.5	7.0	--	--	1.35	1,250	
	FIDU	MSCI Industrials	39.49	Buy	6.5	2.9	7.6	15.0	14.1	--	--	1.26	500	
	FTEC	MSCI Information Technology	56.37	OK to Buy	2.0	13.3	8.9	28.0	21.3	--	--	1.39	2,220	
	FMAT	MSCI Materials	34.70	Hold↓	3.0	-0.1	5.2	11.6	12.3	--	--	1.57	265	
	FREL	MSCI Real Estate	24.68	OK to Sell	0.6	2.1	8.3	4.5	7.0	--	--	1.19	502	
	FCOM	MSCI Telecomm Services	28.87	Hold	1.4	-5.1	0.8	-4.9	6.8	--	--	1.25	125	
	FUTY	MSCI Utilities	34.85	Sell	1.8	2.7	4.0	3.8	11.0	--	--	1.16	336	
<b>FACTOR ETFs</b>					<b>Average</b>	<b>2.7</b>	<b>6.2</b>	<b>4.3</b>	<b>16.4</b>					
	FDRR	Dividend for Rising Rates	31.55	OK to Buy	4.1	4.5	6.3	13.9	--	--	--	--	347	
	FDVV	High Dividend	30.19	Hold	3.1	7.3	6.1	16.2	--	--	--	--	172	
	FDHY	High Yield Factor	50.11	OK to Buy	0.2	0.4p	--	--	--	--	--	--	12	
	FIDI	International High Dividend	22.76	OK to Sell	2.8	-11.1p	-2.8	--	--	--	--	--	18	
	FIVA	International Value	23.42	Hold	3.6	-9.2p	-2.0	--	--	--	--	--	14	
	FLDR	Low Duration Bond Factor	50.02	OK to Buy	-0.1	0.4p	--	--	--	--	--	--	10	
	FDLO	Low Volatility Factor	32.42	Hold	4.3	6.8	7.8	16.8	--	--	--	--	66	
	FDMO	Momentum Factor	33.60	OK to Buy	2.2	8.0	5.3	18.7	--	--	--	--	96	
	FQAL	Quality Factor	33.50	Hold	3.4	6.3	7.2	16.8	--	--	--	--	65	
	FVAL	Value Factor	33.93	OK to Buy	3.1	4.2	6.2	16.0	--	--	--	--	86	

# FIDELITY SCORECARD

JULY 31, 2018

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>	
					Jul	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr				
<b>TAXABLE BOND</b>					<b>Average</b>	<b>-0.0</b>	<b>-1.1</b>	<b>0.6</b>	<b>-0.5</b>	<b>1.2</b>	<b>1.7</b>	<b>3.3</b>	<b>2.77</b>	<b>5.1</b>	<b>0.26</b>
2267	FCONX	Conservative Income Bond	10.04	Buy	0.3	1.1	0.6	1.7	1.2	0.8	--	2.15	0.1	0.02	
2208	FCBFX	Corporate Bond	11.21	Buy	0.9	-2.0	0.9	-0.3	3.2	3.7	--	3.85	6.8	0.37	
2423	FGBFX	Global Credit	8.92	Hold	0.9	-1.7	0.3	-0.3	2.4	1.0	--	2.99	6.2	0.48	
15	FGMNX	GNMA (Ginnie Mae)	11.12	OK to Buy	-0.0	-1.0	0.8	-0.7	0.9	2.1	3.7	2.43	4.5	0.17	
54	FGOVX	Government Income	9.94	Hold	-0.3	-1.5	0.5	-1.3	0.5	1.5	3.0	2.39	5.7	0.26	
794	FINPX	Inflation-Prot Bond (closed) <sup>3</sup>	11.79	OK to Sell	-0.5	-0.8	0.3	0.7	1.2	1.0	2.6	0.22*	5.5	0.30	
2415	FSIQX	Inflation-Protected Index <sup>3</sup>	9.77	OK to Sell	-0.5	-0.6	0.5	1.0	1.5	1.3	--	0.08*	5.5	0.31	
32	FTHRX	Intermediate Bond	10.54	Buy	0.0	-1.0	0.5	-1.1	1.2	1.7	3.6	2.96	3.9	0.20	
452	FSTGX	Intermediate Gov't Income	10.19	Hold	-0.2	-1.0	0.4	-1.5	0.2	0.8	2.3	2.30	3.7	0.20	
1561	FIBIX	Intermediate Treasury Index	10.32	Hold	-0.4	-2.0	0.6	-2.6	0.3	1.5	3.5	2.72	6.3	0.39	
26	FBNDX	Investment Grade Bond	7.70	Buy	0.2	-1.5	0.7	-0.6	1.9	2.5	4.2	3.19	6.0	0.28	
2622	FJRLX	Limited Term Bond	11.28	Buy	0.3	-0.3	0.6	-0.3	1.2	1.6	3.5	2.96	2.6	0.13	
662	FFXSX	Limited Term Government	9.74	OK to Buy	-0.2	-0.6	0.3	-1.0	0.0	0.5	1.6	2.16	2.6	0.13	
1562	FLBIX	Long-Term Treasury Index	12.50	Hold	-1.3	-4.3	1.2	-1.1	1.4	4.4	5.7	2.93	17.2	0.88	
40	FMSFX	Mortgage Securities	10.88	OK to Buy	-0.1	-1.2	0.5	-0.7	1.1	2.3	3.8	2.55	4.9	0.19	
450	FSHBX	Short-Term Bond	8.51	OK to Buy	0.2	0.1	0.6	0.2	0.9	1.0	1.7	2.55	1.8	0.07	
3038	FNSJX	Short-Term Bond Index	9.79	OK to Buy	-0.0	-0.5	0.4	--	--	--	--	2.73	--	--	
1560	FSBIX	Short-Term Treasury Index	10.18	Hold	-0.2	-0.6	0.3	-1.0	0.2	0.5	1.5	2.51	2.6	0.13	
3084	FNASX	Sustainability Bond Index	9.99	NA	0.1	0.2p	--	--	--	--	--	--	--	--	
820	FTBFX	Total Bond	10.36	Buy	0.2	-1.1	0.7	-0.2	2.4	3.0	4.8	3.50	5.6	0.27	
651	FBIDX	U.S. Bond Index	11.23	Hold	0.0	-1.6	0.6	-1.0	1.3	2.1	3.5	3.00	5.9	0.26	
<b>HIGH-YIELD BOND</b>					<b>Average</b>	<b>1.1</b>	<b>0.3</b>	<b>0.8</b>	<b>2.3</b>	<b>5.0</b>	<b>4.7</b>	<b>6.6</b>	<b>4.74</b>	<b>3.7</b>	<b>0.48</b>
38	FAGIX	Capital & Income	10.07	OK to Buy	0.8	1.5	2.0	4.6	6.1	6.8	8.9	4.06	3.9	0.56	
814	FFRHX	Floating Rate High Income	9.63	Buy	0.8	2.6	0.9	3.8	4.2	3.4	4.2	4.36	0.2	0.27	
1366	FHIFX	Focused High Income	8.46	OK to Buy	1.0	-0.4	1.0	1.1	4.2	4.1	6.1	4.71	4.3	0.45	
2297	FGHNX	Global High Income	9.50	Hold	1.6	-0.3	0.2	2.1	5.4	5.0	--	5.32	3.9	0.54	
455	SPHIX	High Income	8.84	OK to Buy	1.0	1.7	1.4	3.8	5.9	5.0	7.5	5.78	3.8	0.56	
331	FNMIX	New Markets Income	15.21	Hold	2.5	-3.7	-0.9	-1.3	6.0	5.0	7.2	5.32	6.9	0.66	
2580	FSAHX	Short Duration High Income	9.43	OK to Buy	0.8	1.3	1.1	2.7	3.5	--	--	4.73	2.3	0.42	
3082	FADMX	Strategic Income	12.21	Buy	0.6	-0.4	0.3	1.4	4.3	4.0	6.0	3.61	4.3	0.37	
<b>MUNICIPAL BOND</b>					<b>Average</b>	<b>0.2</b>	<b>-0.2</b>	<b>1.3</b>	<b>0.9</b>	<b>2.3</b>	<b>3.4</b>	<b>3.9</b>	<b>2.16</b>	<b>5.7</b>	<b>0.30</b>
434	FSAZX	Arizona Muni Income	11.83	OK to Buy	0.2	-0.5	1.4	0.6	2.4	3.9	4.4	2.12	6.5	0.34	
1534	FCSTX	Calif Limited Term Tax Free	10.51	OK to Buy	0.2	0.5	1.2	0.1	1.1	1.6	2.5	1.50	2.9	0.18	
91	FCTFX	California Muni Income	12.69	OK to Buy	0.2	-0.4	1.6	1.0	2.6	4.1	4.5	2.17	6.4	0.34	
407	FICNX	Connecticut Muni Income	11.20	OK to Buy	0.3	-0.1	1.5	0.8	2.1	3.3	3.8	2.51	6.4	0.34	
2578	FCRDX	Conservative Income Muni	10.02	Buy	0.1	0.8	0.5	0.9	0.7	--	--	1.27	0.7	0.04	
36	FLTXX	Interm Municipal Income	10.24	OK to Buy	0.3	0.1	1.4	1.0	2.1	2.8	3.5	2.13	4.9	0.26	
404	FSTFX	Limited Term Muni Income	10.47	OK to Buy	0.3	0.6	1.2	0.4	1.1	1.3	2.1	1.63	2.7	0.16	
429	SMDMX	Maryland Muni Income	11.12	OK to Buy	0.2	-0.9	1.1	0.4	2.4	3.5	3.8	2.19	6.8	0.34	
70	FDMXX	Mass Muni Income	11.93	OK to Buy	0.1	-0.7	1.2	0.8	2.4	3.7	4.2	2.33	6.8	0.34	
81	FMHTX	Michigan Muni Income	11.97	OK to Buy	0.2	-0.5	1.4	1.1	2.5	3.7	4.1	2.24	6.2	0.32	
82	FIMIX	Minnesota Muni Income	11.39	OK to Buy	0.1	-0.6	1.2	0.3	2.0	2.9	3.6	2.03	5.8	0.30	
37	FHIGX	Municipal Income	12.78	OK to Buy	0.3	-0.3	1.8	1.6	3.0	4.3	4.6	2.59	6.9	0.36	
416	FNJHX	New Jersey Muni Income	11.69	OK to Buy	0.4	0.2	1.9	3.0	3.4	3.8	4.1	2.40	6.4	0.36	
71	FTFMX	New York Muni Income	12.92	OK to Buy	0.2	-0.6	1.4	0.4	2.4	3.8	4.1	2.25	6.6	0.33	
88	FOHFX	Ohio Muni Income	11.88	OK to Buy	0.2	-0.8	1.4	0.7	2.7	4.2	4.3	2.36	7.1	0.36	
402	FPXTX	Pennsylvania Muni Income	10.93	OK to Buy	0.2	-0.4	1.2	0.9	2.5	3.8	4.2	2.36	6.4	0.30	
90	FTABX	Tax-Free Bond	11.31	OK to Buy	0.3	-0.4	1.6	1.4	3.0	4.3	4.7	2.61	6.8	0.35	

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

TAXABLE GOV'T MONEY MARKETS			Total Return (%)		SEC	STATE MUNICIPAL MONEY MARKETS			Total Return (%)		SEC
			Jul	YTD	%Yield				Jul	YTD	%Yield
55	FDRXX	Gov't Cash Reserves	0.14	0.76	1.61	433	FSAXX	Arizona Muni MM	0.06	0.50	0.58
458	SPAXX	Government MM	0.13	0.73	1.56	97	FCFX	California Muni MM	0.06	0.50	0.56
2742	FZFX	Treasury MM	0.13	0.73	1.54	457	FSPXX	California AMT Tax-Free	0.07	0.59	0.78
415	FDLXX	Treasury Only MM	0.13	0.73	1.56	418	FCMXX	Connecticut Muni MM	0.06	0.52	0.66
<b>PRIME MONEY MARKETS</b>						426	FMSXX	Mass AMT Tax-Free	0.07	0.58	0.77
454	SPRXX	Money Market	0.16	0.91	1.84	74	FDMXX	Massachusetts Muni MM	0.06	0.49	0.62
<b>NATIONAL MUNICIPAL MONEY MARKETS</b>						420	FMIXX	Michigan Muni MM	0.05	0.55	0.55
10	FTEXX	Municipal Money Market	0.07	0.58	0.78	417	FNJXX	New Jersey Muni MM	0.16	0.58	0.64
275	FMOXX	Tax-Exempt MM	0.07	0.54	0.69	423	FSJXX	New Jersey AMT Tax-Free	0.08	0.60	0.82
						92	FNYYX	New York Muni MM	0.14	0.58	0.57
						422	FSNXX	New York AMT Tax-Free	0.07	0.60	0.73
						419	FOMXX	Ohio Muni MM	0.06	0.50	0.64
						401	FPTXX	Pennsylvania Muni MM	0.06	0.49	0.57

# FIDELITY SCORECARD

JULY 31, 2018

Fund No.	Fund Ticker	Fund Name	Style	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) <sup>1</sup>
						Jul	YTD	3 Mo.	1 Year	3 Year	5 Year	10 Year	
<b>FIDELITY PERSONAL RETIREMENT ANNUITY PORTFOLIOS</b>													
Model Portfolios	Annuity Sector Model					2.8	6.4	5.4	18.3	13.2	13.9	11.4	1.12
	Annuity Growth Model					2.5	8.5	6.8	16.4	10.5	11.2	8.2	1.06
	Annuity Growth & Income Model					2.1	3.6	4.3	8.4	6.4	7.7	6.8	0.69
	Annuity Income Model					1.4	0.0	1.9	2.2	3.8	4.3	5.0	0.35
9067	FLRQC	Fid VIP Asset Manager	Allocation	20.54	Hold	1.3	1.7	2.2	6.3	4.3	6.1	5.4	0.63
9066	FAEEC	Fid VIP Asset Manager: Growth	Allocation	21.78	Hold	1.7	2.7	2.8	9.1	5.5	7.6	5.9	0.84
9069	FJBAC	Fid VIP Balanced	Allocation	25.51	Buy	2.2	5.3	5.2	11.0	8.3	9.1	8.4	0.74
9461	FBIQC	Fid VIP Bond Index	Bond	10.04	Hold	0.0	0.4p	--	--	--	--	--	--
9081	FVHAC	Fid VIP Consumer Discretionary	Sector	33.28	Buy	1.6	11.6	6.4	23.2	10.8	12.8	14.1	1.14
9171	FCSAC	Fid VIP Consumer Staples	Sector	25.34	Hold	3.6	-6.0	5.1	-4.3	4.5	8.0	9.6	1.07
9065	FPDFC	Fid VIP Contrafund	Large Growth	28.81	Buy↑	2.7	5.9	5.0	13.1	10.0	11.6	9.4	1.06
9148	FPRGC	Fid VIP Disciplined Small Cap	Small Blend	22.91	Buy	1.1	7.3	7.8	13.6	9.0	10.1	9.7	1.38
9074	FZAMC	Fid VIP Dynamic Capital App	Large Growth	31.26	OK to Buy	1.2	8.8	5.8	18.5	9.2	11.9	10.6	1.20
9198	FEMAC	Fid VIP Emerging Markets	Emg Mkts	10.99	Buy	1.2	-5.6	-4.3	6.1	9.8	6.6	2.4	1.38
9085	FJLLC	Fid VIP Energy	Sector	17.78	Hold	2.1	9.3	3.6	24.4	7.7	1.0	0.2	2.13
9061	FLOLC	Fid VIP Equity-Income	Large Value	22.23	Buy	4.6	2.0	6.5	8.5	8.3	8.3	7.9	1.02
9469	FEMJC	Fid VIP Extended Market Index	Mid Blend	10.01	OK to Buy	1.7	0.1p	--	--	--	--	--	--
9083	FONNC	Fid VIP Financial Services	Sector	14.83	Buy	3.7	0.0	1.6	12.3	10.3	10.9	6.4	1.36
9361	FFLCC	Fid VIP Floating Rate High Income	High-Yield Bond	11.40	Buy	0.7	2.2	0.7	3.4	3.8	--	--	0.24
9157	FMPAC	Fid VIP FundsManager 20	Allocation	15.43	Hold	0.7	0.3	1.4	2.6	2.7	3.2	3.6	0.27
9158	FMPBC	Fid VIP FundsManager 50	Allocation	18.28	Hold	1.3	1.7	2.4	6.4	5.3	6.1	5.8	0.56
9197	FMPPC	Fid VIP FundsManager 60	Allocation	17.58	Hold	1.5	2.1	2.6	7.7	6.3	7.2	6.5	0.66
9159	FMPCC	Fid VIP FundsManager 70	Allocation	19.67	Hold	1.7	2.7	2.9	9.0	7.1	7.9	6.8	0.75
9160	FMPDC	Fid VIP FundsManager 85	Allocation	20.53	Hold	2.0	3.6	3.4	11.3	8.6	9.3	7.5	0.91
9062	FMNDC	Fid VIP Growth	Large Growth	32.34	Buy	2.9	13.0	8.2	22.4	14.5	15.7	10.6	1.14
9070	FLFNC	Fid VIP Growth & Income	Large Blend	26.82	Hold	4.3	4.5	6.9	13.4	10.1	10.6	9.0	1.14
9068	FIDPC	Fid VIP Growth Opportunities	Large Growth	34.28	Buy	1.4	18.2	13.0	28.5	15.5	15.8	12.0	1.29
9084	FPDRC	Fid VIP Health Care	Sector	46.81	Buy	3.6	17.6	9.3	19.8	5.7	16.4	16.0	1.57
9060	FBBLC	Fid VIP High Income	High-Yield Bond	20.78	OK to Buy	1.1	0.4	1.3	1.8	4.4	4.2	6.2	0.53
9064	FXVLT	Fid VIP Index 500	Large Blend	28.79	Hold	3.7	6.3	6.8	15.9	12.2	12.7	10.3	1.00
9082	FBALC	Fid VIP Industrials	Sector	35.92	Buy	5.6	1.8	6.2	16.2	11.2	10.9	10.7	1.30
9076	FVJIC	Fid VIP Int'l Capital App	Diversified Int'l	20.92	Buy	1.0	0.1	0.8	9.5	8.1	9.3	6.9	1.10
9473	FFIQC	Fid VIP International Index	Diversified Int'l	9.93	Hold	2.4	-0.7p	--	--	--	--	--	--
9063	FTLKC	Fid VIP Investment Grade Bond	Inv Grd Bond	16.13	Buy	0.1	-1.5	0.7	-0.7	1.8	2.3	4.0	0.28
9172	FVMAC	Fid VIP Materials	Sector	22.82	Hold↓	2.6	-2.2	5.2	9.3	8.3	6.9	7.2	1.54
9071	FNBSC	Fid VIP Mid Cap	Mid Growth	30.45	Buy	2.1	5.0	4.3	14.9	9.5	10.8	9.2	1.13
9059	FTNJC	Fid VIP Gov't Money Market	Money Mkt	11.45	--	0.1	0.6	0.3	0.9	0.3	0.1	0.1	0.01
9088	FEMMC	Fid VIP Overseas	Diversified Int'l	18.15	OK to Buy	1.7	-0.4	-0.1	6.1	4.5	5.9	3.4	1.19
9072	FFWKC	Fid VIP Real Estate	Sector	24.00	OK to Sell	0.1	1.6	8.0	2.7	4.8	7.3	7.6	1.24
9075	FGDQC	Fid VIP Strategic Income	High-Yield Bond	19.54	Buy	0.7	-0.4	0.3	1.0	3.9	3.5	5.4	0.36
9086	FYENC	Fid VIP Technology	Sector	48.68	Buy	1.4	13.0	7.1	26.0	23.7	20.7	16.3	1.52
9173	FVTAC	Fid VIP Telecommunications	Sector	16.13	Buy↑	1.3	-3.2	2.9	-2.6	6.0	6.3	7.7	1.10
9465	FTMJC	Fid Total Market Index	Large Blend	10.15	OK to Buy	3.3	1.5p	--	--	--	--	--	--
9087	FXRRC	Fid VIP Utilities	Sector	29.55	OK to Sell	0.6	8.6	4.9	10.1	11.2	10.3	7.8	1.10
9079	FKMSC	Fid VIP Value	Large Value	23.81	OK to Buy	3.0	2.5	5.3	8.7	7.5	9.5	8.6	1.07
9073	FRBSC	Fid VIP Value Strategies	Mid Value	24.46	Hold	1.7	0.8	5.2	7.0	6.4	8.1	8.9	1.18
9347	FBMEC	Black Rock Global Allocation	Global Allocation	13.77	Hold	1.9	0.1	1.2	3.6	4.3	4.7	4.8	0.64
9349	FTMEC	Franklin Templeton Global Bond	Global Bond	11.30	OK to Sell	3.0	2.1	-0.1	1.6	0.9	1.3	5.2	0.59
9348	FFMEC	Franklin Templeton US Gov't	Intermed Gov't	10.25	Hold	-0.1	-1.3	0.5	-1.2	0.0	0.8	2.1	0.16
9285	FIGXC	Invesco Global Core Eqty	Global Stock	14.43	Hold	3.4	0.4	1.5	7.4	6.9	7.3	4.1	1.07
9147	FPRLC	Lazard Retirement Emerging Mkts	Emg Mkts	16.56	OK to Sell↓	2.9	-9.5	-8.5	-2.9	6.0	2.5	1.9	1.60
9143	FPRMC	Morgan Stanley Emerg Mkt Debt	Emg Mkt Bond	18.53	Hold	2.4	-4.6	-1.1	-2.4	3.9	3.0	4.9	0.63
9144	FPRNC	Morgan Stanley Emerg Mkt Equity	Emg Mkts	14.78	Hold↓	2.1	-7.7	-6.5	-1.3	5.7	3.1	1.7	1.42
9146	FPRPC	Morgan Stanley Global Strategist	Diversified Int'l	14.15	Hold	1.7	0.2	0.2	5.2	5.0	4.5	2.8	0.72
9346	FPMEC	Pimco Commodity Real Return	Commodities	5.96	OK to Sell	-2.5	-2.8	-4.3	2.4	-1.6	-7.5	-7.0	1.07
9276	FPMBC	Pimco VIT Low Duration	Shrt-Term Bond	11.61	Buy	0.2	-0.3	0.3	-0.1	0.5	0.7	--	0.10
9277	FPNBC	Pimco VIT Real Return	TIPS	13.06	OK to Sell	-0.2	-0.7	0.3	0.9	1.3	1.0	--	0.32
9278	FPOBC	Pimco VIT Total Return	Intermed Bond	13.27	Hold	0.2	-1.6	0.5	-0.8	1.4	2.0	--	0.27

Annuity Sector		Annuity Growth		Annuity Growth & Income		Annuity Income	
Fund	Allocation	Fund	Allocation	Fund	Allocation	Fund	Allocation
VIP Technology	27%	VIP Growth	35%	VIP Growth	35%	VIP Equity Income	26%
VIP Financial Services	20	VIP Growth Opps	18	VIP Equity-Income	20	Pimco VIT Low Duration	25
VIP Health Care	16	VIP Equity-Income	17	VIP Floating Rate Hi Inc	16	VIP Investment Grade	20
VIP Industrials	13	VIP Mid Cap	16	VIP Investment Grade	10	VIP Floating Rate HI	19
VIP Cons Discretionary	13	VIP Disciplined Sm Cap	8	VIP Int'l Cap App	10	VIP Strategic Income	10
VIP Telecom	11	VIP Emerging Markets	6	PIMCO VIT Low Dur	9		
<b>Total Return:</b>		<b>Total Return:</b>		<b>Total Return:</b>		<b>Total Return:</b>	
Jul: 2.8% YTD: 6.4%		Jul: 2.5% YTD: 8.5%		Jul: 2.1% YTD: 3.6%		Jul: 1.4% YTD: 0.0%	

## Annuity Funds & Their Retail Counterparts

Fidelity's lineup of Personal Retirement Annuity Portfolios continues to expand. Recently, four index funds were added (including a much-needed bond fund) thereby raising the total number of offerings to 54. With all but 12 managed by Fidelity, and

with many Fidelity-managed annuities sharing names with their retail fund counterparts, there's inevitably confusion. Some funds are actually clones and others simply have names that sound similar, but are otherwise run by different management teams. Still others have different investment benchmarks and strategies.

To mitigate that confusion, the table below shows the closest retail counterpart to each annuity fund (shown in the left-hand column). As you'll see, some funds are quite different. Wherever that's the case, we've done our best to pair the annuity fund with a retail offering that most closely shares its desired investment exposure and objective. ■

Annuity Fund	Retail Counterpart	Comments
VIP Asset Manager	Asset Manager 50%	Clone. Same 50/50 stock-bond mix, same manager.
VIP Asset Manager: Growth	Asset Manager 70%	Clone. Same 70/30 stock-bond mix, same manager.
VIP Balanced	Balanced	Same team runs both funds, essentially a clone.
VIP Bond Index	U.S. Bond Index	Same team runs both funds, not perfect clones, but very similar.
VIP Consumer Discretionary	Sel Cons Disc	Essentially a clone with same manager and top-10 holdings, but in different order.
VIP Consumer Staples	Sel Cons Staples	Essentially a clone with same manager and top-10 holdings.
VIP Contrafund	Contrafund	With Will Danoff and Jean Park now on VIP version, very similar share 8 of top 10.
VIP Disciplined Small Cap	Sm Cap Enhcd Indx	Clone with same subadvisor, same top-10 holdings.
VIP Dynamic Capital App	Capital Appreciation	Near clone with same manager and share 9 out of top-10 holdings.
VIP Emerging Markets	Emerging Markets	Clone with same manager, country weights, and top-10 holdings.
VIP Energy	Sel Energy	Clone with same manager and top-10 holdings.
VIP Equity-Income	Equity-Income	Near clone share top-10 holdings. VIP has lower yield owing to annuity charge.
VIP Extended Market Index	Extended Market Index	Using different benchmarks, both funds hold mostly mid- and some small-caps.
VIP Financial Services	Sel Financial Services	Virtual clone. Same manager and 9 of top-10 holdings. VIP a bit higher turnover.
VIP Floating Rate High Income	Floating Rate High Inc	Near clone. Same manager and share 9 out of top 10 (in different order).
VIP FundsManager 20	Asset Manager 20%	Same "neutral" asset mix for stocks, bonds and short-term or money market in each case. However, the VIP funds have specific targets for international exposure within the equity portion. In practice though, the foreign holdings are similar. The biggest difference is that instead of individual securities, the VIP funds hold only other Fidelity funds.
VIP FundsManager 50	Asset Manager 50%	
VIP FundsManager 60	Asset Manager 60%	
VIP FundsManager 70	Asset Manager 70%	
VIP FundsManager 85	Asset Manager 85%	
VIP Growth	Growth Discovery	Clone with same managers, top-10 holdings.
VIP Growth & Income	Growth & Income	Clone as Matt Fruhan has run both with same top-10 holdings.
VIP Growth Opportunities	Growth Company	Similar (share 7 out of top 10), but some differences in sectors. Different mgrs.
VIP Health Care	Sel Health Care	Clone with same manager, same top-10 holdings.
VIP High Income	High Income	Different managers. VIP fund has somewhat lower credit risk and a lower yield.
VIP Index 500	Spartan 500 Index	Clone: Both funds track the performance of the large-cap S&P 500 Index.
VIP Industrials	Sel Industrials	Clone with same manager and top-10 holdings.
VIP Int'l Capital App	Int'l Cap App	Clone with same manager, same top-10 holdings in slightly different order.
VIP Int'l Index	Global ex U.S. Index	Essentially the same asset mix with 20%+ in emerging markets.
VIP Investment Grade Bond	Investment Grade	VIP version has different managers and a slightly higher credit risk.
VIP Materials	Sel Materials	Clone with same manager and top-10 holdings.
VIP Mid Cap	Mid-Cap Stock	Not very similar, but both funds are benchmarked against the S&P Mid-Cap 400.
VIP Overseas	Overseas	Near clone; top holdings overlap. Very similar country and sector allocations.
VIP Real Estate	Real Estate Invest	Different managers, but funds are quite similar. Share 8 out of top-10 holdings.
VIP Strategic Income	Strategic Income	Near clone. Same management team and essentially same asset allocation.
VIP Technology	Sel Technology	Near clone. Same managers share 9 of top-10 names, in slightly different order.
VIP Telecommunications	Sel Telecom	Clone with same manager and top-10 holdings.
VIP Total Market Index	Total Market Index	VIP uses proprietary index (and fewer holdings) to achieve "total" U.S. exposure.
VIP Utilities	Sel Utilities	Clone with same manager and same top-10 names.
VIP Value	Stock Sel Lg Cap Val	Not very similar only share 4 of top 10. VIP has more int'l.
VIP Value Strategies	Value Strategies	Now a clone as Matt Friedman runs both with same top-10 names.
Non-Fidelity Funds	Comments	
Black Rock Global Allocation	A smorgasbord of mostly (58%) U.S., but also foreign stocks, bonds and 10% cash currently.	
Franklin Templeton Global Bond	A very short-term bond fund with nearly 35% in cash currently. 63% foreign.	
Franklin Templeton US Gov't	A high-quality intermediate-term fund holding mostly domestic mortgage bonds (primarily GNMA's).	
Invesco Global Core Eqty	A 50/50 mix of US and foreign (mostly European) stocks with about 20% in Japan/Asia.	
Lazard Retirement Emerging Mkts	Invests in the emerging markets for total return; management has a bias towards value stocks.	
Morgan Stanley Emerg Mkt Debt	Holds lower-quality mostly EM gov't (83%) bonds with significant interest-rate risk (duration of 6.9 years).	
Morgan Stanley Emerg Mkt Equity	Asian tilt including about 20% in developed Asia. Performance lagging MSCI Emerging Markets Index.	
Morgan Stanley Glb Strategist	Holds a mix of U.S. and foreign stocks and bonds. Performance vs MSCI World Index is poor.	
Pimco Commodity Real Return	Invests in commodity-linked derivatives backed by a portfolio of inflation-indexed securities.	
Pimco VIT Low Duration	Short-term bond fund (duration of 1.0 years). Invests in government, corporate, mortgage-backed bonds.	
Pimco VIT Real Return	Seeks income beyond inflation largely through TIPS and some foreign inflation-adjusted securities.	
Pimco VIT Total Return	Seeks high total return via broad mix of U.S. and foreign bonds.	

## Inside Fidelity

**Manager Changes** — Longtime tech analyst and fund manager, Charlie Chai, will retire at the end of this year. Until then, he shares co-manager responsibilities on his existing charges (**Select Technology**, **VIP Technology**, and the tech sleeves of various **Stock Selector** funds) with Nidi Gupta. A manager of **Multimedia** since 2013, at the start of 2019, Ms. Gupta is expected to assume sole responsibility for these funds. (See p. 1.)

While Charlie's departure is a setback, tech investing is a team effort at Fidelity, and no other fund company does it quite as well. Notably, Select Tech ranked #12 of 115 competitors over the past 10 years.

Elsewhere, **VIP Contrafund** has a new power-hitting team at its

helm: Will Danoff of **Contrafund** and Jean Park of **Growth Strategies** have replaced another team which ran the fund in an unspectacular S&P 500-like fashion. While it's still too early to say how this annuity fund will be repositioned, based on the strength of the team alone (we rate both managers' funds *Buy* and hold them in our model portfolio

### Breaking News: Zero Fees A First

As we went to press, Fidelity announced that it now offers investors zero-fees on their just-launched **Zero Total Market** and **Zero Int'l Index** funds. They have also reduced to zero their investment minimums and account fees on index and actively run funds alike. Moreover, they've dramatically reduced costs on index funds' various share classes. On Friday, we'll post on our website a Special Report detailing all changes. ■

os), we've upgraded the "new" VIP **Contrafund** one notch to *Buy*.

As mentioned last month, **Puritan's** Ramin Arani will retire at year-end. As lead manager since 2007, he's made the fund's asset allocation decisions and oversees its equity sleeve. (Puritan will continue to use Fidelity's proprietary Central Funds while two fixed-income managers will still run the bond side of fund.)

Transitioning into Ramin's role at Puritan is Dan Kelley, who's been running **Trend** fund since 2012. Over the next 6- to 12 months analyst Shilpa Mehra will transition into a manager role on Trend.

Finally, new portfolio appointments have occurred at **Communications Equipment** and **Pharmaceuticals**. No rating changes are advised for these or other previously-mentioned Select funds. ■

## 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 August.*

Fidelity Fund, Growth Discovery, and Mega Cap Stock.

*The final distributions for July were as follows:*

Fund	Ex-Date	\$ Amt	NAV
500 Index	7/6	0.431	96.43
Asset Mgr 40%	7/6	0.058	11.73
Asset Mgr 50%	7/6	0.080	18.39
Balanced	7/6	0.100	24.68
Convert Sec	7/6	0.201	29.17
Equity Div Inc	7/6	0.162	27.44
Equity-Inc	7/6	0.433	57.96
Global Credit	7/6	0.059	8.88
Global Equity Inc	7/6	0.100	14.10
Growth & Inc	7/6	0.184	38.23
Puritan	7/6	0.084	24.22
Strat Div & Inc	7/6	0.109	15.24
Strat Real Return	7/6	0.068	8.93
Telecom and Util	7/6	0.118	26.57

## More Funds To Split Shares In August

As noted previously in the newsletter and on our website, Fidelity took the unprecedented step of executing a 10-for-1 share split for some of its funds back on May 11.

Initially, they said that more splits would follow on June 8. But because of technical difficulties (to say nothing of the complete lack of notification to fund shareholders on the first go-around!) that date "was deferred until further notice."

The new date has now been set for Friday August 10.

In most cases, splitting fund shares has become a necessity, says Fidelity, as their NAVs (net asset values) have risen dramatically over the past several decades. (Funds are typically launched with an NAV of \$10.) Much higher NAVs, they claim, can be an obstacle to smaller

investors. Notably, all the affected funds have NAVs topping \$100. As several of these new splits involve our own model portfolio holdings (**Contrafund** and three Selects: **Health Care**, **Financial Services** and **Technology**), the shares will be adjusted on our website on the evening of August 10. (The other affected funds are **Growth Company** and **Magellan**, and four other Selects: **Biotechnology**, **Chemicals**, **Defense & Aerospace** and **Leisure**.)

Multiple share classes may also experience splits.

Share splits do not change the value of your current fund holdings, nor are there any tax consequences. The bottom line is this: Despite the rather dramatic sound of a 10-for-1 share split, you are none the better or worse for this change. ■

*Fidelity Monitor & Insight* (ISSN 0892-2934) is published monthly for \$249 per year by **Independent Fidelity Investors Inc (IFI)**.

**Executive Editor:** Jack Bowers **Editors:** John Boyd, John Bonnanzio **Production & Design:** Kim Dowgos, Sherraden Marston **Webmaster:** Kim Dowgos. All material presented is compiled from sources believed reliable, but accuracy cannot be guaranteed. Before buying any mutual fund, you should read its prospectus carefully. IFI does not render legal, accounting or tax advice. Copyright ©2018. Reproductions in whole or in part are prohibited except by permission. Send address changes to *Fidelity Monitor & Insight* P.O. Box 19189 Reno, NV 89511.

**Editorial Questions:** editorial@fmandi.com **Subscription Questions:** memberservices@fmandi.com or 800-444-6342 **Hotline:** 800-520-4630