

FIDELITY MONITOR & INSIGHT

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MESSAGE FROM JACK

Take A Good Look At Those 10-Year Returns

This month's *Scorecard* is your last chance to evaluate long-term performance before the effect of the Financial Crisis begins to distort those figures. Starting next month, 10-year returns will skew progressively higher, providing an overly-optimistic view of what might be possible with stock funds (and our model portfolios) over a decade. Even the current end-of-August numbers are a bit rosy due to modest P/E expansion over the last 10 years. If you are using them as a guide for what might be coming down the road, consider subtracting a percentage point or two to reduce the potential for disappointment.



Jack Bowers

As for the major trends we've seen over the last decade, I think most will persist going forward:

- **Large-cap growth funds tending to lead the market.** Technology disruption has moved to center stage (see p.11), which means innovative growth companies are winning market share while established firms wither. You only have to look at energy sector returns to see how devastating it is when a traditional way of doing things gets upended. In this environment, it pays to bet on the disruptors (which Fidelity does pretty well!).

- **Domestic funds tending to outperform foreign funds.** U.S. companies are not bound by tradition, and there's a large lending pool available for taking chances on unproven concepts (which isn't found in most other countries). The world is now losing market share to U.S. disruptor firms on multiple fronts, and that's not likely to change (trade friction injects a bit of uncertainty into the situation, but it doesn't alter the fundamental trend).

- **Bond funds tending to deliver much lower returns than stock funds.** In decades prior to the Financial Crisis, bond funds often kept up nicely with stock funds due to falling interest rates, but those days are gone. Nowadays, if an investment-grade bond fund only bears one-third the risk of a stock fund — its total return (net of inflation) should only be about a third as great.

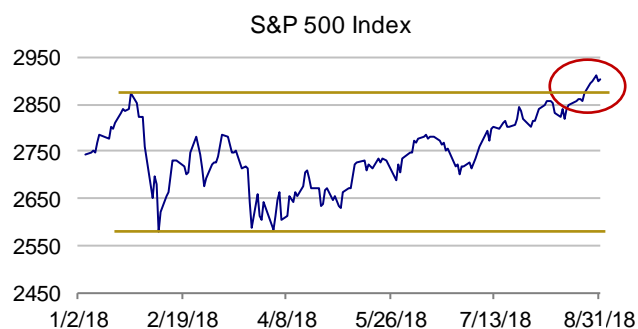
MARKET OUTLOOK

Longest Bull Market In History Or Not, More Gains To Come

You likely saw the headlines or heard about it on the news (President Trump even tweeted about it): As of the close of trading on August 22, the S&P 500 had gone 3,453 days without a closing decline of 20% or more since the bear-market low on March 9, 2009. That made for the longest-running bull market in history — or not as several analysts argued it is only the second longest.

Predictably, the news brought out an onslaught of articles claiming a collapse was just around the corner. I will spare you the details of the arguments about whether or not this is the longest bull because, to quote Bill Murray's rally cry from the movie *Meatballs*, "It just doesn't matter!" Whether this market is the longest bull in history or not is irrelevant to how much longer it may run.

In my view, what *was* significant about the action in the S&P 500 last month is that by hitting a new record high, it has broken out to the upside of a seven-month consolidation pattern as shown below, which argues for further gains to come.



Fundamentals Are Strong

The length of this bull run is irrelevant to its future prospects because bull markets just don't simply die of old age. They eventually succumb to deteriorating fundamentals (or some unexpected major shock). But the fundamentals today remain very strong.

- The S&P 500's cumulative Advance/Decline line, a measure of how many stocks are participating in this rally, hit another eight new highs since I noted its

Market Outlook *cont'd* on page 3



John M. Boyd

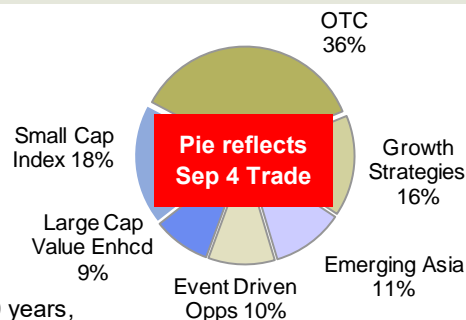
Unique Opportunities Target Risk: 1.20 (Current: 1.18) Foreign Holdings: 15.5% **YTD Return: 8.9%**

Stocks: 81.1% Bonds: 0.0% Cash: 0.5% Alternatives*: 0.0% Yield: 0.4%

Holdings	Ticker	NAV	Shares	Value	Aug Ret
OTC	FOCPX	\$13.32	16,099.96	\$214,451	6.6%
Growth Strategies	FDEGX	45.06	3,086.93	139,097	2.2
Emerging Asia	FSEAX	41.98	2,356.16	98,912	-3.0
Event Driven Opps	FARNX	14.18	6,421.19	91,053	0.1
Large Cap Value Enhcd	FLVEX	13.81	3,786.85	52,296	2.0

Current Value (3/31/99 = \$100,000) **\$595,809** **2.4%**

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



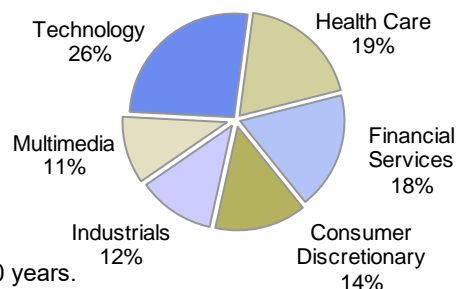
Select Target Risk: 1.20 (Current: 1.17) Foreign Holdings: 10.8% **YTD Return: 10.8%**

Stocks: 98.4% Bonds: 0.0% Cash: 1.8% Alternatives*: 0.0% Yield: 0.3%

Holdings	Ticker	NAV	Shares	Value	Aug Ret
Technology	FSPTX	\$18.98	60,413.13	\$1,146,641	4.5%
Health Care	FSPHX	27.01	30,617.24	826,972	6.4
Financial Services	FIDSX	11.30	70,592.88	797,700	1.3
Consumer Discretionary	FSCPX	47.73	12,954.15	618,302	4.6
Industrials	FCYIX	36.24	14,349.11	520,012	0.9
Multimedia	FBMPX	80.03	5,726.43	458,287	1.5

Current Value (12/31/88 = \$100,000) **\$4,367,912** **3.5%**

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



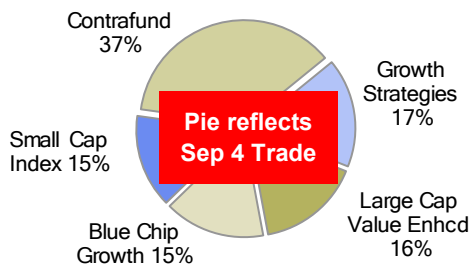
Growth Target Risk: 1.00 (Current: 1.03) Foreign Holdings: 4.0% **YTD Return: 11.8%**

Stocks: 98.8% Bonds: 0.1% Cash: 1.1% Alternatives*: 0.0% Yield: 0.6%

Holdings	Ticker	NAV	Shares	Value	Aug Ret
Contrafund	FCNTX	\$14.07	79,237.51	\$1,114,872	4.5%
Growth Strategies	FDEGX	45.06	11,426.98	514,900	2.2
Large Cap Value Enhcd	FLVEX	13.81	35,091.98	484,620	2.0
Blue Chip Growth	FBGRX	105.58	4,465.05	471,420	5.8
Small Cap Index	FSSPX	23.07	11,382.97	262,605	4.3
Emerging Asia	FSEAX	41.98	4,246.83	178,282	-3.0

Current Value (12/31/86 = \$100,000) **\$3,026,698** **3.4%**

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



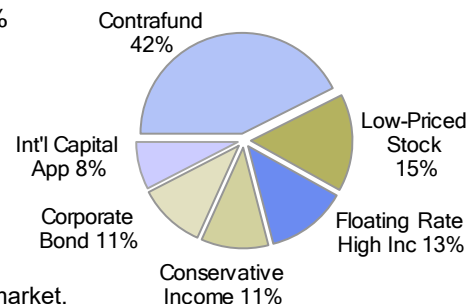
Growth & Income Target Risk: 0.66 (Current: 0.69) Foreign Holdings: 21.4% **YTD Return: 6.4%**

Stocks: 63.1% Bonds: 20.7% Cash: 4.5% Alternatives*: 11.7% Yield: 1.3%

Holdings	Ticker	NAV	Shares	Value	Aug Ret
Contrafund	FCNTX	\$14.07	22,022.56	\$309,857	4.5%
Low-Priced Stock	FLPSX	56.05	2,025.41	113,524	0.7
Floating Rate High Inc	FFRHX	9.62	9,746.85	93,765	0.3
Conservative Income	FCONX	10.04	7,756.16	77,872	0.2
Corporate Bond	FCBFX	11.22	6,934.72	77,808	0.4
Int'l Capital App	FIVFX	21.16	2,623.10	55,505	0.2

Current Value (12/31/93 = \$100,000) **\$728,331** **2.1%**

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



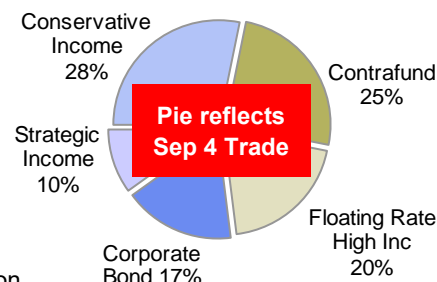
Income Target Risk: 0.33 (Current: 0.37) Foreign Holdings: 19.5% **YTD Return: 0.0%**

Stocks: 24.3% Bonds: 46.4% Cash: 4.9% Alternatives*: 24.4% Yield: 2.4%

Holdings	Ticker	NAV	Shares	Value	Aug Ret
Conservative Income	FCONX	\$10.04	11,377.93	\$114,234	0.2%
Low-Priced Stock	FLPSX	56.05	1,804.99	101,170	0.7
Floating Rate High Inc	FFRHX	9.62	8,383.90	80,653	0.3
Corporate Bond	FCBFX	11.22	6,142.90	68,923	0.4
Strategic Income	FADMX	12.18	3,311.60	40,335	0.0

Current Value (12/31/91 = \$100,000) **\$405,316** **0.4%**

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



strength last month. In August, every market sector hit a new 52-week high in its A/D line!

- S&P 500 earnings estimates for all four quarters of 2019, increased over the past month.
- With earnings rising faster than stock prices, stocks have become cheaper. The 12-month trailing P/E for the S&P 500 has fallen from 21.5 last December to 19.4 at the end of the second quarter.
- Sentiment remains subdued. A third of all respondents to a recent AAI investor poll were unable to say if they were bullish or bearish. Bull markets are born in despair and die in euphoria — not in undecideds!

There Are Still Risks

This does not mean that I think stocks will necessarily go straight up from here. We are still in an historically challenging seasonal pattern for a couple of months, and we are not without risks. Inflation, while not spiking, is moving slowly and steadily higher. We could see setbacks and further escalation in the trade battle. So we could see some pullbacks. But I believe the markets will be higher, perhaps significantly so, by year-end.

Final Thought

The covers of popular magazines have a long history of being great contrary indicators. The most famous of which was the “Death Of Equities” *Business Week* cover in 1982, just as a powerful bull market was beginning. Perhaps this August cover of *Fortune* will be the next. ■



— John M. Boyd

FUNDS YOU SHOULD BUY NOW

Growth: **Blue Chip Growth**, **Growth Company** and **OTC** are aggressive large-cap options; **Contrafund** is more conservatively positioned. **Growth Strategies** provides mid-cap exposure. Style-agnostic, **Event Driven Opportunities** often “leans” towards mid-cap growth while **Low-Priced Stock** is more value-oriented. **Small Cap Index** (see p. 4 profile) provides low-cost exposure to nearly 2,000 smaller-cap stocks.

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

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

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

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

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

MODEL PORTFOLIO TRADES

As announced on our Hotline message of Friday, August 31, on Tuesday, September 4 we made the following model portfolio trades:

Unique Opportunities Model:

We sold 1/3 of **Event Driven Opportunities** [FARNX] bringing it down to about 10% of the model, 1/3 of **Emerging Asia** [FSEAX] bringing it down to about 11%, and 1/3 of **Growth Strategies** [FDEGX], bringing it down to about 16% and purchased a roughly 18% position in **Small Cap Index** [FSSPX] with the proceeds.

Growth Model:

We sold **Emerging Asia** [FSEAX] and added the proceeds to **Small Cap Index** [FSSPX], bringing it up from 9% to about 15% of the model.

Income Model:

We sold **Low-Priced Stock** [FLPSX] and bought **Contrafund** [FCNTX].

Annuity Growth Model:

We sold **VIP Emerging Markets** [FEMAC] and added to **VIP Disciplined Small Cap** [FPRGC], bringing it up from 8% to about 14% of the model.

Annuity Income Model:

We sold **VIP Equity-Income** [FLOLC] and bought **VIP Contrafund** [FPDFC].

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

Model Trade Rationales and Notes:

We wanted to add more small-cap exposure (via Small Cap Index) to our more aggressive models and funded that by trimming or eliminating our exposure to funds that have struggled a bit this year. Emerging Asia has been a particularly weak spot but we only trimmed it in the *Unique Opportunities Model* as it could bounce back sharply if a trade deal with China materializes. In the *Income Model*, we had room to increase risk a bit so we replaced the model’s only stock fund, *Low-Priced with Contrafund*, which is riskier, but offers more exposure to tech-disruptors. (It also has less foreign exposure.) The Annuity Model trades follow the same rationales. ■

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

FUND PROFILE

Small Cap Index

In a perfect world, our model portfolios would hold **Small Cap Growth** rather than **Small Cap Index** fund. (See p. 3 Trade box.) But that's not possible because Small Cap Growth has been closed to new investors for one simple reason: Its longtime lead manager, Pat Venanzi, is very, very good at what he does: buying smaller, established, high-quality companies with multi-year growth stories and sound financials. Indeed, Pat's so good at finding them, that in order to keep money from flooding into his fund and potentially weighing on its performance, it has been closed to most new investors since February of this year.

This has forced us to do end-runs for small-cap exposure — though our “bets” in that space have been modest. Enter Small Cap Index.

Tracking its Russell 2000 benchmark, the fund holds about 2,000 small-cap stocks. By “about,” it should be pointed out that half the fund (and index) actually consists of mid-caps. Those are companies whose market values generally fall between \$2-to-\$10 billion. That said, its median market cap is actually small at only about \$2 billion; by comparison, **Mid Cap Index's** market cap comes in at a much heftier \$13.5 billion.

As for what a share in Small Cap Index buys you, the table shows the top-five sectors. As for its top-10 holdings, they barely account for 2% of fund assets!

The low-cost Small Cap Index (expenses here are only 0.25%) provides us with our desired equity exposures. Strategically, it helps us to diversify our models without adding much risk. ■

Sector	Weight (in %)
Financials	18.0
Health Care	15.6
Industrials	15.3
Tech	14.6
Consumer Disc.	13.1

FUND EXPENSES

Zero-Cost Index Funds: Is There A Catch?

On August 1, Fidelity took direct aim at index fund competitors Vanguard, Blackrock's iShares and others by launching the nation's first zero-fee index funds. They also put “discount” competitors like Schwab on notice that they're intent on regaining market share in both the investment and brokerage arenas by slashing many other fees to zero. Moreover, they've eliminated fund minimums to attract new and younger investors.

(A link to our online Special Report, “Fidelity Breaks New Ground With Zero-Cost Index Funds” is at the top of our homepage on our site.)

While Fidelity says its moves will save shareholders about \$47 million a year, that's a mere rounding error for a firm which, in 2017, had \$18.2 billion in revenue. Still, Fidelity has clearly turned up the heat industry-wide. Below, we peer under the hoods of these two new funds. — John Bonnanzio

Zero Total Market Index and **Zero International Index** are “self-indexed” funds. That is, they use proprietary benchmarks created by Fidelity. Their affiliate, Geode Capital, is the subadvisor, just as Geode is to dozens of other Fidelity index offerings including their Enhanced Index funds, Factor ETFs and certain Central Funds. Significantly, Fidelity's management company, FMR (not the funds' shareholders), pay Geode 0.0125% and 0.0525% to subadvise their Zero Total Market and Zero Int'l index funds, respectively.

In using Fidelity's own indexes, Zero funds avoid having to pay Dow Jones and MSCI for the right to use their benchmarks, which the (non Zero, or “regular”) **Total Market Index** and **International Index** funds have to do. That partly explains why those particular index funds have expenses of 0.015%.

While their expenses are minuscule, we expect Fidelity to eventually ask those funds' shareholders to merge their assets into their new zero-expense cousins.

That said, there are some differences beyond expenses that, over time, may result in the funds' long-term returns — and perhaps their volatilities — to ever-so-slightly diverge.

Fund Compositions

For starters, Zero Total Market has “only” 2,500 holdings versus 3,400 for Total Market. It uses a statistical sampling of the broader market rather than hold each and every public U.S. stock. (This helps to reduce trading costs.) On the margin, it also creates some differences in market cap, though both have about 80% of assets in mega- and large-cap stocks.

Second, the Zero funds' respective sector exposures (and in the case of Zero Int'l, country weights) will likely be quite similar to their “regular” counterparts, though not identical.

Sector-wise tech will account for about a quarter of Zero Total's assets followed by financials and health care at roughly 14% apiece. (That's close to **Large Cap Core Enhanced Index**, a semi-actively run fund with higher expenses of 0.40%.) Consumer discretionary is about 13%.

As for Zero Int'l fund, again, mega- and large-cap stocks dominate, though without giant U.S. stocks, we expect its market cap to be much lower than Zero Total Market. In addition, the Europe-dominated fund will have a high single-digit weight in tech, whereas financials (namely banks) will be the largest segment. (See facing table for fund ratings.) ■

FUND COMMENTARY

U.S. Stocks Rally Amid Positive News

Last month investors embraced risk. And why not? After all, the U.S. economy appears to be firing on all cylinders, trade tensions generally eased (a deal with Mexico was struck, though the President is still playing hardball with our two biggest trading partners, Canada and China), second-quarter corporate earnings were boffo and forecasts for third quarter profits are, well, even more boffo! (See John Boyd's *Market Outlook* beginning on p. 1.)



John Bonnanzio

Market Indexes

With the help of tech and biotech shares, the Nasdaq Composite soared in August (up 5.8%); it's now up 18.3% for the year.

That's not to say that there were not some hold-your-breath moments along the way, as trade fears waxed and waned. But when all was said and done, despite a lack of exuberance in investor confidence, stocks soared in August. Indeed, not a single U.S. equity benchmark on our radar screen was lower last month, and many set new highs.

For its part, the broader and larger-cap S&P 500 popped 3.3% last month, mid-caps (Russell Midcap Index) were up a similar 3.1%, whereas riskier small-caps jumped 4.3%. (While the Russell 2000 is now up 14.3% for the year, the S&P has gained 9.9% and mid-caps are up 8.1%.)

Stock Funds

Given the above, it's no surprise that every domestic Fidelity stock fund was in the black for August, and that growth-oriented funds fared better than value. Market cap was a less significant performance-driver. Notably, the two top-performing

funds were **Small Cap Growth** (up 7.8%) and the large-cap **Growth Company** (up 7.5%). Similar examples abound. As for laggards, **Blue Chip Value**, **Low-Priced Stock** and **Mid Cap Value** each rose less than 1%.

International Funds

Good news in the U.S. markets did not migrate across any oceans. While global growth is on the upswing, a combination of trade worries, falling commodity prices, a surging U.S. dollar (which rose almost 1.5% last month), and political turmoil in Latin America and elsewhere, each conspired to send most foreign equity markets lower.

International Index fund (a barometer for foreign developed markets) fell 2.2%, though **Europe** was down "just" 1.7%. But that was nothing compared to **Latin America**, which tumbled almost 10% in August. (The fund is down 16.0% for the year!)

Fixed Income Funds

As investors embraced risk in the equities last month they did so in bonds as well: The ever-risky **Long-Term Treasury Index**, which is Fidelity's most interest-rate-sensitive fund, popped 1.2%. (If you own it, it's okay to hold it, but we still don't recommend buying it!) At the other end of the rate spectrum, **Conservative Income Bond** rose 0.2%.

With **U.S. Bond Index** up 0.5% last month, right now, investors aren't especially concerned about inflationary pressures — a somewhat remarkable occurrence at a time when the economy grew last quarter at a rate of 4.2%!

As for muni bond funds, fractional gains of 0.1% to 0.2% were the norm: nationally diversified **Tax-Free Bond** rose 0.2% and **Muni Income** gained 0.1%.

Finally, at month-end, **Gov't Cash Reserves** yielded 1.63%, up from 1.61% a month earlier. ■

— John Bonnanzio

September Scorecard Rating Changes				
Fund	Ratings			Comments
	Old	New		
Blue Chip Value	B	H	↓	We prefer lower-risk alternatives in this space.
Canada	S	H	↑	New trade deal with Canada would remove market cloud.
Capital Appreciation	B	H	↓	Given its risk, there are more attractive alternatives.
Emerging Markets	B	H	↓	Currencies, commodities bust causing headwinds.
Extended Market Idx	B	B	↑	Holds strong-performing small- and mid-cap stocks.
Focused Stock	B	B	↑	Concentrated portfolio of growth stocks worth added risk.
Independence	H	B	↑	Concentrated portfolio of growth stocks worth added risk.
Intermediate Muni Inc	B	B	↑	Prefer nationally diversified fund to single-state offering.
Int'l Real Estate	H	S	↓	Currencies, commodities bust causing headwinds.
Japan Smaller Cos	B	H	↓	Prefer the more export-dependent Japan fund.
Limited Term Muni Inc	B	B	↑	Prefer nationally diversified fund to single-state offering.
Sel Air Transportation	H	B	↑	Risk of rising fuel prices no longer a headwind for sector.
Sel Pharmaceuticals	H	B	↑	Threat of regulatory overkill easing.
Sel Retailing	B	B	↑	Good stockpicking and consumer spending are positives.
Sel Transportation	S	H	↑	Risk of rising fuel prices no longer a headwind for sector.
Small Cap Stock	H	B	↑	New manager has been improving performance.
Telecom & Utilities	S	H	↑	M&A activity may reshape this defensive market sector.
Total Emerging Mkts	B	H	↓	Currencies, commodities bust causing headwinds.
VIP Dynamic Cap App	B	H	↓	Clone of Capital Appreciation shown above.
VIP Emerging Markets	B	H	↓	Currencies, commodities bust causing headwinds.
VIP Extended Mkt Idx	B	B	↑	Holds strong-performing small- and mid-cap stocks.
Zero International Idx	NA	H		Prefer several actively run funds in this space (see p 4).
Zero Total Mkt Idx	NA	B		Prefer several actively run funds in this space (see p 4).

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

FIDELITY SCORECARD

AUGUST 31, 2018

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)					Rel Vol (Risk) ¹
					Aug	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr	15 Yr	
Comparative Indexes		S&P 500	2901.5		3.3	9.9	7.8	19.7	16.1	14.5	10.9	9.5	1.00
		Nasdaq Composite	8109.5		5.8	18.3	9.2	27.4	20.7	19.1	14.4	11.6	1.28
		Dow Jones Industrials	25964.8		2.6	6.7	7.0	21.0	19.2	14.6	11.3	9.7	1.12
		Russell 2000 (Small Caps)	1740.8		4.3	14.3	6.9	25.5	16.1	13.0	10.5	10.2	1.41
		Barclays Aggregate Bond*			0.5	-1.2	0.6	-1.3	1.5	2.3	3.5	2.2	0.29
Model Portfolios		Unique Opportunities			2.4	8.9	3.8	18.2	14.1	12.2	9.2	10.6	1.18
		Select			3.5	10.8	6.0	21.8	16.4	15.4	10.9	10.7	1.17
		Growth			3.4	11.8	6.2	21.1	14.4	13.1	9.4	9.3	1.03
		Growth & Income			2.1	6.4	3.7	11.9	11.0	10.4	7.8	7.8	0.69
		Income			0.4	0.0	1.2	2.2	4.5	5.2	5.1	4.6	0.37
												Rel Vol (Risk) ¹	Assets (\$Mil)
LARGE CAP GROWTH					Average	4.9	15.9	8.0	25.6	17.7	16.2	12.1	1.20
312	FBGRX	Blue Chip Growth	105.58	Buy	5.8	20.3	9.6	30.1	19.8	18.7	14.4	1.27	\$20,727
307	FDCAX	Capital Appreciation	40.01	Hold↓	4.5	13.7	5.6	22.6	14.0	13.8	11.6	1.20	5,191
22	FCNTX	Contrafund	14.07	Buy	4.5	16.7	7.5	25.6	18.4	16.7	12.1	1.12	98,243
3	FFIDX	Fidelity Fund	48.10	Hold	3.6	11.6	7.2	21.5	14.5	14.1	9.5	1.00	4,260
333	FTQGX	Focused Stock	27.46	Buy↑	6.6	21.2	9.5	31.7	18.9	15.1	11.9	1.17	2,194
25	FDGRX	Growth Company (Closed)	21.69	Buy	7.5	21.4	9.3	31.6	22.7	19.9	14.9	1.43	27,939
339	FDSVX	Growth Discovery	37.34	Buy	4.6	18.1	8.4	25.4	19.0	17.0	11.9	1.14	1,598
73	FDFFX	Independence	41.93	OK to Buy↑	3.2	12.5	6.7	22.1	12.3	13.1	8.6	1.31	3,663
1829	FLGEX	Lrge Cap Growth Enhcd Index	21.58	OK to Buy	5.1	14.0	8.7	26.9	17.7	16.5	12.3	1.09	1,124
2823	FSUIX	Lrge Cap Growth Index	15.52	OK to Buy	5.5	16.3	9.6	27.0	--	--	--	--	18
21	FMAGX	Magellan	11.25	Hold	3.4	12.8	7.3	23.4	16.1	15.5	9.1	1.12	15,717
1282	FNCMX	Nasdaq Composite Index	106.94	OK to Buy	5.8	18.0	9.1	26.9	20.4	18.8	14.2	1.28	6,123
300	FMLX	New Millennium	43.39	OK to Sell	2.0	9.1	5.8	19.9	14.3	12.4	11.4	1.05	3,420
93	FOCPX	OTC	13.32	Buy	6.6	21.3	9.4	29.4	23.6	20.4	16.2	1.58	13,340
320	FDSSX	Stock Selector All Cap	48.65	OK to Sell	3.0	10.7	5.9	19.9	16.0	14.1	10.1	1.03	9,179
5	FTRNX	Trend	114.03	OK to Buy	6.0	17.2	8.5	26.0	18.6	17.1	13.0	1.16	1,919
LARGE CAP BLEND					Average	2.6	7.8	7.4	17.9	14.0	12.8	9.8	1.04
650	FUSEX	500 Index	101.68	Hold	3.3	9.9	7.7	19.6	16.0	14.4	10.8	1.00	3,780
315	FDEQX	Disciplined Equity	41.41	Hold	3.3	6.8	6.7	15.5	12.2	12.4	8.1	0.99	1,263
330	FDGFX	Dividend Growth	34.46	Hold	2.0	5.0	7.3	15.6	11.8	11.6	9.8	0.95	6,057
332	FEXPX	Export and Multinational	23.28	Hold	2.1	4.8	7.5	15.7	12.2	11.7	8.3	0.95	1,499
27	FGRIX	Growth & Income	40.12	Hold	2.0	6.8	7.4	17.1	13.8	11.9	7.9	1.13	6,281
1827	FLCEX	Lrge Cap Core Enhcd Index	16.22	Buy	3.4	10.6	7.3	22.3	15.8	14.2	10.6	1.01	711
338	FLCSX	Large Cap Stock	34.15	Hold	2.1	7.8	7.4	18.2	14.4	12.8	11.6	1.21	3,009
361	FGRTX	Mega Cap Stock	16.92	Hold	2.0	7.5	7.6	16.9	14.0	12.4	10.4	1.12	1,741
397	FSTMX	Total Market Index	84.00	OK to Buy	3.5	10.4	7.6	20.2	15.8	14.1	10.9	1.01	826
2939	FENSX	U.S. Sustainability Index	12.21	NA	2.4	8.8	7.1	18.3	--	--	--	--	9
3227	FZROX	Zero Total Market Index	10.30	OK to Buy	3.0p	3.0p	--	--	--	--	--	--	--
LARGE CAP VALUE					Average	1.4	3.2	5.8	11.5	11.1	10.6	8.1	1.03
1271	FBCVX	Blue Chip Value	20.06	Hold↓	0.8	2.3	5.7	10.5	9.8	10.6	6.7	1.09	394
319	FEQTX	Equity Dividend Income	28.48	OK to Buy	1.3	3.7	6.9	12.5	12.1	10.8	7.8	0.97	5,164
23	FEQIX	Equity-Income	60.72	OK to Buy	1.5	3.5	7.2	11.6	11.7	9.8	7.8	1.00	5,495
1828	FLVEX	Lrge Cap Value Enhcd Index	13.81	Buy	2.0	4.6	5.6	15.2	13.0	12.1	9.3	1.04	3,843
2827	FLCDX	Lrge Cap Value Index	12.54	Hold	1.5	3.6	5.7	12.3	--	--	--	--	8
708	FSLVX	Stock Sel Large Cap Value	21.39	Hold	1.4	3.2	5.3	10.5	10.7	10.2	7.3	0.97	920
832	FVDFX	Value Discovery	29.61	OK to Buy	1.2	2.3	5.3	9.9	10.4	10.9	8.5	0.96	2,324
14	FSLSX	Value Strategies	42.98	Hold	1.2	2.1	4.6	9.4	10.1	9.7	9.2	1.17	377
MID-CAP GROWTH					Average	2.2	9.6	5.3	19.7	11.4	13.0	10.0	0.92
324	FDEGX	Growth Strategies	45.06	Buy	2.2	9.6	5.3	19.7	11.4	13.0	10.0	0.92	2,556
MID-CAP BLEND					Average	3.3	9.2	6.2	19.0	13.3	12.5	10.6	1.08
398	FSEMEX	Extended Market Index	69.87	Buy↑	4.5	12.7	7.1	23.2	14.9	13.1	11.3	1.22	644
2012	FMEIX	Mid Cap Enhanced Index	16.42	OK to Buy	2.4	4.9	4.7	16.7	12.0	12.5	10.9	1.07	1,288
2349	FSCLX	Mid Cap Index	22.49	OK to Buy	3.1	8.1	6.4	17.7	13.2	12.6	--	1.04	78
337	FMCSX	Mid-Cap Stock	39.92	OK to Buy	2.8	8.8	5.9	17.7	12.9	12.0	10.5	0.99	5,812
2412	FSSMX	Stock Selector Mid Cap	44.52	OK to Buy	3.5	11.4	6.6	19.9	13.7	12.2	9.6	1.09	517
MID-CAP VALUE					Average	1.0	1.3	3.3	10.5	9.5	10.5	9.8	1.01
316	FLPSX	Low-Priced Stock ⁵	56.05	Buy	0.7	2.8	2.5	12.7	10.0	10.3	10.4	0.89	28,813
762	FSMVX	Mid Cap Value	24.97	Hold	0.6	-1.8	2.3	8.7	8.5	10.7	9.9	1.04	2,008
39	FDVLX	Value	12.47	Hold	1.5	2.9	5.1	10.2	10.0	10.6	8.9	1.10	7,031

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

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

FIDELITY SCORECARD

AUGUST 31, 2018

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) ¹	Assets (\$Mil)		
					Aug	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year				
SMALL CAP GROWTH					Average			7.8	24.6	10.1	37.1	20.3	17.9	13.6	1.23
1388	FCPGX	Small Cap Growth (Closed)	30.82	Buy	7.8	24.6	10.1	37.1	20.3	17.9	13.6	1.23	\$3,272		
SMALL CAP BLEND					Average			4.2	11.3	6.0	22.0	13.0	11.8	10.6	1.30
384	FSCRX	Small Cap Discovery (Closed)	27.02	Hold	2.0	4.1	1.9	13.1	8.9	9.1	12.9	1.28	4,270		
2011	FCPEX	Small Cap Enhanced Index	15.28	Buy	4.2	12.1	5.7	22.5	13.6	12.4	10.5	1.46	811		
2356	FSSPX	Small Cap Index	23.07	Buy	4.3	14.3	6.9	25.5	16.2	13.1	--	1.41	92		
340	FSLCX	Small Cap Stock	19.67	OK to Buy↑	4.8	11.0	8.0	22.9	12.6	12.3	9.3	1.13	1,658		
336	FDSCX	Stock Selector Small Cap	30.51	Buy	5.6	15.3	7.3	26.0	13.9	12.0	9.9	1.24	1,148		
SMALL CAP VALUE					Average			2.8	4.8	4.1	16.0	12.2	11.3	11.8	1.09
1389	FCPVX	Small Cap Value (Closed)	21.29	Hold	2.8	4.8	4.1	16.0	12.2	11.3	11.8	1.09	2,056		
SPECIALTY					Average			2.8	7.1	2.7	10.4	6.5	6.5	6.3	0.88
308	FCVSVX	Convertible Securities	29.52	Hold	2.8	7.1	2.7	10.4	6.5	6.5	6.3	0.88	1,350		
2624	FARNX	Event Driven Opportunities	14.18	Buy	0.1	3.9	-0.2	11.7	16.7	--	--	1.46	484		
2120	FFGCX	Global Commodity Stock	13.31	OK to Sell	-3.6	1.0	-3.1	12.8	10.3	1.7	--	1.65	415		
122	FLVCX	Leveraged Company Stock	35.08	OK to Buy	2.2	4.8	0.6	13.8	9.8	8.9	7.3	1.35	2,373		
1329	FSDIX	Strategic Dividend & Income	15.70	Hold	1.8	4.3	5.6	9.4	10.9	9.7	8.3	0.72	2,996		
1505	FSRRX	Strategic Real Return	8.91	OK to Sell	0.3	1.1	-0.0	3.1	3.4	1.5	2.4	0.43	282		
311	FIUIX	Telecom & Utilities	27.06	Hold↑	3.3	7.1	7.9	7.7	11.9	10.7	8.5	1.03	948		
REAL ESTATE					Average			-0.8	0.3	-0.9	7.0	8.1	7.3	5.6	1.09
1368	FIREX	International Real Estate	11.69	OK to Sell↓	-0.8	0.3	-0.9	7.0	8.1	7.3	5.6	1.09	244		
833	FRIFX	Real Estate Income	12.24	Hold	1.6	3.2	4.2	3.7	7.6	7.5	8.8	0.51	2,532		
2353	FRXIX	Real Estate Index	16.21	OK to Sell	3.0	5.3	7.8	7.7	8.8	10.2	--	1.36	35		
303	FRESX	Real Estate Investment	43.64	OK to Sell	2.7	5.1	7.4	6.0	9.8	10.7	8.2	1.34	3,939		
ASSET ALLOCATION					Average			0.7	1.3	1.4	3.1	4.3	4.1	4.5	0.29
328	FASIX	Asset Manager 20%	13.47	Hold	0.7	1.3	1.4	3.1	4.3	4.1	4.5	0.29	4,800		
1957	FTANX	Asset Manager 30%	11.19	Hold	0.9	1.9	1.8	4.4	5.6	5.2	5.4	0.37	1,441		
1958	FFANX	Asset Manager 40%	11.89	Hold	1.0	2.4	2.0	5.8	6.8	6.3	6.1	0.45	1,548		
314	FASMX	Asset Manager 50%	18.69	Hold	1.1	3.0	2.3	7.1	7.9	7.2	6.8	0.54	9,058		
1959	FSANX	Asset Manager 60%	13.00	Hold	1.2	3.5	2.5	8.5	9.0	8.1	7.4	0.63	2,640		
321	FASGX	Asset Manager 70%	23.35	Hold	1.3	4.2	2.9	10.1	10.2	9.0	7.7	0.73	5,064		
347	FAMRX	Asset Manager 85%	20.57	Hold	1.5	5.3	3.4	12.4	11.9	10.4	8.4	0.87	2,331		
304	FBALX	Balanced	25.33	Buy	1.9	7.5	5.0	12.8	10.9	10.4	8.5	0.72	24,639		
355	FFNOX	Four-in-One Index	46.67	Hold	1.6	5.4	4.4	12.7	11.4	10.3	8.1	0.82	6,167		
4	FPURX	Puritan	25.11	Buy	2.6	8.0	5.3	14.4	11.4	10.9	8.9	0.72	22,244		
INTERNATIONAL					Average			-2.1	-3.6	-2.3	3.5	9.5	7.2	5.1	1.27
309	FICDX	Canada	54.11	Hold↑	-0.4	-1.0	2.1	5.1	7.5	4.2	1.9	1.13	1,022		
352	FHKCX	China Region	33.36	Hold	-4.6	-7.3	-10.4	2.5	13.5	8.9	8.3	1.84	1,259		
325	FDIVX	Diversified International	39.49	OK to Buy	-0.7	-1.3	0.0	4.1	6.3	6.9	4.0	1.13	10,384		
351	FSEAX	Emerging Asia	41.98	Buy	-3.0	-6.8	-6.0	2.8	13.6	9.6	6.0	1.49	1,262		
2053	FEMEX	Emerg Europe, MidEast, Africa	9.29	Hold	-6.5	-10.2	-5.6	-1.0	9.3	3.8	3.3	1.75	92		
322	FEMKX	Emerging Markets	30.10	Hold↓	-2.9	-8.1	-5.3	0.7	12.4	7.4	2.9	1.43	3,938		
2374	FEDDX	Emerging Mkts Discovery	13.61	Hold	-5.0	-11.4	-10.2	-5.6	9.9	5.2	--	1.43	254		
2341	FPEMX	Emerging Markets Index	10.57	Hold	-2.8	-7.4	-4.7	-1.1	10.7	5.3	--	1.53	36		
301	FIEUX	Europe	41.37	OK to Buy	-1.7	-2.3	0.6	5.4	6.1	5.8	4.2	1.39	1,097		
2406	FGILX	Global Equity-Income	14.49	Hold	0.3	0.9	3.3	9.4	9.3	9.4	--	0.87	75		
2345	FSGUX	Global ex U.S. Index	13.06	Hold	-2.3	-3.5	-1.7	2.7	7.9	5.3	--	1.14	37		
335	FIVFX	International Cap App	21.16	Buy	0.2	0.5	-0.1	7.8	10.7	10.3	7.7	1.12	2,354		
305	FIGRX	International Discovery	44.32	Hold	-1.5	-2.9	-1.8	3.4	6.7	6.7	4.5	1.16	7,252		
2010	FIENX	International Enhanced Index	9.83	Hold	-2.7	-3.1	-2.1	2.7	7.9	7.1	4.1	1.13	1,762		
1979	FIGFX	International Growth	13.84	OK to Buy	0.4	1.1	1.6	7.4	8.6	7.9	6.7	1.07	935		
399	FSIIX	International Index	42.17	Hold	-2.2	-2.3	-0.9	3.9	7.0	5.7	3.8	1.10	666		
818	FISMV	International Small Cap	28.79	OK to Buy	-1.2	-3.7	-4.0	3.8	11.6	9.9	8.4	1.03	1,465		
1504	FSCOX	International Small Cap Opps	19.25	OK to Buy	-0.8	-0.5	-2.2	9.1	10.8	10.6	6.9	1.10	1,057		
2986	FNIYX	International Sustainability Idx	10.76	NA	-1.6	-3.5	-0.7	2.7	--	--	--	--	6		
1597	FIVLX	International Value	8.65	Hold	-2.7	-4.5	-1.1	0.4	3.6	3.9	1.9	1.09	469		
350	FJPX	Japan	15.57	OK to Buy	0.1	0.8	-0.6	11.4	10.9	8.0	4.4	1.10	175		
360	FJSCX	Japan Smaller Companies	17.95	Hold↓	-1.6	-5.3	-5.9	5.7	13.4	10.7	9.6	1.01	806		
349	FLATX	Latin America	20.56	OK to Sell	-9.6	-16.0	-7.8	-16.3	5.8	-4.2	-4.4	2.57	480		
342	FNORX	Nordic	53.38	OK to Sell	-3.7	0.2	3.8	5.7	9.0	9.7	6.7	1.43	332		
94	FOSFX	Overseas	50.55	OK to Buy	-0.3	-0.3	0.5	5.8	8.8	9.0	4.8	1.12	6,280		
302	FPBFX	Pacific Basin	33.60	OK to Buy	-2.1	-5.3	-5.2	5.6	13.1	10.6	9.6	1.16	963		
2369	FTEMX	Total Emerging Markets	12.20	Hold↓	-4.3	-10.0	-5.9	-5.3	8.9	5.8	--	1.21	267		
1978	FTIEX	Total International Equity	9.03	Hold	-1.5	-3.0	-1.2	3.8	8.1	6.5	4.3	1.08	82		
2831	FTIGX	Total International Index	12.10	Hold	-2.3	-3.4	-1.9	3.1	--	--	--	--	21		
318	FWWFX	Worldwide	29.44	OK to Buy	3.5	11.5	5.2	19.5	13.5	11.6	8.5	1.07	2,022		
3228	FZILX	Zero International Index	9.89	Hold	-1.1p	-1.1p	--	--	--	--	--	--	--		

FIDELITY SCORECARD

AUGUST 31, 2018

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) ¹	Assets (\$Mil)	
					Aug	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year			
SELECT PORTFOLIOS					Average	2.1	8.0	5.0	18.0	13.6	12.0	10.3	1.66	
34	FSAIX	Air Transportation	82.83	OK to Buy↑	1.9	4.1	5.7	17.4	16.6	17.6	16.0	1.51	\$330	
502	FSAVX	Automotive	35.07	OK to Sell	-2.0	-1.7	-3.8	10.2	6.2	5.8	10.4	1.82	44	
507	FSRBX	Banking	34.44	OK to Buy	3.0	5.3	3.6	20.5	15.1	13.4	9.3	1.94	671	
42	FBIOX	Biotechnology	24.57	Hold	5.7	16.8	7.6	13.9	4.1	14.6	16.9	2.89	8,746	
68	FSLBX	Brokerage & Investment	77.46	OK to Buy	0.4	-0.4	-2.5	14.5	10.7	9.7	7.4	1.86	385	
69	FSCHX	Chemicals	16.63	Hold	-0.3	-0.6	2.5	11.2	18.1	12.3	12.1	1.63	1,594	
518	FSDCX	Communications Equipment	40.61	Hold	8.4	20.1	10.0	28.4	16.5	13.4	9.1	1.42	221	
7	FDCPX	Computers	103.37	Hold	7.8	16.7	10.3	27.1	21.0	15.0	13.4	1.65	534	
511	FSHOX	Construction & Housing	61.55	Hold	2.4	-0.3	4.7	15.6	10.7	12.8	12.1	1.48	276	
517	FSCPX	Consumer Discretionary	47.73	Buy	4.6	17.0	9.5	31.2	15.5	14.9	14.1	1.21	429	
98	FSVLX	Consumer Finance	16.62	OK to Buy	5.1	7.2	6.8	21.7	13.2	11.5	6.6	1.43	101	
9	FDFAX	Consumer Staples	81.42	Hold	-0.5	-6.2	6.9	-3.8	5.4	6.7	8.5	1.11	917	
67	FSDAX	Defense & Aerospace	17.88	Buy	-0.6	10.3	1.9	22.8	22.9	17.6	13.7	1.36	2,897	
60	FSENX	Energy	47.48	Hold	-2.8	6.2	-1.7	29.5	7.8	0.7	0.3	2.32	1,884	
43	FSESX	Energy Service	44.39	Hold	-2.4	-2.1	-5.1	15.4	0.1	-6.9	-5.4	2.72	413	
516	FSLEX	Environment & Alt Energy	25.67	Hold	0.3	-0.3	4.4	11.3	15.4	11.2	6.9	1.35	156	
66	FIDSX	Financial Services	11.30	Buy	1.3	1.4	3.0	16.2	13.8	12.2	6.7	1.40	719	
41	FSAGX	Gold	16.17	Sell	-12.3	-22.1	-16.0	-27.0	6.7	-6.6	-5.3	3.74	984	
603	FSPHX	Health Care	27.01	Buy	6.4	25.2	11.2	25.0	11.2	18.5	16.7	1.55	7,236	
505	FSHCX	Health Care Services	104.82	Hold	8.7	23.3	17.0	31.3	15.5	18.6	15.3	1.51	915	
515	FCYIX	Industrials	36.24	Buy	0.9	2.8	4.0	16.5	14.6	11.9	10.6	1.34	724	
45	FSPCX	Insurance	68.68	OK to Sell	-0.1	-1.5	3.8	5.6	11.5	12.4	10.4	1.18	255	
353	FBSOX	IT Services	66.95	Buy	7.0	24.9	11.9	38.9	22.1	20.7	17.5	1.29	2,671	
62	FDLSX	Leisure	15.92	Hold	1.4	1.4	-0.2	11.8	11.2	12.8	13.8	1.11	482	
509	FSDPX	Materials	83.57	Hold	-1.3	-3.3	-0.1	7.1	10.2	7.1	7.8	1.58	848	
354	FSMEX	Medical Technology & Devices	54.92	Buy	7.4	30.6	14.2	31.0	22.4	23.1	15.1	1.47	5,230	
503	FBMPX	Multimedia	80.03	Buy	1.5	6.8	11.9	6.4	10.1	10.6	13.7	1.45	510	
513	FSNGX	Natural Gas	25.16	Hold	-3.9	5.6	1.0	18.4	1.9	-4.7	-4.0	2.78	293	
514	FNARX	Natural Resources	30.51	Hold	-4.2	1.4	-2.2	22.3	5.5	-1.0	-0.5	2.19	1,090	
580	FPHAX	Pharmaceuticals	21.35	OK to Buy↑	4.0	15.8	12.7	14.3	1.5	10.8	12.7	1.32	756	
46	FSRPX	Retailing	16.61	Buy↑	6.3	25.8	12.3	47.6	20.8	20.7	19.8	1.28	3,032	
8	FSELX	Semiconductors	11.60	OK to Buy	2.1	10.0	-1.4	27.8	29.1	26.0	17.0	1.82	3,569	
28	FSCSX	Software & IT Services	19.81	Buy	4.0	21.9	8.3	34.0	27.0	22.1	18.3	1.46	6,477	
64	FSPTX	Technology	18.98	Buy	4.5	17.5	5.2	26.2	28.8	22.0	16.3	1.58	6,316	
96	FSTCX	Telecommunications	58.93	Hold	4.6	1.5	10.3	1.5	9.4	8.3	8.1	1.17	245	
512	FSRFX	Transportation	106.32	Hold↑	3.0	7.3	7.1	24.1	16.8	16.7	13.4	1.65	482	
65	FSUTX	Utilities	88.09	OK to Sell	2.1	10.9	5.6	9.4	14.1	11.9	8.5	1.16	735	
963	FWRLX	Wireless	10.60	Hold	4.0	5.7	7.8	9.5	12.9	11.1	9.4	1.18	246	
SECTOR ETFs					Average	2.4	6.4	6.7	14.5	13.5		1.39		
	FDIS	MSCI Consumer Discretionary	45.40	OK to Buy	4.8	16.7	9.9	29.5	16.2	--	--	1.16	680	
	FSTA	MSCI Consumer Staples	32.56	Hold	0.6	-3.7	9.0	2.0	7.2	--	--	1.06	325	
	FENY	MSCI Energy	20.87	Hold	-2.9	5.4	-1.2	23.7	6.1	--	--	2.03	593	
	FNCL	MSCI Financials	41.59	Buy	1.3	3.0	4.0	17.1	16.7	--	--	1.49	1,600	
	FHLC	MSCI Health Care	45.93	Buy	5.0	15.6	13.0	18.9	11.9	--	--	1.37	1,400	
	FIDU	MSCI Industrials	39.76	Buy	0.7	3.6	4.6	15.6	16.4	--	--	1.30	501	
	FTEC	MSCI Information Technology	60.56	OK to Buy	7.4	21.8	9.3	33.4	26.7	--	--	1.45	2,400	
	FMAT	MSCI Materials	34.37	Hold	-1.0	-1.0	1.7	9.7	14.0	--	--	1.64	263	
	FREL	MSCI Real Estate	25.30	OK to Sell	2.5	4.6	7.3	6.7	10.0	--	--	1.22	616	
	FCOM	MSCI Telecomm Services	30.66	Hold	6.2	0.7	10.8	0.8	10.3	--	--	1.35	141	
	FUTY	MSCI Utilities	35.26	Sell	1.2	3.9	5.5	2.1	12.8	--	--	1.22	365	
FACTOR ETFs					Average	1.6	9.8	5.1	20.4					
	FDRR	Dividend for Rising Rates	32.36	OK to Buy	2.6	7.2	6.7	16.9	--	--	--	--	365	
	FDVV	High Dividend	30.94	Hold	2.5	9.9	6.8	20.2	--	--	--	--	193	
	FDHY	High Yield Factor	50.35	OK to Buy	0.9	1.3p	--	--	--	--	--	--	13	
	FIDI	International High Dividend	22.20	OK to Sell	-2.5	-10.9p	-1.2	--	--	--	--	--	18	
	FIVA	International Value Factor	22.66	Hold	-3.2	-9.0p	-2.3	--	--	--	--	--	14	
	FLDR	Low Duration Bond Factor	50.16	OK to Buy	0.5	0.9p	--	--	--	--	--	--	10	
	FDLO	Low Volatility Factor	33.61	Hold	3.7	10.7	9.3	21.2	--	--	--	--	79	
	FDMO	Momentum Factor	35.34	OK to Buy	5.2	13.6	6.6	25.3	--	--	--	--	99	
	FQAL	Quality Factor	34.70	Hold	3.6	10.1	7.8	20.1	--	--	--	--	108	
	FVAL	Value Factor	34.88	OK to Buy	2.8	7.1	7.2	19.0	--	--	--	--	96	

FIDELITY SCORECARD

AUGUST 31, 2018

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				SEC %Yield	Dur ² (Yrs)	Rel Vol (Risk) ¹	
					Aug	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr				
TAXABLE BOND					Average	0.5	-0.6	0.6	-0.9	1.5	2.0	3.3	2.77	5.1	0.29
2267	FCONX	Conservative Income Bond	10.04	Buy	0.2	1.3	0.6	1.8	1.3	0.9	--	2.11	0.1	0.02	
2208	FCBFX	Corporate Bond	11.22	Buy	0.4	-1.6	1.0	-0.6	3.7	4.0	--	3.78	6.9	0.40	
2423	FGBFX	Global Credit	8.94	Hold	0.2	-1.5	0.8	-0.6	2.6	1.3	--	2.88	6.3	0.53	
15	FGMNX	GNMA (Ginnie Mae)	11.14	OK to Buy	0.4	-0.6	0.5	-0.9	1.1	2.2	3.6	2.46	4.8	0.18	
54	FGOVX	Government Income	9.99	Hold	0.7	-0.8	0.4	-1.6	0.8	1.7	2.9	2.37	5.7	0.29	
794	FINPX	Inflation-Prot Bond (closed)			Merged into Inflation-Protected Bond Index (FSIQX)										
2415	FSIQX	Inflation-Protected Index ³	9.83	OK to Sell	0.6	0.0	0.8	0.6	2.1	1.7	--	0.09*	5.4	0.34	
32	FTHRX	Intermediate Bond	10.58	Buy	0.6	-0.4	0.6	-1.1	1.5	2.0	3.7	2.89	3.8	0.22	
452	FSTGX	Intermediate Gov't Income	10.23	Hold	0.6	-0.4	0.3	-1.5	0.4	1.1	2.3	2.27	3.7	0.22	
1561	FIBIX	Intermediate Treasury Index	10.39	Hold	0.9	-1.2	0.5	-2.9	0.6	1.9	3.4	2.82	6.3	0.43	
26	FBNDX	Investment Grade Bond	7.72	Buy	0.5	-1.0	0.8	-0.9	2.3	2.7	4.2	2.95	6.0	0.31	
2622	FJRLX	Limited Term Bond	11.31	Buy	0.5	0.1	0.7	-0.1	1.5	1.8	3.5	2.91	2.6	0.14	
662	FFXSX	Limited Term Government	9.77	OK to Buy	0.4	-0.2	0.2	-1.0	0.2	0.7	1.6	2.17	2.6	0.14	
1562	FLBIX	Long-Term Treasury Index	12.62	Hold	1.2	-3.2	0.6	-3.2	2.1	4.9	5.6	3.00	17.0	0.98	
40	FMSFX	Mortgage Securities	10.91	OK to Buy	0.5	-0.7	0.5	-0.9	1.3	2.5	3.8	2.56	5.1	0.21	
450	FSHBX	Short-Term Bond	8.52	OK to Buy	0.3	0.4	0.4	0.2	1.0	1.0	1.7	2.51	1.8	0.08	
3038	FNSJX	Short-Term Bond Index	9.82	OK to Buy	0.5	-0.0	0.5	--	--	--	--	2.83	--	--	
1560	FSBIX	Short-Term Treasury Index	10.21	Hold	0.4	-0.1	0.3	-0.9	0.3	0.7	1.5	2.66	2.6	0.15	
3084	FNASX	Sustainability Bond Index	10.02	NA	0.6	0.8p	--	--	--	--	--	3.09	--	--	
820	FTBFX	Total Bond	10.38	Buy	0.4	-0.7	0.7	-0.6	2.8	3.2	4.8	3.25	5.7	0.30	
651	FBIDX	U.S. Bond Index	11.26	Hold	0.5	-1.2	0.6	-1.3	1.5	2.3	3.5	3.10	6.0	0.29	
HIGH-YIELD BOND					Average	-0.0	0.3	0.8	1.8	5.4	4.9	6.6	4.69	3.9	0.50
38	FAGIX	Capital & Income	10.13	OK to Buy	0.9	2.4	1.5	5.3	7.2	7.3	9.0	3.97	4.3	0.56	
814	FFRHX	Floating Rate High Income	9.62	Buy	0.3	2.9	1.1	4.3	4.6	3.5	4.2	4.20	0.3	0.29	
1366	FHIFX	Focused High Income	8.51	OK to Buy	1.0	0.6	2.1	2.0	5.0	4.4	6.1	4.61	4.2	0.46	
2297	FGHNX	Global High Income	9.44	Hold	-0.2	-0.5	0.9	1.2	5.9	5.1	--	5.35	4.3	0.55	
455	SPHIX	High Income	8.87	OK to Buy	0.8	2.5	2.1	4.6	6.8	5.3	7.5	5.65	3.5	0.56	
331	FNMIX	New Markets Income	14.65	Hold	-3.3	-6.9	-2.8	-6.4	5.3	4.8	6.8	5.56	7.6	0.76	
2580	FSAHX	Short Duration High Income	9.43	OK to Buy	0.3	1.7	1.3	2.9	4.0	--	--	4.54	2.4	0.44	
3082	FADMX	Strategic Income	12.18	Buy	0.0	-0.3	0.4	0.8	4.7	4.2	6.0	3.62	4.7	0.38	
MUNICIPAL BOND					Average	0.1	-0.1	0.4	0.3	2.3	3.7	3.8	2.17	5.6	0.33
434	FSAZX	Arizona Muni Income	11.82	OK to Buy	0.1	-0.4	0.4	-0.1	2.4	4.3	4.3	2.15	6.4	0.38	
1534	FCSTX	Calif Limited Term Tax Free	10.50	OK to Buy	0.1	0.6	0.5	-0.2	1.1	1.7	2.4	1.55	3.0	0.20	
91	FCTFX	California Muni Income	12.68	OK to Buy	0.2	-0.2	0.4	0.3	2.5	4.4	4.4	2.20	6.4	0.38	
407	FICNX	Connecticut Muni Income	11.20	OK to Buy	0.2	0.1	0.5	0.3	2.1	3.6	3.7	2.36	6.0	0.38	
2578	FCRDX	Conservative Income Muni	10.02	Buy	0.1	0.9	0.4	0.9	0.8	--	--	1.49	0.7	0.00	
36	FLTXX	Interm Municipal Income	10.23	Buy	0.1	0.2	0.6	0.3	2.2	3.1	3.4	2.17	4.9	0.29	
404	FSTFX	Limited Term Muni Income	10.46	Buy	0.0	0.6	0.6	-0.1	1.1	1.4	2.0	1.67	2.7	0.18	
429	SMDMX	Maryland Muni Income	11.11	OK to Buy	0.1	-0.9	0.2	-0.2	2.3	3.8	3.7	2.04	6.4	0.37	
70	FDMXX	Mass Muni Income	11.91	OK to Buy	0.1	-0.7	0.1	0.1	2.3	4.1	4.1	2.28	6.7	0.38	
81	FMHTX	Michigan Muni Income	11.97	OK to Buy	0.2	-0.2	0.5	0.5	2.5	4.0	4.0	2.30	6.2	0.36	
82	FIMIX	Minnesota Muni Income	11.38	OK to Buy	0.1	-0.5	0.3	-0.3	2.0	3.2	3.5	2.06	5.9	0.33	
37	FHIGX	Municipal Income	12.76	OK to Buy	0.1	-0.2	0.5	0.6	3.0	4.6	4.4	2.62	6.9	0.40	
416	FNJHX	New Jersey Muni Income	11.68	OK to Buy	0.2	0.3	0.9	1.3	3.7	4.1	4.0	2.40	6.3	0.40	
71	FTFMX	New York Muni Income	12.90	OK to Buy	0.1	-0.5	0.3	-0.2	2.3	4.1	4.0	2.27	6.7	0.37	
88	FOHFX	Ohio Muni Income	11.87	OK to Buy	0.1	-0.7	0.3	0.2	2.7	4.5	4.2	2.22	6.9	0.40	
402	FPXTX	Pennsylvania Muni Income	10.92	OK to Buy	0.2	-0.3	0.3	0.4	2.5	4.1	4.1	2.44	6.5	0.33	
90	FTABX	Tax-Free Bond	11.30	OK to Buy	0.2	-0.2	0.5	0.5	3.0	4.6	4.6	2.64	6.9	0.39	

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

TAXABLE GOV'T MONEY MARKETS			Total Return (%)		SEC	STATE MUNICIPAL MONEY MARKETS			Total Return (%)		SEC
			Aug	YTD	%Yield				Aug	YTD	%Yield
55	FDRXX	Gov't Cash Reserves	0.14	0.90	1.63	433	FSAXX	Arizona Muni MM	0.09	0.60	1.14
458	SPAXX	Government MM	0.13	0.87	1.58	97	FCFX	California Muni MM	0.08	0.58	1.07
2742	FZFX	Treasury MM	0.13	0.86	1.60	457	FSPXX	California AMT Tax-Free	0.10	0.69	1.20
415	FDLXX	Treasury Only MM	0.13	0.86	1.62	418	FCMXX	Connecticut Muni MM	0.09	0.61	1.13
PRIME MONEY MARKETS						426	FMSXX	Mass AMT Tax-Free	0.10	0.68	1.26
454	SPRXX	Money Market	0.16	1.07	1.84	74	FDMXX	Massachusetts Muni MM	0.09	0.58	1.10
NATIONAL MUNICIPAL MONEY MARKETS						420	FMIXX	Michigan Muni MM	0.08	0.64	1.06
10	FTEXX	Municipal Money Market	0.10	0.67	1.23	417	FNJXX	New Jersey Muni MM	0.09	0.67	1.10
275	FMOXX	Tax-Exempt MM	0.09	0.63	1.16	423	FSJXX	New Jersey AMT Tax-Free	0.10	0.70	1.26
						92	FNYYX	New York Muni MM	0.09	0.67	1.13
						422	FSNXX	New York AMT Tax-Free	0.10	0.70	1.26
						419	FOMXX	Ohio Muni MM	0.09	0.59	1.09
						401	FPTXX	Pennsylvania Muni MM	0.09	0.58	1.12

FIDELITY SCORECARD						AUGUST 31, 2018							
Fund No.	Fund Ticker	Fund Name	Style	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) ¹
						Aug	YTD	3 Mo.	1 Year	3 Year	5 Year	10 Year	
FIDELITY PERSONAL RETIREMENT ANNUITY PORTFOLIOS													
Model Portfolios	Annuity Sector Model					3.8	10.4	5.9	21.6	17.4	15.3	11.7	1.11
	Annuity Growth Model					3.5	12.3	7.4	20.4	14.3	12.5	8.6	1.07
	Annuity Growth & Income Model					2.0	5.6	4.4	10.6	8.9	8.6	7.1	0.69
	Annuity Income Model					0.5	0.5	2.1	2.5	4.7	4.7	5.0	0.37
9067	FLRQC	Fid VIP Asset Manager	Allocation	20.75	Hold	1.0	2.7	2.2	6.6	6.2	6.6	5.7	0.60
9066	FAEEC	Fid VIP Asset Manager: Growth	Allocation	22.05	Hold	1.2	4.0	2.7	9.7	7.9	8.2	6.3	0.81
9069	FJBAC	Fid VIP Balanced	Allocation	25.98	Buy	1.8	7.3	4.9	12.4	10.6	10.0	8.5	0.72
9461	FBIQC	Fid VIP Bond Index	Bond	10.08	Hold	0.4	0.8p	--	--	--	--	--	--
9081	FVHAC	Fid VIP Consumer Discretionary	Sector	34.81	Buy	4.6	16.7	9.4	30.7	15.0	14.4	13.8	1.18
9171	FCSAC	Fid VIP Consumer Staples	Sector	25.20	Hold	-0.6	-6.5	6.6	-3.0	6.4	8.6	9.4	1.13
9065	FPDFC	Fid VIP Contrafund	Large Growth	30.09	Buy	4.4	10.6	7.5	17.7	14.1	13.1	9.9	1.06
9148	FPRGC	Fid VIP Disciplined Small Cap	Small Blend	23.85	Buy	4.1	11.7	5.5	22.0	13.1	11.8	9.8	1.46
9074	FZAMC	Fid VIP Dynamic Capital App	Large Growth	32.56	Hold	4.2	13.3	5.6	21.8	13.3	13.6	11.3	1.21
9198	FEMAC	Fid VIP Emerging Markets	Emg Mkts	10.67	Hold	-2.9	-8.3	-5.4	0.3	11.9	7.0	3.1	1.43
9085	FJLLC	Fid VIP Energy	Sector	17.28	Hold	-2.8	6.2	-1.7	29.5	7.6	0.5	0.0	2.32
9061	FLOLC	Fid VIP Equity-Income	Large Value	22.56	Buy	1.5	3.5	7.1	11.4	11.4	9.4	8.0	1.00
9469	FEMJC	Fid VIP Extended Market Index	Mid Blend	10.41	Buy	4.0	4.1p	--	--	--	--	--	--
9083	FONNC	Fid VIP Financial Services	Sector	15.03	Buy	1.3	1.3	2.9	16.1	13.6	12.1	6.6	1.40
9361	FFLCC	Fid VIP Floating Rate High Income	High-Yield Bond	11.42	Buy	0.2	2.4	0.8	3.7	4.0	--	--	0.26
9157	FMPAC	Fid VIP FundsManager 20	Allocation	15.53	Hold	0.6	1.0	1.2	2.7	3.6	3.6	3.7	0.27
9158	FMPBC	Fid VIP FundsManager 50	Allocation	18.49	Hold	1.1	2.8	2.3	7.0	7.2	6.7	5.9	0.53
9197	FMPPC	Fid VIP FundsManager 60	Allocation	17.79	Hold	1.2	3.3	2.5	8.3	8.4	7.8	6.6	0.63
9159	FMPCC	Fid VIP FundsManager 70	Allocation	19.95	Hold	1.4	4.1	2.9	10.0	9.5	8.6	7.0	0.72
9160	FMPDC	Fid VIP FundsManager 85	Allocation	20.86	Hold	1.6	5.3	3.4	12.5	11.4	10.1	7.7	0.87
9062	FMNDC	Fid VIP Growth	Large Growth	33.82	Buy	4.6	18.1	8.4	25.4	18.9	16.8	11.4	1.15
9070	FLFNC	Fid VIP Growth & Income	Large Blend	27.33	Hold	1.9	6.5	7.3	16.7	13.5	11.6	9.1	1.13
9068	FIDPC	Fid VIP Growth Opportunities	Large Growth	36.60	Buy	6.8	26.2	14.4	34.7	20.9	17.6	13.0	1.33
9084	FPDRC	Fid VIP Health Care	Sector	49.80	Buy	6.4	25.2	11.3	25.3	11.2	18.4	16.6	1.55
9060	FBBLC	Fid VIP High Income	High-Yield Bond	20.93	OK to Buy	0.7	1.2	1.8	2.5	5.2	4.5	6.3	0.54
9064	FXVLT	Fid VIP Index 500	Large Blend	29.72	Hold	3.2	9.7	7.7	19.3	15.7	14.1	10.5	1.00
9082	FBALC	Fid VIP Industrials	Sector	36.25	Buy	0.9	2.7	3.9	16.3	14.5	11.7	10.6	1.33
9076	FVJIC	Fid VIP Int'l Capital App	Diversified Int'l	20.95	Buy	0.1	0.2	-0.1	7.5	10.5	10.0	7.5	1.12
9473	FFIQC	Fid VIP International Index	Diversified Int'l	9.70	Hold	-2.3	-3.0p	--	--	--	--	--	--
9063	FTLKC	Fid VIP Investment Grade Bond	Inv Grd Bond	16.20	Buy	0.4	-1.1	0.6	-1.1	2.2	2.6	4.1	0.30
9172	FVMAC	Fid VIP Materials	Sector	22.52	Hold	-1.3	-3.5	-0.1	6.7	9.8	6.8	7.5	1.57
9071	FNBSC	Fid VIP Mid Cap	Mid Growth	30.93	Buy	1.6	6.7	4.1	18.1	12.4	11.7	9.4	1.14
9059	FTNJC	Fid VIP Gov't Money Market	Money Mkt	11.47	--	0.2	0.8	0.3	1.1	0.4	0.1	0.1	0.02
9088	FEMMC	Fid VIP Overseas	Diversified Int'l	18.07	OK to Buy	-0.4	-0.8	0.1	5.5	7.0	6.2	3.8	1.20
9072	FFWKC	Fid VIP Real Estate	Sector	24.64	OK to Sell	2.7	4.3	7.3	5.6	7.9	9.4	7.6	1.33
9075	FGDQC	Fid VIP Strategic Income	High-Yield Bond	19.54	Buy	0.0	-0.4	0.4	0.3	4.3	3.8	5.5	0.37
9086	FYENC	Fid VIP Technology	Sector	50.98	Buy	4.7	18.3	5.5	27.2	28.7	21.5	16.3	1.58
9173	FVTAC	Fid VIP Telecommunications	Sector	16.88	Buy	4.6	1.3	10.3	1.2	9.2	8.1	8.0	1.17
9465	FTMJC	Fid Total Market Index	Large Blend	10.50	OK to Buy	3.4	5.0p	--	--	--	--	--	--
9087	FXRRC	Fid VIP Utilities	Sector	30.16	OK to Sell	2.1	10.9	5.5	9.2	13.8	11.7	8.4	1.16
9079	FKMSC	Fid VIP Value	Large Value	24.06	OK to Buy	1.0	3.5	4.8	11.0	10.1	10.4	8.4	1.07
9073	FRBSC	Fid VIP Value Strategies	Mid Value	24.74	Hold	1.1	2.0	4.4	9.1	9.2	9.1	8.7	1.19
9347	FBMEC	Black Rock Global Allocation	Global Allocation	13.78	Hold	0.1	0.2	1.4	3.2	5.6	5.1	5.0	0.63
9349	FTMEC	Franklin Templeton Global Bond	Global Bond	10.91	OK to Sell	-3.5	-1.4	-1.2	-1.7	1.0	0.9	4.8	0.64
9348	FFMEC	Franklin Templeton US Gov't	Intermed Gov't	10.28	Hold	0.3	-1.0	0.3	-1.3	0.2	0.9	2.1	0.18
9285	FIGXC	Invesco Global Core Eqty	Global Stock	14.25	Hold	-1.2	-0.8	0.7	7.0	8.8	7.6	4.0	1.08
9147	FPRLC	Lazard Retirement Emerging Mkts	Emg Mkts	15.69	OK to Sell	-5.3	-14.3	-6.9	-9.8	7.7	1.9	1.8	1.66
9143	FPRMC	Morgan Stanley Emerg Mkt Debt	Emg Mkt Bond	18.04	Hold	-2.6	-7.1	-1.9	-6.5	3.5	3.1	4.6	0.69
9144	FPRNC	Morgan Stanley Emerg Mkt Equity	Emg Mkts	14.38	Hold	-2.7	-10.2	-4.5	-5.6	7.8	3.3	2.2	1.49
9146	FPRPC	Morgan Stanley Global Strategist	Diversified Int'l	14.08	Hold	-0.5	-0.3	0.9	4.6	6.4	4.7	3.2	0.71
9346	FPMEC	Pimco Commodity Real Return	Commodities	5.86	OK to Sell	-1.7	-4.4	-7.3	0.0	-1.4	-8.2	-6.5	1.16
9276	FPMBC	Pimco VIT Low Duration	Shrt-Term Bond	11.60	Buy	-0.1	-0.4	0.1	-0.6	0.6	0.8	--	0.10
9277	FPNBC	Pimco VIT Real Return	TIPS	13.10	OK to Sell	0.3	-0.4	0.6	0.3	1.9	1.5	--	0.33
9278	FPOBC	Pimco VIT Total Return	Intermed Bond	13.32	Hold	0.4	-1.3	0.6	-1.6	1.8	2.3	--	0.29

Annuity Sector		Annuity Growth		Annuity Growth & Income		Annuity Income	
Fund	Allocation	Fund	Allocation	Fund	Allocation	Fund	Allocation
VIP Technology	28%	VIP Growth	35%	VIP Growth	36%	VIP Contrafund	27%
VIP Financial Services	19	VIP Growth Opps	19	VIP Equity-Income	20	Pimco VIT Low Duration	24
VIP Health Care	16	VIP Equity-Income	17	VIP Floating Rate Hi Inc	16	VIP Investment Grade	20
VIP Industrials	13	VIP Mid Cap	15	VIP Investment Grade	10	VIP Floating Rate HI	19
VIP Cons Discretionary	13	VIP Disciplined Sm Cap	14	VIP Int'l Cap App	9	VIP Strategic Income	10
VIP Telecom	11			Pimco VIT Low Dur	9		
Total Return:		Total Return:		Total Return:		Total Return:	
Aug: 3.8% YTD: 10.4%		Aug: 3.5% YTD: 12.3%		Aug: 2.0% YTD: 5.6%		Aug: 0.5% YTD: 0.5%	

FUND UPDATES

Growth Managers Ride Tech Wave

On August 27, the tech-rich Nasdaq Composite reached a record high of 8017.90. Less we forget, the path to that record has been choppy. Earlier in the year, Facebook's Mark Zuckerberg was dragged before Congress amid data privacy concerns, and shares of other social media outlets were caught in its undertow. President Trump added to the volatility when threatening to put export controls on semiconductors headed for China. (They later rebounded as the negotiator-in-chief walked back his trade rhetoric — stay tuned!)

Against that backdrop, concerns that even with tech's superior sales and earnings growth, the sector had grown pricey. Indeed, more than a few market savants argued that the "FAANGs" had lost their bite: In July, value stocks managed to outshine growth stocks.

While this year's tech volatility has scared off some, Fidelity's most successful large-cap growth fund managers didn't waver, and their patience has so far paid off.

What follows are the edited comments of some managers whose funds we hold in our model portfolios.

Blue Chip Growth

"We seek companies that demonstrate above-average growth versus peers and those with good return on equity and improving return on capital.

One such name was Juul Lab [which] has emerged as a leader in the rapidly growing electronic cigarette market. Its disruptive technology is intended to offer smokers a potentially safer alternative to tar-burning cigarettes. It is not publicly traded. Competition in this space is likely to increase. The company and the industry face a number of social and public policy concerns.

Amazon.com stock trounced consensus [earnings] estimates.

Revenue also topped analysts' predictions, but not by as much. CEO Jeff Bezos disclosed that the company had more than 100 million Prime subscribers across the globe.

Salesforce.com, a cloud-computing enterprise software provider, [continues] to capture a sizable percentage of the global public cloud-computing market."

[Notes: Despite twists and turns in the saga that is Tesla, Manager Sonu Kalra appears stalwart in his commitment to the electric vehicle manufacturer, which was about 2% of his portfolio at the end of July. "On the plus side," he's said, "CEO Elon Musk claimed Tesla had met its Model 3 production goals, released images of the upcoming Model Y compact SUV, detailed plans for a factory in Shanghai and noted progress on the search for a European site for its next battery-production facility."]

Contrafund

"In April, [Facebook] released revenue and earnings that beat estimates by a wide margin, lifting its stock. We continue to have a favorable view of [it], based on growth in its various apps and revenue from advertisers that want to reach the firm's enormous base of daily active users.

Although Amazon is categorized as a retailer, it is exactly the type of "tech" company we seek. It was our second-largest holding, as we think the company is extremely well-run and should be able to expand rapid-

ly by investing in big-growth opportunities in international markets such as India, as well as grocery, video and cloud computing."

[Notes: Manager Will Danoff has a keen eye for buying early-stage tech disruptors. But he also plays more mature, large-cap tech companies well, too. Presently, 41% of assets are in that sector.]

Growth Company

"We focus on finding companies with what we see as open-ended growth opportunities over the next three to five years.

Shares of Salesforce.com, the cloud-computing enterprise software provider, gained roughly 17% for the second quarter, driven by 20% revenue growth and better-than-expected earnings for its fiscal quarter ending April 30. Salesforce continued to capture a sizable percentage of the global public cloud-computing market, expected to hit \$178 billion by the end of the year."

[Notes: Manager Steve Wymer has expertly run this closed fund for over two decades. During that time, he's built one of the industry's best records. If this fund is available to you through a company retirement plan, you'd be wise to buy it.]

OTC

"Security selection in tech, which made up more than half of the fund's assets during the second quarter, contributed to its outperform-

Growth Managers *cont'd on page 12*

Large-Cap Growth Fund Holdings (% of assets as of 7/31)¹

	BC Growth	Contrafund	Growth Co	OTC	Sel Tech	VIP Growth Opp's
Amazon	7.5	6.8	6.1	7.6	0.7	5.2
Apple	6.3	2.3	4.9	8.7	2.3	5.0
Facebook A	4.5	6.4	3.2	4.3	3.2	3.2
Google ²	7.7	5.9	5.6	9.9	3.1	7.3
Juul Labs	1.7	-	-	-	-	3.9
Microsoft	3.3	3.8	2.5	4.9	13.1	4.8
Netflix	1.6	2.4	1.8	1.6	0.7	0.8
NVIDIA	2.9	0.8	6.7	3.2	5.6	1.3
Salesforce	2.6	2.9	3.1	1.1	2.8	2.1
Tesla	2.0	0.4	1.3	2.1	2.0	1.3

¹ Top position (in bold) include all share classes; ² Alphabet is corporate parent.

mance. Picks in consumer discretionary also added significant value.

In tech and elsewhere, our focus is on firms we think can sustain above-average earnings over long periods. We aim to achieve this by looking for companies with some combination of competitive advantage, high barriers to entry, pricing power and strong management.

Our out-of-benchmark position in online home goods retailer Wayfair was a plus. The stock advanced 76%, largely on the back of better-than-expected quarterly sales that surpassed Wayfair's record-setting holiday quarter."

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 September:

Blue Chip Growth, Blue Chip Value, Dividend For Rising Rates, Dividend Growth, GNMA, Gov't Inc, High Dividend, Interm Gov't Inc, Int'l High Dividend, Int'l Real Estate, Int'l Value Factor, Leveraged Company Stock, Low-Priced Stock, Low Volatility Factor, Momentum Factor, MSCI Cons Discret MSCI Cons Staples, MSCI Energy, MSCI Financials, MSCI Healthcare, MSCI Industrials, MSCI Info Tech, MSCI Materials, MSCI Real Estate, MSCI Telecomm, MSCI Utilities, OTC, Quality Factor, Real Estate Inc, Real Estate Index, Real Estate Investment, Small Cap Growth, Small Cap Value, Value Discovery, Value Factor.

The final distributions for August were as follows:

Fund	Ex-Date	\$ Amt	NAV
Fidelity Fund	8/10	2.310	47.03
Growth Discovery	8/10	1.086	36.23
Inflation-Prot Bond	8/22	0.381	11.51
Mega Cap Stock	8/10	1.778	16.59

[Notes: With a volatility far higher than the S&P 500 (1.58), this Nasdaq-benchmarked fund is not for the faint-of-heart investor. That said, those willing to shoulder the risk have been amply rewarded.]

Select Technology

"Five of seven industries within the [tech] sector are expected to post double-digit earnings growth [in the second quarter], led by internet software & services (+58%) and semiconductors & semiconductor equipment (+38%)."

[Notes: More diversified than five other Selects that ply narrower areas of tech — its volatility is still a high 1.58. Owing largely to Microsoft and NVIDIA, performance is heavily dependent on the fortunes of software providers and chip makers.]

VIP Growth Opportunities

"[Web builder] Wix.com continued to convert free users to paying users with increasingly better software offerings. Elsewhere, online car retailer, Carvana, took market share while showing unit-level operating leverage. And The Trade Desk saw revenue accelerate strongly, as programmatic advertising began to gain traction in new formats such as connected TVs, native apps and audio. The stocks began the period undervalued despite annual revenue growth for each of 30%-plus."

[Notes: Manager Kyle Weaver runs this tiny annuity fund in a manner that's similar to the much bigger Growth Co, though his fund's risk is actually lower. That said, while many of the two funds' top positions overlap, Kyle has the opportunity to take bigger bets in smaller companies, such as Juul Labs.] ■

— John Bonnanzio

Inside Fidelity

Fund Merger —The long-closed Inflation Protected Bond [FINPX] has now been merged into **Inflation-Protected Index** [FSIQX]. While this tax-free merger leaves Fidelity investors without a fund that actively invests in Treasury Inflation-Protected Securities, or TIPS, the merger makes sense. That's because the index fund has slightly outperformed over the past five years (up an average annual 1.3% vs 1.0% through July 31) with roughly the same risk.

For the time being, Inflation-Protected Index is still rated *OK to Sell*. While the so-called break-even inflation rate between TIPS and conventional Treasuries is about 2.1% — below the latest inflation rate of 2.9% through July — longer-dated TIPS are sometimes just as sensitive to investors' inflation fears as "regular" Treasuries. Notably, all Treasury bond index funds are under water this year: **Long-Term Treasury Index** is down 3.2% followed by **Intermediate** (down 1.2%) and **Short-Term** (off a fractional -0.1%).

Manager Changes — Andrew Sergeant is now the sole manager on both the **Europe** and **Nordic** funds. Several months ago, the co-manager of **VIP Overseas** was tasked with stepping in for Stefan Lindblad, who has not returned to Fidelity for personal reasons.

Separately, Chuck Culp has become co-manager on **Select Consumer Finance** joining Shilpa Mehra who remains its lead manager. Elsewhere, Maurice Fitzmaurice joins Ben Shuleva on **Energy Service**, but will become lead manager in six months. ■

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