

FIDELITY MONITOR & INSIGHT

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MESSAGE FROM JACK

The Yield Curve Indicator Looks Broken

A significantly inverted yield curve is supposed to be a sure sign of an impending recession (see chart below). And because recessions tend to weigh on corporate earnings, it has also been a popular market-timing indicator.



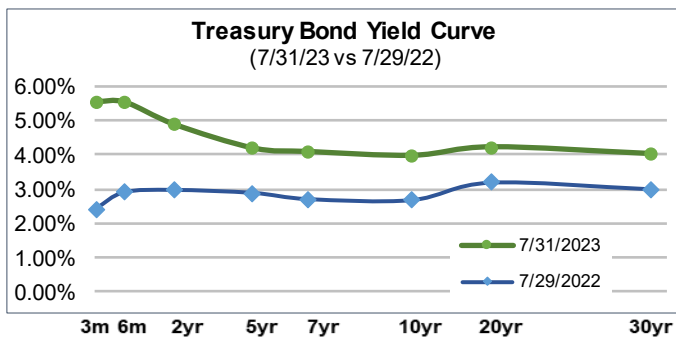
Jack Bowers

Unlike other such indicators of the past (The January Effect, Market Cap vs. GDP, Margin Debt, Short Interest, Death Cross, Sell In May, etc.), which gradually lost popularity through a series of minor disappointments, the

yield curve indicator could be positioned to go down in flames. As a previously reliable indicator of upcoming recessions, many economic forecasters have been pinning their reputations on it in the current rate-tightening cycle. But the economy is resisting the widely predicted recession this year, and the stock market may be poised to continue its uneven recovery path.

Many believers will no doubt blame the effects of the pandemic if the yield curve indicator fails this time around. But there's a bigger reason for why it's at risk of becoming obsolete.

The basic idea behind the indicator is that bank lending drives the economy. When the yield curve is inverted, and banks can't make a decent return on lending activity, the economy then gets starved due to a lack of investment capital and must therefore go through a contraction cycle.



Over the past half-century, an inverted yield curve (when the 2-year Treasury yield is higher than the 10-year Treasury yield) used to be a reliable predictor of a forthcoming recession. Most recently, the yield curve inverted back in March of 2022.

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

MARKET OUTLOOK

You Don't Have To Be A Great Forecaster To Weather The Market

As an aspiring private pilot and less-than-talented gardener, the second thing I check each morning (after reviewing the overseas financial markets, of course!), is the weather. While there's a great deal of precision available to aviators, TV weather forecasts often sound a lot like market prognosticators — there's lots of hedging with words like "maybe," "could be," "looks like," and "possibly" thrown into every other sentence. Ideally, can't we just be told the day's temperature and if we need to water the lawn?

Investors' concerns can be similarly distilled: Is the economy going to tank, and should I own stocks or bonds?



John Bonnanzio

Model Portfolio Trades

Growth Models increase small-cap exposure (p. 3).

While technology allows planes to avoid storms (I'm not even allowed to fly near clouds!), clearly, predicting the economy's health and the financial market's direction are as much art as they are science. And that's being generous!

In the past year, there's been enough headwind to justify caution. Topping the list was inflation. Even as the Fed funds rate was lifted from 0.25% in March 2022 to 1.5% in mid-year, CPI hit 9.1% in June. In response, four 75 basis point rate-hikes were implemented between June and early November. With rates at 4.25% to 4.50% at year end, a few remarkable and unanticipated things occurred.

First, inflation started falling faster than most expected. Second, the labor market kept hiring, wages kept growing, and unemployment kept falling. Against that backdrop, a fourth improbable thing happened: Two quarters of negative GDP growth quickly gave way to real annualized growth of 3.2% and 2.6% in the third and fourth quarters, respectively — all while the Fed was aggressively tamping out inflation!

And if that wasn't unusual enough, 2023 has seen quarterly growth of 1.1% and 2.4%, all while the Fed

Market Outlook *cont'd on page 3*

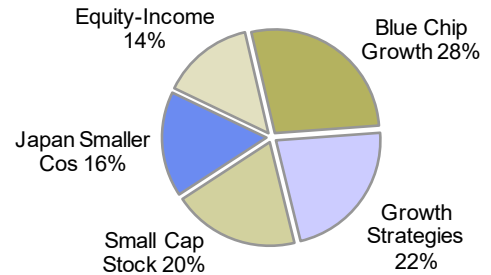
Unique Opportunities Target Risk: 1.20 (Current: 1.03) Foreign Holdings: 21.1% **YTD Return: 19.5%**

Stocks: 97.4% Bonds: 0.0% Cash: 2.6% Alternatives*: 0.0% Yield: 0.5%

| Holdings | Ticker | NAV | Shares | Value | Jul Ret |
|-------------------|--------|----------|-----------|-----------|---------|
| Blue Chip Growth | FBGRX | \$164.63 | 1,694.34 | \$278,939 | 5.3% |
| Growth Strategies | FDEGX | 54.96 | 4,136.17 | 227,324 | 3.1 |
| Small Cap Stock | FSLCX | 16.26 | 12,216.42 | 198,639 | 5.7 |
| Japan Smaller Cos | FJSCX | 15.46 | 10,775.84 | 166,594 | 4.2 |
| Equity-Income | FEQIX | 67.54 | 2,142.95 | 144,735 | 3.1 |

Current Value (3/31/99 = \$100,000) **\$1,016,231** **4.4%**

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



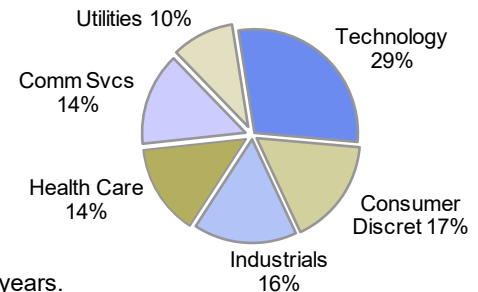
Select Target Risk: 1.20 (Current: 1.08) Foreign Holdings: 3.8% **YTD Return: 24.7%**

Stocks: 99.0% Bonds: 0.0% Cash: 1.0% Alternatives*: 0.0% Yield: 1.1%

| Holdings | Ticker | NAV | Shares | Value | Jul Ret |
|--------------------|--------|---------|-----------|-------------|---------|
| Technology | FSPTX | \$27.44 | 78,637.41 | \$2,157,811 | 4.2% |
| Consumer Discret | FSCPX | 55.79 | 22,293.31 | 1,243,744 | 3.8 |
| Industrials | FCYIX | 33.74 | 35,709.78 | 1,204,848 | 3.9 |
| Health Care | FSPHX | 28.62 | 36,850.59 | 1,054,664 | 0.4 |
| Communication Svcs | FBMPX | 82.04 | 13,152.35 | 1,079,019 | 6.9 |
| Utilities | FSUTX | 102.44 | 7,109.43 | 728,290 | 2.4 |

Current Value (12/31/88 = \$100,000) **\$7,468,374** **3.7%**

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



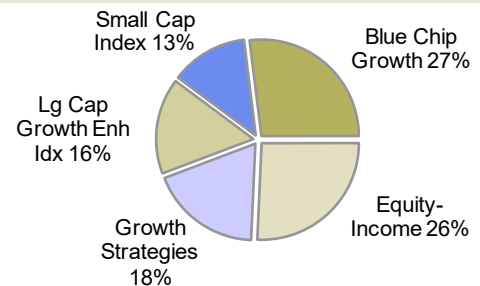
Growth Target Risk: 1.00 (Current: 1.07) Foreign Holdings: 6.5% **YTD Return: 20.8%**

Stocks: 97.4% Bonds: 0.0% Cash: 2.5% Alternatives*: 0.0% Yield: 0.5%

| Holdings | Ticker | NAV | Shares | Value | Jul Ret |
|-----------------------|--------|----------|-----------|-------------|---------|
| Blue Chip Growth | FBGRX | \$164.63 | 8,472.03 | \$1,394,750 | 5.3% |
| Equity-Income | FEQIX | 67.54 | 19,732.60 | 1,332,740 | 3.1 |
| Growth Strategies | FDEGX | 54.96 | 17,436.59 | 958,315 | 3.1 |
| Lg Cap Growth Enh Idx | FLGEX | 29.86 | 27,834.62 | 831,142 | 3.1 |
| Small Cap Index | FSSNX | 24.83 | 26,723.64 | 663,548 | 6.2 |

Current Value (12/31/86 = \$100,000) **\$5,180,495** **3.9%**

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



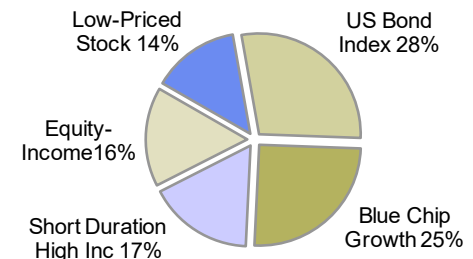
Growth & Income Target Risk: 0.66 (Current: 0.67) Foreign Holdings: 25.9% **YTD Return: 12.9%**

Stocks: 53.5% Bonds: 29.3% Cash: 1.5% Alternatives*: 15.7% Yield: 2.8%

| Holdings | Ticker | NAV | Shares | Value | Jul Ret |
|-------------------------|--------|---------|-----------|-----------|---------|
| US Bond Index | FXNAX | \$10.23 | 29,099.56 | \$297,688 | 0.0% |
| Blue Chip Growth | FBGRX | 164.63 | 1,605.61 | 264,331 | 5.3 |
| Short Duration High Inc | FSAHX | 8.68 | 20,211.97 | 175,440 | 1.1 |
| Equity-Income | FEQIX | 67.54 | 2,470.40 | 166,850 | 3.1 |
| Low-Priced Stock | FLPSX | 49.91 | 2,917.02 | 145,588 | 3.8 |

Current Value (12/31/93 = \$100,000) **\$1,049,898** **2.5%**

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



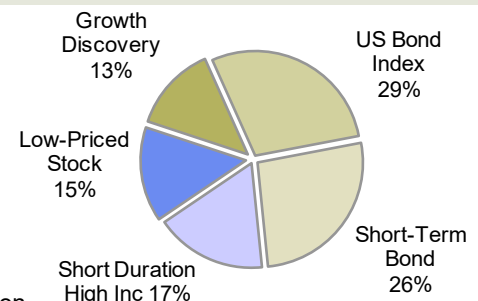
Income Target Risk: 0.33 (Current: 0.39) Foreign Holdings: 17.7% **YTD Return: 6.3%**

Stocks: 27.4% Bonds: 55.9% Cash: 0.6% Alternatives*: 16.0% Yield: 3.8%

| Holdings | Ticker | NAV | Shares | Value | Jul Ret |
|-------------------------|--------|---------|-----------|-----------|---------|
| US Bond Index | FXNAX | \$10.23 | 13,564.71 | \$138,767 | 0.0% |
| Short-Term Bond | FSHBX | 8.26 | 15,498.61 | 128,019 | 0.5 |
| Short Duration High Inc | FSAHX | 8.68 | 9,517.72 | 82,614 | 1.1 |
| Low-Priced Stock | FLPSX | 49.91 | 1,420.45 | 70,895 | 3.8 |
| Growth Discovery | FDSVX | 52.03 | 1,231.45 | 64,072 | 3.7 |

Current Value (12/31/91 = \$100,000) **\$484,366** **1.3%**

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



kept tightening. So while Congress took Fed Chair Jerome Powell to the woodshed for the unfounded assertion that higher interest rates would harm the nation's lowest-wage workers the most, in reality, the biggest layoffs this year have been highly-paid employees in a "right-sizing" tech sector.

Other forecasts were just as wrong. While higher interest rates were problematic for the over-leveraged, they also made it more difficult to buy a home, and pushed a few ill-managed banks into insolvency. With near-full employment yielding reasonably solid consumer spending, corporations maintained their margins because consumers could actually absorb their higher prices. In fact, the nation's major retailers wholly mis-read their customers by loading up on the wrong inventory or by not having enough to sell.

More mis-reads: The war in Ukraine will mean higher oil prices. It didn't happen. (A barrel has fallen to \$82 from \$90 a year ago.)

As for corporate profits, which over time is the most important determinant of market direction, most have beaten analysts' expectations. Perhaps because 2022's results did not compare favorably to the prior year, given inflation, expectations weren't especially high for this year. While the jury is still out on year-over-year comparisons, as a whole, low expectations are being surpassed.

As I've noted on prior occasions, the Conference Board's index of leading indicators has been pretty accurate in forecasting recessions. (As has the inverted yield curve as addressed by Jack on p. 1.) While the indicators may yet be right, so is the proverbial broken clock.

FUNDS YOU SHOULD BUY NOW

Growth: Blue Chip Growth, Growth Company and Large Cap Growth Enhanced Index are aggressive, volatile large-cap options; **Growth Discovery** is somewhat more conservatively positioned resulting in lower risk; **Low-Priced Stock** and **Small Cap Index** are attractive ways to diversify away from large-cap growth. (See trade box below.)

Growth & Income: Equity-Income and **Equity-Dividend Income** hold attractively valued, dividend-producing stocks.

Taxable Bond: Conservative Income Bond is a money market alternative. **Short-Term Bond** holds higher-yielding corporates while limiting interest-rate-risk. For those willing to assume more interest-rate risk consider **Investment Grade Bond**. Finally, **U.S. Bond Index** provides diversified exposure of mostly corporates and government bonds (see p. 11).

High Yield Funds: Short Duration High Income has only limited interest-rate risk, but boosts its yield through lower-rated bonds whose overall credit risk is not substantial (relative to the broader junk bond market).

Muni Bond Funds: Conservative Income Muni is a tax-free alternative to a muni money market fund. **Limited Term Muni Income** is our preferred nationally-diversified fund for tax-free bond income. ■

Of course, the debt-ceiling bomb didn't detonate this year, but hey, there's always next year.

With seemingly everyone wrong about everything these days, it's easy to be cynical and dismissive.

For our part, we've always avoided making big bets, preferring

instead to focus on risk-control and potential long-term reward. Our style may not be for everyone. But our approach means that we needn't get everything right all the time to help you meet your financial goals. ■

— John Bonnanzio

MODEL PORTFOLIO TRADES

As announced on our Hotline message of Friday, July 21, on Monday, July 24, we made the model portfolio trades below:

Growth Model: We sold our entire position in **Low-Priced Stock** [FLPSX] and established a new (13%) stake in **Small Cap Index** [FSSNX].

VIP Growth Model: We sold our entire position in **VIP Total Market Index** [FTMJC] and established a new (13%) stake in **VIP Disciplined Small Cap** [FPRGC].

Trade rationale: With the labor market holding up well and inflation waning, there's a growing likelihood that a so-called soft landing will be achieved by the Fed. Against that backdrop, domestic small caps, with their attractive valuations, may be poised to outperform, so we are taking on a bit more risk and moving to a direct bet on the Russell 2000 (which has very little foreign stock exposure). Low-Priced Stock still makes sense for our less risky portfolios. (See p. 4.)

NOTE: In addition to model portfolio trades being announced on Friday Hotlines, they are also posted on our website (click on a model's "Trades" tab). ■

Model Portfolios Key:

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

FUND STRATEGIES

What To Do With Low-Priced Stock?

Our recent switch from **Low-Priced Stock** to **Small Cap Index** in the *Growth Model* (see p. 3) raises an important and timely question: What should long-time holders of the fund do when Manager Joel Tillinghast retires at year end? Moreover, for readers following our *Growth & Income* and *Income Models*, will we continue to recommend your holding it after Joel's departure?

Before answering, let's take a step back and address why the fund was purchased in the first place.

Launched 34 years ago by Joel who pitched the fund idea to his bosses while still an analyst, Low-Priced has been traded numerous times in various models. In roughly the first fifth of its life, it was a small-cap value fund that mostly limited itself to holding stocks priced \$15 to \$25 per share. Thanks to Joel's savvy stock picking, the fund's outstanding track record attracted billions in assets. Though still benchmarked against the small-cap Russell 2000, over time, its share-price floor rose to \$35, but is waived if a stock's earnings yield is above that index. As such, its small-cap orientation morphed into a mid-cap one.

And there were other changes.

While Joel has always ventured overseas for attractively valued stocks (privatized water utilities in the U.K., for example, were an early interest), single-digit foreign holdings quickly expanded into double-digit stakes. Today, about a third of its \$25 billion in assets are in Europe (11%), Japan (9%) and the emerging markets (9%).

Even more broadly, with fast-growing technology companies playing a larger role in the economy and attracting capital, there have been periods when market conditions forced Joel to make small concessions on stock valuations. This led to the fund to occasionally drift from its "smid-cap" value space into mid-cap blend. At various times, its lack of technology, or overabundance of cash due to inflows, weighed on its returns. On several

occasions, the latter resulted in Low-Priced closing its doors to new investors.

And there has been another important change. Thirty years ago, the fund had "only" \$2 billion in assets, and Joel managed a few dozen holdings. Today there are nearly 800 positions (at one point, there were over 1,000), and his informal reliance on his long-time research team was formalized: Sam Chamovitz, Morgan Peck and Salim Hart have been co-managers for at least six years, with research credentials spanning at least two decades.

Action Recommendations

For all the fund's changes, including the one set to occur at year-end, Low-Priced Stock (up 8.1% this year) remains unique in all that it provides, including diversification, low-risk, and exposures to areas of the global equity market that are typically overlooked.

While it's almost inevitable that at some point we'll sell the fund from one or more of the models, downgrade it, and perhaps later buy it back again, as long as the fund's unique investment strategy remains in place along with its current management team, holding Low-Priced for the long haul will continue to make sense for low-risk investors. ■

— John Bonnanzio

LOW-PRICED STOCK

| Sectors | Weight (in %) |
|----------------------|---------------|
| Consum Discretionary | 17.1 |
| Industrials | 15.4 |
| Info Technology | 14.2 |
| Health Care | 13.7 |
| Financials | 11.5 |
| Energy | 9.3 |
| Consumer Staples | 8.1 |
| Materials | 5.2 |
| Utilities | 1.6 |
| Commun Svcs | 1.4 |
| Real Estate | 0.6 |

Comparing Small-Cap Funds

The adjacent table compares Fidelity's nine small-cap funds (index and actively managed) to the large-cap **S&P 500 Index** fund. Though all are highly correlated (after all, they're in the same asset class), there are notable differences. The first is the S&P's significantly larger market cap. The other metric worth considering is risk: While **Small Cap Stock** is a modest 10 percentage points more volatile than the S&P, three other funds are roughly 25% more volatile.

As for our interest in certain small-cap funds, their price-to-earnings (P/Es) are (with two exceptions for growth-oriented funds) sig-

nificantly lower than the S&P. If the economy continues to grow, higher earnings could lead to P/E expansion (higher share prices). ■

| Fund | Mkt Cap ¹ | P/E ² | # Holdings | Risk ³ | Correl. ⁴ | Expenses ⁵ |
|----------------------|----------------------|------------------|--------------|-------------------|----------------------|-----------------------|
| 500 IDX Fund | 190.0 | 30 | 506 | 1.00 | 1.00 | 0.02 |
| Small Cap Discovery | 4.1 | 16.4 | 78 | 1.14 | 0.88 | 1.02 |
| Small Cap Enh IDX | 2.6 | 21.9 | 588 | 1.18 | 0.84 | 0.55 |
| Small Cap Growth | 4.5 | 33.5 | 275 | 1.19 | 0.86 | 1.06 |
| Small Cap Growth IDX | 3.1 | 55.3 | 1,095 | 1.25 | 0.84 | 0.05 |
| Small Cap IDX | 2.6 | 25.2 | 2,010 | 1.22 | 0.84 | 0.025 |
| Small Cap Stock | 3.3 | 19.7 | 128 | 1.10 | 0.89 | 0.77 |
| Small Cap Value | 4.4 | 15.6 | 96 | 1.27 | 0.81 | 1.02 |
| Small Cap Value IDX | 2.1 | 16.5 | 1,464 | 1.27 | 0.87 | 0.05 |
| Stk Sel Small Cap | 4.3 | 17.8 | 217 | 1.16 | 0.87 | 0.96 |

Figures from varying time periods. ¹Weighted median (in \$ Bil); ²Trailing price-to-earnings ratio; ³Relative volatility (36 months); ⁴Correlation vs the S&P 500; ⁵Net expense ratio in %.

FUND COMMENTARY

Risk-Assets Soar As Soft Landing Emerges

So much for the old adage, “Don’t fight the Fed.”

It was meant to warn investors that it’s best to avoid stocks while the central bank is trying to tame inflation (and the economy) with higher interest rates. But like so many other investment maxims these days, charting a different course has been far more fruitful.

Indeed, for the fifth month in a row, the S&P 500 has charged higher: waning inflation and accelerating economic growth have been the accelerants. In turn, investors anticipate that that combination will do something they care even more about: increase corporate earnings. Let’s hope it does, because valuations in certain areas of the market (such as large-cap growth stocks generally, and Big Tech, in particular) are getting stretched on a 12-month trailing basis. (That’s one reason we’ve upgraded less-pricey small-cap stock funds — see below.) On a

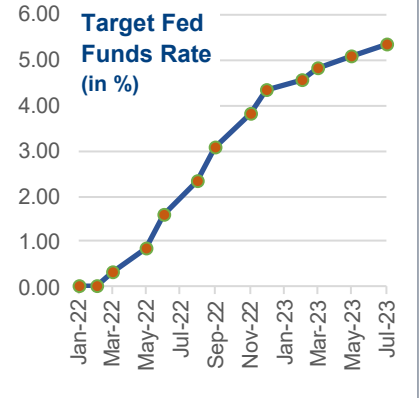
forward basis, optimism reigns supreme that a so-called soft landing is at hand. So pervasive is that view that last month’s market leaders were risk-assets that stand to benefit from accelerating earnings growth.

Here’s how July shaped up.

Market Indexes

Large-cap indexes all enjoyed big gains last month, though more volatile (riskier) “smid-caps” trumped their performances. Most notably, the small-cap Russell 2000 soared 6.1% thanks, in part, to a rebound among small regional banks whose shares had been shunned a few months earlier. As for mid-caps, they gained a more modest, though quite-impressive, 4.0%.

As for the more widely followed large-cap gauges, the S&P 500 rose a none-too-shabby 3.2% (once again, bank shares played a central role in lifting the index). Similarly, the more economically sensitive Dow Industrials jumped 3.4% with the help of financials, energy and tech.



Since March 2022, the Fed has hiked interest rates 11 times by a total of 5.25 percentage points. Defying history, share prices have soared.

As to the latter, tech shares, and especially semiconductors, helped lift the Nasdaq Composite 4.1% for the month. (For the year-to-date, it’s up 37.7%!)

Stock Funds

From a style perspective, value-oriented funds typically held an edge over growth funds when accounting for market cap. For example, July’s top-performing Fidelity

Market Outlook *cont’d on page 11*

August Scorecard Rating Changes

| Mutual Funds | Ticker | Ratings | | | Comments |
|-----------------------|--------|----------|----------|---|--|
| | | Old | New | | |
| China Region | FHXCX | H | S | ↓ | Slowing growth, onshoring, and corporate espionage top fund's longer-term challenges. |
| Emg Mkts Discovery | FEDDX | B | B | ↑ | Exceptional stockpicking in a mediocre market environment. |
| Extended Mkt IDX | FSMAX | H | B | ↑ | Similar to Russell 2000 but with more of a tech, growth-stock bias. |
| Fidelity Fund | FFIDX | B | B | ↓ | Though lower-risk, we prefer other large-cap growth funds. |
| Int'l Small Cap Opp's | FSCOX | B | H | ↓ | Prefer Japan Small Companies. |
| Leverage Co Stk | FLVCX | H | B | ↑ | Managers generating alpha by departing from fund's "leveraged" investment charter. |
| Macro Opportunities | FAQAX | H | S | ↓ | Fund's defensive positioning is out of step with market's recovery. |
| Mid Cap Growth IDX | FMDGX | B | B | ↑ | Now performing as well as its actively run counterpart with similar risk. |
| OTC | FOCPX | B | B | ↑ | Manager Chris Lin has achieved Nasdaq-like returns with a bit less risk than the market. |
| Risk Parity | FAPSX | H | S | ↓ | Risk-avoiding, high-cost investment strategy is yielding sub-par returns. |
| Sel IT Svcs | FBSOX | B | H | ↓ | Apple Pay may weigh on transaction processors. |
| Sel Telecomm's | FSTCX | H | S | ↓ | Lead-sealed legacy phone lines create a potential long-time liability. |
| Small Cap Discovery | FSCRX | B | B | ↑ | Economic recovery and cheaper valuations are positives for smaller-cap funds. |
| Small Cap Enh IDX | FCPEX | B | B | ↑ | Economic recovery and cheaper valuations are positives (may soon convert into an ETF). |
| Small Cap IDX | FSSNX | B | B | ↑ | Purchased for the Growth Model Portfolio (see p. 3). |
| Small Cap Value | FCPVX | B | B | ↑ | Risk-adjusted returns are reasonable for this economically sensitive fund. |
| Telecom & Utilities | FIUIX | B | H | ↓ | Lead-sealed copper phone lines create a potential long-time liability. |
| Annuities | | | | | |
| VIP Disc Small Cap | FPRGC | B | B | ↑ | Purchased for the Annuity Growth Model (see p. 3). |
| VIP Ext Mkt IDX | FEMJC | B | B | ↑ | Similar to Russell 2000 but with more of a tech, growth-stock bias. |

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, 2023

| 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 | 4589.0 | | 3.2 | 20.6 | 10.5 | 13.0 | 13.7 | 12.2 | 12.7 | 11.2 | 1.00 |
| | | Nasdaq Composite | 14346.0 | | 4.1 | 37.7 | 17.6 | 16.8 | 11.0 | 14.4 | 15.9 | 14.1 | 1.23 |
| | | Dow Jones Industrials | 35559.5 | | 3.4 | 8.5 | 4.9 | 10.6 | 12.6 | 9.3 | 11.2 | 10.6 | 0.99 |
| | | Russell 2000 (Small Caps) | 2003.2 | | 6.1 | 14.7 | 13.7 | 7.9 | 12.0 | 5.1 | 8.2 | 8.6 | 1.22 |
| | | Bloomberg Barclays Agg Bond* | | | -0.0 | 2.2 | -1.5 | -3.4 | -4.5 | 0.7 | 1.5 | 1.9 | 0.34 |
| Model Portfolios | | Unique Opportunities | | | 4.4 | 19.5 | 11.5 | 11.3 | 13.0 | 11.8 | 11.4 | 9.7 | 1.03 |
| | | Select | | | 3.7 | 24.7 | 13.6 | 14.9 | 12.0 | 12.1 | 13.1 | 11.1 | 1.08 |
| | | Growth | | | 3.9 | 20.8 | 11.7 | 13.8 | 12.0 | 12.1 | 11.9 | 10.0 | 1.07 |
| | | Growth & Income | | | 2.5 | 12.9 | 6.3 | 6.3 | 6.1 | 8.0 | 8.8 | 7.7 | 0.67 |
| | | Income | | | 1.3 | 6.3 | 2.5 | 2.3 | 1.6 | 3.7 | 4.3 | 4.7 | 0.39 |
| | | | | | | | | | | | Rel Vol (Risk) ¹ | Assets (\$Mil) | |
| LARGE CAP GROWTH | | | | | Average | 3.7 | 30.5 | 15.1 | 16.4 | 11.0 | 13.8 | 14.5 | 1.15 |
| 312 | FBGRX | Blue Chip Growth | 164.63 | Buy | 5.2 | 46.4 | 22.3 | 24.4 | 11.8 | 16.3 | 16.7 | 1.40 | \$45,264 |
| 307 | FDCAX | Capital Appreciation | 38.98 | Hold | 3.9 | 22.2 | 13.4 | 12.2 | 12.2 | 12.7 | 12.4 | 1.00 | 5,517 |
| 22 | FCNTX | Contrafund | 15.54 | Buy | 4.2 | 30.4 | 13.3 | 19.4 | 9.5 | 11.9 | 13.6 | 1.07 | 102,468 |
| 3 | FFIDX | Fidelity Fund | 72.18 | OK to Buy ↓ | 3.3 | 23.8 | 11.3 | 13.0 | 10.7 | 12.7 | 12.7 | 1.06 | 6,310 |
| 333 | FTQGX | Focused Stock | 29.37 | Hold | 3.5 | 24.2 | 16.1 | 11.3 | 9.9 | 13.4 | 13.3 | 1.08 | 2,893 |
| 3336 | FIFNX | Founders Fund | 17.47 | Hold | 4.9 | 28.1 | 15.2 | 14.5 | 9.3 | -- | -- | 1.06 | 71 |
| 25 | FDGRX | Growth Company (Closed) | 31.50 | Buy | 4.1 | 39.9 | 18.8 | 24.0 | 12.4 | 17.4 | 17.7 | 1.33 | 43,337 |
| 339 | FDSVX | Growth Discovery | 52.03 | Buy | 3.7 | 27.5 | 15.6 | 14.6 | 11.8 | 15.0 | 15.5 | 1.06 | 3,199 |
| 1829 | FLGEX | Lrge Cap Growth Enhcd Index | 29.86 | Buy | 3.1 | 30.3 | 14.6 | 15.5 | 12.7 | 14.4 | 14.6 | 1.13 | 2,673 |
| 2826 | FSPGX | Lrge Cap Growth Index | 27.71 | OK to Buy | 3.4 | 33.4 | 15.5 | 17.3 | 12.2 | 15.2 | -- | 1.19 | 15,571 |
| 21 | F MAGX | Magellan | 11.57 | Hold | 2.1 | 21.1 | 10.8 | 7.0 | 7.7 | 10.3 | 12.3 | 1.13 | 26,678 |
| 1282 | FN CMX | Nasdaq Composite Index | 181.66 | OK to Buy | 4.1 | 37.7 | 17.5 | 17.0 | 11.0 | 14.3 | 15.8 | 1.23 | 13,446 |
| 93 | FOCPX | OTC | 17.29 | Buy ↑ | 3.8 | 34.8 | 15.3 | 21.6 | 11.2 | 14.7 | 16.7 | 1.19 | 18,891 |
| 320 | FDS SX | Stock Selector All Cap | 67.16 | Hold | 3.6 | 20.7 | 10.2 | 13.6 | 12.5 | 10.9 | 11.9 | 1.00 | 1,525 |
| 5 | FTRNX | Trend | 147.63 | Buy | 3.2 | 37.1 | 16.6 | 19.8 | 10.4 | 14.4 | 14.9 | 1.31 | 2,807 |
| LARGE CAP BLEND | | | | | Average | 3.4 | 18.3 | 9.6 | 13.3 | 14.0 | 11.4 | 11.5 | 1.01 |
| 2328 | FXAIX | 500 Index | 159.36 | OK to Buy | 3.2 | 20.6 | 10.5 | 13.0 | 13.7 | 12.2 | 12.7 | 1.00 | 436,927 |
| 315 | FDEQX | Disciplined Equity | 57.33 | OK to Buy | 3.6 | 25.4 | 13.1 | 12.6 | 9.9 | 11.4 | 11.3 | 1.11 | 1,648 |
| 330 | FDGFX | Dividend Growth | 32.22 | Hold | 3.4 | 11.6 | 7.4 | 9.4 | 14.8 | 8.4 | 9.5 | 0.94 | 5,713 |
| 27 | FGRIX | Growth & Income | 54.20 | OK to Buy | 3.5 | 14.9 | 7.0 | 14.8 | 17.5 | 10.9 | 10.9 | 1.04 | 8,278 |
| 1827 | FLCEX | Lrge Cap Core Enhcd Index | 21.44 | OK to Buy | 3.6 | 20.0 | 11.1 | 12.7 | 14.7 | 12.3 | 12.5 | 0.97 | 2,087 |
| 338 | FLCSX | Large Cap Stock | 44.39 | OK to Buy | 4.5 | 18.9 | 9.0 | 17.8 | 18.6 | 11.2 | 11.5 | 1.09 | 3,262 |
| 361 | FGRTX | Mega Cap Stock | 20.43 | OK to Buy | 4.3 | 20.9 | 9.0 | 19.8 | 18.9 | 12.6 | 12.0 | 1.12 | 1,292 |
| 300 | F MILX | New Millennium | 47.16 | Buy | 3.1 | 19.2 | 10.8 | 21.0 | 20.5 | 11.0 | 11.3 | 1.00 | 3,303 |
| 6391 | FSEBX | Sustainable U.S. Equity | 10.63 | Hold | 2.9 | 20.1 | 10.8 | 13.5 | -- | -- | -- | -- | 19 |
| 2361 | FSKAX | Total Market Index | 127.41 | Buy | 3.6 | 20.5 | 11.2 | 12.6 | 13.0 | 11.4 | 12.1 | 1.02 | 78,994 |
| 5029 | FULVX | U.S. Low Volatility Equity | 10.50 | OK to Sell | 1.3 | 3.1 | 1.7 | 1.3 | 4.8 | -- | -- | 0.76 | 205 |
| 2941 | FITLX | U.S. Sustainability Index | 20.27 | OK to Buy | 3.5 | 21.7 | 11.4 | 13.3 | 14.0 | 12.7 | -- | 1.02 | 2,511 |
| 3396 | FWOMX | Women's Leadership | 14.66 | Hold | 2.9 | 16.1 | 9.1 | 11.3 | 9.9 | -- | -- | 1.07 | 122 |
| 3231 | FNILX | Zero Large Cap Index | 16.26 | OK to Buy | 3.4 | 21.3 | 11.0 | 13.4 | 13.1 | -- | -- | 1.02 | 6,800 |
| 3227 | FZROX | Zero Total Market Index | 16.09 | Buy | 3.6 | 20.5 | 11.2 | 12.9 | 13.2 | -- | -- | 1.02 | 16,010 |
| LARGE CAP VALUE | | | | | Average | 3.7 | 7.1 | 5.4 | 8.2 | 15.0 | 8.3 | 9.0 | 0.94 |
| 1271 | FBCVX | Blue Chip Value | 25.17 | Buy | 4.7 | 4.4 | 5.1 | 8.6 | 15.9 | 6.7 | 8.2 | 0.90 | 754 |
| 319 | FEQTX | Equity Dividend Income | 27.35 | Buy | 3.4 | 7.9 | 4.9 | 7.9 | 15.0 | 8.3 | 9.0 | 0.94 | 5,130 |
| 23 | FEQIX | Equity-Income | 67.54 | Buy | 3.0 | 7.0 | 4.8 | 8.2 | 13.8 | 9.1 | 8.9 | 0.89 | 7,083 |
| 1828 | FLVEX | Lrge Cap Value Enhcd Index | 15.46 | OK to Buy | 3.5 | 7.9 | 6.3 | 7.8 | 15.3 | 8.6 | 9.7 | 0.96 | 5,698 |
| 2830 | FLCOX | Lrge Cap Value Index | 16.02 | OK to Buy | 3.6 | 8.8 | 6.2 | 8.3 | 14.1 | 8.1 | -- | 0.96 | 6,506 |
| 708 | FSLVX | Stock Sel Large Cap Value | 25.19 | OK to Buy | 3.9 | 9.7 | 6.7 | 10.6 | 16.3 | 8.6 | 9.0 | 1.00 | 405 |
| 832 | FVDFX | Value Discovery | 36.46 | Hold | 3.5 | 3.7 | 3.5 | 5.8 | 14.6 | 8.4 | 9.2 | 0.90 | 2,912 |
| MID-CAP GROWTH | | | | | Average | 3.1 | 18.5 | 10.6 | 12.2 | 6.4 | 10.0 | 11.1 | 1.16 |
| 324 | FDEGX | Growth Strategies | 54.96 | Buy | 3.1 | 17.7 | 10.3 | 11.4 | 6.8 | 10.0 | 11.1 | 1.16 | 3,118 |
| 3403 | FMDGX | Mid Cap Growth Index | 25.87 | Buy ↑ | 3.0 | 19.4 | 11.0 | 13.0 | 5.9 | -- | -- | 1.15 | 742 |
| MID-CAP BLEND | | | | | Average | 4.5 | 13.6 | 10.3 | 8.9 | 13.3 | 8.6 | 9.9 | 1.11 |
| 2365 | FSMAX | Extended Market Index | 75.11 | Buy ↑ | 5.9 | 19.3 | 15.2 | 10.6 | 9.3 | 7.0 | 9.2 | 1.23 | 34,503 |
| 2012 | FMEIX | Mid Cap Enhanced Index | 17.22 | OK to Buy | 3.4 | 11.5 | 8.8 | 8.4 | 12.9 | 8.5 | 9.9 | 1.06 | 1,710 |
| 2352 | FSMDX | Mid Cap Index | 29.28 | OK to Buy | 4.0 | 13.3 | 9.5 | 8.8 | 11.8 | 8.8 | 10.2 | 1.06 | 28,989 |
| 337 | FMC SX | Mid-Cap Stock | 40.46 | OK to Buy | 3.9 | 8.3 | 6.6 | 7.5 | 16.7 | 10.0 | 10.5 | 1.01 | 6,498 |
| 2412 | FSSMX | Stock Selector Mid Cap | 40.52 | OK to Buy | 4.4 | 14.1 | 9.2 | 9.1 | 15.3 | 8.6 | 9.6 | 1.13 | 357 |
| 3230 | FZIPX | Zero Extended Market Index | 12.08 | Hold | 5.2 | 14.8 | 12.3 | 9.0 | 13.8 | -- | -- | 1.15 | 1,484 |

Notes: Fund yields, durations and assets are the most current available. *Fidelity's U.S. Bond Index used as a proxy for the Barclays Aggregate Bond Index. 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. ⁴Almost a Specialty fund with 30%+ typically in foreign stocks. (p) Partial year; (↑) Rating upgraded; (↓) Rating downgraded.

FIDELITY SCORECARD

JULY 31, 2023

| 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 | | | 5.5 | 12.3 | 10.1 | 9.8 | 19.2 | 9.4 | 9.4 | 1.14 |
| 316 | FLPSX | Low-Priced Stock ⁵ | 49.91 | Buy | 3.8 | 8.1 | 5.6 | 10.8 | 15.7 | 8.8 | 9.2 | 0.94 | \$24,780 | | |
| 762 | FSMVX | Mid Cap Value | 27.60 | OK to Buy | 5.6 | 15.3 | 12.3 | 10.9 | 19.0 | 7.5 | 8.6 | 1.16 | 1,097 | | |
| 3404 | FIMVX | Mid Cap Value Index | 24.97 | OK to Buy | 4.3 | 9.9 | 8.4 | 6.2 | 14.9 | -- | -- | 1.08 | 869 | | |
| 39 | FDVLX | Value | 14.16 | Hold | 6.8 | 13.4 | 11.8 | 9.6 | 23.3 | 10.4 | 10.0 | 1.31 | 7,542 | | |
| 14 | FSLSX | Value Strategies | 53.94 | OK to Buy | 6.8 | 14.8 | 12.7 | 11.7 | 23.3 | 11.1 | 9.9 | 1.23 | 578 | | |
| SMALL CAP GROWTH | | | | | Average | | | 3.9 | 17.2 | 11.4 | 10.9 | 7.4 | 7.9 | 11.7 | 1.22 |
| 1388 | FCPGX | Small Cap Growth | 27.28 | OK to Buy | 3.1 | 15.3 | 9.3 | 10.0 | 8.2 | 7.9 | 11.7 | 1.19 | 2,767 | | |
| 3405 | FECGX | Small Cap Growth Index | 24.60 | OK to Buy | 4.7 | 19.1 | 13.5 | 11.8 | 6.7 | -- | -- | 1.25 | 555 | | |
| SMALL CAP BLEND | | | | | Average | | | 5.7 | 15.1 | 12.3 | 9.0 | 13.9 | 7.0 | 8.6 | 1.16 |
| 384 | FSCRX | Small Cap Discovery | 26.32 | Buy | 6.2 | 16.1 | 12.4 | 10.3 | 17.6 | 8.6 | 8.3 | 1.14 | 2,738 | | |
| 2011 | FCPEX | Small Cap Enhanced Index | 13.90 | Buy | 5.9 | 16.8 | 14.4 | 11.9 | 15.4 | 6.4 | 8.5 | 1.18 | 605 | | |
| 2358 | FSSNX | Small Cap Index | 24.83 | Buy | 6.2 | 14.9 | 13.7 | 8.1 | 12.1 | 5.2 | 8.4 | 1.22 | 22,700 | | |
| 340 | FSLCX | Small Cap Stock | 16.26 | Buy | 5.7 | 13.1 | 10.2 | 3.4 | 9.2 | 5.3 | 8.0 | 1.10 | 1,246 | | |
| 336 | FDSCX | Stock Selector Small Cap | 32.14 | Buy | 4.5 | 14.7 | 10.8 | 11.3 | 15.1 | 9.3 | 9.7 | 1.16 | 1,497 | | |
| SMALL CAP VALUE | | | | | Average | | | 7.2 | 11.5 | 13.0 | 5.8 | 19.8 | 8.6 | 9.2 | 1.27 |
| 1389 | FCPVX | Small Cap Value | 20.00 | Buy | 6.8 | 12.7 | 12.2 | 7.4 | 22.1 | 8.6 | 9.2 | 1.27 | 2,696 | | |
| 3406 | FISVX | Small Cap Value Index | 23.66 | Hold | 7.5 | 10.4 | 13.9 | 4.1 | 17.5 | -- | -- | 1.27 | 963 | | |
| REAL ESTATE | | | | | | | | | | | | | | | |
| 1368 | FIREX | International Real Estate | 10.28 | Hold | 3.9 | 2.0 | -1.3 | -11.2 | -1.1 | 1.0 | 4.0 | 0.93 | 224 | | |
| 833 | FRIFX | Real Estate Income | 11.45 | Hold | 1.0 | 5.2 | 1.9 | -2.4 | 5.7 | 4.1 | 5.3 | 0.55 | 1,288 | | |
| 2355 | FSRNX | Real Estate Index | 15.27 | Hold | 2.1 | 5.7 | 3.4 | -9.7 | 6.5 | 2.4 | 5.2 | 1.14 | 2,491 | | |
| 303 | FRESX | Real Estate Investment | 39.16 | Hold | 1.2 | 5.2 | 1.7 | -9.4 | 5.2 | 4.2 | 6.4 | 1.10 | 2,829 | | |
| ASSET ALLOCATION | | | | | | | | | | | | | | | |
| 328 | FASIX | Asset Manager 20% | 13.16 | Hold | 0.9 | 4.9 | 1.0 | 1.4 | 0.8 | 2.9 | 3.3 | 0.34 | 3,540 | | |
| 1957 | FTANX | Asset Manager 30% | 11.31 | Hold | 1.1 | 6.5 | 1.6 | 2.4 | 1.9 | 3.7 | 4.3 | 0.44 | 1,530 | | |
| 1958 | FFANX | Asset Manager 40% | 12.19 | Hold | 1.5 | 8.1 | 2.4 | 3.7 | 3.1 | 4.6 | 5.2 | 0.52 | 1,521 | | |
| 314 | FASMX | Asset Manager 50% | 19.22 | Hold | 1.9 | 9.6 | 3.3 | 5.0 | 4.2 | 5.2 | 5.9 | 0.60 | 7,464 | | |
| 1959 | FSANX | Asset Manager 60% | 14.42 | Hold | 2.2 | 11.2 | 4.0 | 6.2 | 5.3 | 5.9 | 6.7 | 0.69 | 2,191 | | |
| 321 | FASGX | Asset Manager 70% | 25.38 | Hold | 2.5 | 12.7 | 5.0 | 7.8 | 6.8 | 6.6 | 7.5 | 0.76 | 4,012 | | |
| 347 | FAMRX | Asset Manager 85% | 23.81 | Hold | 3.1 | 15.2 | 6.3 | 9.9 | 8.6 | 7.7 | 8.7 | 0.88 | 2,045 | | |
| 304 | FBALX | Balanced | 26.43 | Buy | 2.0 | 16.3 | 6.6 | 8.6 | 8.8 | 9.3 | 9.4 | 0.78 | 33,477 | | |
| 3083 | FMSDX | Multi-Asset Income | 13.27 | Hold | 1.6 | 8.9 | 3.0 | 6.9 | 7.7 | 9.3 | -- | 0.62 | 1,029 | | |
| 355 | FFNOX | Multi-Asset Index | 54.33 | Hold | 3.1 | 15.5 | 6.9 | 10.3 | 8.7 | 7.7 | 8.6 | 0.88 | 7,847 | | |
| 4 | FPURX | Puritan | 23.38 | OK to Buy | 2.5 | 15.0 | 7.8 | 9.2 | 7.9 | 8.6 | 9.3 | 0.72 | 24,267 | | |
| 6477 | FYMRX | Sustainable Multi-Asset | 9.31 | Hold | 2.0 | 12.4 | 4.8 | 6.7 | -- | -- | -- | -- | 12 | | |
| INTERNATIONAL | | | | | Average | | | 3.2 | 14.4 | 5.6 | 12.0 | 5.9 | 5.0 | 6.2 | 1.07 |
| 309 | FICDX | Canada | 64.67 | OK to Buy | 2.6 | 11.0 | 3.7 | 7.0 | 14.8 | 8.4 | 6.1 | 1.03 | 880 | | |
| 352 | FHKCX | China Region | 35.11 | OK to Sell | 5.9 | 7.3 | 4.9 | 4.7 | -5.1 | 3.7 | 7.0 | 1.52 | 973 | | |
| 325 | FDIVX | Diversified International | 42.31 | Hold | 1.9 | 16.1 | 4.6 | 14.1 | 4.9 | 5.6 | 6.0 | 1.01 | 8,424 | | |
| 351 | FSEAX | Emerging Asia | 39.73 | Hold | 4.8 | 12.9 | 9.2 | 6.8 | -3.9 | 5.8 | 7.8 | 1.36 | 1,002 | | |
| 322 | FEMKX | Emerging Markets | 36.52 | Hold | 4.6 | 16.2 | 8.8 | 10.7 | 1.1 | 5.6 | 6.3 | 1.08 | 4,613 | | |
| 2374 | FEDDX | Emerging Mkts Discovery | 16.37 | Buy | 4.4 | 17.8 | 9.3 | 20.1 | 10.2 | 6.1 | 5.8 | 0.88 | 399 | | |
| 2344 | FPADX | Emerging Markets Index | 10.53 | Hold | 6.0 | 11.7 | 7.9 | 8.2 | 1.3 | 1.5 | 3.5 | 0.99 | 6,993 | | |
| 5031 | FEOPX | Enduring Opportunities | 13.67 | OK to Buy | 3.2 | 20.9 | 10.0 | 12.0 | 6.8 | -- | -- | 1.08 | 13 | | |
| 301 | FIEUX | Europe | 34.20 | OK to Buy | 0.8 | 11.3 | -0.5 | 11.5 | 4.1 | 3.0 | 4.3 | 1.08 | 600 | | |
| 2406 | FGILX | Global Equity Income | 17.82 | OK to Buy | 2.3 | 12.8 | 4.8 | 9.8 | 10.8 | 9.3 | 9.0 | 0.86 | 170 | | |
| 2348 | FSGGX | Global ex U.S. Index | 14.29 | Hold | 3.7 | 13.9 | 4.5 | 13.1 | 7.2 | 3.9 | 4.7 | 0.98 | 9,169 | | |
| 335 | FIVFX | International Cap App | 24.86 | Buy | 0.4 | 19.1 | 4.5 | 11.3 | 4.4 | 6.8 | 8.2 | 1.14 | 4,615 | | |
| 305 | FIGRX | International Discovery | 44.78 | Hold | 1.6 | 12.9 | 3.8 | 9.3 | 4.1 | 4.2 | 5.3 | 1.02 | 3,859 | | |
| 2010 | FIENX | International Enhanced Index | 10.79 | OK to Buy | 2.5 | 15.3 | 3.4 | 16.8 | 9.4 | 3.8 | 5.5 | 1.02 | 1,621 | | |
| 1979 | FIGFX | International Growth | 18.43 | Buy | 1.0 | 15.8 | 3.2 | 11.7 | 5.6 | 7.2 | 7.3 | 1.09 | 1,501 | | |
| 2363 | FSPSX | International Index | 47.43 | OK to Buy | 2.8 | 15.1 | 3.2 | 16.3 | 9.4 | 4.7 | 5.3 | 1.04 | 43,289 | | |
| 818 | FISMX | International Small Cap | 30.60 | Hold | 3.9 | 14.4 | 4.3 | 13.8 | 10.8 | 4.5 | 7.3 | 0.96 | 1,535 | | |
| 1504 | FSCOX | Int'l Small Cap Opps (Closed) | 19.58 | Hold | 2.0 | 10.3 | 1.2 | 5.1 | 4.2 | 4.0 | 7.2 | 1.11 | 735 | | |
| 2988 | FNIDX | International Sustainability Idx | 11.93 | Hold | 3.5 | 13.8 | 4.1 | 11.8 | 5.3 | 3.8 | -- | 0.99 | 403 | | |
| 1597 | FIVLX | International Value | 9.54 | OK to Buy | 3.4 | 13.4 | 5.3 | 19.4 | 13.2 | 4.5 | 4.2 | 1.12 | 476 | | |
| 350 | FJPNX | Japan | 16.62 | OK to Buy | 2.9 | 15.3 | 7.8 | 12.4 | 5.7 | 4.3 | 5.7 | 1.00 | 179 | | |
| 360 | FJSCX | Japan Smaller Companies | 15.46 | Buy | 4.2 | 14.7 | 7.9 | 14.2 | 4.5 | 1.7 | 5.9 | 0.84 | 495 | | |
| 349 | FLATX | Latin America | 22.06 | Hold | 7.3 | 24.1 | 22.6 | 22.6 | 7.4 | 2.7 | -0.3 | 1.52 | 277 | | |
| 342 | FNORX | Nordic | 57.00 | OK to Buy | 0.4 | 9.5 | -3.7 | 11.1 | 8.6 | 7.4 | 8.9 | 1.17 | 311 | | |
| 94 | FOSFX | Overseas | 58.74 | OK to Buy | 1.2 | 16.2 | 2.4 | 12.6 | 6.3 | 5.7 | 7.2 | 1.11 | 7,623 | | |
| 302 | FPBFX | Pacific Basin | 31.29 | OK to Buy | 3.8 | 14.2 | 5.8 | 11.2 | 3.1 | 5.9 | 8.2 | 1.07 | 761 | | |
| 6468 | FSYJX | Sustainable Emerg Mkts Eqty | 8.51 | Hold | 5.1 | 13.6 | 9.2 | 9.7 | -- | -- | -- | -- | 4 | | |
| 6462 | FSYRX | Sustainable Int'l Equity | 8.84 | Hold | 1.3 | 11.3 | 1.4 | 8.4 | -- | -- | -- | -- | 7 | | |
| 2369 | FTEMX | Total Emerging Markets | 12.21 | Hold | 4.8 | 11.7 | 7.5 | 9.9 | -0.7 | 1.4 | 3.8 | 0.90 | 93 | | |
| 1978 | FTIEX | Total International Equity | 10.73 | OK to Buy | 3.5 | 13.5 | 5.2 | 13.7 | 8.1 | 6.3 | 6.3 | 0.99 | 124 | | |
| 2834 | FTIHX | Total International Index | 13.30 | OK to Buy | 3.8 | 13.6 | 4.6 | 12.5 | 7.3 | 3.8 | -- | 0.98 | 10,705 | | |
| 318 | FWWFX | Worldwide | 30.31 | Hold | 2.8 | 20.6 | 10.9 | 10.9 | 7.7 | 9.8 | 10.0 | 1.01 | 2,206 | | |
| 3228 | FZILX | Zero International Index | 11.21 | OK to Buy | 3.7 | 14.3 | 4.9 | 13.7 | 7.5 | -- | -- | 0.99 | 3,593 | | |

FIDELITY SCORECARD

JULY 31, 2023

| 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 | | | | | | | | | | | | | |
| 6041 | FARMX | Agricultural Productivity | 20.19 | Hold | 5.6 | -3.4 | 2.8 | 3.2 | 21.7 | -- | -- | 1.22 | 87 |
| 6385 | FCAEX | Climate Action | 9.62 | Hold | 2.5 | 15.8 | 8.5 | 7.5 | -- | -- | -- | -- | \$24 |
| 308 | FCV SX | Convertible Securities | 32.56 | OK to Buy | 2.5 | 10.2 | 7.8 | 9.2 | 8.7 | 12.2 | 8.8 | 0.84 | 1,550 |
| 2120 | FFGCX | Global Commodity Stock | 19.00 | OK to Sell | 7.0 | -1.3 | 2.6 | 3.8 | 23.1 | 9.2 | 6.0 | 1.39 | 520 |
| 6553 | FAPHX | Healthy Future Fund | 11.32 | OK to Buy | 2.6 | 18.7 | 7.0 | 8.1 | -- | -- | -- | -- | 5 |
| 6875 | FEQHX | Hedged Equity | 10.77 | OK to Sell | 2.7 | 13.3 | 7.8 | -- | -- | -- | -- | -- | 209 |
| 3488 | FNSTX | Infrastructure Fund | 12.13 | Hold | 0.8 | 7.0 | 0.0 | 1.3 | 5.4 | -- | -- | 0.87 | 50 |
| 122 | FLVCX | Leveraged Company Stock | 37.87 | OK to Buy↑ | 4.4 | 21.3 | 14.0 | 12.0 | 16.1 | 10.5 | 9.2 | 1.23 | 1,934 |
| 6519 | FAQAX | Macro Opportunities | 9.19 | OK to Sell↓ | -0.2 | -3.6 | -4.8 | -- | -- | -- | -- | -- | 6 |
| 6513 | FAPSX | Risk Parity | 9.35 | OK to Sell↓ | 2.9 | 6.6 | 2.8 | -- | -- | -- | -- | -- | 2 |
| 1329 | FSDIX | Strategic Dividend & Income | 16.19 | OK to Buy | 2.0 | 6.5 | 3.4 | 4.0 | 8.8 | 7.7 | 8.2 | 0.73 | 3,026 |
| 1505 | FSRRX | Strategic Real Return | 8.51 | Hold | 2.5 | 3.3 | 2.0 | -0.3 | 7.6 | 4.8 | 3.0 | 0.50 | 281 |
| 311 | FIUIX | Telecom & Utilities | 26.86 | Hold↓ | 1.4 | -1.5 | -1.3 | -2.2 | 6.9 | 6.6 | 7.9 | 0.83 | 893 |
| 6042 | FLOWX | Water Sustainability | 15.66 | OK to Buy | 3.2 | 15.7 | 10.5 | 12.7 | 12.7 | -- | -- | 1.10 | 97 |
| SELECT PORTFOLIOS | | | | | Average | 3.8 | 16.5 | 8.9 | 12.2 | 13.1 | 9.8 | 10.8 | 1.26 |
| 502 | FSAVX | Automotive | 54.94 | Hold | 5.2 | 36.6 | 23.1 | 12.1 | 18.8 | 14.8 | 10.3 | 1.54 | 147 |
| 507 | FSRBX | Banking | 22.90 | Hold | 14.7 | -3.4 | 14.9 | -6.6 | 17.0 | 2.2 | 6.8 | 1.55 | 396 |
| 42 | FBIOX | Biotechnology | 16.96 | OK to Buy | 2.2 | 4.2 | 3.9 | 12.2 | -1.1 | 3.1 | 7.8 | 1.10 | 4,813 |
| 68 | FSLBX | Brokerage & Investment | 119.24 | OK to Buy | 6.5 | 11.7 | 10.8 | 11.3 | 16.3 | 12.4 | 10.5 | 1.32 | 730 |
| 69 | FSCHX | Chemicals | 15.87 | OK to Buy | 3.5 | 10.0 | 5.5 | 9.1 | 15.6 | 4.4 | 8.2 | 1.22 | 672 |
| 503 | FBMPX | Communication Services | 82.04 | Buy | 6.9 | 46.4 | 17.5 | 26.4 | 7.8 | 11.6 | 10.6 | 1.28 | 1,037 |
| 511 | FSHOX | Construction & Housing | 102.98 | OK to Buy | 5.1 | 24.4 | 15.3 | 24.0 | 21.1 | 18.4 | 14.6 | 1.22 | 643 |
| 517 | FSCPX | Consumer Discretionary | 55.79 | Buy | 3.8 | 33.3 | 16.0 | 12.7 | 8.4 | 9.6 | 11.4 | 1.37 | 505 |
| 9 | FD FAX | Consumer Staples | 99.88 | OK to Buy | 3.8 | 6.9 | 2.2 | 9.0 | 11.0 | 9.9 | 7.9 | 0.89 | 904 |
| 67 | FSDAX | Defense & Aerospace | 16.54 | OK to Buy | 1.5 | 7.2 | 4.9 | 16.2 | 14.3 | 4.5 | 10.7 | 1.24 | 1,541 |
| 60 | FSENX | Energy | 58.19 | Hold | 9.0 | 3.7 | 6.2 | 16.1 | 43.4 | 6.0 | 3.6 | 1.94 | 2,403 |
| 516 | FSLEX | Environment & Alt Energy | 31.68 | Hold | 1.8 | 20.9 | 13.2 | 6.9 | 15.1 | 9.3 | 9.9 | 1.30 | 524 |
| 66 | FID SX | Financials | 11.02 | Hold | 7.2 | 4.1 | 8.7 | 5.0 | 18.2 | 7.7 | 9.4 | 1.29 | 538 |
| 98 | FSVLX | FinTech | 15.40 | Hold | 4.2 | 20.8 | 9.7 | 7.8 | 12.2 | 4.6 | 7.1 | 1.35 | 114 |
| 41 | FSAGX | Gold | 23.27 | Sell | 4.2 | 4.2 | -8.4 | 14.5 | -11.0 | 6.3 | 1.8 | 1.67 | 1,136 |
| 63 | FSPHX | Health Care | 28.62 | Buy | 0.4 | 3.6 | -0.2 | 4.2 | 4.1 | 8.5 | 12.5 | 0.88 | 8,401 |
| 505 | FSHCX | Health Care Services | 130.48 | Hold | 1.7 | -1.2 | 1.4 | -3.8 | 11.4 | 10.6 | 13.3 | 1.00 | 1,623 |
| 515 | FCYIX | Industrials | 33.74 | Buy | 3.8 | 15.5 | 14.2 | 19.1 | 14.4 | 7.6 | 9.3 | 1.14 | 493 |
| 45 | FSPCX | Insurance | 73.93 | OK to Buy | 1.6 | 3.8 | 3.3 | 15.5 | 19.1 | 11.1 | 11.3 | 1.04 | 365 |
| 353 | FBSOX | IT Services | 60.11 | Hold↓ | 3.0 | 14.4 | 6.9 | 6.1 | -0.3 | 6.9 | 12.8 | 1.29 | 2,066 |
| 62 | FDLSX | Leisure | 17.79 | OK to Buy | 3.6 | 24.5 | 5.3 | 24.8 | 21.0 | 12.7 | 12.5 | 1.33 | 659 |
| 509 | FSDPX | Materials | 102.77 | OK to Buy | 6.1 | 12.3 | 9.0 | 16.0 | 18.2 | 7.3 | 7.2 | 1.25 | 589 |
| 354 | FSMEX | Medical Tech & Devices | 65.09 | OK to Buy | -0.5 | 5.7 | -0.6 | 2.8 | 3.3 | 9.7 | 15.1 | 1.06 | 6,911 |
| 514 | FNARX | Natural Resources | 42.48 | Hold | 9.2 | 9.5 | 6.0 | 22.4 | 33.8 | 7.8 | 3.8 | 1.60 | 649 |
| 580 | FPHAX | Pharmaceuticals | 23.28 | OK to Buy | -0.4 | 6.9 | 1.8 | 8.2 | 8.1 | 10.9 | 10.2 | 0.73 | 833 |
| 46 | FSRPX | Retailing | 18.65 | Hold | 3.3 | 17.7 | 8.6 | 10.0 | 5.9 | 9.6 | 14.1 | 1.22 | 2,882 |
| 8 | FSELX | Semiconductors | 25.54 | Buy | 5.5 | 75.2 | 37.9 | 51.1 | 34.1 | 28.5 | 26.8 | 2.01 | 11,801 |
| 28 | FSCSX | Software & IT Services | 26.51 | OK to Buy | 4.0 | 34.9 | 15.9 | 20.5 | 10.1 | 15.2 | 18.2 | 1.17 | 10,766 |
| 7 | FDCPX | Tech Hardware | 87.41 | OK to Buy | -0.0 | 22.6 | 11.1 | 12.6 | 13.3 | 14.0 | 13.4 | 1.21 | 840 |
| 64 | FSPTX | Technology | 27.44 | Buy | 4.2 | 53.8 | 25.1 | 30.7 | 14.3 | 18.9 | 19.9 | 1.43 | 12,092 |
| 96 | FSTCX | Telecommunications | 40.95 | OK to Sell↓ | -4.5 | -5.6 | -8.3 | -14.5 | -6.6 | 0.9 | 3.7 | 1.03 | 139 |
| 512 | FSRFX | Transportation | 107.16 | Hold | 6.2 | 19.6 | 15.6 | 14.7 | 19.2 | 9.3 | 12.3 | 1.25 | 629 |
| 65 | FSUTX | Utilities | 102.44 | Buy | 2.3 | -0.8 | 0.6 | -1.2 | 10.6 | 8.6 | 9.6 | 0.93 | 1,413 |
| 963 | FWRLX | Wireless | 11.11 | Hold | 1.5 | 17.1 | 6.9 | 0.5 | 2.9 | 10.3 | 10.4 | 1.04 | 316 |
| SECTOR ETFs | | | | | Average | 3.7 | 14.4 | 7.9 | 8.8 | 14.0 | 9.7 | 1.21 | |
| | FCOM | MSCI Communication Services | 42.62 | OK to Buy | 5.9 | 37.7 | 14.2 | 16.6 | 4.9 | 9.2 | -- | 1.24 | 753 |
| | FDIS | MSCI Consumer Discretionary | 75.84 | Buy | 3.4 | 34.5 | 17.1 | 10.1 | 10.6 | 12.9 | -- | 1.41 | 1,240 |
| | FSTA | MSCI Consumer Staples | 46.40 | OK to Buy | 2.2 | 4.8 | -0.2 | 6.1 | 10.2 | 10.2 | -- | 0.81 | 1,240 |
| | FENY | MSCI Energy | 24.01 | Hold | 8.3 | 2.6 | 5.5 | 16.1 | 41.9 | 7.0 | -- | 1.95 | 1,490 |
| | FNCL | MSCI Financials | 49.88 | Hold | 6.0 | 5.3 | 8.8 | 6.5 | 16.0 | 6.5 | -- | 1.25 | 1,360 |
| | FHLC | MSCI Health Care | 63.76 | OK to Buy | 1.0 | 0.4 | 1.0 | 2.5 | 8.3 | 9.5 | -- | 0.81 | 3,050 |
| | FIDU | MSCI Industrials | 58.73 | Buy | 3.3 | 16.7 | 12.7 | 19.2 | 17.7 | 10.0 | -- | 1.18 | 750 |
| | FTEC | MSCI Information Technology | 134.39 | Buy | 2.9 | 42.7 | 18.5 | 23.8 | 16.4 | 20.2 | -- | 1.31 | 7,240 |
| | FMAT | MSCI Materials | 48.39 | OK to Buy | 3.7 | 11.9 | 7.6 | 12.3 | 15.9 | 9.0 | -- | 1.25 | 462 |
| | FREL | MSCI Real Estate | 25.60 | Hold | 2.0 | 5.6 | 3.4 | -9.9 | 5.3 | 4.6 | -- | 1.12 | 1,020 |
| | FUTY | MSCI Utilities | 43.28 | Buy | 2.4 | -3.6 | -2.0 | -6.6 | 6.5 | 7.6 | -- | 0.95 | 2,010 |

FIDELITY SCORECARD JULY 31, 2023

| 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 | 0.1 | 2.2 | -1.0 | -2.3 | -3.5 | 0.9 | 1.3 | 4.62 | 5.3 | 0.30 |
| 2268 | FCNVX | Conservative Income Bond | 10.02 | Buy | 0.5 | 3.1 | 1.4 | 4.6 | 1.5 | 1.8 | 1.4 | 5.32 | 0.3 | 0.04 | |
| 2208 | FCBFX | Corporate Bond | 10.24 | OK to Buy | 0.5 | 4.0 | -0.4 | -1.1 | -4.5 | 1.6 | 2.7 | 5.40 | 7.1 | 0.44 | |
| 6379 | FFBFX | Environmental Bond | 8.37 | OK to Buy | -0.1 | 2.2 | -1.5 | -3.0 | -- | -- | -- | 4.18 | -- | -- | |
| 2423 | FGBFX | Global Credit | 7.31 | OK to Sell | 0.8 | 1.7 | -0.1 | -5.6 | -5.9 | -0.1 | 0.5 | 5.58 | 6.4 | 0.46 | |
| 15 | FGMNX | GNMA (Ginnie Mae) | 10.06 | Hold | 0.0 | 1.8 | -1.5 | -4.4 | -3.5 | -0.0 | 1.0 | 3.71 | 5.1 | 0.33 | |
| 54 | FGOVX | Government Income | 9.13 | OK to Buy | -0.3 | 1.4 | -2.1 | -4.6 | -5.2 | 0.1 | 0.8 | 3.92 | 6.2 | 0.32 | |
| 2418 | FIPDX | Inflation-Protected Index | 9.21 | OK to Sell | 0.1 | 2.1 | -1.4 | -5.4 | -0.9 | 2.6 | 2.0 | 0.04* | 6.7 | 0.38 | |
| 32 | FTHRFX | Intermediate Bond | 9.92 | OK to Buy | 0.4 | 2.2 | -0.9 | -1.1 | -2.4 | 1.4 | 1.6 | 4.73 | 3.8 | 0.23 | |
| 452 | FSTGX | Intermediate Gov't Income | 9.57 | OK to Buy | 0.1 | 1.1 | -1.7 | -2.8 | -3.5 | 0.5 | 0.7 | 4.12 | 3.8 | 0.22 | |
| 3045 | FUAMX | Intermediate Treasury Index | 9.59 | OK to Buy | -0.2 | 1.3 | -2.8 | -5.1 | -5.4 | 0.8 | 1.2 | 4.05 | 6.2 | 0.35 | |
| 4506 | FBIIX | International Bond Index | 8.99 | Hold | 0.0 | 3.3 | 0.3 | -2.0 | -2.9 | -- | -- | 3.30 | 7.1 | 0.25 | |
| 26 | FBNDX | Investment Grade Bond | 7.12 | Buy | 0.0 | 2.9 | -1.2 | -2.5 | -3.9 | 1.5 | 2.0 | 4.90 | 6.4 | 0.34 | |
| 2622 | FJRLX | Limited Term Bond | 10.93 | Buy | 0.7 | 2.6 | 0.1 | 1.0 | -1.3 | 1.4 | 1.4 | 5.26 | 2.5 | 0.16 | |
| 662 | FFXSX | Limited Term Government | 9.38 | OK to Buy | 0.3 | 1.2 | -0.9 | -1.4 | -2.3 | 0.5 | 0.5 | 4.54 | 2.8 | 0.16 | |
| 3047 | FNBGX | Long-Term Treasury Index | 10.17 | Hold | -2.1 | 2.1 | -4.9 | -11.3 | -13.9 | -1.0 | 1.7 | 4.15 | 16.0 | 0.75 | |
| 40 | FMSFX | Mortgage Securities | 9.78 | Hold | -0.0 | 1.6 | -1.5 | -5.0 | -3.9 | -0.0 | 1.1 | 3.62 | 5.9 | 0.36 | |
| 450 | FSHBX | Short-Term Bond | 8.26 | Buy | 0.5 | 2.1 | 0.1 | 1.3 | -0.6 | 1.3 | 1.2 | 4.90 | 1.8 | 0.11 | |
| 3041 | FNSOX | Short-Term Bond Index | 9.54 | OK to Buy | 0.3 | 1.6 | -0.7 | -0.4 | -1.6 | 1.2 | -- | 4.92 | 2.6 | 0.15 | |
| 3049 | FUMBX | Short-Term Treasury Index | 9.90 | OK to Buy | 0.2 | 1.3 | -1.0 | -1.0 | -1.9 | 1.0 | 0.8 | 4.70 | 2.6 | 0.15 | |
| 3086 | FNDSX | Sustainability Bond Index | 9.17 | OK to Buy | 0.0 | 2.2 | -1.4 | -3.4 | -4.6 | 0.6 | -- | 4.33 | 6.1 | 0.33 | |
| 6541 | FIAXX | Sustainable Core Plus Bond | 9.20 | OK to Buy | 0.1 | 2.9 | -1.0 | -2.3 | -- | -- | -- | 4.85 | -- | -- | |
| 6526 | FAPGX | Sustainable Low Dur Bond | 10.10 | Buy | 0.4 | 2.6 | 1.0 | 3.7 | -- | -- | -- | 5.22 | -- | -- | |
| 6502 | F BAGX | Tactical Bond | 8.83 | Hold | 0.0 | 3.4 | -0.9 | -0.2 | -- | -- | -- | 5.33 | -- | -- | |
| 820 | FTBFX | Total Bond | 9.42 | Buy | 0.3 | 3.4 | -0.5 | -1.3 | -3.0 | 1.7 | 2.3 | 5.45 | 6.0 | 0.34 | |
| 2326 | FXNAX | U.S. Bond Index | 10.23 | Buy | -0.0 | 2.2 | -1.5 | -3.4 | -4.5 | 0.7 | 1.5 | 4.39 | 6.2 | 0.34 | |
| HIGH-YIELD BOND | | | | | Average | 1.4 | 5.9 | 2.2 | 5.1 | 1.8 | 2.6 | 3.7 | 7.15 | 3.6 | 0.42 |
| 38 | FAGIX | Capital & Income | 9.44 | Hold | 1.8 | 7.8 | 3.0 | 5.6 | 6.4 | 5.6 | 6.2 | 6.52 | 3.3 | 0.53 | |
| 814 | FFRHX | Floating Rate High Income | 9.21 | OK to Buy | 1.1 | 7.5 | 3.2 | 9.9 | 6.2 | 4.0 | 3.7 | 9.26 | 0.3 | 0.23 | |
| 1366 | FHIFX | Focused High Income | 7.77 | OK to Buy | 1.2 | 5.0 | 0.8 | 2.8 | -0.2 | 2.5 | 3.3 | 6.21 | 4.1 | 0.44 | |
| 2297 | FGHNX | Global High Income | 8.39 | OK to Buy | 1.4 | 5.3 | 1.5 | 6.7 | 1.2 | 2.2 | 3.6 | 7.35 | 3.5 | 0.45 | |
| 455 | SPHIX | High Income | 7.47 | Hold | 1.4 | 5.8 | 1.9 | 2.9 | 0.5 | 1.7 | 3.3 | 7.83 | 3.8 | 0.46 | |
| 331 | FNMIX | New Markets Income | 11.84 | OK to Buy | 2.3 | 6.0 | 4.3 | 7.2 | -2.1 | -0.4 | 2.3 | 6.93 | 7.2 | 0.58 | |
| 2580 | FSAHX | Short Duration High Income | 8.68 | Buy | 1.1 | 5.1 | 1.6 | 4.2 | 1.8 | 2.5 | -- | 7.47 | 2.2 | 0.29 | |
| 3082 | FADMX | Strategic Income | 11.14 | OK to Buy | 1.0 | 4.9 | 1.0 | 1.9 | 0.7 | 2.4 | 3.2 | 5.66 | 4.6 | 0.37 | |
| MUNICIPAL BOND | | | | | Average | 0.3 | 2.5 | 0.3 | 0.6 | -0.9 | 1.5 | 2.5 | 3.27 | 5.4 | 0.30 |
| 434 | FSAZX | Arizona Muni Income | 11.26 | OK to Buy | 0.2 | 2.4 | 0.3 | 0.4 | -1.4 | 1.4 | 2.7 | 3.13 | 6.0 | 0.31 | |
| 1534 | FCSTX | Calif Limited Term Tax Free | 10.16 | Buy | 0.1 | 0.9 | 0.0 | -0.2 | -0.9 | 0.9 | 1.2 | 2.89 | 2.7 | 0.19 | |
| 91 | FCTFX | California Muni Income | 12.01 | OK to Buy | 0.4 | 2.9 | 0.5 | 0.8 | -1.1 | 1.6 | 2.9 | 3.22 | 6.3 | 0.33 | |
| 407 | FICNX | Connecticut Muni Income | 10.79 | OK to Buy | 0.4 | 2.5 | 0.2 | 0.3 | -0.9 | 1.7 | 2.5 | 3.10 | 5.4 | 0.32 | |
| 2579 | FMNDX | Conservative Income Muni | 9.99 | Buy | 0.2 | 1.7 | 0.7 | 2.3 | 0.8 | 1.1 | -- | 3.42 | 0.6 | 0.04 | |
| 36 | FLT MX | Interm Municipal Income | 9.99 | OK to Buy | 0.3 | 2.3 | 0.1 | 1.0 | -0.5 | 1.8 | 2.3 | 3.16 | 4.6 | 0.26 | |
| 404 | FSTFX | Limited Term Muni Income | 10.19 | Buy | 0.2 | 1.3 | 0.3 | 0.1 | -0.6 | 1.1 | 1.2 | 3.25 | 2.4 | 0.18 | |
| 429 | SMDMX | Maryland Muni Income | 10.58 | OK to Buy | 0.2 | 2.5 | 0.1 | 0.4 | -1.1 | 1.4 | 2.4 | 3.07 | 6.1 | 0.33 | |
| 70 | FDMMX | Mass Muni Income | 11.25 | OK to Buy | 0.3 | 2.4 | 0.3 | -0.2 | -1.4 | 1.3 | 2.5 | 3.21 | 6.4 | 0.32 | |
| 81 | FMHTX | Michigan Muni Income | 11.33 | OK to Buy | 0.2 | 2.5 | 0.4 | 0.1 | -1.4 | 1.5 | 2.6 | 3.38 | 6.2 | 0.31 | |
| 82 | FIMIX | Minnesota Muni Income | 10.94 | OK to Buy | 0.3 | 1.9 | 0.0 | 0.3 | -1.4 | 1.5 | 2.2 | 3.11 | 5.8 | 0.28 | |
| 3469 | FMBIX | Municipal Bond Index | 18.33 | OK to Buy | 0.3 | 2.7 | 0.2 | 0.2 | -1.5 | -- | -- | 3.38 | 6.2 | 0.35 | |
| 7330 | FMBAX | Municipal Core Plus | 10.08 | Buy | 0.3 | 2.4p | 0.5 | -- | -- | -- | -- | 3.44 | -- | -- | |
| 37 | FHIGX | Municipal Income | 12.07 | OK to Buy | 0.3 | 3.4 | 0.3 | 0.7 | -0.8 | 1.9 | 3.0 | 3.50 | 6.9 | 0.37 | |
| 416 | FNJHX | New Jersey Muni Income | 11.38 | OK to Buy | 0.3 | 3.8 | 0.5 | 1.5 | -0.2 | 2.2 | 3.0 | 3.31 | 6.4 | 0.36 | |
| 71 | FTFMX | New York Muni Income | 12.18 | OK to Buy | 0.3 | 3.9 | 0.7 | 1.2 | -0.8 | 1.6 | 2.7 | 3.38 | 7.3 | 0.37 | |
| 88 | FOHFX | Ohio Muni Income | 11.24 | OK to Buy | 0.2 | 2.3 | 0.1 | 0.3 | -1.2 | 1.4 | 2.8 | 3.31 | 6.3 | 0.32 | |
| 402 | FPXTX | Pennsylvania Muni Income | 10.33 | OK to Buy | 0.2 | 2.6 | 0.4 | 0.3 | -1.2 | 1.5 | 2.7 | 3.48 | 6.6 | 0.33 | |
| 6532 | FSIKX | Sustainable Intermed Muni | 9.98 | OK to Buy | 0.2 | 2.3 | 0.1 | 1.1 | -- | -- | -- | 3.01 | 3.0 | -- | |
| 90 | FTABX | Tax-Free Bond | 10.83 | OK to Buy | 0.3 | 3.7 | 0.5 | 1.0 | -0.7 | 2.0 | 3.1 | 3.66 | 6.8 | 0.37 | |

Yields on municipal funds are not directly comparable to yields on taxable funds. In muni funds shareholders' effective yield will be higher as their tax-bracket increases. *12-month distributed yield; ¹Closed to new accounts; ²Name changed to Premium Class shares (formerly AMT).

| TAXABLE GOV'T MONEY MARKETS | | | Total Return (%) | | SEC %Yield |
|--|--------|---------------------------|------------------|------|------------|
| | | | Jul | YTD | |
| 55 | FDRXX | Gov't Cash Reserves | 0.41 | 2.62 | 4.93 |
| 458 | SPAXX | Government MM | 0.41 | 2.61 | 4.91 |
| 2742 | FZFX | Treasury MM | 0.41 | 2.61 | 4.91 |
| 415 | F DLXX | Treasury Only MM (closed) | 0.41 | 2.49 | 4.87 |
| PRIME MONEY MARKETS | | | | | |
| 454 | SPRXX | Money Market | 0.41 | 2.67 | 4.98 |
| NOTE: SPRXX is available in premium class shares (ticker: FZDXX) with a \$100,000 minimum investment (\$10,000 for certain Fidelity retirement accounts and lower expenses). | | | | | |

| NATIONAL MUNICIPAL MONEY MKTS | | | Total Return (%) | | SEC %Yield |
|---|--------|------------------------------------|------------------|------|------------|
| | | | Jul | YTD | |
| 10 | FTEXX | Municipal Money Market | 0.25 | 1.65 | 3.46 |
| 275 | FMOXX | Tax-Exempt MM | 0.24 | 1.59 | 3.29 |
| STATE MUNICIPAL MONEY MARKETS | | | | | |
| 457 | FSPXX | California Muni MM ² | 0.22 | 1.50 | 3.05 |
| 426 | FMSXX | Massachusetts Muni MM ² | 0.23 | 1.54 | 3.19 |
| 423 | F SJXX | New Jersey Muni MM ² | 0.23 | 1.54 | 3.33 |
| 422 | FSNXX | New York Muni MM ² | 0.25 | 1.64 | 3.41 |
| Funds removed due to insufficient data available at the time of close: AZ Muni MM [FSAXX], CT Muni MM [FCMXX], MI Muni MM [FMIXX], OH Muni MM [FOMXX], PA Muni MM [FPTXX]. | | | | | |

FIDELITY SCORECARD

JULY 31, 2023

| 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 | | | | | 3.7 | 25.1 | 13.0 | 16.5 | 12.6 | 12.4 | 13.1 | 1.08 |
| | Annuity Growth Model | | | | | 4.2 | 18.9 | 12.3 | 12.0 | 11.7 | 11.6 | 11.4 | 1.00 |
| | Annuity Growth & Income Model | | | | | 2.8 | 11.6 | 6.4 | 6.3 | 5.4 | 7.7 | 7.7 | 0.71 |
| | Annuity Income Model | | | | | 0.9 | 5.8 | 1.9 | 0.4 | 1.5 | 3.6 | 4.0 | 0.42 |
| 9067 | FLRQC | Fid VIP Asset Manager | Allocation | 26.12 | Hold | 1.8 | 9.3 | 3.2 | 4.6 | 3.9 | 4.9 | 5.5 | 0.60 |
| 9066 | FAEFC | Fid VIP Asset Manager: Growth | Allocation | 29.56 | Hold | 2.5 | 12.5 | 4.9 | 7.5 | 6.4 | 6.3 | 6.9 | 0.76 |
| 9069 | FJBAC | Fid VIP Balanced | Allocation | 39.15 | Buy | 2.0 | 16.0 | 6.5 | 8.3 | 8.6 | 8.9 | 9.0 | 0.78 |
| 9461 | FBIQC | Fid VIP Bond Index | Bond | 10.20 | Buy | -0.1 | 2.0 | -1.6 | -3.7 | -4.9 | 0.3 | -- | 0.34 |
| 9173 | FVTAC | Fid VIP Communication Services | Sector | 29.33 | Buy | 6.9 | 46.4 | 17.5 | 26.4 | 7.6 | 12.7 | 9.5 | 1.28 |
| 9081 | FVHAC | Fid VIP Consumer Discretionary | Sector | 52.24 | Buy | 3.8 | 33.2 | 16.0 | 12.4 | 8.3 | 9.4 | 11.1 | 1.36 |
| 9171 | FCSAC | Fid VIP Consumer Staples | Sector | 39.93 | OK to Buy | 3.8 | 6.9 | 2.2 | 8.6 | 10.4 | 9.5 | 8.7 | 0.88 |
| 9065 | FPDFC | Fid VIP Contrafund | Large Growth | 50.71 | Buy | 3.5 | 25.1 | 11.8 | 15.4 | 9.4 | 12.0 | 11.8 | 1.05 |
| 9148 | FPRGC | Fid VIP Disciplined Small Cap | Small Blend | 30.79 | Buy↑ | 6.0 | 16.6 | 14.3 | 11.5 | 15.1 | 6.1 | 8.1 | 1.18 |
| 9074 | FZAMC | Fid VIP Dynamic Capital App | Large Growth | 56.31 | Hold | 3.8 | 22.2 | 13.4 | 12.2 | 12.1 | 12.5 | 12.2 | 1.00 |
| 9198 | FEMAC | Fid VIP Emerging Markets | Emg Mkts | 13.98 | Hold | 6.2 | 12.0 | 8.0 | 13.3 | 2.8 | 4.9 | 5.8 | 1.13 |
| 9085 | FJLLC | Fid VIP Energy | Sector | 23.45 | Hold | 8.9 | 3.5 | 6.1 | 15.7 | 43.0 | 5.7 | 3.3 | 1.94 |
| 9061 | FLOLC | Fid VIP Equity-Income | Large Value | 33.95 | Buy | 3.1 | 7.0 | 4.9 | 8.4 | 13.7 | 8.8 | 8.6 | 0.89 |
| 9469 | FEMJC | Fid VIP Extended Market Index | Mid Blend | 13.86 | Buy↑ | 5.2 | 14.1 | 11.7 | 8.1 | 13.1 | 6.7 | -- | 1.14 |
| 9083 | FONNC | Fid VIP Financials | Sector | 21.15 | Hold | 7.2 | 4.1 | 8.7 | 4.8 | 17.7 | 7.4 | 9.1 | 1.28 |
| 9361 | FFLCC | Fid VIP Floating Rate High Income | High-Yield Bond | 13.78 | OK to Buy | 1.0 | 7.2 | 3.2 | 9.4 | 5.6 | 3.9 | -- | 0.22 |
| 9157 | FMPAC | Fid VIP FundsManager 20 | Allocation | 17.50 | Hold | 0.7 | 4.7 | 0.7 | 1.5 | 0.4 | 2.6 | 2.9 | 0.34 |
| 9158 | FMPBC | Fid VIP FundsManager 50 | Allocation | 23.36 | Hold | 1.7 | 9.0 | 3.0 | 4.9 | 4.0 | 5.0 | 5.6 | 0.60 |
| 9197 | FMPCC | Fid VIP FundsManager 60 | Allocation | 23.19 | Hold | 1.9 | 10.1 | 3.5 | 5.8 | 5.2 | 5.7 | 6.4 | 0.69 |
| 9159 | FMPDC | Fid VIP FundsManager 70 | Allocation | 26.88 | Hold | 2.3 | 11.6 | 4.4 | 7.3 | 6.6 | 6.4 | 7.2 | 0.76 |
| 9160 | FMPDC | Fid VIP FundsManager 85 | Allocation | 29.31 | Hold | 2.7 | 13.5 | 5.5 | 9.1 | 8.5 | 7.4 | 8.3 | 0.88 |
| 9059 | FTNJC | Fid VIP Gov't Money Market | Money Mkt | 12.15 | -- | 0.4 | 2.6 | 1.2 | 3.7 | 1.1 | 1.2 | 0.6 | 0.03 |
| 9062 | FMNDC | Fid VIP Growth | Large Growth | 64.51 | Buy | 3.7 | 27.5 | 15.6 | 14.5 | 11.6 | 14.8 | 15.3 | 1.06 |
| 9070 | FLFNC | Fid VIP Growth & Income | Large Blend | 44.24 | OK to Buy | 3.5 | 14.7 | 6.9 | 14.7 | 17.1 | 10.5 | 10.6 | 1.04 |
| 9068 | FIDPC | Fid VIP Growth Opportunities | Large Growth | 73.16 | Buy | 6.7 | 38.6 | 22.1 | 21.2 | 6.9 | 16.4 | 16.1 | 1.38 |
| 9084 | FPDRC | Fid VIP Health Care | Sector | 66.78 | Buy | 0.3 | 3.6 | -0.3 | 4.2 | 3.6 | 7.4 | 11.8 | 0.88 |
| 9060 | FBBLC | Fid VIP High Income | High-Yield Bond | 22.74 | Hold | 1.3 | 5.4 | 1.9 | 2.6 | 0.6 | 1.8 | 3.0 | 0.45 |
| 9064 | FXVLT | Fid VIP Index 500 | Large Blend | 50.26 | OK to Buy | 3.2 | 20.4 | 10.4 | 12.6 | 13.3 | 11.8 | 12.3 | 1.00 |
| 9082 | FBALC | Fid VIP Industrials | Sector | 51.38 | Buy | 3.9 | 15.4 | 14.2 | 18.9 | 14.2 | 7.4 | 9.1 | 1.14 |
| 9473 | FFIQC | Fid VIP International Index | Diversified Int'l | 11.87 | OK to Buy | 3.8 | 14.0 | 4.8 | 13.3 | 7.0 | 3.6 | -- | 0.98 |
| 9076 | FVJIC | Fid VIP Int'l Capital App | Diversified Int'l | 28.72 | Buy | 0.4 | 18.9 | 4.3 | 10.9 | 4.1 | 6.5 | 7.9 | 1.14 |
| 9063 | FTLKC | Fid VIP Investment Grade Bond | Inv Grd Bond | 17.10 | Buy | 0.0 | 2.6 | -1.2 | -2.7 | -3.8 | 1.2 | 1.8 | 0.34 |
| 9172 | FVMAC | Fid VIP Materials | Sector | 32.66 | OK to Buy | 6.1 | 12.4 | 8.9 | 15.7 | 19.7 | 7.4 | 7.1 | 1.26 |
| 9071 | FNBSC | Fid VIP Mid Cap | Mid Blend | 42.63 | OK to Buy | 3.7 | 11.9 | 9.1 | 9.5 | 14.9 | 7.0 | 8.8 | 1.08 |
| 9088 | FEMMC | Fid VIP Overseas | Diversified Int'l | 23.66 | OK to Buy | 1.2 | 16.0 | 2.3 | 12.3 | 6.2 | 5.4 | 5.7 | 1.11 |
| 9072 | FFWKC | Fid VIP Real Estate | Sector | 26.74 | Hold | 1.6 | 5.8 | 2.2 | -11.5 | 3.0 | 2.2 | 4.7 | 1.10 |
| 9075 | FGDQC | Fid VIP Strategic Income | High-Yield Bond | 21.62 | OK to Buy | 0.9 | 4.5 | 0.9 | 1.3 | 0.2 | 2.0 | 2.8 | 0.36 |
| 9086 | FYENC | Fid VIP Technology | Sector | 122.45 | Buy | 4.2 | 52.3 | 24.4 | 30.1 | 16.3 | 20.3 | 20.5 | 1.46 |
| 9465 | FTMJC | Fid VIP Total Market Index | Large Blend | 17.11 | Buy | 3.5 | 20.2 | 11.1 | 12.4 | 12.8 | 11.0 | -- | 1.02 |
| 9087 | FXRRC | Fid VIP Utilities | Sector | 43.90 | Buy | 2.4 | -1.0 | 0.6 | -1.5 | 10.2 | 8.2 | 9.3 | 0.93 |
| 9079 | FKMSC | Fid VIP Value | Large Value | 39.34 | OK to Buy | 6.2 | 13.9 | 11.0 | 10.8 | 22.0 | 10.6 | 10.0 | 1.16 |
| 9073 | FRBSC | Fid VIP Value Strategies | Mid Value | 40.95 | OK to Buy | 6.8 | 14.8 | 12.6 | 11.6 | 23.2 | 10.9 | 9.5 | 1.23 |
| 9347 | FBMEC | Black Rock Global Allocation | Global Allocation | 17.43 | Hold | 1.9 | 8.9 | 4.1 | 4.6 | 3.5 | 4.8 | 4.8 | 0.69 |
| 9349 | FTMEC | Franklin Templeton Global Bond | Global Bond | 9.82 | Hold | 2.0 | 1.0 | 0.5 | 0.7 | -3.1 | -2.8 | -0.8 | 0.41 |
| 9348 | FFMEC | Franklin Templeton US Gov't | Intermed Gov't | 10.10 | Buy | -0.1 | 1.4 | -1.1 | -3.8 | -3.6 | -0.3 | 0.2 | 0.27 |
| 9285 | FIGXC | Invesco Global Core Eqty | Global Stock | 17.90 | Hold | 2.1 | 15.9 | 3.3 | 9.6 | 7.4 | 4.4 | 5.9 | 1.00 |
| 9147 | FPRLC | Lazard Retirement Emerging Mkts | Emg Mkts | 18.35 | Hold | 4.2 | 18.0 | 8.4 | 17.0 | 8.4 | 2.1 | 2.3 | 1.04 |
| 9143 | FPRMC | Morgan Stanley Emerg Mkt Debt | Emg Mkt Bond | 18.14 | Hold | 1.6 | 5.8 | 4.6 | 6.7 | -4.1 | -0.4 | 1.3 | 0.66 |
| 9144 | FPRNC | Morgan Stanley Emerg Mkt Equity | Emg Mkts | 15.34 | Hold | 4.6 | 11.3 | 8.7 | 9.9 | 0.3 | 0.8 | 1.9 | 1.04 |
| 9146 | FPRPC | Morgan Stanley Global Strategist | Diversified Int'l | 16.88 | Hold | 2.6 | 10.1 | 4.3 | 5.5 | 3.7 | 3.6 | 4.0 | 0.76 |
| 9346 | FPMEC | Pimco Commodity Real Return | Commodities | 8.27 | OK to Sell | 6.7 | -2.7 | 2.6 | -13.7 | 17.9 | 6.8 | -0.6 | 1.04 |
| 9276 | FPMBC | Pimco VIT Low Duration | Shrt-Term Bond | 11.71 | Buy | 0.6 | 1.4 | -0.3 | -0.1 | -1.8 | 0.2 | 0.4 | 0.13 |
| 9277 | FPNBC | Pimco VIT Real Return | TIPS | 14.56 | OK to Sell | 0.3 | 1.7 | -1.3 | -5.6 | -1.1 | 2.2 | 1.6 | 0.38 |
| 9278 | FPOBC | Pimco VIT Total Return | Intermed Bond | 13.49 | Hold | 0.4 | 2.2 | -0.9 | -3.2 | -4.6 | 0.3 | 1.2 | 0.34 |

| Annuity Sector | | Annuity Growth | | Annuity Growth & Income | | Annuity Income | |
|-----------------------------|------------|-----------------------------|------------|-----------------------------|------------|----------------------------|------------|
| Fund | Allocation | Fund | Allocation | Fund | Allocation | Fund | Allocation |
| VIP Technology | 28% | VIP Equity-Income | 34% | VIP Bond Index | 26% | VIP Bond Index | 33% |
| VIP Consumer Discret | 16 | VIP Growth | 33 | VIP Growth Opps | 23 | Frkln Temp U.S. Gov't | 25 |
| VIP Comm Services | 16 | VIP Growth Opps | 20 | VIP Equity-Income | 22 | VIP Strategic Income | 17 |
| VIP Industrials | 15 | VIP Disciplined Sm Cap | 13 | VIP Strategic Income | 15 | VIP Equity-Income | 13 |
| VIP Health Care | 15 | | | VIP Total Market | 14 | VIP Growth | 12 |
| VIP Utilities | 10 | | | | | | |
| Total Return: | | Total Return: | | Total Return: | | Total Return: | |
| Jul: 3.7% YTD: 25.1% | | Jul: 4.2% YTD: 18.9% | | Jul: 2.8% YTD: 11.6% | | Jul: 0.9% YTD: 5.8% | |

ty fund **Small Cap Value Index** (up 7.5%) outpaced **Small Cap Growth Index** (up 4.7%). Less dramatically, **Large Cap Value Index** and **Mid Cap Value Index** enjoyed monthly gains of 3.6% and 4.3%, whereas their growth-oriented counterparts had more modest returns of 3.4% and 3.0%, respectively.

Among Fidelity's more prominent stock funds, **Blue Chip Growth** and **Growth Company** rose 5.2% and 4.1%, respectively, in July. However, the latter's performance was edged out by the more conservatively positioned **Contrafund**, which rose 4.2%. (For the year, the more aggressive Blue Chip Growth is outperforming all its peers with a gain of 46.4%.)

Select Funds

Among its peers, only **Select Banking** generated double-digit returns last month. With investors eschewing the sector most of the year (the fund was down 15.8% at mid-year), the prospect of an economic soft landing plus attractive valuations led to a 14.7% gain for the fund in July. (Still, it's down 3.4% so far this year.)

As already noted, news of accelerating economic growth powered cyclical sectors. **Transportation** (up 6.2%), **Materials** (up 6.1%) and **Automotive** (up 5.2%) were beneficiaries. As for **Natural Resources** (up 9.2%) and **Energy** (up 9.0%), they fared even better owing to optimism over the economy (higher demand) plus ongoing talk by Russia and Saudi Arabia to further constrict production.

International Funds

Investors' interest in risk assets last month reached into overseas markets. Helped by oil, **Latin America** (up 7.3%) was the month's top-performing foreign stock fund, while the more geographically diverse (and therefore far less volatile)

Emerging Markets Index gained a none-too-shabby 6.0%.

Elsewhere, European markets were their usual mixed bag of results with some economies stronger than others. So while Euro-tourism has been beneficial, inflation and slow growth remain problematic. As such, **Europe** fund gained a comparably anemic 0.8% in July. As for **Japan Smaller Cos.** (purchased in late June for our *Unique Opportunities Model*), it jumped 4.2% as Japan's central bank surprised everyone with its decision to allow interest rates to rise, which boosted the yen. However, the move put downward pressure on sovereign bonds outside that country.

High Yield Bond Funds

Generally more economically sensitive than they are interest-rate sensitive, this asset class (which is also more correlated to stocks than to bonds) rallied in response to July's positive macro news.

New Markets Income (up 2.3%) fared best as developing market bonds were firing on all cylinders. Closer to home, **Capital & Income** (which is 13% in stocks) also had the wind to its back — it rose 1.8%.

Bond Funds

Although inflation is waning, **Long-Term Treasury Index** (down 2.1% in July) suffered at the hand of accelerating GDP growth and rising Japanese bond yields. But with corporates outpacing government bonds, **Global Credit** (up 0.8%) was a beneficiary (more than half its assets are in the U.S.). As for the benchmark **U.S. Bond Index**, it was flat for the month.

Finally, the yield on **Government Cash Reserves** is now 4.93%, up from 3.85% at the start of the year. With CPI at 3%, the money market fund's real (inflation-adjusted) yield is 1.93%. (Please see *Q&A* on p. 12.) ■

— John Bonnanzio

BOND INVESTING

TIPS: Better Days Not Ahead

Last year, we downgraded **Inflation-Protected Index** to *OK to Sell* from *Hold* for this reason: "Inflation expectations are falling."

Because TIPS (Treasury Inflation-Protected Securities) often don't deliver in the short term, even when inflation has been higher, we've rarely been fans of the asset class. Granted, twice a year a TIPS' principal value is reset to reflect rising (or falling) inflation. Although their interest rate is fixed, when multiplied by a higher principal, over the long term, TIPS provide their holders with an inflation hedge. (And, when held to maturity, TIPS never pay less than their initial principal.)

Over the short term, however, the lag in principal adjustments is a negative for TIPS. And if a bond's yield rises, its price falls just like any other bond.

With inflation hitting a 40-year high of 9.1% in June 2022, **Inflation-Protected** (-12.0%) didn't fare much better back then than did funds with similar maturities, including **U.S. Bond Index** (-13.0%).

Of course, today's environment is quite different. With CPI at 3%, inflation isn't dead — it has a heartbeat. While getting from 3% to the Fed's 2% target doesn't seem far, the strong labor market and expanding economy may keep its goal at arm's length.

That 10-year TIPS yield 1.6% versus 1.9% for 5-year TIPS, investors are anticipating less inflation over the longer term. That's not good for the asset class. A better approach, for now, is to play the healthy economy with **Investment Grade Bond** or **U.S. Bond Index**, whose risk characteristics are much the same, but have more income and upside potential. ■

— John Bonnanzio

Jack's Message *cont'd from page 1*

The problem with this outdated logic is that today's economy is no longer heavily reliant on bank lending. Many large corporations are now profitable enough that they do not need to borrow, and those that still do tend to use the bond market. For smaller firms, venture capitalists and private equity firms often eliminate the need for bank lending.

On the consumer side, household net worth has more than tripled

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 | 7/7 | 0.602 | 152.68 |
| Agri Productivity | 7/14 | 0.117 | 19.47 |
| Asset Mgr 40% | 7/7 | 0.080 | 11.87 |
| Asset Mgr 50% | 7/7 | 0.119 | 18.63 |
| Balanced | 7/7 | 0.119 | 25.58 |
| Climate Action | 7/14 | 0.011 | 9.56 |
| Consmr Stpl | 7/7 | 0.412 | 95.75 |
| Convert Sec | 7/7 | 0.099 | 31.69 |
| Dividend Growth | 7/7 | 0.122 | 30.86 |
| Equity Div Inc | 7/7 | 0.198 | 26.23 |
| Equity-Inc | 7/7 | 0.292 | 64.55 |
| Global Credit | 7/7 | 0.069 | 7.19 |
| Global Equity Inc | 7/7 | 0.105 | 17.13 |
| Growth & Inc | 7/7 | 0.245 | 51.71 |
| Infrastructure | 7/7 | 0.098 | 11.93 |
| Int'l Bond Index | 7/7 | 0.030 | 8.92 |
| Puritan | 7/7 | 0.095 | 22.53 |
| Real Estate Inc | 7/7 | 0.146 | 11.29 |
| Strat Div & Inc | 7/7 | 0.103 | 15.70 |
| Strat Real Ret | 7/7 | 0.105 | 8.28 |
| Sust. U.S. Equity | 7/14 | 0.014 | 10.49 |
| Telecom and Util | 7/7 | 0.139 | 26.39 |
| Telecomm | 7/7 | 0.364 | 42.59 |
| Utilities | 7/7 | 0.526 | 99.78 |
| Water Sustain | 7/14 | 0.032 | 15.30 |

over the last 20 years, whereas inflation hasn't even doubled. This is due to increased investment in the stock market, an aging population and the fact that people are holding on to their vehicles and houses for longer periods of time. When today's consumers make major purchases, they often rely more on their own equity and less on borrowed capital. And when they do borrow, it is often from a non-bank source. Some even borrow against their own stock market equity using margin debt.

As a result of all this, today's inverted yield curve has a less pronounced negative effect on the domestic economy, meaning it can be more easily offset by other positive factors such as rising wages and employment levels. While an inverted yield curve may yet result in a recession if other factors are not positive, it should come as no surprise if future inversions inflict only a modest slowdown in the rate of GDP growth. Recessionary periods involving negative GDP growth might become somewhat rare.

Just as the economy has become less affected by the yield curve, the stock market has become less affected by the domestic economy.

The rise of technology disruptors in the S&P 500 is a long-term trend driven by the relentless pursuit of finding better ways to do things with best-in-class software. For successful firms, this leads to superior

revenue growth and high labor efficiency. And when these kinds of businesses reach large scale, their profit margins tend to be much higher than traditional businesses. If anything, artificial intelligence (AI) is likely to create many new technology disruptors, while also reinforcing and extending the influence of existing technology disruptors over the next two decades.

Because such firms tend to operate globally, and because their products and services often make their customers more productive, their earnings are not usually held hostage to the domestic economy's business cycles. They may not be recession-proof, but the economy's influence on their share prices is often small compared to developments within their product and/or services lineup.

So, it's not hard to see how an inverted yield curve's impact on the stock market is likely to grow weaker with each passing year: its impact on the domestic economy is becoming more diluted as businesses and consumers borrow less from banks, and the domestic economy is poised to have less impact on corporate earnings as economically cyclical stocks account for a shrinking piece of the market-cap pie. So, the next time an inverted yield curve makes headlines, do yourself a favor: ignore it and stay fully invested. ■

— Jack Bowers

Q: *You have large bets on U.S. Bond Index fund in your lower risk portfolios, but the fund's performance has been less than stellar. Why not hold a money market fund instead?*

A: Looking backward may not provide a good indication of where bonds are headed, as the increase in interest rates may eventually reverse. We think investment-grade bond funds have potential to outperform money markets over the next three years. ■ — Jack Bowers

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