

# FIDELITY MONITOR & INSIGHT

SEPTEMBER 2021

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## MESSAGE FROM JACK

### Impact From Delta Variant On Economy May Be Short-Lived

Despite the potentially serious health risks for the unvaccinated, the economic effects of the Delta strain are likely to be short-lived and relatively mild. Here's why:



Jack Bowers

- **Absence of Lockdowns** in the U.S. Unlike 2020, the latest government mandates have been largely limited to mask wearing, and affected businesses have generally been light on enforcement.

- **The fear factor appears to be receding**, even as Delta becomes a big problem in some areas. This is especially true for the vaccinated portion of the population, where spending patterns are near-normal as emboldened consumers make up for lost time by dining out, traveling and embracing events and social activities.

- **Rising vaccination rates.** A growing number of high-wage countries are making steady progress with their vaccination programs, with some easing travel restrictions even as Delta becomes the dominant strain. Europeans in particular have become more willing to fly in recent weeks.

- **High Transmissibility.** Delta's spike protein is highly-optimized for human transmission, so it spreads easily (more or less like the common flu). As such, it may peak faster than previous strains — perhaps in just 8-10 weeks, as was the case in India. Could a more challenging variant be right around the corner? Possibly, but Delta likely represents the pinnacle of SARS-CoV-2 recombination mutations. Any future variants could face a tough competitor.

Delta's impact on the financial markets may be water under the bridge at this stage. The Russell 2000 plunged 21 percentage points relative to the S&P 500 between 3/15/21 (when Delta first began surging in India) and 8/19/21, with oil prices tumbling and interest rates declining. A remarkable earnings recovery in the latest quarter was largely ignored. But in late August, as new Delta cases showed signs of peaking, small-caps and other economically sensitive stocks began outperforming once again. This might be the start of a longer-term trend.

Message *cont'd on page 12*

## MARKET OUTLOOK

### Earnings And Lack Of Options To Drive Further Stock Gains

Occasionally undermined by the Delta variant's menacing advance, U.S. stock gauges crawled their way to record highs in August. In fact, late in the month, riskier small- and mid-cap stocks did what they haven't done in months: They outperformed their large-cap counterparts. (See *Fund Commentary* on p. 5.)

By April of last year, stocks began to recover on the promise of several new vaccines. Early this year, mass-vaccinations began. The resulting decline in Covid infections and the reopening of the U.S. economy accelerated investors' enthusiasm for stocks. And their willingness to put more cash to work in stocks intensified when their attention appropriately turned to company fundamentals — which dramatically improved.

With sales and earnings growth the inevitable by-product of a recovering economy, investors piled into equities — and they continue to do so. (Though often at a premium based on trailing price-to-earnings.)

The fund industry's trade group, the Investment Company Institute, estimates that in July, \$10 billion flowed into U.S. stock funds and ETFs. That's a pittance. By comparison, in the single week ending August 18, inflows are thought to have surged to \$13.7 billion. While fund flows don't correlate well to market direction in the short-term, having more buyers in the market than sellers certainly helps to support share prices.

Ditto for earnings. On that score, the news is solid. Through mid-August, the 91% of reporting S&P 500 companies indicated a year-over-year earnings growth rate of 89% for the second quarter. That kind of earnings recovery hasn't been seen since the end of the Financial Crisis in the fourth quarter of 2009.

### The Only Game In Town

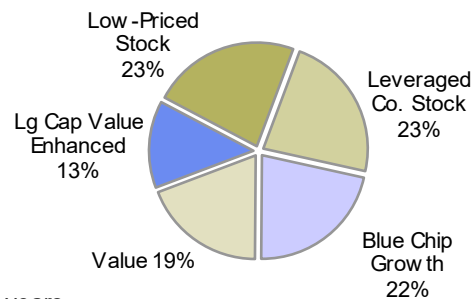
While the market understands that pace of earnings growth is unsustainable, there are other performance drivers that should continue to support stocks. One of the most important is the lack of competition from other asset classes.

Market Outlook *cont'd on page 3*

**Unique Opportunities** Target Risk: 1.20 (Current: 1.26) Foreign Holdings: 14.6% **YTD Return: 18.7%**

Stocks: 97.8% Bonds: 0.0% Cash: 2.2% Alternatives\*: 0.0% Yield: 0.4%

Holdings	Ticker	NAV	Shares	Value	Aug Ret
Low-Priced Stock	FLPSX	\$58.71	4,086.43	\$239,914	1.1%
Leveraged Co. Stock	FLVCX	50.24	4,763.71	239,329	3.9
Blue Chip Growth	FBGRX	195.89	1,157.55	226,753	4.3
Value	FDVLX	15.41	12,997.51	200,292	2.1
Lg Cap Value Enhanced	FLVEX	17.28	8,228.40	142,187	2.3



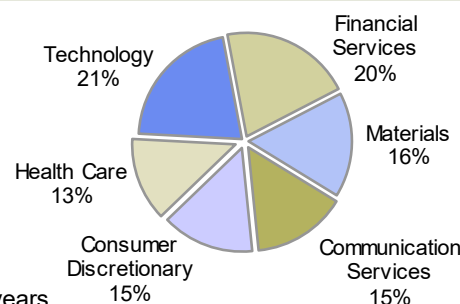
**Current Value (3/31/99 = \$100,000) \$1,048,475 2.8%**

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

**Select** Target Risk: 1.20 (Current: 1.12) Foreign Holdings: 5.5% **YTD Return: 17.6%**

Stocks: 99.7% Bonds: 0.0% Cash: 0.3% Alternatives\*: 0.0% Yield: 0.3%

Holdings	Ticker	NAV	Shares	Value	Aug Ret
Technology	FSPTX	\$29.57	55,056.20	\$1,628,012	2.9%
Financial Services	FIDSX	13.29	117,900.38	1,566,896	4.8
Materials	FSDPX	101.12	12,398.82	1,253,768	2.0
Communication Services	FBMPX	101.99	11,047.15	1,126,698	3.5
Consumer Discretionary	FSCPX	72.36	15,306.16	1,107,554	1.4
Health Care	FSPHX	34.53	28,970.46	1,000,350	2.7



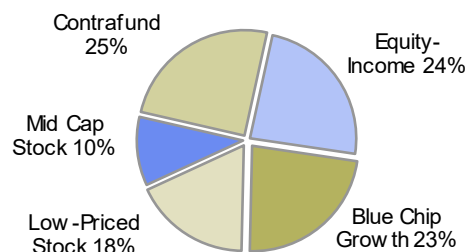
**Current Value (12/31/88 = \$100,000) \$7,683,278 3.0%**

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

**Growth** Target Risk: 1.00 (Current: 1.03) Foreign Holdings: 15.6% **YTD Return: 20.1%**

Stocks: 97.9% Bonds: 0.1% Cash: 2.1% Alternatives\*: 0.0% Yield: 0.5%

Holdings	Ticker	NAV	Shares	Value	Aug Ret
Contrafund	FCNTX	\$20.03	65,544.40	\$1,312,854	4.5%
Equity-Income	FEQIX	73.15	17,327.04	1,267,473	2.5
Blue Chip Growth	FBGRX	195.89	6,211.30	1,216,731	4.3
Low-Priced Stock	FLPSX	58.71	15,993.52	938,980	1.1
Mid Cap Stock	FMCSX	42.29	13,174.58	557,153	2.2



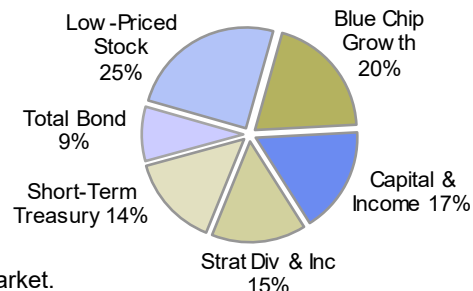
**Current Value (12/31/86 = \$100,000) \$5,293,191 3.1%**

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

**Growth & Income** Target Risk: 0.66 (Current: 0.70) Foreign Holdings: 17.9% **YTD Return: 11.5%**

Stocks: 53.9% Bonds: 24.5% Cash: 2.0% Alternatives\*: 19.5% Yield: 0.8%

Holdings	Ticker	NAV	Shares	Value	Aug Ret
Low-Priced Stock	FLPSX	\$58.71	4,724.18	\$277,357	1.1%
Blue Chip Growth	FBGRX	195.89	1,128.33	221,029	4.3
Capital & Income	FAGIX	11.42	16,515.09	188,602	1.5
Strat Div & Inc	FSDIX	18.47	9,059.79	167,334	1.6
Short-Term Treasury	FUMBX	10.71	15,233.20	163,148	-0.1
Total Bond	FTBFX	11.23	8,649.34	97,132	0.0



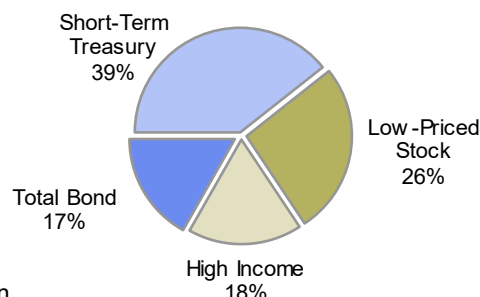
**Current Value (12/31/93 = \$100,000) \$1,114,601 1.6%**

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

**Income** Target Risk: 0.33 (Current: 0.37) Foreign Holdings: 18.3% **YTD Return: 5.4%**

Stocks: 25.0% Bonds: 52.7% Cash: 2.9% Alternatives\*: 19.4% Yield: 1.1%

Holdings	Ticker	NAV	Shares	Value	Aug Ret
Short-Term Treasury	FUMBX	\$10.71	18,773.18	\$201,061	-0.1%
Low-Priced Stock	FLPSX	58.71	2,300.47	135,060	1.1
High Income	SPHIX	8.82	10,136.66	89,405	0.7
Total Bond	FTBFX	11.23	7,661.74	86,041	0.0



**Current Value (12/31/91 = \$100,000) \$511,568 0.4%**

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

Let's first consider high-yield bond funds.

Thanks to the global economy rebounding, Fidelity's eight offerings are all in positive territory this year. Balance sheets are improving and, according to Fitch Ratings, default rates are on track to hit a 10-year low. Granted, rising inflation is a headwind for all bonds. But junk bonds are more economically sensitive than they are interest-rate-sensitive. That's one reason why **High Income** is up 3.7% this year, whereas **Intermediate Bond** is flat.

As for high-yield versus stocks, the former's upside potential simply isn't as great. **Capital & Income** (which holds stocks in addition to bonds) occasionally delivers equity-like returns. But it's also about 70% as risky as the S&P 500. As a total return vehicle, high-yield bonds are delivering a good mix of income plus some capital appreciation. But as an asset class that has delivered only one-third of the returns of the S&P 500 (over the past decade), they're insufficient competitors to U.S. stocks.

### **Bonds Versus Stocks**

The yield on the 10-year Treasury note is 1.30% (it began the year at 0.93%). So bonds are not particularly attractive to income investors. Coupled with inflationary headwinds, their potential for keeping up with inflation is limited.

For example, **Total Bond** is one of Fidelity's better-performing taxable offerings this year and is held in two models including our *Income Model*. Fine for that use, the fund yields 1.76% though it's only up 0.6% for the year. Granted, it and other bond funds are safer than stocks. But in addition to their low

## FUNDS YOU SHOULD BUY NOW

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

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

**High-Yield:** **High Income** and **Capital & Income** (which holds some stocks) are the best ways to benefit from a rebound in this asset class. **Leveraged Company Stock** plays the distressed market via equities.

**Taxable Bond:** **Short-Term Treasury Index** effectively eliminates credit risk and has only limited interest-rate-risk. **Total Bond** provides diversified bond market exposure (mostly corporates and U.S. bonds) as well as some high-yield and emerging-market bonds.

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

yields, most bonds are pricey.

One measure of that "priciness" is a bond's "real yield." That figure is calculated by subtracting from its yield the market's expected rate of inflation over the next decade. In so doing, the 10-year's real yield is now minus 1.03%. Two years ago, (pre-pandemic), it was a percentage point higher (minus 0.05%).

Of course, if high-yield bonds and "regular" bonds are no match for stocks, there's certainly no need to compare stocks to money market funds — they essentially yield and return nothing. (You may still want to read p. 4 for our take on inflation and fixed-income.)

Finally, there are REITs. As with other asset classes, they provide portfolio diversification. And, so far this year, plenty of gains. (**Real Estate Index** is up 29.6%.) But with relative volatilities that sometimes exceed stocks, and over longer periods usually don't return as much, a good-ole-fashion stock fund is still the wiser choice.

### **Stocks: More Gains Ahead**

Keeping in mind that anything from the Delta variant to a Congressional imbroglio over the budget could send stocks south, the outlook for the rest of the year is positive.

And Goldman Sachs agrees.

Last year, the investment banking colossus forecasted that the S&P 500 would rise this year from 3756 to 4300. Excluding dividends of 1.4%, that's a return of 14.5%. More recently, higher corporate profits and stepped-up share repurchases have Goldman re-sharpening its pencil: They now see the index ending 2021 at 4700. That's a gain of 25% (again, less dividends).

With the S&P 500 already up 21.6% this year, Goldman is forecasting stocks to grind their way about 1% higher through each of the remaining four months of this year. Yes, the "easy money" is already off the table. But with investors lacking viable alternatives, there may be more yet to be made in stocks. ■

— John Bonnanzio

### **Model Portfolios Key:**

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

## Inflation Fears Lure Investors To TIPS

Social Security recipients will likely see their largest cost-of-living adjustment (COLA) since inflation soared to nearly 15% in 1980! While 2021's increase will probably be a tamer 5.5% to 6.0%, the net result is that inflation erodes the value of everyone's purchasing power — regardless of its source.

COLAs are based on the CPI for Urban Wage Earners and Clerical Workers, or CPI-W. It's a contro-

versial calculation as lifestyles vary greatly: where you live and how well you live (spend your money) may be helped or hindered by COLAs, but retirees are rarely helped by inflation.

To that end, "regular" CPI clocked in at 5.4% in July. That's faster than anyone expected, including Fed Chairman Jerome Powell. Though he's confident that inflation will cool, he's loathe to say by how much or by when. That's because economists can't forecast things like Covid infection rates and Washington's latest penchant for disrupting

the labor market. (Has anyone noticed restaurants operating at half capacity while labor costs in the leisure and hospitality sector surged 2.5% in a single month?)

Against that backdrop, income from bonds (and especially money market funds) are problematic. Subtract 5.4% inflation from **U.S. Bond Index's** -0.8% YTD return, and you are, of course, deeper in the red.

Unfortunately, this phenomenon has drawn investors into **Inflation-Protected Index**, which invests in

**TIPS** *cont'd on p. 12*

## Fidelity Funds Worth The Price

You get what you pay for. Well, not always, but you still do when it comes to investing in Fidelity funds.

For years, stiff competition for investors' assets, combined with the shift to index products including ETFs, have dramatically lowered fund expenses. As recently as 2005, actively managed stock funds averaged annual fees of over 1 percentage point; today they're 30% lower.

As to how Fidelity measures up against the rest of the industry, our back-of-the-envelope calculations show that their costs are right in line with their peers.

In 2020, for example, Fidelity's actively managed equity funds (excluding Selects and international offerings) exactly matched the in-

dustry at 0.71%. The same was true for their equity index funds where expenses averaged 0.06%.

As for the actively managed bond funds we examined (we included high-yield offerings where expenses are higher relative to taxables and munis), the industry average was 0.50% versus Fidelity's 0.56%. But when it came to indexed bond funds, Fidelity holds a slight advantage: expenses averaged just 0.04% versus 0.06%.

But expenses are really besides the point; what matters most is performance. There, Fidelity shines.

Over all categories of funds, 77% beat their peers last year. That's effectively unchanged from 2019's result (see chart). Over the

prior three years, their funds collectively surpassed 76% of the industry's offerings.

Drilling down, 74% of Fidelity's equity funds beat their peers in 2020. That was unchanged from the year before. While it's always nice to see relative improvement, with the average retail stock fund up 21% last year (and large-cap growth up an average 40%!) investors have little to gripe about.

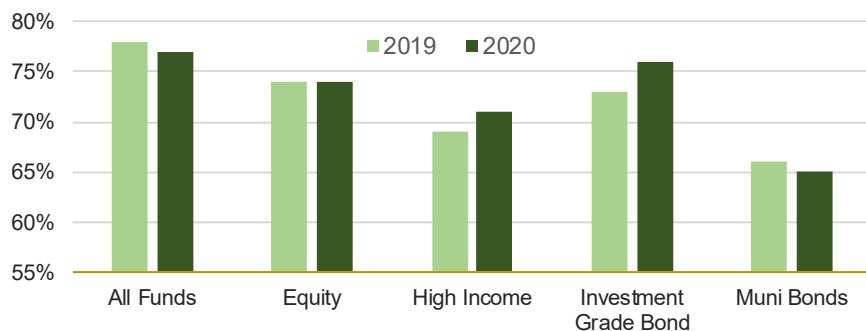
In relative terms, zero-yielding money market funds (not shown in the chart) shined brightest last year. Thanks to Fidelity essentially covering all fund expenses (to keep their yields ever-so-slightly positive), the group beat 82% of its peers (a figure that's routinely that high) even as annual returns averaged just 0.03%.

Investment-grade (76%) and muni funds (65%) also improved their peer-group performances in a year that saw both bond funds and their riskier counterparts (stocks) deliver above-average returns.

High-income funds also generated above-average results. Notably, 71% outpaced their peers. While that's a modest improvement over 2019's 69%, it's a marked improvement from years past.

Finally, multi-asset class funds (which hold stocks, bonds and other types of securities) also shined: they outpaced 74% of their peers. That's up from 71% a year earlier. ■

**Fund Performance: 2019 vs. 2020**  
(w eighted % of peers outperformed)



Keeping expenses contained helps Fidelity funds to be competitive. While there was little overall performance improvement in 2020, relative to their industry peers, their funds consistently outperform across all asset classes.

FUND COMMENTARY

## Stocks Fund Shine As Bond Funds Fade

With investor confidence buoyed by the prospect that the Fed's monetary policies will largely remain accommodative, that inflation will be transitory, and that Covid's Delta variant won't shutter the nation's economy, major stock gauges scored a series of record closes last month. Generally speaking, risk-assets were market darlings while bonds and other safe harbor assets were decidedly unfashionable.

In contrast to that, consumer optimism is waning. With credit cards spending more time in wallets, the torrid pace of retail sales growth is slowing. Though that's the likely result of pent-up demand for goods and services having mostly been satisfied, the shift is occurring at a time when first-time claims for unemployment are declining and federal relief programs are still bolstering family budgets.

### Market Indexes

Thanks to strong-performing technology and health-related shares (especially biotech), the Nasdaq Composite (up 4.1%) led other major equity gauges higher in August. But the large-cap S&P 500 was no slouch, either, having risen 3.0%. Further down in market cap, Russell's small- and mid-cap indexes gained 2.2% and 2.5%, respectively.

As for the Dow Industrials, its monthly advance was a comparatively tame 1.5%. Restraining its performance were energy stocks; they lost ground owing to oil prices retreating 7% for the month.

### Stock Funds

Large-cap growth funds enjoyed the upper hand in August; on average they rose 4.1% versus 2.0% for large-cap value funds which have considerably less tech exposure and bigger stakes in energy and various cyclical. And while smaller-cap

growth funds trailed large-cap growth, small-cap value funds outpaced their competition thanks, in part, to their significant exposures to financials and real estate (REITs).

Among Fidelity's more popular funds (by assets), returns were tightly clustered. While **Blue Chip Growth** rose 4.3%, three funds (**Contrafund**, the closed **Growth Company** and **OTC**) all delivered identical monthly gains of 4.5%. Separately, owing in part to its smaller tech stake, **Magellan** gained a none-too-shabby 3.7%.

Among value-leaning offerings, large-cap **Equity-Income** gained 2.5% and the mid-cap-oriented **Low-Priced Stock** rose 1.1% (see p. 11).

Across all styles of stock funds August returns averaged 3.0% and year-to-date they rose 20.7%.

### Select Funds

August returns ranged from 6.6% for **Select Insurance** to -6.4% for **Select Gold**. The latter fell considerably more than the precious metal itself. In fact, gold ended August unchanged (down 0.01%) at \$1,817.00 a troy ounce (though bullion is down almost 5% this year).

Among three major diversified sector funds, **Technology** rose 2.9% and **Health Care** gained 2.7%. However, declining auto stocks weighed on **Consumer Discretionary** which rose a comparatively modest 1.4% for the month.

### International Funds

One wouldn't divine this from **Europe** fund's August return of -0.3%, but second-quarter earnings per share growth for the Stoxx Europe 600 Index is expected to reach 248%! (That's more than twice as great as the S&P 500's reported earnings growth of 93%.) Nonetheless, some managers played the earnings rebound more adeptly than others. **Int' Discovery** (up 4.2%), **Diversified International** (up 3.8%) and **Overseas** (up 3.2%) were among last month's bigger gainers, though they mostly benefited from their Japan exposures. To that end, the larger-cap **Japan** fund gained 3.9% last month versus just 0.7% for **Japan Smaller Companies**.

### Bond Funds

The yield on the benchmark 10-year Treasury rose 6 basis points in August to 1.30%. That contributed to declines in all but one taxable bond fund: **Conservative Income Bond** was up 0.01! (It ever-so-slightly "benefited" from a tiny decline in the 3-month T-bill's yield.)

More broadly, **U.S. Bond Index** (a proxy for taxable bonds) slipped 0.2% in August.

Longer-maturity munis also lost some ground last month: **Municipal Bond Index** slipped 0.3% whereas **Muni Income** and **Tax-Free Bond** were both off 0.4%. ■

— John Bonnanzio

### September Scorecard Rating Changes

Fund	Ratings			Comments
	Old	New		
Emerging Asia	H	S	↓	Supply-chain disruptions slowing region's growth.
Fidelity Fund	H	B	↑	Good stock picks and risk controls warrant upgrade.
GNMA (Ginnie Mae)	B	B	↓	Rising duration and future Fed tapering are negatives.
Intermediate Bond	B	B	↓	Limited Term Bond has less interest-rate-risk.
Mortgage Securities	B	B	↓	Rising duration and future Fed tapering are negatives.
Overseas	B	B	↑	Strong stock selection in the developed markets.
Pacific Basin	B	H	↓	Supply-chain disruptions slowing region's growth.
Sel Biotechnology	B	H	↓	mRNA technology could disrupt biologic industry.
Sel Consum Finance	H	B	↑	Stands to benefit from consumer spending growth.
VIP Overseas	B	B	↑	Strong stock selection in the developed markets.

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

AUGUST 31, 2021

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)					Rel Vol (Risk) <sup>1</sup>
					Aug	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr	15 Yr	
Comparative Indexes		S&P 500	4522.7		3.0	21.6	8.0	31.2	18.1	18.0	16.3	10.9	1.00
		Nasdaq Composite	15259.2		4.1	18.9	11.1	30.5	24.6	25.2	20.8	15.0	1.12
		Dow Jones Industrials	35360.7		1.5	17.0	2.9	26.8	13.3	16.6	14.5	10.6	1.01
		Russell 2000 (Small Caps)	2273.8		2.2	15.8	0.4	47.1	10.7	14.4	13.6	9.4	1.39
		Bloomberg Barclays Agg Bond*			-0.2	-0.8	1.7	-0.2	5.5	3.1	3.2	3.0	0.19
Model Portfolios		Unique Opportunities			2.8	18.7	3.7	38.7	20.7	19.8	15.7	10.5	1.26
		Select			3.0	17.6	4.7	33.8	20.7	20.1	17.6	12.5	1.12
		Grow th			3.1	20.1	5.9	32.9	20.5	20.1	15.6	10.3	1.03
		Grow th & Income			1.6	11.5	3.5	19.0	15.2	14.3	12.0	8.4	0.70
	Income			0.4	5.4	0.8	7.9	8.1	6.4	5.9	5.2	0.37	
											Rel Vol (Risk) <sup>1</sup>	Assets (\$Mil)	
<b>LARGE CAP GROWTH</b>					<b>Average</b>	<b>4.1</b>	<b>20.9</b>	<b>11.6</b>	<b>30.0</b>	<b>23.7</b>	<b>23.8</b>	<b>18.9</b>	<b>1.07</b>
312	FBGRX	Blue Chip Grow th	195.89	Buy	4.3	20.1	11.9	34.4	29.8	29.1	21.7	1.21	\$50,541
307	FDCAX	Capital Appreciation	50.10	OK to Buy	3.8	20.0	8.6	31.7	20.4	20.3	17.1	1.00	6,506
22	FCNTX	Contrafund	20.03	Buy	4.5	22.2	11.2	25.9	20.9	22.2	17.8	1.03	129,874
3	FFIDX	Fidelity Fund	75.40	OK to Buy ↑	4.3	26.0	14.0	30.6	21.8	20.4	16.3	0.95	7,294
333	FTQGX	Focused Stock	38.14	OK to Buy	5.3	22.6	12.5	28.0	23.1	23.8	18.1	1.04	3,904
3336	FIFNX	Founders Fund	19.11	Hold	3.5	16.9	7.5	26.5	--	--	--	--	94
25	FDGRX	Grow th Company (Closed)	39.89	Buy	4.5	21.4	12.6	34.7	30.3	30.7	22.8	1.26	51,143
339	FDSVX	Grow th Discovery	56.79	Buy	4.5	20.7	10.9	30.6	25.1	25.2	19.3	1.03	3,111
1829	FLGEX	Lrge Cap Grow th Enhcd Index	34.25	OK to Buy	3.6	22.8	12.0	29.1	22.8	22.5	18.4	1.03	1,785
2826	FSPGX	Lrge Cap Grow th Index	28.74	OK to Buy	3.8	21.1	13.9	28.5	24.5	24.3	--	1.07	9,035
21	F MAGX	Magellan	15.00	Hold	3.7	20.4	13.4	25.1	19.3	19.9	16.5	0.99	29,633
1282	FNCMX	Nasdaq Composite Index	192.30	OK to Buy	4.1	18.9	11.1	30.3	24.4	24.9	20.6	1.12	13,628
93	FOCPX	OTC	21.61	Buy	4.5	23.3	13.9	32.9	26.2	27.7	22.1	1.15	23,297
320	FDSSX	Stock Selector All Cap	68.11	Hold	3.0	19.8	6.6	33.6	17.8	18.4	15.9	1.09	7,597
5	FTRNX	Trend	174.12	Buy	4.6	17.8	13.8	28.2	24.9	24.4	19.2	1.07	3,571
<b>LARGE CAP BLEND</b>					<b>Average</b>	<b>2.4</b>	<b>20.8</b>	<b>5.5</b>	<b>33.6</b>	<b>16.2</b>	<b>16.0</b>	<b>15.0</b>	<b>1.06</b>
2328	FXAIX	500 Index	157.27	OK to Buy	3.0	21.6	7.9	31.1	18.1	18.0	16.3	1.00	364,995
315	FDEQX	Disciplined Equity	63.33	Hold	3.4	22.0	11.3	30.7	20.7	18.6	15.9	1.02	2,057
330	FDGFX	Dividend Grow th	37.29	OK to Buy	1.3	20.3	3.3	38.1	11.8	12.7	12.5	1.15	6,172
27	FGRIX	Grow th & Income	52.52	OK to Buy	1.3	20.9	0.9	36.0	13.2	14.2	14.2	1.07	7,308
1827	FLCEX	Lrge Cap Core Enhcd Index	23.40	OK to Buy	3.0	23.2	7.2	32.1	17.5	17.9	16.0	0.98	1,509
338	FLCSX	Large Cap Stock	41.87	OK to Buy	1.4	21.5	1.0	38.9	13.7	15.0	15.0	1.14	3,027
361	FGRTX	Mega Cap Stock	18.96	OK to Buy	1.3	22.0	1.2	39.1	16.0	16.1	15.2	1.08	1,175
300	F MILX	New Millennium	44.70	OK to Buy	1.3	22.2	0.0	42.8	11.6	13.8	13.3	1.14	2,795
2361	FSKAX	Total Market Index	129.75	Buy	2.9	20.6	7.3	33.3	17.8	18.0	16.2	1.05	73,685
5029	FULVX	U.S. Low Volatility Equity	12.16	Hold	1.8	13.6	5.1	16.7	--	--	--	--	382
6391	FSEBX	Sustainability U.S. Equity	10.76	NR	3.6	7.6p	--	--	--	--	--	--	6
2941	FITLX	U.S. Sustainability Index	20.11	OK to Buy	3.1	23.5	8.9	33.4	19.6	--	--	0.98	1,543
3396	FWOMX	Women's Leadership	16.09	OK to Buy	2.6	19.3	6.7	34.0	--	--	--	--	118
3231	FNILX	Zero Large Cap Index	16.23	OK to Buy	3.0	20.7	8.4	30.9	--	--	--	--	4,763
3227	FZROX	Zero Total Market Index	16.28	Buy	2.9	20.7	7.4	33.2	17.9	--	--	1.05	11,566
<b>LARGE CAP VALUE</b>					<b>Average</b>	<b>2.0</b>	<b>20.4</b>	<b>1.5</b>	<b>37.1</b>	<b>11.2</b>	<b>11.5</b>	<b>12.4</b>	<b>1.06</b>
1271	FBCVX	Blue Chip Value	23.69	Buy	2.5	19.9	2.1	36.0	7.5	8.9	10.7	1.07	537
319	FEQTX	Equity Dividend Income	29.93	Buy	1.4	18.6	0.8	34.6	10.2	10.9	11.9	1.08	5,192
23	FEQIX	Equity-Income	73.15	Buy	2.5	20.0	2.8	35.0	13.2	12.6	12.4	0.95	7,221
1828	FLVEX	Lrge Cap Value Enhcd Index	17.28	Buy	2.2	22.8	1.8	39.1	12.1	12.9	13.7	1.07	6,188
2830	FLCOX	Lrge Cap Value Index	15.91	OK to Buy	2.0	20.3	1.6	36.5	11.5	11.7	--	1.08	4,364
708	FSLVX	Stock Sel Large Cap Value	26.55	OK to Buy	1.5	21.1	0.9	39.8	11.4	11.2	12.6	1.14	460
832	FVDFX	Value Discovery	38.70	Buy	2.0	20.3	0.9	38.8	12.6	12.2	13.2	1.03	3,247
<b>MID-CAP GROWTH</b>					<b>Average</b>	<b>3.7</b>	<b>17.8</b>	<b>13.3</b>	<b>35.7</b>	<b>21.8</b>	<b>19.1</b>	<b>15.6</b>	<b>1.03</b>
324	FDEGX	Grow th Strategies	71.94	OK to Buy	4.1	20.5	15.4	36.3	21.8	19.1	15.6	1.03	3,440
3403	FMDGX	Mid Cap Grow th Index	30.63	OK to Buy	3.2	15.2	11.3	35.1	--	--	--	--	662
<b>MID-CAP BLEND</b>					<b>Average</b>	<b>2.3</b>	<b>19.9</b>	<b>2.5</b>	<b>44.0</b>	<b>14.6</b>	<b>15.4</b>	<b>14.3</b>	<b>1.25</b>
2365	FSMAX	Extended Market Index	91.44	OK to Buy	2.0	16.3	4.2	43.7	16.5	17.6	15.4	1.37	42,964
2012	FMEIX	Mid Cap Enhanced Index	20.78	Buy	2.7	21.1	4.2	41.8	14.4	14.5	14.4	1.19	2,040
2352	FSMDX	Mid Cap Index	32.32	OK to Buy	2.5	20.1	4.8	41.2	15.6	15.4	--	1.19	24,077
337	FMCSX	Mid-Cap Stock	42.29	Buy	2.2	22.5	0.3	44.1	13.7	14.4	13.6	1.17	6,277
2412	FSSMX	Stock Selector Mid Cap	49.52	OK to Buy	2.3	19.4	0.1	44.9	12.8	14.9	13.7	1.33	414
3230	FZIPPX	Zero Extended Market Index	13.85	OK to Buy	2.1	20.2	1.2	48.3	--	--	--	--	1,329

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

# FIDELITY SCORECARD

AUGUST 31, 2021

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) <sup>1</sup>	Assets (\$Mil)	
					Aug	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year			
<b>MID-CAP VALUE</b>					<b>Average</b>	<b>2.2</b>	<b>25.4</b>	<b>0.7</b>	<b>51.6</b>	<b>12.8</b>	<b>12.5</b>	<b>13.0</b>	<b>1.34</b>	
316	FLPSX	Low -Priced Stock <sup>5</sup>	58.71	Buy	1.1	20.7	-0.3	40.9	12.9	13.3	12.8	1.11	\$28,397	
762	FSMVX	Mid Cap Value	29.38	Buy	3.2	28.3	2.4	50.4	9.8	10.1	12.5	1.32	1,179	
3404	FIMVX	Mid Cap Value Index	25.68	OK to Buy	2.2	22.7	1.6	44.4	--	--	--	--	927	
39	FDVLX	Value	15.41	Buy	2.1	28.6	-0.2	62.8	14.1	13.3	13.7	1.54	8,206	
14	FSLSX	Value Strategies	52.78	Buy	2.6	26.5	-0.1	59.3	14.2	13.4	13.0	1.41	527	
<b>SMALL CAP GROWTH</b>					<b>Average</b>	<b>3.9</b>	<b>11.1</b>	<b>6.0</b>	<b>39.4</b>	<b>18.0</b>	<b>22.2</b>	<b>18.1</b>	<b>1.26</b>	
1388	FCPGX	Small Cap Grow th	39.27	Hold	6.1	15.4	9.2	43.2	18.0	22.2	18.1	1.26	4,025	
3405	FECGX	Small Cap Grow th Index	29.53	Hold	1.8	6.9	2.7	35.5	--	--	--	--	355	
<b>SMALL CAP BLEND</b>					<b>Average</b>	<b>2.8</b>	<b>20.9</b>	<b>2.4</b>	<b>49.0</b>	<b>12.4</b>	<b>14.0</b>	<b>13.3</b>	<b>1.38</b>	
384	FSCRX	Small Cap Discovery	30.24	Hold	1.8	29.5	3.0	55.3	13.4	12.5	13.6	1.47	3,300	
2011	FCPEX	Small Cap Enhanced Index	18.24	Hold	2.6	19.6	2.0	53.5	10.8	13.2	13.4	1.38	750	
2358	FSSNX	Small Cap Index	28.86	Hold	2.2	15.8	0.4	47.0	10.8	14.5	--	1.39	22,088	
340	FSLCX	Small Cap Stock	22.73	Hold	3.2	19.8	3.1	40.2	12.0	13.6	12.3	1.40	1,643	
336	FDSCX	Stock Selector Small Cap	36.70	Hold	4.2	20.0	3.6	49.2	14.8	16.1	13.8	1.26	1,597	
<b>SMALL CAP VALUE</b>					<b>Average</b>	<b>3.0</b>	<b>28.5</b>	<b>-1.4</b>	<b>64.1</b>	<b>12.8</b>	<b>13.3</b>	<b>14.0</b>	<b>1.39</b>	
1389	FCPVX	Small Cap Value	22.30	Buy	3.3	31.6	-1.2	68.9	12.8	13.3	14.0	1.39	2,780	
3406	FISVX	Small Cap Value Index	25.74	OK to Buy	2.6	25.3	-1.6	59.3	--	--	--	--	752	
<b>REAL ESTATE</b>														
1368	FIREX	International Real Estate	15.37	Hold	2.2	13.9	5.3	26.6	12.9	11.4	10.3	0.81	366	
833	FRIFX	Real Estate Income	13.68	Hold	1.2	16.1	5.2	25.7	9.3	7.4	8.8	0.93	2,841	
2355	FSRNX	Real Estate Index	18.82	Hold	2.1	29.6	9.2	41.7	8.7	6.1	--	1.10	3,017	
303	FRESX	Real Estate Investment	51.71	OK to Buy	2.5	31.1	10.9	35.8	11.4	7.6	10.8	0.97	5,905	
<b>ASSET ALLOCATION</b>														
328	FASIX	Asset Manager 20%	14.95	Hold	0.6	3.9	2.3	7.8	6.6	5.5	4.9	0.29	4,774	
1957	FTANX	Asset Manager 30%	12.98	Hold	0.9	5.6	2.8	11.2	8.3	7.1	6.3	0.39	2,214	
1958	FFANX	Asset Manager 40%	14.13	Hold	1.1	7.3	3.2	14.4	9.6	8.5	7.5	0.48	1,844	
314	FASMX	Asset Manager 50%	22.61	Hold	1.4	8.9	3.6	17.3	10.7	9.8	8.5	0.58	9,498	
1959	FSANX	Asset Manager 60%	16.42	Hold	1.7	10.7	3.9	20.3	11.9	11.1	9.5	0.68	2,489	
321	FASGX	Asset Manager 70%	29.32	Hold	1.9	12.6	4.2	23.5	12.8	12.4	10.5	0.78	4,666	
347	FAMRX	Asset Manager 85%	27.09	Hold	2.4	15.3	4.8	28.2	14.4	14.3	12.0	0.91	2,268	
304	FBALX	Balanced	32.23	Buy	1.8	14.4	4.8	24.8	15.9	14.5	12.3	0.76	37,806	
355	FFNOX	Four-in-One Index	63.20	Hold	2.1	14.9	4.8	26.3	14.0	13.7	12.0	0.86	8,750	
3083	FMSDX	Multi-Asset Income	14.73	Buy	1.0	14.6	1.8	23.9	16.2	11.3	--	0.57	891	
4	FPURX	Puritan	29.63	Buy	1.7	14.3	4.2	20.4	14.1	13.8	12.0	0.69	28,852	
<b>INTERNATIONAL</b>					<b>Average</b>	<b>2.1</b>	<b>9.8</b>	<b>1.4</b>	<b>25.9</b>	<b>13.0</b>	<b>12.3</b>	<b>9.4</b>	<b>1.01</b>	
309	FICDX	Canada	64.42	OK to Buy	-0.5	20.1	-0.5	31.9	10.9	9.7	5.2	1.12	795	
352	FHKCX	China Region	52.02	OK to Sell	-1.0	-6.5	-10.0	8.7	18.4	17.2	11.3	1.15	1,695	
325	FDIVX	Diversified International	53.79	OK to Buy	3.8	12.8	5.4	24.9	14.3	12.4	9.4	0.90	11,708	
351	FSEAX	Emerging Asia	65.97	OK to Sell	2.3	-3.4	-4.2	23.5	25.9	20.6	12.2	1.16	2,171	
322	FEMKX	Emerging Markets	47.70	Hold	3.6	4.4	-1.2	21.1	18.2	15.8	8.0	1.00	5,048	
2374	FEDDX	Emerging Mkts Discovery	19.26	Hold	2.2	14.5	1.7	34.9	13.6	11.3	--	1.14	283	
2344	FPADX	Emerging Markets Index	13.04	Hold	2.3	2.4	-3.6	20.2	9.5	10.1	--	1.04	6,176	
5031	FEOPX	Enduring Opportunities	16.38	OK to Buy	3.9	18.1	8.9	33.7	--	--	--	--	21	
301	FIEUX	Europe	47.33	OK to Buy	-0.3	11.7	0.0	26.5	11.7	10.6	8.9	1.02	1,012	
2406	FGILX	Global Equity Income	19.67	Buy	2.1	14.3	2.9	25.6	14.6	13.2	--	0.87	92	
2348	FSGGX	Global ex U.S. Index	15.93	Hold	1.7	9.3	-0.5	24.8	9.4	9.9	--	0.95	9,056	
335	FVFX	International Cap App	30.94	OK to Buy	3.3	11.7	5.6	24.4	16.4	14.9	12.2	0.85	5,859	
305	FIGRX	International Discovery	60.16	OK to Buy	4.2	13.3	2.5	28.4	14.4	13.0	9.5	0.95	5,213	
2010	FIENX	International Enhanced Index	11.56	Hold	0.8	12.6	0.2	27.8	8.0	9.5	7.8	0.96	1,679	
1979	FIGFX	International Grow th	21.40	OK to Buy	2.2	15.0	6.0	25.7	16.4	14.4	10.9	0.86	1,773	
2363	FSPSX	International Index	50.87	Hold	1.7	11.8	1.1	26.6	9.3	9.9	7.5	0.96	40,064	
818	FISMX	International Small Cap	35.20	Hold	1.9	14.9	0.7	37.0	10.2	11.2	10.2	1.06	1,523	
1504	FSCOX	Int'l Small Cap Opps (Closed)	29.07	OK to Buy	5.1	18.0	10.0	38.4	16.3	15.4	12.7	0.93	1,292	
2988	FNIDX	International Sustainability Idx	13.72	Hold	2.2	9.6	0.6	23.6	10.5	--	--	0.91	385	
1597	FVLX	International Value	9.52	OK to Buy	1.6	12.4	-1.1	29.8	6.2	6.5	5.4	1.15	381	
350	FJPNX	Japan	20.82	Hold	3.9	3.8	3.7	24.4	11.4	12.5	9.1	0.88	163	
360	FJSCX	Japan Smaller Companies	18.11	OK to Sell	0.7	1.9	2.3	12.0	4.9	8.9	10.3	0.75	508	
349	FLATX	Latin America	22.33	OK to Sell	-0.2	-4.3	-2.8	15.0	4.5	2.9	-3.7	1.87	313	
342	FNORX	Nordic	76.07	OK to Buy	0.9	15.2	3.9	37.2	19.5	14.8	13.7	1.02	422	
94	FOSFX	Overseas	70.19	Buy	3.2	18.1	7.2	30.3	14.4	13.5	11.1	0.93	9,048	
302	FPBFX	Pacific Basin	45.48	Hold	2.9	3.7	-0.9	21.4	16.4	14.6	11.9	0.90	1,277	
2369	FTEMX	Total Emerging Markets	15.75	Hold	1.6	1.0	-2.8	17.4	11.2	9.3	--	0.96	288	
1978	FTIEX	Total International Equity	12.53	OK to Buy	2.0	11.1	0.5	28.7	13.5	12.2	8.7	0.96	82	
2834	FTIHX	Total International Index	14.95	Hold	1.8	10.2	-0.1	26.1	9.6	10.0	--	0.97	8,483	
318	FWWFX	Worldwide	40.21	OK to Buy	4.6	17.4	7.8	27.5	19.3	19.2	14.3	0.99	2,888	
3228	FZILX	Zero International Index	12.49	Hold	1.9	9.8	0.1	25.7	9.8	--	--	0.95	3,050	

# FIDELITY SCORECARD

AUGUST 31, 2021

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) <sup>1</sup>	Assets (\$Mil)
					Aug	YTD	3 Mo.	1 Year	3 Year	5 Year	10Year		
<b>SPECIALTY</b>													
6385	FCAEX	Climate Action	10.85	NR	4.0	8.5p	--	--	--	--	--	--	\$13
308	FCV SX	Convertible Securities	43.54	OK to Buy	2.1	9.4	3.4	27.6	22.7	17.1	12.5	0.86	1,955
2120	FFGCX	Global Commodity Stock	15.63	OK to Buy	-2.1	17.2	-5.0	39.0	7.9	10.2	1.5	1.31	519
3488	FNSTX	Infrastructure Fund	12.41	OK to Sell	1.7	5.5	1.6	15.0	--	--	--	--	44
122	FLVCX	Leveraged Company Stock	50.24	Buy	3.9	22.4	5.2	47.4	18.8	17.1	14.6	1.44	2,618
1329	FSDIX	Strategic Dividend & Income	18.47	Buy	1.6	15.0	4.2	25.4	12.8	11.3	11.5	0.76	3,610
1505	FSRRX	Strategic Real Return	9.47	OK to Buy	0.2	12.1	3.1	17.9	6.8	5.4	3.1	0.52	236
311	FIUX	Telecom & Utilities	28.41	OK to Sell	1.5	4.4	2.1	15.1	7.9	8.9	10.2	0.75	978
<b>DISRUPTOR/MEGATREND FUNDS</b>					<b>Average</b>	<b>3.8</b>	<b>18.6</b>	<b>7.7</b>	<b>37.2</b>				
6041	FARMX	Agricultural Productivity	18.02	OK to Buy	1.0	18.5	-4.3	45.8	--	--	--	--	53
6036	FBOTX	Disruptive Automation	19.69	OK to Buy	3.7	16.3	8.8	44.0	--	--	--	--	98
6037	FNETX	Disruptive Communications	17.68	OK to Buy	2.4	18.3	6.7	32.4	--	--	--	--	32
6038	FNTX	Disruptive Finance	19.24	Hold	4.2	23.7	6.1	44.7	--	--	--	--	47
6039	FMEDX	Disruptive Medicine	14.22	OK to Buy	3.3	14.6	10.4	22.0	--	--	--	--	34
6040	FTEKX	Disruptive Technology	20.42	OK to Buy	7.4	16.4	13.7	30.9	--	--	--	--	119
6043	FGDFX	Disruptors	18.43	OK to Buy	4.2	17.8	9.1	34.8	--	--	--	--	129
6042	FLOWX	Water Sustainability	16.44	OK to Buy	4.4	22.9	10.8	43.2	--	--	--	--	99
<b>SELECT PORTFOLIOS</b>					<b>Average</b>	<b>1.7</b>	<b>18.3</b>	<b>2.2</b>	<b>35.9</b>	<b>13.4</b>	<b>14.4</b>	<b>13.4</b>	<b>1.37</b>
34	FSAIX	Air Transportation (Closed)	69.71	OK to Buy	1.4	10.1	-6.3	34.7	0.1	8.8	13.2	1.70	347
502	FSAVX	Automotive	59.06	OK to Buy	-4.0	13.1	1.0	44.3	27.7	20.6	15.6	1.53	203
507	FSRBX	Banking	29.30	Buy	5.4	31.7	-3.9	73.9	6.8	12.4	13.7	1.78	612
42	FBIOX	Biotechnology	23.47	Hold	5.9	0.6	10.4	23.1	13.1	15.5	20.2	1.37	8,184
68	FSLBX	Brokerage & Investment	127.39	Buy	5.2	34.7	9.6	57.3	22.8	21.6	16.1	1.17	741
69	FSCHX	Chemicals	17.15	OK to Buy	1.5	19.2	-3.0	41.2	5.9	10.5	11.7	1.38	787
518	FSDCX	Communications Equip (Closed)	46.70	OK to Sell	1.3	24.4	3.8	34.7	7.4	12.1	10.5	1.11	185
503	FBMPX	Communication Services	101.99	Buy	3.5	27.9	7.9	41.6	27.7	22.0	19.4	1.06	1,378
7	FDCPX	Computers	114.00	OK to Buy	2.3	13.0	3.3	40.9	23.0	25.3	17.9	1.11	799
511	FSHOX	Construction & Housing	95.15	OK to Buy	2.9	33.7	5.4	45.7	26.1	20.3	19.8	1.29	600
517	FSCPX	Consumer Discretionary	72.36	Buy	1.4	13.9	4.0	28.4	18.4	18.8	17.6	1.22	658
98	FSVLX	Consumer Finance	23.91	OK to Buy	3.0	35.0	3.5	72.1	15.7	17.6	15.5	1.64	333
9	FDFA X	Consumer Staples	99.07	OK to Buy	0.1	8.6	1.1	16.3	12.7	7.6	10.2	0.85	854
67	FSDAX	Defense & Aerospace	17.77	OK to Buy	-1.7	8.2	-4.2	26.1	4.0	12.6	14.1	1.52	1,636
60	FSENX	Energy	30.20	Hold	-0.4	30.7	-4.8	46.1	-11.9	-4.8	-1.9	2.28	1,085
43	FSESX	Energy Service (Closed)	18.31	Hold	-2.4	21.1	-11.8	55.0	-23.7	-14.0	-10.3	3.09	251
516	FSLEX	Environment & Alt Energy	36.02	OK to Buy	3.5	21.8	5.9	44.3	17.6	16.9	13.3	1.26	550
66	FIDSX	Financial Services	13.29	Buy	4.8	30.8	0.5	64.2	13.7	15.8	14.1	1.43	884
41	FSA GX	Gold	27.08	Sell	-6.4	-8.3	-15.4	-19.1	20.8	4.3	-5.5	1.88	1,399
63	FSPHX	Health Care	34.53	Buy	2.7	12.5	6.8	23.3	16.5	17.7	19.8	0.98	11,102
505	FSHCX	Health Care Services	132.55	Buy	-2.5	10.5	-3.7	24.6	12.1	17.2	16.1	1.09	1,221
515	FCYIX	Industrials	38.38	Hold	1.6	11.5	1.9	28.5	9.5	11.6	12.9	1.31	413
45	FSPCX	Insurance	68.92	Hold	6.6	23.7	2.4	43.0	13.1	12.5	15.0	1.16	216
353	FBSOX	IT Services	100.77	OK to Buy	-0.9	11.3	7.3	21.8	20.2	24.3	21.5	1.26	4,334
62	FDLSX	Leisure	19.39	Buy	0.8	13.6	0.9	37.5	16.6	16.5	15.1	1.46	691
509	FSDPX	Materials	101.12	Buy	2.0	21.0	-2.1	44.2	9.4	10.4	8.7	1.28	838
354	FSMEX	Medical Tech & Devices	87.51	OK to Buy	4.2	26.1	17.6	39.8	23.6	23.0	21.6	1.01	10,796
513	FSNGX	Natural Gas (Closed)	13.56	Hold	-0.1	31.3	-3.7	42.4	-17.0	-10.0	-6.5	2.25	122
514	FNARX	Natural Resources	25.56	Hold	-1.1	24.2	-6.9	34.8	-4.4	-0.8	-1.1	1.99	349
580	FPHAX	Pharmaceuticals	26.03	Hold	2.4	13.6	6.9	16.6	14.9	11.8	14.1	0.82	885
46	FSRPX	Retailing	25.22	OK to Buy	1.3	16.8	5.1	30.1	21.0	23.0	21.5	1.21	4,604
8	FSELX	Semiconductors	20.14	Buy	5.3	29.0	12.7	60.6	34.9	32.0	25.9	1.44	7,176
28	FSCSX	Software & IT Services	31.94	OK to Buy	2.9	19.6	12.2	27.9	27.3	28.3	23.9	1.08	13,633
64	FSPTX	Technology	29.57	Buy	2.9	16.5	12.3	30.8	30.8	31.8	22.9	1.22	12,836
96	FSTCX	Telecommunications	70.32	Hold	-0.2	6.2	-0.9	11.1	11.8	8.9	10.1	0.76	248
512	FSRFX	Transportation	109.70	OK to Buy	3.6	17.8	-2.1	31.2	9.2	14.6	15.0	1.32	393
65	FSUTX	Utilities	99.75	OK to Sell	3.8	8.7	5.4	22.8	9.5	11.5	11.3	0.83	1,017
963	FWRLX	Wireless	14.79	OK to Buy	1.2	11.4	5.6	20.5	22.6	20.2	14.6	0.90	487
<b>SECTOR ETFs</b>					<b>Average</b>	<b>2.2</b>	<b>21.1</b>	<b>4.5</b>	<b>34.8</b>	<b>14.6</b>	<b>14.1</b>	<b>1.20</b>	
	FCOM	MSCI Communication Services	56.85	OK to Buy	3.6	25.3	8.3	39.8	24.2	16.6	--	1.06	916
	FDIS	MSCI Consumer Discretionary	82.85	Buy	1.7	16.2	5.4	28.5	23.5	22.6	--	1.33	1,600
	FSTA	MSCI Consumer Staples	43.81	OK to Buy	1.2	9.0	2.1	14.9	13.4	8.9	--	0.74	818
	FENY	MSCI Energy	13.24	Hold	-1.8	33.0	-5.7	47.0	-9.7	-3.4	--	2.31	894
	FNCL	MSCI Financials	54.88	Buy	5.2	31.2	1.8	58.2	12.4	15.7	--	1.36	1,700
	FHLC	MSCI Health Care	67.62	Buy	2.3	17.8	9.6	27.9	15.7	16.2	--	0.88	2,800
	FIDU	MSCI Industrials	55.12	OK to Buy	1.0	17.9	-0.2	37.5	13.4	14.5	--	1.29	862
	FTEC	MSCI Information Technology	126.01	Buy	3.5	21.0	14.8	30.9	29.1	30.1	--	1.16	6,200
	FMAT	MSCI Materials	47.81	Buy	1.9	20.1	-1.9	41.2	13.9	13.7	--	1.26	544
	FREL	MSCI Real Estate	32.43	Hold	2.0	29.6	9.2	37.8	13.1	9.6	--	1.00	1,800
	FUTY	MSCI Utilities	44.21	OK to Sell	3.7	10.7	5.7	19.7	11.3	10.3	--	0.82	1,100

# FIDELITY SCORECARD

AUGUST 31, 2021

Fund No.	Fund Ticker	Fund Name	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				SEC %Yield	Dur <sup>2</sup> (Yrs)	Rel Vol (Risk) <sup>1</sup>	
					Aug	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr				
<b>TAXABLE BOND</b>					<b>Average</b>	<b>-0.1</b>	<b>-0.3</b>	<b>1.5</b>	<b>0.3</b>	<b>5.0</b>	<b>2.9</b>	<b>2.8</b>	<b>0.78</b>	<b>5.4</b>	<b>0.21</b>
2267	FCONX	Conservative Income Bond	10.05	Hold	0.0	0.0	-0.1	0.1	1.4	1.5	1.0	-0.07	0.4	0.06	
2208	FCBFX	Corporate Bond	12.76	Hold	-0.3	-0.1	2.9	2.6	7.8	5.1	5.3	1.68	8.4	0.40	
6379	FFBFX	Environmental Bond	10.10	NR	-0.2	1.2p	--	--	--	--	--	0.80	--	--	
2423	FGBFX	Global Credit	9.98	Hold	-0.1	0.7	2.6	3.9	7.3	4.4	--	1.15	7.7	0.42	
15	FGMNX	GNMA (Ginnie Mae)	11.72	OK to Buy ↓	-0.0	-0.2	0.1	0.1	3.5	2.0	2.3	0.82	2.3	0.09	
54	FGOVX	Government Income	10.76	Hold	-0.1	-1.1	1.6	-1.6	4.5	2.2	2.4	0.48	6.0	0.21	
2418	FIPDX	Inflation-Protected Index	11.51	Hold	-0.1	4.3	3.2	5.5	7.3	4.6	--	0.06*	5.4	0.21	
32	FTHRFX	Intermediate Bond	11.24	OK to Buy ↓	-0.1	-0.1	0.8	0.9	5.0	3.0	2.9	0.84	4.1	0.17	
452	FSTGX	Intermediate Gov't Income	10.78	Hold	-0.1	-0.7	0.6	-1.1	3.7	1.9	1.7	0.17	4.0	0.14	
3045	FUAMX	Intermediate Treasury Index	11.39	Hold	-0.3	-1.4	1.8	-2.0	5.8	2.7	2.8	1.00	6.7	0.25	
4506	FBIX	International Bond Index	10.14	Hold	-0.2	-0.5	1.5	1.3	--	--	--	0.76	8.2	--	
26	FBNDX	Investment Grade Bond	8.48	Buy	-0.2	-0.2	2.0	1.1	6.6	4.0	3.8	1.19	6.5	0.21	
2622	FJRLX	Limited Term Bond	11.86	Buy	-0.1	-0.1	0.3	0.7	3.8	2.6	2.4	0.60	2.7	0.15	
662	FFXSX	Limited Term Government	10.21	Hold	-0.2	-0.5	0.1	-0.6	2.8	1.5	1.2	-0.07	2.8	0.09	
3047	FNBGX	Long-Term Treasury Index	14.94	OK to Sell	-0.3	-4.6	7.5	-6.9	9.2	3.5	5.6	1.82	18.9	0.74	
40	FMSFX	Mortgage Securities	11.54	OK to Buy ↓	-0.0	-0.1	0.7	0.2	4.0	2.4	2.7	0.58	3.0	0.10	
450	FSHBX	Short-Term Bond	8.73	Buy	-0.1	0.1	0.1	0.5	2.9	2.0	1.6	0.25	1.9	0.09	
3041	FNSOX	Short-Term Bond Index	10.28	OK to Buy	-0.1	-0.1	0.1	0.2	3.5	--	--	0.48	2.7	0.08	
3049	FUMBX	Short-Term Treasury Index	10.71	Buy	-0.1	-0.3	0.1	-0.2	3.2	1.9	1.4	0.35	2.7	0.09	
3086	FNDXS	Sustainability Bond Index	10.85	Hold	-0.3	-1.0	1.6	-0.6	5.2	--	--	1.14	6.3	0.19	
820	FTBFX	Total Bond	11.23	Buy	-0.0	0.6	2.1	2.4	6.5	4.2	4.1	1.76	6.0	0.23	
2326	FXNAX	U.S. Bond Index	12.20	Hold	-0.2	-0.8	1.7	-0.2	5.5	3.1	3.2	1.30	6.3	0.19	
<b>HIGH-YIELD BOND</b>					<b>Average</b>	<b>0.8</b>	<b>4.2</b>	<b>2.1</b>	<b>9.1</b>	<b>5.9</b>	<b>5.4</b>	<b>5.8</b>	<b>3.02</b>	<b>3.2</b>	<b>0.50</b>
38	FAGIX	Capital & Income	11.42	Buy	1.5	10.2	3.4	20.1	10.0	9.2	8.4	2.57	3.3	0.70	
814	FFRHX	Floating Rate High Income	9.45	OK to Buy	0.7	4.1	0.8	8.8	3.8	4.2	4.1	3.17	0.1	0.46	
1366	FHIFX	Focused High Income	9.00	OK to Buy	0.7	3.0	2.8	6.0	6.2	5.5	5.7	2.87	3.8	0.40	
2297	FGHIX	Global High Income	9.89	Buy	0.8	5.0	1.6	10.2	6.4	5.7	6.1	3.20	3.0	0.58	
455	SPHIX	High Income	8.82	Buy	0.7	3.7	2.7	7.9	5.0	5.7	6.1	3.95	3.4	0.50	
331	FNMI	New Markets Income	14.82	Hold	0.9	0.8	1.9	5.5	5.0	3.3	4.9	3.59	6.2	0.62	
2580	FSAHX	Short Duration High Income	9.53	Buy	0.5	2.9	1.2	5.6	4.3	4.4	--	2.79	1.7	0.35	
3082	FADM	Strategic Income	13.03	Buy	0.5	3.9	2.3	8.7	6.6	5.3	4.9	2.03	4.6	0.38	
<b>MUNICIPAL BOND</b>					<b>Average</b>	<b>-0.3</b>	<b>1.6</b>	<b>0.6</b>	<b>3.4</b>	<b>4.5</b>	<b>2.8</b>	<b>3.7</b>	<b>0.52</b>	<b>4.8</b>	<b>0.21</b>
434	FSAZX	Arizona Muni Income	12.63	Hold	-0.3	1.3	0.6	3.3	4.7	2.9	4.0	0.45	5.3	0.21	
1534	FCSTX	Calif Limited Term Tax Free	10.85	Buy	-0.1	0.6	0.4	1.3	2.8	1.7	2.0	0.19	2.9	0.12	
91	FCTFX	California Muni Income	13.46	Hold	-0.3	1.7	0.8	3.6	4.9	3.0	4.4	0.65	5.5	0.24	
407	FICNX	Connecticut Muni Income	12.01	Hold	-0.2	1.9	0.9	3.6	5.0	2.8	3.5	0.55	5.1	0.21	
2578	FCRD	Conservative Income Muni	10.05	OK to Buy	-0.1	0.1	-0.1	0.2	1.1	1.0	--	-0.08	0.6	0.03	
36	FLTMX	Interm Municipal Income	10.89	OK to Buy	-0.2	1.4	0.6	3.1	4.5	2.9	3.3	0.48	4.3	0.20	
404	FSTFX	Limited Term Muni Income	10.85	Buy	-0.2	0.7	0.3	1.5	2.9	1.9	1.8	0.11	2.7	0.12	
429	SMDMX	Maryland Muni Income	11.88	Hold	-0.3	2.0	0.7	4.1	4.6	2.8	3.6	0.47	5.5	0.23	
70	FDMMX	Mass Muni Income	12.64	Hold	-0.4	1.4	0.6	3.3	4.6	2.7	3.8	0.56	5.4	0.22	
81	FMHTX	Michigan Muni Income	12.79	Hold	-0.3	1.6	0.5	3.2	5.0	3.2	3.9	0.53	5.2	0.20	
82	FIMIX	Minnesota Muni Income	12.13	Hold	-0.3	0.9	0.6	2.4	4.6	2.8	3.3	0.50	4.8	0.20	
3469	FMBIX	Municipal Bond Index	20.43	Hold	-0.3	1.3	0.6	3.0	--	--	--	0.83	5.3	--	
37	FHIGX	Municipal Income	13.77	OK to Buy	-0.4	2.9	1.0	5.4	5.7	3.6	4.5	0.72	5.8	0.28	
416	FNJHX	New Jersey Muni Income	12.70	Hold	-0.4	2.5	0.9	5.8	5.8	3.9	4.2	0.56	5.6	0.29	
71	FTFMX	New York Muni Income	13.80	Hold	-0.5	2.6	0.7	5.2	5.1	3.1	4.0	0.78	6.0	0.26	
88	FOHFX	Ohio Muni Income	12.56	Hold	-0.4	1.6	0.7	3.5	4.7	2.8	4.1	0.57	5.4	0.22	
402	FPXTX	Pennsylvania Muni Income	11.67	Hold	-0.4	2.2	0.7	4.2	5.1	3.2	4.1	0.69	5.5	0.23	
90	FTABX	Tax-Free Bond	12.28	OK to Buy	-0.4	2.6	0.8	5.2	5.8	3.7	4.6	0.87	5.8	0.28	

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

TAXABLE GOV'T MONEY MARKETS		Total Return (%)		SEC %Yield	
		Aug	YTD		
55	FDRXX	Gov't Cash Reserves	0.00	0.01	0.01
458	SPAXX	Government MM	0.00	0.01	0.01
2742	FZFX	Treasury MM	0.00	0.01	0.01
415	FDLXX	Treasury Only MM (closed)	0.00	0.01	0.01
<b>PRIME MONEY MARKETS</b>					
454	SPRXX	Money Market*	0.00	0.01	0.01
*Available in premium class shares (FZDXX) with a \$100,000 minimum (\$10,000 for certain Fidelity retirement accounts) and lower expenses.					
<b>NATIONAL MUNICIPAL MONEY MARKETS</b>					
10	FTEXX	Municipal Money Market	0.00	0.01	0.01
275	FMOXX	Tax-Exempt MM	0.06	0.07	0.01

STATE MUNICIPAL MONEY MARKETS			Total Return (%)		SEC %Yield
			Aug	YTD	
433	FSAXX	Arizona Muni MM	0.00	0.01	0.01
97	FCFXX	California Muni MM	0.00	0.01	0.01
457	FSPXX	California AMT Tax-Free	0.00	0.01	0.01
418	FCMXX	Connecticut Muni MM	0.00	0.01	0.01
426	FMSXX	Mass AMT Tax-Free	0.00	0.01	0.01
74	FDMXX	Massachusetts Muni MM	0.05	0.06	0.01
420	FMIX	Michigan Muni MM	0.00	0.05	0.01
417	FNJXX	New Jersey Muni MM	0.00	0.01	0.01
423	FSJXX	New Jersey AMT Tax-Free	0.00	0.01	0.01
92	FNYXX	New York Muni MM	0.00	0.01	0.01
422	FSNXX	New York AMT Tax-Free	0.00	0.01	0.01
419	FOMXX	Ohio Muni MM	0.00	0.01	0.01
401	FPTXX	Pennsylvania Muni MM	0.00	0.08	0.01

# FIDELITY SCORECARD

AUGUST 31, 2021

Fund No.	Fund Ticker	Fund Name	Style	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) <sup>1</sup>
						Aug	YTD	3 Mo.	1 Year	3 Year	5 Year	10 Year	
<b>FIDELITY PERSONAL RETIREMENT ANNUITY PORTFOLIOS</b>													
Model Portfolios	Annuity Sector Model					3.1	18.1	5.3	34.2	20.5	20.2	17.2	1.12
	Annuity Growth Model					3.5	21.6	6.5	35.5	20.8	19.9	15.6	1.08
	Annuity Growth & Income Model					2.0	11.3	3.0	19.0	15.0	13.0	11.0	0.81
	Annuity Income Model					0.6	6.8	0.8	9.6	8.6	6.7	5.7	0.42
9067	FLRQC	Fid VIP Asset Manager	Allocation	27.97	Hold	1.4	8.8	3.5	17.0	10.5	9.4	8.0	0.58
9066	FAEFC	Fid VIP Asset Manager: Growth	Allocation	31.36	Hold	1.9	12.3	4.1	23.0	12.5	12.0	9.7	0.77
9069	FJBAC	Fid VIP Balanced	Allocation	39.98	Buy	1.8	14.2	4.8	24.4	15.5	14.1	11.9	0.76
9461	FBIQC	Fid VIP Bond Index	Bond	11.69	Hold	-0.2	-1.0	1.7	-0.6	5.0	--	--	0.19
9173	FVTAC	Fid VIP Communication Services	Sector	35.85	Buy	3.3	27.3	7.6	41.2	28.5	18.3	14.9	1.07
9081	FVHAC	Fid VIP Consumer Discretionary	Sector	57.48	Buy	1.5	13.6	4.1	27.9	18.2	18.6	17.3	1.22
9171	FCSAC	Fid VIP Consumer Staples	Sector	35.84	OK to Buy	-0.1	8.2	0.9	15.5	12.5	7.4	11.0	0.84
9065	FPDFC	Fid VIP Contrafund	Large Growth	53.06	Buy	4.6	22.5	12.3	26.2	20.8	19.4	15.9	0.99
9148	FPRGC	Fid VIP Disciplined Small Cap	Small Blend	32.15	OK to Buy	2.6	19.4	1.9	52.9	10.5	12.8	12.9	1.38
9074	FZAMC	Fid VIP Dynamic Capital App	Large Growth	56.46	OK to Buy	3.8	20.0	8.6	31.2	20.1	19.9	16.9	0.99
9198	FEMAC	Fid VIP Emerging Markets	Emg Mkts	16.43	Hold	1.8	2.2	-5.2	25.1	15.5	14.0	7.0	1.07
9085	FJLLC	Fid VIP Energy	Sector	11.73	Hold	-0.4	30.5	-4.9	45.5	-12.1	-5.0	-2.1	2.28
9061	FLOLC	Fid VIP Equity-Income	Large Value	32.35	Buy	2.6	20.2	2.7	35.0	12.8	12.2	12.1	0.95
9469	FEMJC	Fid VIP Extended Market Index	Mid Blend	14.73	OK to Buy	2.2	19.8	1.0	47.2	12.3	--	--	1.36
9083	FONNC	Fid VIP Financial Services	Sector	21.85	Buy	4.7	30.5	0.3	63.2	13.3	15.4	13.9	1.43
9361	FFLCC	Fid VIP Floating Rate High Income	High-Yield Bond	12.79	OK to Buy	0.6	3.5	0.6	7.8	3.8	4.0	--	0.44
9157	FMPAC	Fid VIP FundsManager 20	Allocation	18.50	Hold	0.5	3.2	2.0	6.3	6.0	4.9	4.3	0.25
9158	FMPBC	Fid VIP FundsManager 50	Allocation	24.74	Hold	1.4	8.8	3.4	16.0	10.2	9.3	7.9	0.54
9197	FMPPC	Fid VIP FundsManager 60	Allocation	24.56	Hold	1.6	10.8	3.7	19.3	11.4	10.6	9.1	0.65
9159	FMPCC	Fid VIP FundsManager 70	Allocation	28.22	Hold	1.9	12.6	4.0	22.5	12.3	11.8	10.1	0.75
9160	FMPDC	Fid VIP FundsManager 85	Allocation	30.65	Hold	2.3	15.4	4.4	27.3	13.7	13.7	11.6	0.90
9059	FTNJC	Fid VIP Gov't Money Market	Money Mkt	11.72	--	-0.0	-0.2	-0.1	-0.2	0.7	0.7	0.2	0.02
9062	FMNDC	Fid VIP Growth	Large Growth	65.94	Buy	4.5	20.5	10.8	30.4	24.9	25.1	19.1	1.04
9070	FLFNC	Fid VIP Growth & Income	Large Blend	39.11	OK to Buy	1.2	20.5	0.8	35.5	12.7	13.7	13.7	1.08
9068	FIDPC	Fid VIP Growth Opportunities	Large Growth	90.15	Buy	4.1	17.5	11.2	34.3	35.1	33.1	23.3	1.26
9084	FPDRC	Fid VIP Health Care	Sector	74.51	Buy	2.7	12.4	6.9	22.1	14.4	16.5	19.0	0.96
9060	FBBLC	Fid VIP High Income	High-Yield Bond	24.32	Buy	0.5	3.9	2.4	8.1	5.1	5.1	5.6	0.51
9064	FXVLT	Fid VIP Index 500	Large Blend	48.39	OK to Buy	3.0	21.3	7.9	30.7	17.6	17.6	15.9	1.00
9082	FBALC	Fid VIP Industrials	Sector	47.50	Hold	1.5	11.3	1.8	28.2	9.4	11.4	12.8	1.31
9473	FFIQC	Fid VIP International Index	Diversified Int'l	12.63	Hold	1.9	9.2	0.0	24.9	9.2	--	--	0.95
9076	FVJIC	Fid VIP Int'l Capital App	Diversified Int'l	32.81	OK to Buy	3.2	11.6	5.5	24.0	16.1	14.6	11.9	0.85
9063	FTLKC	Fid VIP Investment Grade Bond	Inv Grd Bond	19.37	Buy	-0.2	-0.0	1.9	1.4	6.1	3.7	3.5	0.22
9172	FVMAC	Fid VIP Materials	Sector	29.77	Buy	2.0	22.5	-2.2	51.6	9.8	10.5	8.6	1.28
9071	FNBSCL	Fid VIP Mid Cap	Mid Blend	42.69	Buy	3.5	19.3	2.4	42.8	11.3	13.2	11.7	1.29
9088	FEMMC	Fid VIP Overseas	Diversified Int'l	26.82	Buy	3.1	18.1	7.1	30.0	14.1	13.1	9.1	0.93
9072	FFWKC	Fid VIP Real Estate	Sector	32.57	OK to Buy	2.1	28.9	10.4	33.6	9.7	6.4	9.7	0.96
9075	FGDQC	Fid VIP Strategic Income	High-Yield Bond	23.41	Buy	0.6	3.6	2.2	8.1	6.2	4.9	4.5	0.36
9086	FYENC	Fid VIP Technology	Sector	117.46	Buy	3.8	19.4	15.5	34.3	32.1	33.0	22.8	1.26
9465	FTMJC	Fid VIP Total Market Index	Large Blend	16.93	Buy	2.8	20.1	7.2	32.4	17.3	--	--	1.05
9087	FXRRC	Fid VIP Utilities	Sector	39.02	OK to Sell	3.8	8.3	5.4	21.9	9.0	11.1	11.0	0.84
9079	FKMSC	Fid VIP Value	Large Value	34.60	OK to Buy	2.0	24.3	0.0	51.8	12.9	12.6	13.2	1.35
9073	FRBSC	Fid VIP Value Strategies	Mid Value	36.58	Buy	2.6	26.5	-0.1	58.8	13.9	13.1	12.6	1.41
9347	FBMEC	Black Rock Global Allocation	Global Allocation	19.28	Hold	1.0	7.3	0.8	18.0	11.8	9.8	7.2	0.65
9349	FTMEC	Franklin Templeton Global Bond	Global Bond	10.50	Hold	0.6	-3.0	-0.9	-2.2	-1.3	0.2	0.5	0.26
9348	FFMEC	Franklin Templeton US Gov't	Intermed Gov't	11.18	Buy	-0.1	-1.1	0.1	-1.0	2.8	1.3	1.2	0.10
9285	FIGXC	Invesco Global Core Eqty	Global Stock	19.80	Hold	0.4	15.6	3.2	28.3	11.6	11.1	9.0	1.08
9147	FPRLC	Lazard Retirement Emerging Mkts	Emg Mkts	18.96	Hold	2.7	9.1	-2.2	33.3	6.5	5.7	2.7	1.13
9143	FPRMC	Morgan Stanley Emerg Mkt Debt	Emg Mkt Bond	21.78	Hold	0.9	0.7	2.0	4.9	6.5	3.4	3.9	0.62
9144	FPRNC	Morgan Stanley Emerg Mkt Equity	Emg Mkts	19.34	Hold	4.3	7.8	0.3	25.3	10.4	8.8	4.4	1.06
9146	FPRPC	Morgan Stanley Global Strategist	Diversified Int'l	18.50	Hold	0.9	8.1	-0.1	17.9	9.5	8.6	6.9	0.70
9346	FPMEC	Pimco Commodity Real Return	Commodities	7.55	Hold	-0.3	28.0	4.2	38.6	8.8	6.0	-3.9	0.97
9276	FPBMC	Pimco VIT Low Duration	Shrt-Term Bond	12.40	Buy	-0.1	-0.3	-0.3	-0.0	2.2	1.5	1.4	0.08
9277	FPNBC	Pimco VIT Real Return	TIPS	16.08	Hold	-0.2	4.0	2.7	5.6	7.1	4.5	2.9	0.23
9278	FPOBC	Pimco VIT Total Return	Intermed Bond	15.59	Hold	-0.2	-0.5	1.6	0.5	5.4	3.4	3.3	0.20

Annuity Sector	
Fund	Allocation
VIP Technology	21%
VIP Financial Services	20
VIP Materials	16
VIP Comm Services	16
VIP Cons Discretionary	14
VIP Health Care	13
<b>Total Return:</b>	
<b>Aug: 3.1% YTD: 18.1%</b>	

Annuity Growth	
Fund	Allocation
VIP Contrafund	28%
VIP Equity-Income	26
VIP Value Strategies	23
VIP Growth Opps	23
<b>Total Return:</b>	
<b>Aug: 3.5% YTD: 21.6%</b>	

Annuity Growth & Income	
Fund	Allocation
VIP Value Strategies	25%
VIP Growth Opps	20
VIP Equity-Income	19
VIP High Income	15
Frkln Temp U.S. Gov't	14
VIP Investment Grade	7
<b>Total Return:</b>	
<b>Aug: 2.0% YTD: 11.3%</b>	

Annuity Income	
Fund	Allocation
Frkln Temp U.S. Gov't	34%
VIP Investment Grade	26
VIP Value Strategies	23
VIP High Income	17
<b>Total Return:</b>	
<b>Aug: 0.6% YTD: 6.8%</b>	

## As Investors Start To Venture Abroad, Covid And Monetary Policies Remain Key

Many Americans are getting itchy to venture abroad. Not necessarily to travel outside the U.S., but rather to invest outside the U.S.

The temptation to do so is apparent: Almost all of Fidelity's foreign stock funds (save those most focused on the emerging markets) are in positive territory this year. So we're being asked, "Why don't you hold any in your model portfolios?"

Before looking ahead, let's look back.

Over the past full 1, 3, 5 and 10-year periods, our sticking close to "home" has been a good investment decision. In fact, over the past decade, not a single one of Fidelity's foreign stock funds outpaced the S&P 500. And, very few outperformed any of Fidelity's domestic stock funds.

While history isn't necessarily prologue (especially when it comes to investing), we understand that markets ebb and flow. That's why we're always watching for upside opportunities abroad — which is a big neighborhood! In fact, 42% of the world's public equity market lay outside America. And though Fidelity's 31 foreign stock funds are only up an average of 9.8% through August, 19 enjoy double-digit gains.

### Clearing Skies?

The macro outlook is improving. While the U.S. and Europe should experience similar GDP growth in 2022 and 2023 (we're far ahead this year), it's thought that Europe's recovery could be even faster if it can get a better handle on Covid. (Monetary policy in the eurozone has been supportive, but the region's divergent needs are a challenge for its central bank.)

Still, some investors are already betting on recovery. After a six-year hiatus, mutual fund flows into Europe from U.S. and Asian investors

have turned positive. The pan-European 600 index is up 18.6% this year versus 21.6% for the S&P 500. For the past 12 months, their returns are 31.8% and 31.2%, respectively. And should Europe's economy rebound like ours, higher share prices should follow accelerating earnings.

As for Japan, optimism springs eternal, but reality has a way of ruining things there. Like so many other countries, Covid is a wild card. And with exports increasingly dependent on Asia, epidemiologists may be better market forecasters than the usual market tacticians.

### Risk And (Possible) Reward

In considering foreign funds, there are often additional risks including currency exposure, regulatory, geopolitical and greater volatility (think China and the emerging markets). And should you decide to go abroad, it's also worth noting that global trade has made U.S. and foreign stock funds more correlated.

If your fund holds Apple Computer, for example, roughly two-thirds of its revenue is from outside the U.S. In fact, of the 11 S&P 500

Foreign Stock Exposures (% of assets; rounded)	
Blue Chip Growth	7
Blue Chip Value	14
Contrafund	6
Equity-Income	11
Growth Company	8
Leveraged Co Stock	6
Low-Priced Stock	35
Magellan	0
Mega Cap Stock	13
Mid Cap Stock	14
OTC	11
Select Technology	6
Small Cap Growth	8
Value	7
Model Portfolios	
Unique Opportunities	14.6
Select	5.5
Growth	15.6
Growth & Income	17.9
Income	18.3

sectors, tech derives the most revenue (57%) from abroad. So if you own a large-cap growth fund where tech is often a third of assets or much more, consider yourself a globally diversified stock investor!

Of course, many U.S. stock funds (see table) have plenty of direct foreign stock exposure. We account for that in our model portfolios, which hold no foreign stock funds. Still, their non-U.S. exposures range from almost 6% for the Select Model to roughly 18% for both the Growth & Income and Income Models. The biggest foreign stock investor is Joel Tillinghast's **Low-Priced Stock** which is 35% invested overseas. That includes a 9% "slug" in the emerging markets.

### Action Recommendations

Though we rate 12 funds *OK to Buy* (most skew towards Europe's developed markets), only two more warrant our more enthusiastic *Buy* rating: **Overseas** (which we upgraded this month) and **Global Equity Income** (GEI).

With 51% of GEI's assets in the U.S. (versus 58% for its benchmark), six of its top-10 holdings are U.S. multinationals including Apple, Microsoft and JP Morgan Chase. So if you want to argue that it's not really a foreign stock fund, we won't disagree!

But Overseas is the real foreign McCoy. Expertly run by Vincent Montemaggiore, his eye for value stocks has driven the fund into the top 7% of its industry peers. Up 18.1% this year, it's even more attractive for its below-market risk.

Some foreign developed-market stock funds may be poised for upgrades. But in the uncertain age of Covid, we remain most comfortable keeping the preponderance of our *Buy*-rated fund picks close to home. For now, it's better to rely on Fidelity's managers to leverage the research prowess of their overseas analysts. ■

—John Bonnanzio

## Inside Fidelity

**Private Equity** — Fidelity funds have reportedly invested \$410 million into the social networking site Reddit. This most recent round of financing translates into a valuation of about \$10 billion. Last quarter, Reddit's ad revenues reached a high of \$100 million, though it will likely remain unprofitable for some time to come. (Fidelity's other pre-IPO "unicorn" in the works is shoemaker Allbirds, which is also losing money.)

Investing in unprofitable, richly valued tech companies is not new to Fidelity funds. In the not-too-distant

past, **Contrafund, Growth Co., Growth Discovery** and many others have staked out pre-IPO positions with great success. Google, Facebook and Tesla are but three that come to mind. Others include Pinterest, SnapChat and WeWork which have met with different degrees of success.

**Digital Assets** — While Fidelity awaits SEC approval to launch a bitcoin ETF, their funds are making modest inroads into the largely unregulated world of digital currencies.

With six years experience now gleaned from its own "mining"

operations, Fidelity funds have reportedly invested \$20 million into cryptocurrency miner Marathon Digital Holdings. That's apart from several index funds with their own small stakes in Marathon — moves necessitated by its recently joining the Russell 2000. Those index funds include **Extended Market, Nasdaq Composite** and **Total Market**.

**More New Hirings** — Fidelity has once again hiked its hiring plans, hoping to increase its payroll by 16,000 this year. Almost 80% will be "client-facing" positions — albeit remotely for now. ■

### 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 Growth, GNMA, Gov't Inc, Interm Gov't Inc, Int'l Real Estate, Leveraged Company Stock, Low-Priced Stock, 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, Real Estate Inc, Real Estate Index, Real Estate Investment, Small Cap Growth, Small Cap Value, Value Discovery.

*The final distributions for August were as follows:*

Fund	Ex-Date	\$ Amt	NAV
Asset Mgr 20%	8/6	0.009	14.86
Asset Mgr 30%	8/6	0.008	12.88
Fidelity Fund	8/6	3.101	73.17
Growth Discovery	8/6	5.459	54.96
Mega Cap Stock	8/6	0.685	18.85
Mid Cap Gr Idx	8/6	1.721	29.88
Mid Cap Val Idx	8/6	1.222	25.34
Sm Cap Gr Idx	8/6	0.773	29.27
Sm Cap Val Idx	8/6	2.116	25.34
Tax-Free MM	8/6	0.001	1.00

### TIPS *cont'd from p. 4*

Treasury Inflation-Protected Securities, or TIPS.

We say "unfortunately" because TIPS are not always the inflation hedge investors might imagine. Sensitive to inflation expectations, they can benefit when CPI is headed higher and, more importantly, when the market expects inflation to rise further. But as the fund's 5.4-year duration suggests, TIPS are also very interest-rate-sensitive. That means their price can fall when rates are rising faster than inflation expectations.

Amid last year's falling interest rates, Inflation-Protected Index performed like a long-term bond fund having soared 10.9%. Asset flows into the asset class have continued. And no small wonder why: TIPS are one of the few bonds generating positive returns. But if the Fed is right and inflation moderates, TIPS could falter.

An alternative inflation hedge to consider (and one that stands to benefit from a recovering economy) is **Global Commodity Stock**. Rated

*OK to Buy*, it's up 17.2% this year. But buyer beware: it's significantly riskier than the *Hold*-rated Inflation-Protected Index. If tempted (and not risk-averse), a single-digit allocation to Global is all that's prudent. ■

### Message *cont'd from page 1*

From a model portfolio strategy standpoint, we chose to ride out the Delta wave, much like we did the original Covid-19 surge in early 2020. The flight to safer stocks (which lifted the S&P 500 at the expense of the Russell 2000) weighed heavily on our model portfolio performance. But we didn't give up on smaller stocks because they remain attractively priced on a relative basis, with P/E ratios for profitable Russell 2000 firms continuing to sell at a substantial discount to comparable S&P 500 firms. And while these economically-sensitive stocks have recovered some lost ground, I think there is room for them to run. ■

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