

FIDELITY MONITOR & INSIGHT

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MESSAGE FROM JACK

Don't Hold Your Breath For Negative U.S. Interest Rates

With negative yields on Japanese and European government bonds looking like a long-term situation, there's growing speculation that the same could happen here.



Jack Bowers

Granted, Fidelity's government money market funds might be posting negative yields today if the firm was not voluntarily covering their cost of operation, but that is a "corner case." More importantly, Fed Chairman Jerome Powell doesn't see a need for negative interest rates in the current situation. And even if he changed his mind, it's unlikely that consumers would ever be charged to park cash at a financial institution, or be paid to take out a loan (gimmicks and teaser rates aside).

Why? Because the Europeans and the Japanese are mainly using negative yields for the purpose of taxing their banks on reserves that aren't being lent out. The situation exists because the business climate in these countries is less favorable, and the banking system is too conservative. As a result, risky business ventures are shunned and credit is withheld from consumers that aren't permanently employed.

In contrast, the U.S. banking system is more risk-tolerant, partly by necessity due to an economy that runs largely on technology-advantaged business models. And thanks to securitization, U.S. banks are less particular about who they lend to, and they don't often face a shortage of qualified borrowers. In short, it isn't necessary to tax U.S. banks to get them to lend, because they do it pretty well on their own.

Finally, there's inflation to consider. The amount of fiscal and monetary stimulus this year is substantial. While necessary to ward off avoidable bankruptcies, we are already seeing side effects in the form of rising prices for food and energy. By late 2022, we'll likely see inflation expectations climb above 3%. Because bond investors tend to demand enough compensation to cover future inflation, that factor alone likely rules out the possibility of negative yields on Treasury bonds.

MARKET OUTLOOK

Stocks Notch Solid Gains Again: But Is The Rally Over?

The S&P 500 rose a strong 5.6% in July, the fourth straight monthly gain for the popular index. And (not surprisingly) warnings from pundits that this powerful rally will soon reverse are growing louder. Individual investors seem to be listening. A recent survey from the American Association of Individual Investors (AAII) showed that 47% of its members are bearish on the market over the next six months, nearly two standard deviations above the historical average of 30%! (A bullish contrary indicator by the way.) Should you listen, too, and bail on your stock funds? Let's step back and, pardon the pun, take stock of the situation.



John M. Boyd

Earnings Estimates For 2021 Stabilizing

The market has accepted (i.e. priced-in) that corporate earnings will be disastrous in 2020. Instead, the market is focused on 2021 earnings when, hopefully, the pandemic will be largely under control. Importantly, while earnings were sharply slashed earlier in the year as the scope of the pandemic began to emerge, in recent weeks, cuts have slowed dramatically. Indeed, with about 25% of the S&P 500 now having reported their second quarter earnings, 81% of firms have produced an upside surprise in their earnings, leading analysts to slightly raise their estimates on four of the next seven quarters. Full year 2021 earnings per share (EPS) are currently forecasted to be 48% higher than the extremely distressed level of 2020.



Market Outlook cont'd on page 3

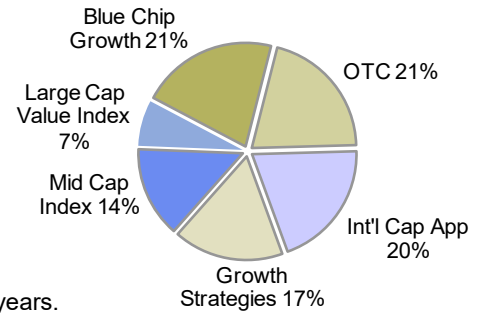
Unique Opportunities Target Risk: 1.20 (Current: 1.05) Foreign Holdings: 20.2% **YTD Return: 10.6%**

Stocks: 99.3% Bonds: 0.0% Cash: 0.7% Alternatives*: 0.0% Yield: 0.5%

Holdings	Ticker	NAV	Shares	Value	Jul Ret
Blue Chip Growth	FBGRX	\$138.10	1,080.15	\$149,169	7.8%
OTC	FOCPX	15.61	9,316.01	145,423	7.8
Int'l Cap App	FIVFX	24.24	5,792.35	140,407	7.1
Growth Strategies	FDEGX	55.88	2,149.23	120,099	6.9
Mid Cap Index	FSMDX	22.61	4,409.14	99,691	5.9
Large Cap Value Index	FLCOX	11.41	4,419.23	50,423	3.9

Current Value (3/31/99 = \$100,000) \$705,211 6.9%

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



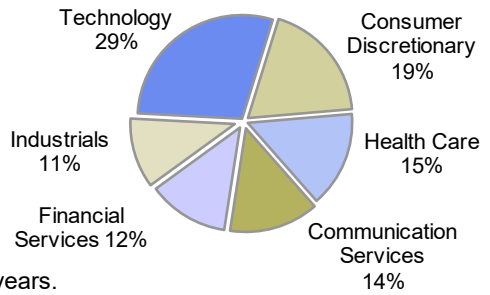
Select Target Risk: 1.20 (Current: 1.12) Foreign Holdings: 5.3% **YTD Return: 8.2%**

Stocks: 99.3% Bonds: 0.0% Cash: 0.7% Alternatives*: 0.0% Yield: 0.4%

Holdings	Ticker	NAV	Shares	Value	Jul Ret
Technology	FSPTX	\$24.80	62,035.85	\$1,538,489	7.4%
Consumer Discretionary	FSCPX	54.46	18,437.50	1,004,106	6.7
Health Care	FSPHX	30.86	25,746.40	794,534	2.4
Communication Services	FBMPX	70.89	10,402.54	737,436	7.7
Financial Services	FIDSX	7.98	83,387.22	665,430	0.8
Industrials	FCYIX	30.55	18,980.09	579,842	5.5

Current Value (12/31/88 = \$100,000) \$5,319,837 5.5%

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



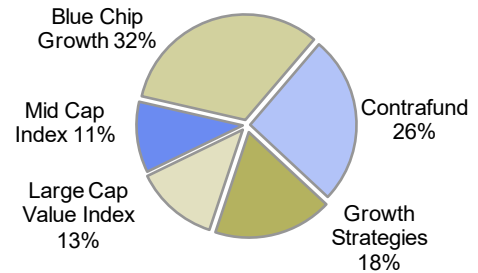
Growth Target Risk: 1.00 (Current: 1.08) Foreign Holdings: 4.4% **YTD Return: 11.8%**

Stocks: 99.3% Bonds: 0.0% Cash: 0.7% Alternatives*: 0.0% Yield: 0.5%

Holdings	Ticker	NAV	Shares	Value	Jul Ret
Blue Chip Growth	FBGRX	\$138.10	8,693.94	\$1,200,633	7.8%
Contrafund	FCNTX	15.99	59,506.54	951,510	7.2
Growth Strategies	FDEGX	55.88	11,933.81	666,861	6.9
Large Cap Value Index	FLCOX	11.41	40,952.16	467,264	3.9
Mid Cap Index	FSMDX	22.61	17,678.88	399,719	5.9

Current Value (12/31/86 = \$100,000) \$3,685,988 6.8%

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



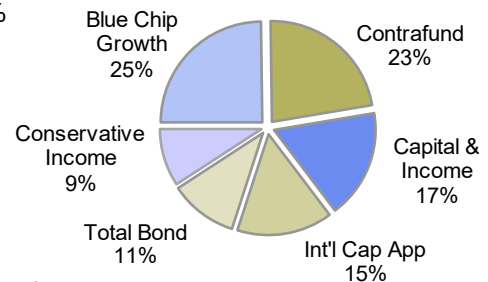
Growth & Income Target Risk: 0.66 (Current: 0.78) Foreign Holdings: 24.2% **YTD Return: 12.2%**

Stocks: 65.8% Bonds: 18.6% Cash: 2.1% Alternatives*: 13.5% Yield: 1.0%

Holdings	Ticker	NAV	Shares	Value	Jul Ret
Blue Chip Growth	FBGRX	\$138.10	1,579.33	\$218,105	7.8%
Contrafund	FCNTX	15.99	12,404.03	198,341	7.2
Capital & Income	FAGIX	9.85	15,549.50	153,163	4.6
Int'l Cap App	FIVFX	24.24	5,523.40	133,887	7.1
Total Bond	FTBFX	11.57	8,219.51	95,100	2.2
Conservative Income	FCONX	10.07	8,062.79	81,192	0.2

Current Value (12/31/93 = \$100,000) \$879,787 5.6%

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



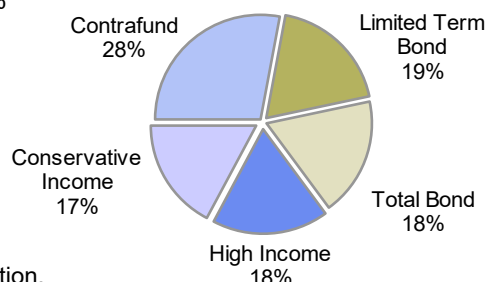
Income Target Risk: 0.33 (Current: 0.43) Foreign Holdings: 20.3% **YTD Return: 6.1%**

Stocks: 27.6% Bonds: 47.2% Cash: 4.1% Alternatives*: 21.1% Yield: 1.3%

Holdings	Ticker	NAV	Shares	Value	Jul Ret
Contrafund	FCNTX	\$15.99	8,053.62	\$128,777	7.2%
Limited Term Bond	FJRLX	12.00	7,199.25	86,391	0.8
Total Bond	FTBFX	11.57	7,280.99	84,241	2.2
High Income	SPHIX	8.51	9,670.48	82,296	4.3
Conservative Income	FCONX	10.07	7,891.77	79,470	0.2

Current Value (12/31/91 = \$100,000) \$461,175 3.3%

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



Now, you might be thinking that a 48% jump in EPS in 2021 seems improbable given the likelihood of an economy still not at full throttle. But, if we think like the market and ignore the depressed figures from 2020 while calculating the growth from 2019 to 2021, that figure drops to a very modest 2.7% gain!

While the economy is unlikely to be fully recovered by next year, it's encouraging to see that several sectors — from new homes to consumer goods — are experiencing a “V-shaped” recovery.



Lately, the year-to-date advance has been criticized because a few top tech names have accounted for the lion's share of the S&P 500's return. While that is true, it is interesting to note that on a recent week, no listing on the New York Stock Exchange registered a new 52-week low! This is a rare event and one most usually seen at the start of cyclical bull markets, not bear market rallies.

What Worries Me

Despite my expectation that the stock market has more room to run, I do have some areas of concern.

FUNDS YOU SHOULD BUY NOW

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

Growth & Income: **Large Cap Value Index** holds attractively valued stocks such as financials (18%) and health care (14%), which also help to boost its dividend yield (2.6%) above the S&P 500 (1.9%).

International: **Int'l Cap App** invests about three-quarters of its assets in developed foreign markets; the balance is in emerging markets (see p. 4.)

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

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

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

Number one, of course, is the reacceleration in new cases of Covid as states started to re-open. An uptick in cases was expected, but record highs in daily new cases among several large states was not. In response, states either paused on re-opening plans or reintroduced restrictions. Clearly, if cases soar every time we try to loosen restrictions, it will mean a much slower economic recovery.

However, it's not at all clear that the recent surge in cases was (primarily) a result of loosening. There have been *no* instances of states that were devastated early on with huge numbers of cases like New York, then brought them down low, only to see them spike again to new records. In fact, all the states that just experienced record highs in new cases had been mostly spared serious infection rates until now. This suggests that the lightly-affected states were just the beneficiaries of randomness/luck in the

spread of the virus early on, and that luck has run out.

The jobs picture also looks less bright. Since a massive six million people lost their jobs in back-to-back weeks four months ago, new job losses had moved steadily downward. But for the last eight weeks, job losses have remained stubbornly high at around 1.3-1.5 million per week. I would like to see that figure start to come down more significantly again.

Valuations are high. As I write this, the 12-month trailing P/E for the S&P 500 is 26.8 vs. 18.6 at the end of March. However, it is not unusual to have P/Es rise sharply coming out of recessions as stocks typically start to rally before it is clear that the economy has turned up. The last time we had a P/E this high? Three months after the official end to the Financial Crisis recession. I seem to remember that the stock market did pretty well after that. ■

— John M. Boyd

Model Portfolios Key:

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

FUND PROFILE

Int'l Cap App Stays Ahead Of Pack

Sammy Simnegar is on track for making 2020 the eleventh time in his 13 years running **International Capital Appreciation** [FIVFX]



fund that he stands to beat his benchmark. In fact, over the past decade, the fund has significantly outrun its bogey with an average annual return of 10.9% versus just 5.1% for its tongue-twisting benchmark, the MSCI All Country World Index (ex U.S. stocks). That feat has resulted in the fund ranking #18 among almost 800 competitors!

Held in three of our models, Int'l Cap App fell just 1.3% through the first half of 2020 versus — 11.0% for its index. But thanks to its 7.1% surge in July (Europe and emerging markets popped partly on their success in containing Covid), Sammy's fund is now up 5.7% this year.

On the constant lookout for high-quality companies that are likely to grow earnings through various market cycles, Sammy usually overweights tech. That was particularly beneficial in this year's global recession. But where he really has added value (again, relative to his benchmark) were in two areas he underweighted: energy and financials.

Sammy typically underweights

energy (and other natural resource sectors) as he eschews capital-intensive business. In the second quarter he allocated just over 1% of assets there versus nearly 5% for his benchmark. Performance has also benefited from an underweighting in financials. And with the few stocks he held, his picks were solid. No surprise there, as in most years Sammy's stock-picking prowess adds more alpha (excess return) than does his sector bets.

Of course, when managing a diversified international fund, country bets matter a lot. This year has been no exception. Thanks to Sammy's nearly 16% out-of-benchmark stake in U.S. stocks, Int'l Cap App may wind up being Fidelity's top-performing diversified foreign fund. (**Worldwide** fund is only faring better owing to its typical 60% stake in U.S. stocks.)

While we recognize that some overseas markets have the opportunity right now to benefit from their quicker recovery from Covid, our bias towards U.S. stocks is unlikely to change for several reasons — including this “cultural” one: America's innovative and entrepreneurial spirits are the primary reasons why U.S. companies are either technology leaders themselves, or are faster than others to adopt and implement tech. However, diversifying one's portfolio internationally with a proven stock picker who skillfully manages risk, strikes us as a pretty good idea. ■

INTERNATIONAL FUNDS

China Poses Risks

Given China's myriad of geopolitical entanglements, the investment risk that most concerns us right now is its gargantuan real estate bubble.

While one might have reasonably thought that a slowdown in global trade and Beijing's tightening of bank lending standards would slow this bubble's growth, it has not. In fact, now that China has gotten a handle on Covid-19 and its economy is picking up, its property boom has only accelerated. Never mind that GDP is expected to slow to 4.8% this year down from its 20-year-long average of over 9%, property-flipping and speculating hasn't slowed one iota.

With \$1.4 trillion invested in residential real estate over the past 12 months, its total home market has now reached a staggering 52 trillion! Here in the U.S., we saw first-hand how unrestrained borrowing in the housing market can undermine a country's economy and, along with it, their stock market (for urban Chinese, 78% of their wealth is tied up in their homes).

What catalyst will finally deflate China's long-growing bubble is impossible to know. It could be worsening confrontations in Hong Kong, the South China Sea, North Korea, ethnic cleansing of Uighur Muslims, trade disputes, a reemergence of Covid or even a decline in birth rates — or perhaps all these things! Whatever the trigger, the undertow for investors might be inescapable.

We downgraded **China Region** fund to *Hold* in June and this month we've similarly downgraded other funds with significant exposures to China, including **Emerging Asia**, **Emerging Markets** and **VIP Emerging Markets**. (For international exposure, our less-risky pick is **International Capital Appreciation** (see story at left), which has a modest 11% stake in China.) ■

— John Bonnanzio

Sammy Steers Magellan Past S&P 500 Index

If running a fund with investments in two dozen countries wasn't enough work, last year Fidelity tapped Sammy to also manage the iconic **Magellan** fund and its smaller, now-clone, **Independence**. Granted, Sammy has a small army of research analysts to assist him. But taking on two U.S. stock funds with combined assets of \$23 billion is still quite daunting.

So how are they faring? In a word: fabulous! Because we categorize them alongside more tech-rich, higher-growth, and ultimately better-performing large-cap growth funds, our *OK to Buy* ratings may seem a lukewarm endorsement. But when measured against less volatile large-cap blend funds (many of which are also measured against the S&P 500), their returns suddenly shine: they're beating their benchmarks (both are up 15.0%) so far this year by nearly 13 percentage points! ■

FUND COMMENTARY

Stocks Advance For Fourth Straight Month

While America’s biggest tech companies reported blowout sales and earnings for the second quarter, others that came up short in that department still got a passing grade from investors as, well, most everyone else in the “class” quite understandably turned in damaged balance sheets. Granted, the overall profit-picture seemed “better-than-expected,” but that’s not saying much. As John Boyd points out in his page 1 “Outlook,” stocks keep rising because investors are looking forward, not backwards.



John Bonnanzio

Still, there may be some cognitive dissonance with respect to Covid and what may lie ahead for the economy’s recovery. With virus-related deaths again averaging 1,000 a day in the U.S. (its worst rate since June), investors continue to pin their hopes on an effective and widely available vaccine. And, while hope springs eternal, it takes a bit of hubris to overlook this fact: the record time for developing a vaccine (for mumps) is four years.

Fortunately, there’s plenty of well-founded optimism that Moderna, Pfizer, and scores of others may soon pull off a scientific miracle. Certainly that likelihood (along with hope that the government will step in again with trillions more in direct financial assistance) is priced into most corners of the stock market.

With that in mind, the Fed met on July 30 and announced nothing new. But it did try to manage America’s expectations: “The ongoing public health crisis,” it said, “will weigh heavily on economic activity, employment, and inflation in the near term, and poses considerable risks to the economic outlook over the medium term.”

Market Indexes

In stark contrast to those cautionary words, the Nasdaq Composite soared 6.9% in July and is now up 20.4% this year. As has been the case for much of this year, many of the country’s biggest and best-known tech companies, including Tesla, have powered that gauge upwards. Somewhat in contrast to that, the Dow Jones 30 Industrials “only” managed a 2.5% gain last month as the blue-chip barometer was held back (relatively speaking) by energy and other economically sensitive cyclicals. (For the year, it’s down 6.1%.)

As for the large-cap S&P 500, it rose an impressive 5.6% in July, though it’s up a modest 2.4% this year. And, finally, the small-cap Russell 2000 gained 2.8% though it’s off 10.6% for the year-to-date.

Stock Funds

Thanks to their big wagers in technology, the average large-cap growth fund at Fidelity rose 7.1% last month. The long-closed **Growth Company** (up 8.1%) fared best while **Blue Chip Growth** (see p. 11) and **OTC** were close behind, each climbing 7.8%.

Another beneficiary of tech was mid-cap growth. The two funds in that category **Growth Strategies** and **Mid Cap Growth Index** gained 6.9% and 8.0%, respectively.

Select Funds

Breaking from historical norms, **Select Gold** (up 15.6% and 45.5% for the month and year, respectively) has been a runaway top-performer. While some of its gains

Fund Commentary *cont’d on page 12*

August Scorecard Rating Changes

Fund	Ratings		Comments
	Old	New	
Convertible Sec's	B	B ↑	Low interest rates and demand for yield are positives.
Emerging Asia	B	H ↓	46% stake in China is excessive risk (see p. 4).
Emerging Markets	B	H ↓	44% stake in China is excessive risk (see p. 4).
Mid Cap Value	S	H ↑	Cheap value stocks stand to benefit from mkt rotation.
Mid Cap Value Idx	S	H ↑	Cheap value stocks stand to benefit from mkt rotation.
Sel Pharmaceuticals	B	B ↓	A successful Covid vaccine may harm other firms.
Small Cap Enhd Idx	S	H ↑	Less expensive stocks stand to benefit from mkt rotation.
Small Cap Discovery	S	H ↑	Less expensive stocks stand to benefit from mkt rotation.
Small Cap Value	S	H ↑	Cheap value stocks stand to benefit from mkt rotation.
Small Cap Value Idx	S	H ↑	Cheap value stocks stand to benefit from mkt rotation.
VIP Disc Small Cap	S	H ↑	Less expensive stocks stand to benefit from mkt rotation.
VIP Emg Mkts	B	H ↓	35% stake in China is excessive risk (see p. 4).

Disruptor Funds (shown below): With Fidelity finally disclosing portfolio holdings, we’ve now had the opportunity to fully analyze this new series of team-managed offerings. To that end, some have disappointed us in that they shy away from some of the most innovative (and potentially “disruptive”) companies and subsectors in their respective industries. In addition, some funds’ top holdings are remarkably similar to their Select fund counterparts. On balance, we generally prefer Select funds, whose ratings are provided on p. 8. Finally, as we went to press, Disruptors fund, their most diversified offering that presumably utilizes some of the best ideas from its peers, still hasn’t released its holdings.

Agricultural Product	NR	H	-	Focus on mid-cap value
Automation	NR	B	-	Half of assets in industrials, but too much foreign.
Communications	NR	B	-	Resembles Select Communication Services.
Finance	NR	B	-	Only modest exposure to FinTechs.
Medicine	NR	B	-	Resembles Sel. Pharmaceuticals; too little biotech.
Technology	NR	B	-	Only a single-digit exposure to chip stocks.
Water Sustainability	NR	H	-	Resembles Select Utilities plus some water stocks.

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

JULY 31, 2020

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)					Rel Vol (Risk) ¹
					Jul	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr	15 Yr	
Comparative Indexes		S&P 500	3271.1		5.6	2.4	12.9	12.0	12.0	11.5	13.8	9.0	1.00
		Nasdaq Composite	10745.3		6.9	20.4	21.2	32.8	20.5	17.3	18.2	12.4	1.11
		Dow Jones Industrials	26428.3		2.5	-6.1	9.2	0.8	9.0	11.0	12.5	9.0	1.00
		Russell 2000 (Small Caps)	1480.4		2.8	-10.6	13.3	-4.6	2.7	5.1	10.1	6.8	1.34
		Bloomberg Barclays Agg Bond*			1.4	8.0	2.5	10.2	5.8	4.5	3.8	3.3	0.19
Model Portfolios		Unique Opportunities			6.9	10.6	19.7	18.5	11.9	10.5	12.4	8.7	1.05
		Select Growth			5.5	8.2	17.2	18.7	14.3	12.4	14.6	10.5	1.12
		Growth & Income			6.8	11.8	19.1	19.5	14.2	11.4	13.0	8.2	1.08
		Income			5.6	12.2	15.9	17.9	10.8	9.4	10.2	7.4	0.78

											Rel Vol (Risk) ¹	Assets (\$Mil)
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LARGE CAP GROWTH Average **7.1 19.1 20.6 29.4 19.1 15.0 16.4 1.07**

312	FBGRX	Blue Chip Growth	138.10	Buy	7.8	28.2	26.9	39.4	24.0	18.2	18.9	1.17	\$31,019
307	FDCAX	Capital Appreciation	38.38	Hold	6.8	13.4	19.9	22.3	15.3	11.2	13.9	1.03	4,982
22	FCNTX	Contrafund	15.99	Buy	7.2	17.4	18.7	25.2	17.8	14.9	15.8	1.06	105,473
3	FFIDX	Fidelity Fund	57.70	OK to Buy	6.4	13.8	16.6	25.0	16.9	12.5	14.1	0.95	4,666
333	FTQGX	Focused Stock	30.35	Buy	6.8	16.4	20.4	23.6	21.6	15.5	16.7	1.05	3,113
3336	FIFNX	Founders Fund	14.61	OK to Buy	6.4	26.1	23.0	32.8	--	--	--	--	52
25	FDGRX	Growth Company (Closed)	28.62	Buy	8.1	34.0	28.4	49.1	25.1	20.2	20.1	1.25	36,979
339	FDSVX	Growth Discovery	48.37	Buy	7.0	21.7	22.4	32.6	20.7	16.7	17.6	1.06	2,250
73	FDFFX	Independence	42.08	OK to Buy	7.4	15.0	17.8	23.3	15.9	10.4	13.7	1.02	3,849
1829	FLGEX	Lrge Cap Growth Enhcd Index	25.25	OK to Buy	7.2	17.5	18.3	27.7	18.8	14.8	16.2	1.01	1,289
2826	FSPGX	Lrge Cap Growth Index	20.51	Buy	7.7	18.2	19.9	29.8	20.8	--	--	1.05	4,795
21	FMAGX	Magellan	11.73	OK to Buy	7.4	15.0	17.9	23.1	16.4	13.1	14.0	1.01	19,250
1282	FNCMX	Nasdaq Composite Index	135.47	OK to Buy	6.9	20.3	21.2	32.5	20.2	17.0	18.0	1.11	9,218
93	FOCPX	OTC	15.61	Buy	7.8	22.1	22.3	35.8	21.6	19.0	19.7	1.15	16,822
320	FDSSX	Stock Selector All Cap	50.26	OK to Sell	5.0	4.9	15.2	14.5	11.4	10.7	13.2	1.09	8,960
5	FTRNX	Trend	130.53	Buy	7.4	22.0	20.6	33.1	20.7	16.5	17.3	1.05	2,517

LARGE CAP BLEND Average **4.6 -2.6 11.6 6.2 8.2 8.1 11.9 1.05**

2328	FXAIX	500 Index	113.53	OK to Buy	5.6	2.4	12.9	11.9	12.0	11.5	13.8	1.00	241,466
315	FDEQX	Disciplined Equity	45.09	OK to Buy	6.8	12.7	16.7	21.9	13.4	10.8	12.7	1.01	1,400
330	FDGFX	Dividend Growth	26.38	OK to Sell	2.7	-14.9	7.2	-6.2	3.9	4.9	9.7	1.15	4,688
332	FEXPX	Export and Multinational	18.00	OK to Sell	3.4	-17.7	6.8	-9.4	2.7	4.3	8.9	1.17	1,056
27	FGRIX	Growth & Income	38.15	Hold	3.0	-8.6	8.7	1.3	5.6	6.9	11.5	1.02	5,453
1827	FLCEX	Lrge Cap Core Enhcd Index	16.90	OK to Buy	5.6	2.7	11.9	12.1	12.2	10.8	13.6	0.97	1,014
338	FLCSX	Large Cap Stock	29.63	Hold	2.4	-10.0	8.7	0.1	5.4	6.8	11.9	1.09	2,285
361	FGRTX	Mega Cap Stock	14.49	Hold	3.2	-6.6	10.2	4.2	7.2	7.8	12.1	1.00	784
300	FMLX	New Millennium	33.05	Hold	3.6	-12.1	9.7	-6.5	4.1	5.9	10.8	1.09	2,226
2361	FSKAX	Total Market Index	92.07	OK to Buy	5.7	1.9	13.9	10.8	11.3	10.9	13.5	1.05	48,419
5029	FULVX	U.S. Low Volatility Equity	10.21	Hold	5.6	-1.8	10.7	--	--	--	--	--	321
2941	FITLX	U.S. Sustainability Index	14.16	OK to Buy	4.1	2.2	11.5	11.7	12.2	--	--	0.97	434
3396	FWOMX	Women's Leadership	11.45	Hold	5.8	5.0	16.9	10.6	--	--	--	--	34
3231	FNILX	Zero Large Cap Index	11.66	Buy	5.8	3.7	13.8	13.5	--	--	--	--	2,181
3227	FZROX	Zero Total Market Index	11.55	OK to Buy	5.7	1.9	13.9	11.0	--	--	--	--	5,711

LARGE CAP VALUE Average **3.2 -12.8 6.7 -5.3 2.1 4.5 9.2 1.03**

1271	FBCVX	Blue Chip Value	17.02	OK to Sell	0.9	-18.9	5.3	-12.0	-1.7	1.8	7.3	1.05	376
319	FEQTX	Equity Dividend Income	22.14	OK to Buy	2.1	-12.7	6.3	-4.0	2.5	5.0	9.0	1.05	4,089
23	FEQIX	Equity-Income	54.72	Buy	4.4	-8.5	7.7	0.2	4.5	6.2	9.4	0.93	4,734
1828	FLVEX	Lrge Cap Value Enhcd Index	12.07	OK to Buy	4.4	-11.9	7.1	-4.5	3.5	5.6	10.7	1.03	3,599
2830	FLCOX	Lrge Cap Value Index	11.41	Buy	3.9	-12.9	6.8	-6.0	2.7	--	--	1.06	2,353
708	FSLVX	Stock Sel Large Cap Value	18.49	Hold	3.5	-13.7	6.2	-7.3	1.3	3.9	9.0	1.11	343
832	FVDFX	Value Discovery	26.98	OK to Buy	2.9	-10.9	7.8	-3.6	1.7	4.4	9.9	1.00	1,754

MID-CAP GROWTH Average **7.4 11.8 20.1 18.0 15.8 11.1 13.4 1.05**

324	FDEGX	Growth Strategies	55.88	Buy	6.9	11.7	18.6	18.6	15.8	11.1	13.4	1.05	3,089
3403	FMDGX	Mid Cap Growth Index	23.44	Buy	8.0	11.9	21.5	17.4	--	--	--	--	275

MID-CAP BLEND Average **5.2 -6.3 15.1 -0.6 6.1 6.8 11.3 1.24**

2365	FSMAX	Extended Market Index	63.66	Buy	5.7	-0.2	19.7	5.2	8.0	8.0	12.2	1.33	24,312
2012	FMEIX	Mid Cap Enhanced Index	14.64	OK to Buy	5.3	-4.9	14.4	1.1	5.6	6.4	11.8	1.20	1,152
2352	FSMDX	Mid Cap Index	22.61	Buy	5.9	-3.8	15.4	2.0	7.3	7.8	--	1.20	14,046
337	FMCSX	Mid-Cap Stock	31.83	Hold	5.5	-8.5	13.0	-3.5	4.9	6.3	10.9	1.14	4,472
2412	FSSMX	Stock Selector Mid Cap	33.55	Hold	4.2	-10.6	13.4	-4.5	4.6	5.6	10.5	1.32	298
3230	FZIPX	Zero Extended Market Index	9.14	Hold	4.5	-9.5	15.0	-4.0	--	--	--	--	553

Notes: *Fidelity's U.S. Bond Index used as a proxy for the Barclays Aggregate Bond Index. ¹Relative Volatility (Rel Vol) versus the S&P 500 over the last 36 months; 1.50 means the fund has been 50% more volatile. ²Duration is a measure of interest rate sensitivity. ³Stated yield is actual distributed yield over prior 12 months. ⁵Almost a Specialty fund with 30%+ typically in foreign stocks. (p) Partial year; (↑) Rating upgraded; (↓) Rating downgraded.

FIDELITY SCORECARD

JULY 31, 2020

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) ¹	Assets (\$Mil)	
					Jul	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year			
MID-CAP VALUE					Average	3.6	-15.8	9.9	-8.5	-0.7	2.2	8.9	1.31	
316	FLPSX	Low-Priced Stock ⁵	44.78	Hold	4.3	-10.5	10.3	-0.5	3.3	4.6	10.1	1.08	\$19,525	
762	FSMVX	Mid Cap Value	19.17	Hold↑	2.7	-17.2	7.4	-11.0	-2.9	0.3	8.5	1.29	849	
3404	FIMVX	Mid Cap Value Index	18.16	Hold↑	4.6	-14.4	10.7	-8.8	--	--	--	--	373	
39	FDVLX	Value	9.02	Hold	3.6	-18.5	11.6	-11.6	-2.2	1.6	8.6	1.48	4,597	
14	FSLSX	Value Strategies	31.78	Hold	3.0	-18.2	9.3	-10.8	-1.2	2.2	8.4	1.37	250	
SMALL CAP GROWTH					Average	3.9	1.4	17.7	7.3	14.1	11.9	15.1	1.26	
1388	FCPGX	Small Cap Growth	28.07	Buy	4.4	2.6	17.8	8.7	14.1	11.9	15.1	1.26	2,841	
3405	FECGX	Small Cap Growth Index	21.37	OK to Buy	3.4	0.1	17.6	5.8	--	--	--	--	59	
SMALL CAP BLEND					Average	4.4	-10.0	15.5	-4.0	2.9	4.4	9.7	1.36	
384	FSCRX	Small Cap Discovery	20.02	Hold↑	4.5	-13.5	17.0	-6.5	0.2	2.6	10.1	1.43	2,248	
2011	FCPEX	Small Cap Enhanced Index	11.59	Hold↑	4.2	-11.3	14.0	-6.8	0.4	3.1	9.9	1.35	467	
2358	FSSNX	Small Cap Index	18.78	Hold	2.8	-10.5	13.4	-4.4	2.8	5.3	--	1.34	11,398	
340	FSLCX	Small Cap Stock	16.65	OK to Buy	6.2	-8.1	18.9	-2.4	4.6	5.1	8.3	1.44	1,248	
336	FDSCX	Stock Selector Small Cap	23.83	OK to Buy	4.2	-6.6	14.3	0.1	6.6	6.1	10.7	1.23	922	
SMALL CAP VALUE					Average	2.8	-19.7	8.9	-14.5	-2.7	2.0	8.4	1.24	
1389	FCPVX	Small Cap Value	12.65	Hold↑	3.6	-17.4	9.7	-12.8	-2.7	2.0	8.4	1.24	1,232	
3406	FISVX	Small Cap Value Index	16.85	Hold↑	2.0	-22.0	8.0	-16.1	--	--	--	--	146	
REAL ESTATE														
1368	FIREX	International Real Estate	11.90	Hold	3.7	-8.5	7.9	2.0	5.7	5.8	8.0	0.81	224	
833	FRIFX	Real Estate Income	11.09	OK to Sell	2.9	-10.5	10.5	-6.6	1.9	4.4	7.1	0.97	2,205	
2355	FSRNX	Real Estate Index	13.58	OK to Sell	3.3	-19.4	4.6	-16.3	-1.2	1.9	--	1.11	2,084	
303	FRESX	Real Estate Investment	40.16	OK to Sell	5.8	-10.4	8.9	-6.2	2.8	5.1	9.2	1.00	4,205	
ASSET ALLOCATION														
328	FASIX	Asset Manager 20%	14.03	Hold	2.0	3.8	5.5	7.3	4.9	4.5	4.7	0.30	5,321	
1957	FTANX	Asset Manager 30%	11.76	Hold	2.5	4.0	7.2	8.5	5.7	5.3	5.8	0.39	1,855	
1958	FFANX	Asset Manager 40%	12.38	Hold	2.9	4.0	8.5	9.3	6.3	5.9	6.7	0.49	1,882	
314	FASMX	Asset Manager 50%	19.19	Hold	3.3	3.7	9.7	9.8	6.7	6.4	7.5	0.58	9,303	
1959	FSANX	Asset Manager 60%	13.46	Hold	3.9	3.5	11.2	10.3	7.1	6.9	8.2	0.68	2,921	
321	FASGX	Asset Manager 70%	23.35	Hold	4.3	2.8	12.4	10.5	7.4	7.3	8.9	0.78	5,159	
347	FAMRX	Asset Manager 85%	20.54	Hold	4.9	2.3	14.1	10.9	8.0	7.9	9.9	0.91	2,478	
304	FBALX	Balanced	26.06	Buy	4.8	6.9	12.4	14.8	10.4	9.1	10.4	0.76	27,412	
355	FFNOX	Four-in-One Index	48.99	Hold	4.1	0.3	11.6	8.0	7.9	7.8	10.0	0.84	6,534	
3083	FMSDX	Multi-Asset Income	11.94	OK to Buy	5.2	4.2	9.5	12.0	8.7	--	--	0.54	101	
4	FPURX	Puritan	24.57	Buy	4.8	8.8	12.4	15.6	10.6	9.1	10.5	0.70	22,861	
INTERNATIONAL					Average	5.3	-1.4	16.6	8.3	4.7	6.1	7.2	1.02	
309	FICDX	Canada	48.04	Hold	5.7	-8.8	12.3	-4.1	1.6	3.4	3.4	1.06	667	
352	FHKCX	China Region	48.42	Hold	9.3	22.5	24.6	39.9	15.6	12.9	10.7	1.20	1,405	
325	FDIVX	Diversified International	41.60	OK to Buy	4.8	2.7	17.2	14.3	6.0	5.0	7.4	0.91	9,411	
351	FSEAX	Emerging Asia	58.59	Hold↓	10.3	28.9	31.5	45.0	17.1	15.3	10.6	1.12	1,345	
2053	FEMEX	Emerg Europe, MidEast, Africa	8.00	Hold	1.5	-21.5	11.7	-16.4	-1.6	2.5	2.1	1.34	44	
322	FEMKX	Emerging Markets	38.31	Hold↓	9.5	9.6	23.9	21.8	10.6	11.2	6.4	1.07	3,918	
2374	FEDDX	Emerging Mkts Discovery	14.02	Hold	5.3	-3.1	22.3	3.8	1.0	5.5	--	1.21	194	
2344	FPADX	Emerging Markets Index	10.77	Hold	8.5	-1.9	18.5	7.2	2.7	5.8	--	1.11	3,158	
5031	FEOPX	Enduring Opportunities	11.53	OK to Buy	7.4	9.5	19.0	--	--	--	--	--	8	
301	FIEUX	Europe	35.90	OK to Buy	7.1	-1.0	18.0	10.6	3.0	3.3	6.4	1.01	772	
2406	FGILX	Global Equity Income	15.42	OK to Buy	5.3	-0.5	12.6	11.7	7.9	7.0	--	0.85	71	
2348	FSGGX	Global ex U.S. Index	12.46	Hold	4.1	-7.0	13.3	1.4	1.4	3.3	--	0.94	5,592	
335	FIVFX	International Cap App	24.24	Buy	7.1	5.7	19.0	14.5	10.3	9.2	10.5	0.89	4,287	
305	FIGRX	International Discovery	46.09	Hold	4.7	1.5	17.0	12.4	4.8	4.6	7.1	0.92	6,721	
2010	FIENX	International Enhanced Index	8.82	Hold	2.1	-9.1	10.8	-1.6	-0.6	2.0	5.5	0.90	1,128	
1979	FIGFX	International Growth	16.22	OK to Buy	4.7	1.8	14.6	13.4	8.7	7.4	9.2	0.86	1,295	
2363	FSPSX	International Index	39.08	Hold	2.1	-9.0	11.0	-0.9	0.7	2.3	5.1	0.89	25,879	
818	FISMX	International Small Cap	24.58	OK to Sell	3.2	-12.5	11.1	-4.7	-1.0	4.1	8.1	1.02	1,084	
1504	FSCOX	Int'l Small Cap Opps (Closed)	20.11	OK to Buy	4.5	-2.4	13.2	11.0	5.8	7.2	10.2	0.93	1,113	
2988	FNIDX	International Sustainability Idx	10.79	Hold	5.0	-3.8	15.0	5.8	2.7	--	--	0.92	120	
1597	FIVLX	International Value	7.13	OK to Sell	1.6	-14.5	12.3	-6.5	-4.2	-1.7	2.4	1.03	408	
350	FJPNX	Japan	16.00	Hold	1.6	-1.8	11.0	8.9	5.2	6.1	6.1	0.87	340	
360	FJSCX	Japan Smaller Companies	15.42	OK to Sell	-1.0	-10.5	5.5	0.1	1.4	6.0	9.7	0.77	591	
349	FLATX	Latin America	20.01	OK to Sell	7.1	-31.9	22.6	-23.8	-3.6	2.0	-3.9	1.97	344	
342	FNORX	Nordic	53.27	Hold	12.4	11.5	25.6	24.6	6.6	7.6	9.9	1.06	278	
94	FOSFX	Overseas	51.90	OK to Buy	5.2	0.2	15.8	9.9	5.3	6.0	8.5	0.90	6,221	
302	FPBFX	Pacific Basin	37.33	Hold	6.4	8.1	19.3	21.4	9.9	10.5	11.0	0.96	997	
2369	FTEMX	Total Emerging Markets	13.26	Hold	6.6	-1.3	20.4	6.5	3.6	7.1	--	1.02	198	
1978	FTIEX	Total International Equity	9.60	OK to Buy	5.3	-2.1	16.1	7.6	4.5	5.1	6.4	0.95	65	
2834	FTIHX	Total International Index	11.53	Hold	4.3	-7.2	13.5	1.4	1.2	--	--	0.96	4,394	
318	FWWFX	Worldwide	31.58	Buy	6.3	11.4	20.0	20.1	14.4	10.9	12.4	0.99	2,195	
3228	FZILX	Zero International Index	9.67	Hold	3.6	-7.2	13.1	1.5	--	--	--	--	1,553	

FIDELITY SCORECARD

JULY 31, 2020

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) ¹	Assets (\$Mil)	
					Jul	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year			
SPECIALTY														
308	FCV SX	Convertible Securities	35.20	Buy ↑	7.4	13.9	17.1	21.7	14.1	9.4	9.9	0.77	\$1,538	
2120	FFGCX	Global Commodity Stock	10.92	Hold	4.7	-14.6	10.9	-8.7	-0.7	1.9	-0.5	1.26	181	
3488	FNSTX	Infrastructure Fund	10.76	OK to Sell	5.5	2.4	14.2	--	--	--	--	--	12	
122	FLVCX	Leveraged Company Stock	30.88	Buy	4.8	-4.8	16.7	3.2	5.3	4.9	10.1	1.41	1,632	
1329	FSDIX	Strategic Dividend & Income	15.08	Hold	5.0	-1.3	9.1	5.0	6.7	7.5	10.0	0.74	2,646	
1505	FSRRX	Strategic Real Return	8.03	Hold	3.6	-3.6	8.3	-1.1	1.6	1.9	2.5	0.52	160	
311	FIUIX	Telecom & Utilities	25.26	Hold	4.3	-7.3	5.8	0.4	6.0	7.9	10.6	0.77	961	
DISRUPTOR / MEGATREND FUNDS					Average		6.5	18.3						
6041	FARMX	Agricultural Productivity	11.52	Hold	4.5	15.4p	9.6	--	--	--	--	--	4	
6036	FBOTX	Disruptive Automation	12.97	OK to Buy	7.1	29.7p	19.6	--	--	--	--	--	22	
6037	FNETX	Disruptive Communications	13.01	OK to Buy	7.6	30.1p	22.9	--	--	--	--	--	10	
6038	FNTEX	Disruptive Finance	12.62	OK to Buy	5.7	26.3p	16.3	--	--	--	--	--	6	
6039	FMEDX	Disruptive Medicine	11.70	OK to Buy	4.6	17.0p	13.4	--	--	--	--	--	13	
6040	FTEKX	Disruptive Technology	13.87	OK to Buy	9.4	38.7p	33.1	--	--	--	--	--	27	
6043	FGDFX	Disruptors	12.84	na	7.0	20.0p	21.0	--	--	--	--	--	43	
6042	FLOWX	Water Sustainability	11.29	Hold	6.4	13.0p	10.5	--	--	--	--	--	7	
SELECT PORTFOLIOS					Average		4.6	-3.1	13.3	4.8	6.6	7.2	10.9	1.36
34	FSAIX	Air Transportation	46.10	Hold	-0.9	-34.9	7.7	-33.7	-7.3	0.2	8.5	1.56	242	
502	FSAVX	Automotive	35.42	Hold	8.2	6.8	22.8	21.1	10.8	6.2	10.0	1.42	41	
507	FSRBX	Banking	16.57	Buy	-2.0	-35.9	-0.3	-28.9	-7.7	-0.8	5.9	1.69	291	
42	FBIOX	Biotechnology	22.96	OK to Buy	-3.7	9.8	11.4	28.8	11.0	2.8	19.8	1.43	7,381	
68	FSLBX	Brokerage & Investment	79.98	Buy	3.3	0.9	11.9	11.6	8.4	7.0	9.5	1.12	327	
69	FSCHX	Chemicals	11.78	Hold	6.6	-4.9	16.5	-3.4	-3.3	4.3	10.3	1.39	652	
518	FSDCX	Communications Equipment	35.87	Hold	9.5	2.4	16.1	-5.6	5.9	6.6	7.9	1.09	156	
503	FBMPX	Communication Services	70.89	Buy	7.7	13.4	18.9	20.6	12.4	9.8	15.9	1.10	654	
7	FDCPX	Computers	85.93	OK to Buy	8.0	8.5	20.4	28.6	16.6	15.5	14.4	1.08	559	
511	FSHOX	Construction & Housing	62.57	OK to Buy	8.5	7.1	24.8	17.8	13.7	11.2	15.9	1.36	286	
517	FSCPX	Consumer Discretionary	54.46	Buy	6.7	10.3	17.4	15.7	15.3	11.3	15.5	1.26	439	
98	FSVLX	Consumer Finance	13.27	Hold	2.6	-24.8	11.6	-22.7	0.8	3.0	8.8	1.61	105	
9	FDFA X	Consumer Staples	86.41	OK to Buy	7.2	-0.6	10.6	6.9	3.4	4.9	9.9	0.87	786	
67	FSDAX	Defense & Aerospace	13.22	Buy	-1.3	-26.0	2.2	-22.3	2.4	8.0	12.2	1.47	1,789	
60	FSENX	Energy	21.32	Hold	-3.4	-39.9	-2.0	-39.5	-17.3	-10.6	-3.2	2.15	687	
43	FSE SX	Energy Service	12.01	Hold	2.6	-50.9	12.9	-52.2	-33.4	-22.4	-11.8	2.89	160	
516	FSE LX	Environment & Alt Energy	22.74	OK to Sell	5.7	-7.4	13.9	-0.5	4.1	8.2	8.4	1.22	173	
66	FIDSX	Financial Services	7.98	Buy	0.8	-22.1	7.1	-14.1	-0.4	3.4	6.9	1.35	409	
41	FSAGX	Gold	35.20	OK to Sell	15.6	45.5	29.4	59.7	19.9	22.7	-0.6	1.92	2,177	
63	FSPHX	Health Care	30.86	Buy	2.4	11.2	9.7	29.0	16.8	9.6	19.8	1.08	9,212	
505	FSHCX	Health Care Services	106.79	OK to Buy	2.2	2.7	5.3	17.0	13.3	10.1	16.5	1.20	1,056	
515	FCYIX	Industrials	30.55	Buy	5.5	-9.7	12.9	-6.1	3.8	5.9	10.4	1.31	467	
45	FSPCX	Insurance	52.21	Hold	4.4	-14.6	14.2	-10.8	0.9	5.4	10.8	1.12	177	
353	FBSOX	IT Services	82.73	OK to Buy	5.4	10.7	16.5	14.5	22.8	17.9	20.2	1.15	4,042	
62	FDLSX	Leisure	12.98	Buy	2.9	-14.3	7.3	-13.6	4.9	5.2	12.2	1.36	403	
509	FSDPX	Materials	67.90	Hold	7.3	-1.8	16.3	0.8	-1.9	2.0	6.5	1.29	412	
354	FSMEX	Medical Tech & Devices	68.60	OK to Buy	11.0	16.8	18.7	26.4	21.4	18.4	19.9	1.10	7,270	
513	FSNGX	Natural Gas	9.91	Hold	0.1	-45.3	-1.9	-46.3	-23.8	-16.3	-8.5	2.22	89	
514	FNARX	Natural Resources	18.79	Hold	1.9	-29.0	4.0	-25.5	-10.0	-6.2	-1.9	2.04	257	
580	FPHAX	Pharmaceuticals	24.04	OK to Buy ↓	1.6	6.2	5.4	26.0	13.6	4.1	14.8	0.88	900	
46	FSRPX	Retailing	20.08	OK to Buy	7.4	19.3	21.0	25.9	21.9	16.6	20.5	1.25	3,172	
8	FSELX	Semiconductors	12.60	Buy	3.2	7.9	17.9	31.1	23.1	24.2	20.8	1.52	4,041	
28	FSCSX	Software & IT Services	23.66	OK to Buy	3.8	23.1	19.4	33.7	26.0	23.2	22.1	1.06	10,463	
64	FSPTX	Technology	24.80	Buy	7.4	29.7	27.4	48.9	25.8	24.7	20.2	1.23	8,985	
96	FSTCX	Telecommunications	67.91	Hold	6.5	12.9	13.4	19.1	8.0	9.1	10.2	0.79	243	
512	FSRFX	Transportation	78.18	Hold	7.7	-8.9	17.9	-8.0	4.2	6.0	11.1	1.33	289	
65	FSUTX	Utilities	85.00	OK to Sell	5.5	-8.8	6.0	-0.6	7.2	9.1	10.9	0.83	998	
963	FWRLX	Wireless	12.15	OK to Buy	6.9	15.6	20.1	33.4	17.1	14.4	13.3	0.87	410	
SECTOR ETFs					Average		5.1	-3.3	11.3	3.9	6.9	8.1	1.18	
	FCOM	MSCI Communication Services	37.87	OK to Buy	7.3	6.4	14.6	11.2	8.6	10.4	--	1.04	530	
	FDIS	MSCI Consumer Discretionary	57.30	Buy	10.1	19.4	24.8	25.3	18.0	13.7	--	1.30	773	
	FSTA	MSCI Consumer Staples	37.28	OK to Buy	6.9	0.4	8.6	7.6	6.8	7.1	--	0.77	626	
	FENY	MSCI Energy	9.48	Hold	-4.5	-39.1	-3.5	-39.3	-16.2	-10.3	--	2.15	477	
	FNCL	MSCI Financials	34.08	Buy	2.9	-21.9	6.1	-14.9	-0.3	5.1	--	1.29	730	
	FHLC	MSCI Health Care	52.33	OK to Buy	5.1	6.3	7.8	19.6	12.8	8.8	--	0.94	1,900	
	FIDU	MSCI Industrials	37.51	Buy	4.5	-9.8	13.0	-4.6	4.3	8.0	--	1.26	332	
	FTEC	MSCI Information Technology	87.22	Buy	6.1	21.2	22.3	36.9	26.6	23.2	--	1.15	4,100	
	FMAT	MSCI Materials	32.85	Hold	6.6	-3.0	16.6	3.0	3.4	7.0	--	1.23	146	
	FREL	MSCI Real Estate	24.24	OK to Sell	3.7	-11.0	7.9	-5.3	3.9	5.7	--	1.03	993	
	FUTY	MSCI Utilities	39.14	OK to Sell	7.3	-5.7	6.4	3.1	7.5	10.4	--	0.80	814	

FIDELITY SCORECARD

JULY 31, 2020

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				SEC %Yield	Dur ² (Yrs)	Rel Vol (Risk) ¹	
					Jul	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr				
TAXABLE BOND					Average	1.2	6.9	2.5	9.1	5.1	3.9	3.6	0.92	5.0	0.22
2267	FCONX	Conservative Income Bond	10.07	Buy	0.2	0.9	0.8	1.9	2.0	1.6	--	0.27	0.5	0.07	
2208	FCBFX	Corporate Bond	13.03	Buy	3.0	9.1	7.3	12.8	7.4	6.4	6.1	1.62	8.0	0.41	
2423	FGBFX	Global Credit	10.02	Hold	2.6	5.5	6.6	9.1	6.1	5.2	--	2.19	7.6	0.44	
15	FGMNX	GNMA (Ginnie Mae)	11.80	OK to Buy	0.1	3.3	0.5	4.7	3.3	2.7	2.9	1.23	0.1	0.12	
54	FGOVX	Government Income	11.27	Hold	0.9	8.4	0.8	10.0	5.1	3.6	3.2	0.48	5.4	0.21	
2418	FIPDX	Inflation-Protected Index ³	10.92	OK to Buy	2.3	8.5	4.0	10.4	5.6	4.1	--	0.34*	5.6	0.21	
32	FTHRXX	Intermediate Bond	11.60	Buy	1.1	6.2	3.5	8.0	4.6	3.7	3.4	0.97	4.1	0.18	
452	FSTGX	Intermediate Gov't Income	11.19	OK to Buy	0.4	6.1	0.5	7.2	3.9	2.7	2.3	0.06	3.8	0.15	
3045	FUAMX	Intermediate Treasury Index	12.10	Hold	0.6	10.4	1.1	11.9	6.1	4.4	4.0	0.42	6.5	0.27	
4506	FBIX	International Bond Index	10.14	Hold	1.1	3.1	1.9	--	--	--	--	0.58	8.2	--	
26	FBNDX	Investment Grade Bond	8.85	Buy	1.8	9.4	4.8	12.0	6.5	5.2	4.5	1.43	5.5	0.21	
2622	FJRLX	Limited Term Bond	12.00	Buy	0.8	4.1	3.1	5.8	3.6	3.0	3.0	0.88	2.8	0.16	
662	FFXSX	Limited Term Government	10.38	OK to Buy	0.2	4.2	0.3	5.2	2.9	2.0	1.5	-0.01	2.7	0.10	
3047	FNBGX	Long-Term Treasury Index	17.64	Sell	4.2	26.7	2.6	30.3	13.7	9.3	8.1	1.17	19.4	0.71	
40	FMSFX	Mortgage Securities	11.67	OK to Buy	0.3	3.8	0.6	5.4	3.8	3.1	3.2	1.59	0.5	0.12	
450	FSHXX	Short-Term Bond	8.88	OK to Buy	0.4	3.1	1.8	4.5	2.9	2.2	1.8	0.64	2.1	0.10	
3041	FNSOX	Short-Term Bond Index	10.41	OK to Buy	0.3	4.4	1.1	5.9	--	--	--	0.37	2.7	--	
3049	FUMBX	Short-Term Treasury Index	10.90	OK to Buy	0.2	4.4	0.4	5.6	3.2	2.3	1.7	0.16	2.7	0.11	
3086	FNDX	Sustainability Bond Index	11.22	Hold	1.4	8.0	2.5	10.2	--	--	--	1.06	5.4	--	
820	FTBFX	Total Bond	11.57	Buy	2.2	7.7	5.3	10.2	5.8	5.0	4.6	1.98	5.5	0.23	
2326	FXNAX	U.S. Bond Index	12.70	Hold	1.4	8.0	2.5	10.2	5.7	4.5	3.8	1.21	5.6	0.19	
HIGH-YIELD BOND					Average	3.5	-0.8	9.1	1.8	3.3	4.5	5.4	4.09	3.6	0.52
38	FAGIX	Capital & Income	9.85	Buy	4.6	-1.3	11.9	2.8	4.5	5.4	7.1	4.05	4.8	0.72	
814	FFRHX	Floating Rate High Income	8.88	OK to Buy	1.9	-4.0	6.6	-2.1	1.8	2.9	3.4	4.85	0.3	0.48	
1366	FHIFX	Focused High Income	8.81	Buy	4.2	1.2	7.4	4.8	4.8	5.2	5.7	3.46	3.8	0.42	
2297	FGHXX	Global High Income	9.25	OK to Buy	4.2	-1.0	11.7	2.0	3.2	4.7	--	4.90	3.7	0.61	
455	SPHIX	High Income	8.51	Buy	4.3	-2.2	8.6	1.1	3.6	5.0	5.9	4.33	3.6	0.53	
331	FNMX	New Markets Income	14.48	Hold	2.7	-1.4	12.7	-0.8	1.1	4.6	5.2	4.57	5.4	0.67	
2580	FSAHX	Short Duration High Income	9.31	Buy	2.7	0.7	5.9	2.4	3.3	3.5	--	3.40	2.3	0.37	
3082	FADMXX	Strategic Income	12.51	OK to Buy	3.1	2.0	7.6	4.2	3.9	4.7	4.8	3.18	4.8	0.39	
MUNICIPAL BOND					Average	1.5	2.5	5.3	3.8	3.8	3.4	3.8	1.13	5.4	0.23
434	FSAZX	Arizona Muni Income	12.61	OK to Sell	1.5	3.0	5.2	4.4	4.0	3.7	4.2	0.89	5.8	0.23	
1534	FCSTX	Calif Limited Term Tax Free	10.89	OK to Sell	0.9	2.3	3.4	2.9	2.4	2.1	2.1	0.54	3.0	0.13	
91	FCTFX	California Muni Income	13.43	OK to Sell	1.6	3.0	5.8	4.4	4.2	3.9	4.6	1.16	6.1	0.25	
407	FICNX	Connecticut Muni Income	11.93	OK to Sell	1.4	2.6	5.7	4.1	4.2	3.6	3.7	1.29	5.8	0.23	
2578	FCRDXX	Conservative Income Muni	10.05	Buy	0.2	0.6	1.1	1.1	1.3	1.1	--	0.48	0.5	0.04	
36	FLTMX	Interm Municipal Income	10.80	OK to Sell	1.4	2.9	5.4	4.0	3.8	3.4	3.4	1.05	4.7	0.22	
404	FSTFX	Limited Term Muni Income	10.84	OK to Sell	0.9	2.3	3.7	3.0	2.5	2.1	1.9	0.76	2.8	0.14	
429	SMDMX	Maryland Muni Income	11.76	OK to Sell	1.6	2.2	5.5	3.5	3.6	3.5	3.6	1.16	5.9	0.24	
70	FDMXX	Mass Muni Income	12.61	OK to Sell	1.6	3.0	5.4	4.3	3.9	3.6	4.0	1.04	5.9	0.24	
81	FMHTX	Michigan Muni Income	12.76	OK to Sell	1.5	3.8	5.2	5.2	4.5	4.0	4.1	0.98	5.9	0.22	
82	FIMIX	Minnesota Muni Income	12.17	OK to Sell	1.5	3.5	5.3	4.8	4.1	3.6	3.6	0.91	5.8	0.22	
3469	FMBIX	Municipal Bond Index	20.23	OK to Sell	1.4	1.8	5.5	2.9	--	--	--	1.32	5.9	--	
37	FHIGX	Municipal Income	13.50	OK to Sell	2.0	2.4	7.3	4.0	4.5	4.2	4.5	1.61	6.7	0.31	
416	FNJHX	New Jersey Muni Income	12.38	OK to Sell	2.8	2.4	7.5	3.6	5.0	4.5	4.1	1.50	6.1	0.30	
71	FTFMX	New York Muni Income	13.55	OK to Sell	1.5	2.0	5.9	3.3	3.7	3.6	3.9	1.38	6.7	0.27	
88	FOHFX	Ohio Muni Income	12.52	OK to Sell	1.7	2.6	5.4	4.0	3.8	3.8	4.2	1.22	6.1	0.24	
402	FPXTX	Pennsylvania Muni Income	11.51	OK to Sell	1.7	2.6	5.5	4.0	4.1	3.8	4.2	1.36	6.5	0.24	
90	FTABX	Tax-Free Bond	12.03	OK to Sell	2.1	2.7	7.4	4.3	4.6	4.3	4.6	1.68	6.7	0.30	

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

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

STATE MUNICIPAL MONEY MARKETS			Total Return (%)		SEC
			Jul	YTD	%Yield
433	FSAXX	Arizona Muni MM	0.00	0.32	0.01
97	FCFXX	California Muni MM	0.00	0.34	0.01
457	FSPXX	California AMT Tax-Free	0.00	0.33	0.01
418	FCMXX	Connecticut Muni MM	0.00	0.32	0.01
426	FMSXX	Mass AMT Tax-Free	0.00	0.37	0.01
74	FDMXX	Massachusetts Muni MM	0.00	0.37	0.01
420	FMIXX	Michigan Muni MM	0.00	0.33	0.01
417	FNJXX	New Jersey Muni MM	0.00	0.32	0.01
423	FSJXX	New Jersey AMT Tax-Free	0.00	0.36	0.04
92	FNYXX	New York Muni MM	0.00	0.35	0.01
422	FSNXX	New York AMT Tax-Free	0.00	0.39	0.01
419	FOMXX	Ohio Muni MM	0.00	0.32	0.01
401	FPTXX	Pennsylvania Muni MM	0.00	0.37	0.01

FIDELITY SCORECARD

JULY 31, 2020

Fund No.	Fund Ticker	Fund Name	Style	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) ¹
						Jul	YTD	3 Mo.	1 Year	3 Year	5 Year	10 Year	
FIDELITY PERSONAL RETIREMENT ANNUITY PORTFOLIOS													
Model Portfolios	Annuity Sector Model					5.4	7.4	17.0	17.4	14.1	12.7	14.0	1.11
	Annuity Growth Model					6.3	9.6	19.1	17.8	13.1	10.9	12.7	1.10
	Annuity Growth & Income Model					5.7	11.5	16.0	18.4	10.2	8.2	9.4	0.76
	Annuity Income Model					3.1	6.4	7.8	9.8	5.4	5.1	5.3	0.41
9067	FLRQC	Fid VIP Asset Manager	Allocation	23.27	Hold	3.3	3.6	9.6	9.6	6.4	5.2	7.0	0.58
9066	FAEEC	Fid VIP Asset Manager: Growth	Allocation	24.51	Hold	4.2	2.6	12.2	10.0	7.1	5.7	8.3	0.77
9069	FJBAC	Fid VIP Balanced	Allocation	30.60	Buy	4.8	6.7	12.2	14.3	10.0	8.7	10.0	0.76
9461	FBIQC	Fid VIP Bond Index	Bond	11.87	Hold	1.4	7.8	2.4	9.8	--	--	--	--
9173	FVTAC	Fid VIP Communication Services	Sector	23.56	Buy	7.7	13.0	18.8	20.0	12.5	11.7	11.8	1.06
9081	FVHAC	Fid VIP Consumer Discretionary	Sector	41.17	Buy	6.6	10.4	17.9	15.7	15.1	11.0	15.2	1.25
9171	FCSAC	Fid VIP Consumer Staples	Sector	29.64	OK to Buy	7.2	-0.3	10.3	6.9	3.8	6.0	10.7	0.86
9065	FPDFC	Fid VIP Contrafund	Large Growth	38.73	Buy	6.7	16.4	17.7	25.1	15.0	12.3	13.6	1.00
9148	FPRGC	Fid VIP Disciplined Small Cap	Small Blend	20.19	Hold	4.2	-11.5	13.8	-7.1	0.0	2.7	9.3	1.35
9074	FZAMC	Fid VIP Dynamic Capital App	Large Growth	40.02	Hold	6.7	13.3	19.8	22.2	14.9	10.8	13.8	1.03
9198	FEMAC	Fid VIP Emerging Markets	Emg Mkts	12.85	Hold	9.6	4.6	21.5	14.1	7.4	9.1	5.1	1.10
9085	FJLLC	Fid VIP Energy	Sector	8.02	Hold	-3.4	-40.2	-2.0	-39.8	-17.5	-10.8	-3.4	2.15
9061	FLOLC	Fid VIP Equity-Income	Large Value	23.11	Buy	4.4	-8.7	7.7	-0.4	4.1	5.7	9.6	0.93
9469	FEMJC	Fid VIP Extended Market Index	Mid Blend	9.57	Buy	4.3	-9.6	14.9	-4.6	--	--	--	--
9083	FONNC	Fid VIP Financial Services	Sector	12.96	Buy	0.7	-22.3	7.0	-14.4	-0.6	3.2	6.7	1.35
9361	FFLCC	Fid VIP Floating Rate High Income	High-Yield Bond	11.70	OK to Buy	1.8	-2.9	6.6	-1.0	2.0	2.8	--	0.47
9157	FMPAC	Fid VIP FundsManager 20	Allocation	17.30	Hold	1.9	4.1	4.4	7.4	4.8	4.0	4.2	0.25
9158	FMPBC	Fid VIP FundsManager 50	Allocation	20.79	Hold	3.3	3.9	8.7	9.8	6.6	5.8	7.0	0.54
9197	FMPPC	Fid VIP FundsManager 60	Allocation	19.93	Hold	3.7	3.2	10.0	9.9	6.9	6.4	7.9	0.65
9159	FMPCC	Fid VIP FundsManager 70	Allocation	22.17	Hold	4.1	2.5	11.3	9.8	7.1	6.7	8.6	0.74
9160	FMPDC	Fid VIP FundsManager 85	Allocation	22.95	Hold	4.7	1.2	13.1	9.7	7.6	7.4	9.6	0.89
9059	FTNJC	Fid VIP Gov't Money Market	Money Mkt	11.75	--	-0.0	0.2	-0.1	0.8	1.2	0.7	0.3	0.01
9062	FMNDC	Fid VIP Growth	Large Growth	46.42	Buy	7.0	21.7	22.4	32.6	20.7	16.6	17.3	1.06
9070	FLFNC	Fid VIP Growth & Income	Large Blend	27.51	Hold	3.0	-8.8	8.7	0.9	5.2	6.5	11.2	1.02
9068	FIDPC	Fid VIP Growth Opportunities	Large Growth	59.94	Buy	8.2	31.3	29.3	43.5	31.0	21.9	20.9	1.24
9084	FPDRC	Fid VIP Health Care	Sector	60.10	Buy	2.3	9.8	9.2	24.7	15.5	8.7	19.1	1.07
9060	FBBLC	Fid VIP High Income	High-Yield Bond	22.34	Buy	4.2	-2.2	8.6	1.1	3.0	4.1	5.4	0.54
9064	FXVLT	Fid VIP Index 500	Large Blend	34.55	OK to Buy	5.6	2.1	12.8	11.5	11.6	11.1	13.5	1.00
9082	FBALC	Fid VIP Industrials	Sector	34.50	Buy	5.5	-9.5	12.9	-6.0	3.7	5.7	10.2	1.31
9473	FFIQC	Fid VIP International Index	Diversified Int'l	9.69	Hold	3.5	-7.5	12.9	1.0	--	--	--	--
9076	FVJIC	Fid VIP Int'l Capital App	Diversified Int'l	25.44	Buy	7.1	5.4	19.1	14.1	10.0	9.0	10.3	0.89
9063	FTLKC	Fid VIP Investment Grade Bond	Inv Grd Bond	19.20	Buy	2.1	8.0	4.8	10.5	5.7	4.7	4.0	0.23
9172	FVMAC	Fid VIP Materials	Sector	19.05	Hold	6.3	-5.1	15.9	-2.0	-3.0	1.1	6.0	1.28
9071	FNBS	Fid VIP Mid Cap	Mid Blend	28.11	Buy	5.9	-7.5	15.9	-2.7	2.0	3.9	8.6	1.28
9088	FEMMC	Fid VIP Overseas	Diversified Int'l	19.74	OK to Buy	5.3	0.2	15.9	9.7	4.9	4.4	6.8	0.90
9072	FFWKC	Fid VIP Real Estate	Sector	24.48	OK to Sell	5.7	-9.7	9.5	-7.0	1.6	3.2	8.1	1.01
9075	FGDQC	Fid VIP Strategic Income	High-Yield Bond	21.48	OK to Buy	2.9	1.9	7.2	4.0	3.6	4.3	4.4	0.37
9086	FYENC	Fid VIP Technology	Sector	77.73	Buy	7.4	29.9	27.4	49.0	26.2	24.8	19.7	1.22
9465	FTMJC	Fid VIP Total Market Index	Large Blend	11.93	OK to Buy	5.6	1.6	13.7	10.4	--	--	--	--
9087	FXRRC	Fid VIP Utilities	Sector	32.79	OK to Sell	5.4	-9.4	5.7	-1.1	6.9	8.8	10.7	0.84
9079	FKMSC	Fid VIP Value	Large Value	21.68	OK to Buy	2.7	-17.5	8.8	-9.0	-0.3	2.5	8.8	1.31
9073	FRBSC	Fid VIP Value Strategies	Mid Value	21.90	Hold	3.0	-18.2	9.1	-10.9	-1.4	1.5	8.0	1.37
9347	FBMEC	Black Rock Global Allocation	Global Allocation	15.73	Hold	5.2	5.5	11.5	12.6	5.8	5.3	6.0	0.63
9349	FTMEC	Franklin Templeton Global Bond	Global Bond	10.81	Hold	-0.2	-5.6	-0.8	-8.1	-1.0	-0.3	1.8	0.33
9348	FFMEC	Franklin Templeton US Gov't	Intermed Gov't	11.29	Hold	0.1	3.5	0.2	4.5	2.9	2.0	1.7	0.12
9285	FIGXC	Invesco Global Core Eqty	Global Stock	14.45	Hold	5.0	-4.7	14.1	3.4	2.5	4.1	6.1	1.09
9147	FPRLC	Lazard Retirement Emerging Mkts	Emg Mkts	14.40	Hold	5.1	-18.2	10.1	-10.6	-5.5	0.7	0.4	1.17
9143	FPRMC	Morgan Stanley Emerg Mkt Debt	Emg Mkt Bond	20.56	Hold	4.0	0.1	14.6	1.3	2.7	4.4	4.1	0.66
9144	FPRNC	Morgan Stanley Emerg Mkt Equity	Emg Mkts	15.20	Hold	10.2	-3.3	22.5	5.6	0.5	4.0	2.6	1.14
9146	FPRPC	Morgan Stanley Global Strategist	Diversified Int'l	15.14	Hold	4.4	-2.1	10.2	3.6	4.0	4.4	5.8	0.68
9346	FPMEC	Pimco Commodity Real Return	Commodities	5.04	Hold	7.0	-13.6	17.5	-10.6	-4.7	-4.2	-5.1	0.91
9276	FPMBC	Pimco VIT Low Duration	Shrt-Term Bond	12.36	Buy	0.2	2.1	1.2	3.4	2.1	1.5	1.6	0.08
9277	FPNBC	Pimco VIT Real Return	TIPS	15.06	OK to Buy	2.5	8.5	4.6	10.2	5.2	3.7	3.3	0.23
9278	FPOBC	Pimco VIT Total Return	Intermed Bond	15.54	Hold	1.4	7.5	3.5	9.6	5.1	4.1	3.7	0.20

Annuity Sector		Annuity Growth		Annuity Growth & Income		Annuity Income	
Fund	Allocation	Fund	Allocation	Fund	Allocation	Fund	Allocation
VIP Technology	28%	VIP Growth Opps	34%	VIP Growth Opps	25%	Pimco VIT Low Duration	32%
VIP Cons Discretionary	18	VIP Contrafund	30	VIP Contrafund	22	VIP Contrafund	30
VIP Comm Services	15	VIP Extended Market	21	VIP Int'l Cap App	19	VIP Investment Grade	21
VIP Health Care	15	VIP Equity-Income	15	VIP High Income	17	VIP High Income	17
VIP Financial Services	12			VIP Investment Grade	9		
VIP Industrials	12			Pimco VIT Low Dur	8		
Total Return:		Total Return:		Total Return:		Total Return:	
Jul: 5.4% YTD: 7.4%		Jul: 6.3% YTD: 9.6%		Jul: 5.7% YTD: 11.5%		Jul: 3.1% YTD: 6.4%	

FUND UPDATES

Managers Opine On Challenging Times

With the second quarter over and fund holdings from the period public, Fidelity managers have shared their views as to how and why they positioned their funds as they did during an unprecedented global health crisis and market turbulence. Reflecting on their funds through the end of the period, many noted that stocks and bonds benefited from the unprecedented levels of fiscal and monetary support from governments here and abroad. Suffice it to say, the basis of their optimism (that the worse seems over in terms of Covid-19 infections and thus for the economy), likely reflects the market's positive reaction to the "curve flattening" seen just weeks ago.

Managers' comments have been edited for clarity, brevity and context.

Blue Chip Growth

Manager: **Sonu Kalra** (since 2009)

As of June 30, the fund remained heavily overweighted in the consumer discretionary sector (26% vs. 15%), where we increased our positioning [from 22% at the start of the year]. There we've focused on leaders in e-commerce and electric vehicles (EVs), as well as retailers of athletic apparel and footwear. Amazon is the fund's largest position in consumer discretionary.

Security selection fueled the fund's outperformance of the Russell 1000 Growth index, particularly in the consumer discretionary, information technology, health care and communication services sectors.

In terms of individual stocks, electric vehicle (EV) maker Tesla contributed more than any other individual fund position. We believe the market continues to underestimate Tesla's potential for profit.

Contrafund

Manager: **Will Danoff** (since 1990)

The fund's outperformance of the S&P 500 was primarily due to security selection, especially in the information technology, communication services and health care sectors. It also helped to have a sizable overweighting in tech, which represented 34% of fund assets (vs. 27% for the index) on

YTD  28.2%

YTD  17.4%

average, last quarter. Here, the software and services industry was particularly strong, with notable contributions from Adobe, Shopify, PayPal Holdings, Salesforce.com and Okta.

The fund's top contributor was Amazon.com, our largest holding [at over 9%]. Its shares gained roughly 42% in the second quarter, as the Covid-19 pandemic accelerated a broader shift to e-commerce. The stock was particularly strong in April, when consumers around the world shopped online for essential goods to limit exposure to the coronavirus.

Although Amazon is categorized as a retailer, it is exactly the type of "tech" company we seek, and we consider it an extension of our sizable, longstanding commitment to franchise (especially founder-led) tech companies.

Growth Strategies

Manager: **Jean Park** (since 2013)

The fund gained 25.8% in the second quarter, trailing the 30.3% advance of the benchmark Russell Midcap Growth Index.

Security selection detracted most from the fund's performance versus the benchmark. Specifically, picks among technology stocks disappointed notably. Investment choices within consumer discretionary — particularly among strong-performing retailing stocks

YTD  11.7%

— also hurt. Security selection in communication services and real estate also weighed on the portfolio's relative result to a lesser extent.

On an individual stock basis, avoiding three index components — Square, Spotify Technology and Twilio, each among the index's strongest performers last quarter — proved detrimental. Though we follow these companies closely, we chose not to own them given our view that their valuations were too expensive, in addition to the fact that they did not fit our investment criteria.

Conversely, an underweighting in materials, coupled with favorable positioning among industrial stocks, added value over the past three months. However, the fund's biggest contributions on a relative basis came from technology.

An overweight stake in the shares of Trade Desk, a cloud-based software platform that enables digital advertising, increased 110% for the fund. Though many companies cut their advertising spending as a result of Covid-19, Trade Desk remained resilient, posting revenue growth for the first quarter and maintaining its free-cash-flow yield.

Select Technology

Managers: **Nidhi Gupta** (since 2018) and **Brian Lempel** (since 2020)

For the second quarter, the fund gained 36.4%, considerably better than its benchmark (up 31.8%), and even further ahead of the S&P 500's 20.5% return.

Non-benchmark exposures to internet direct marketing and retail stocks, which collectively returned roughly 72% in the portfolio, provided the biggest boost. Positioning in internet services and infrastructure and in semiconductors also notably contributed.

An out-of-benchmark stake in China-based Pinduoduo gained

YTD  29.7%

Fund Updates *cont'd on page 12*

Correction & Amplification

In the July newsletter, we cited a *Wall Street Journal* article which incorrectly cited a Fidelity study about the magnitude of this year's stock fund redemptions. Unaware of their revision, our "Question & Answer" should have said: "Of the 7.4% of investors ages 65 and up who made a change to their portfolios between February and May, Fidelity reports that nearly a third moved some money out of stocks. Also, of the 6.9% of investors across all age groups who made a change to their portfolios between February and May, 18% moved some money out of stocks." ■

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, Mega Cap Stock, Mid Cap Growth Index, Mid Cap Value Index, Small Cap Growth Index and Small Cap Value Index.

The final distributions for July were as follows:

Fund	Ex-Date	\$ Amt	NAV
500 Index	7/10	0.498	110.47
Agri Productivity	7/10	0.020	10.94
Asset Mgr 40%	7/10	0.051	12.20
Asset Mgr 50%	7/10	0.075	18.88
Balanced	7/10	0.081	25.47
Convert Sec	7/10	0.199	34.51
Disrup Automation	7/10	0.004	12.66
Disruptive Comm	7/10	0.002	12.92
Disruptive Finance	7/10	0.011	12.03
Equity Div Inc	7/10	0.163	21.59
Equity-Inc	7/10	0.250	53.13
Global Credit	7/10	0.055	9.85
Global Equity Inc	7/10	0.056	15.02
Growth & Inc	7/10	0.245	37.23
Int'l Bond Index	7/10	0.008	10.07
Puritan	7/10	0.077	24.15
Strat Div & Inc	7/10	0.057	14.60
Strat Real Return	7/10	0.038	7.81
Telecom and Util	7/10	0.188	24.65
Water Sustain	7/10	0.010	10.61

Fund Commentary *cont'd from page 5*

are the result of investors desiring "safety," a combination of low interest rates and the falling dollar have also been important factors.

Elsewhere, Fidelity's tech-oriented funds fared well with the diversified **Technology** rising 7.4%. Low mortgage rates and the rise of home remodeling drove **Construction & Housing** up 8.5% and **Retailing** up 7.4%. (The latter holds Amazon, Home Depot and Lowes.)

International Funds

July's top-performing foreign stock offering was **Nordic** (up 12.4%). Emerging market funds were strong with **Emerging Asia** (up 10.3%) followed closely by the more geographically diverse **Emerging Markets** (up 9.5%) and the more narrowly focused **China Region** (up 9.3%). (see story on page 4.)

In the developed markets, two of Fidelity's most widely held foreign funds, **Diversified Int'l** and **Overseas**, gained 4.8% and 5.2%, respectively. Propelled largely by Europe, the now-falling dollar provides an additional boost to Fidelity's unhedged foreign funds.

Fund Updates *cont'd from page 11*

125% for the quarter, making it the fund's top contributor versus the benchmark. The e-commerce platform provider benefited from strong growth in online transactions amid the coronavirus pandemic stay-at-home orders. Better-than-expected growth in new customers, and higher spending per customer bolstered Pinduoduo's results.

An overweighted position in Twilio also was a key contributor gaining 145% for the quarter, as the

Income Funds

Facing a 10-year Treasury yield that fell 11 basis points in July to 0.55%, investors opted for corporate bonds (with their higher yields) over government bonds, including Treasuries. For example, with their nearly identical interest-rate risk, **Limited Term Gov't** rose 0.2% in July versus **Limited Term Bond's** 0.8% gain. Indeed, with investors becoming more comfortable with risk (like stocks), **Corporate Bond** and **Global Credit** (up 3.0% and 2.6%, respectively) were among the taxable group's best performers.

Within high-yield, they too benefited from risk-tolerance. **Capital & Income** (up 4.6%) led the way higher (though it holds some stocks, too).

As for muni bond funds, their tax-free yields remain a strong draw, especially at a time when Treasuries yield so little. (On average, the muni group gained 1.5%.) However, as we remain quite concerned about deteriorating balance sheets in cities, states, etc, we're keeping with our *OK to Sell* ratings. (**Conservative Income Muni** — rated *Buy* — is our exception.) ■

— John Bonnanzio

provider of cloud-based communications software used to embed chat, video and messaging into applications — including telehealth offerings — experienced increased demand for its products. Conversely, lack of exposure to some strong-performing names in the index, including DocuSign (+86%) and Zoom Video Communications (+74%), hurt relative results, as did a modest cash position in a surging market.

Note: Brian Lempel joined the fund as co-manager in July. ■

— John Bonnanzio

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