

FIDELITY MONITOR & INSIGHT

Incorporating Fidelity Monitor and Fidelity Insight

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MESSAGE FROM JACK

Not Your Typical Activists

An arcane change in corporate proxy rules took effect about five years ago, courtesy of Dodd-Frank, and has unleashed a huge wave of corporate restructuring activity. Much like leveraged buyouts of the past, companies are cutting costs and spinning off unprofitable business lines. But this time it's happening without taking companies private, and shareholders are reaping benefits through higher dividends and increased stock buybacks.



Jack Bowers

So called "Activist Investors" are leading the charge. By getting their own representatives elected as board members, then using their clout to end wasteful spending, they seek to maximize shareholder value. Getting rid of slacker CEOs and leaning out upper management is often part of the process.

Who are these activists? Hedge funds mostly, along with some actively managed mutual funds. But not Fidelity. It tried in the past with Capital & Income, but after winning control of El Paso Electric in the mid-1990s, it feared that city residents would blame the firm for higher electric rates. It hasn't sought control of companies since.

The activists may be few in number, but their impact has been big. Shareholder compensation has not only climbed at firms being directly targeted, but throughout Corporate America (many firms have pro-actively restructured themselves to avoid any chance of becoming activist targets themselves). Over the last decade, dividends and stock buybacks in the S&P 500 have roughly doubled as a percentage of operating cash flow, to some \$500 billion per year. That makes for a dividend plus buyback yield of about 5%, meaning that investors may be poised to stay several points ahead of inflation even if total earnings and market capitalization go completely flat. More likely, large companies will continue to see real growth on the order of 2-3% per year. Assuming inflation hovers around 1% over the next decade, that might suggest an 8-9% annual return for large-caps.

So don't let anyone tell you it's game over for stocks. If anything, long-term after-inflation returns may actually be on the upswing.

MARKET OUTLOOK

"Death Crosses" Don't Spell Doom For The Stock Market

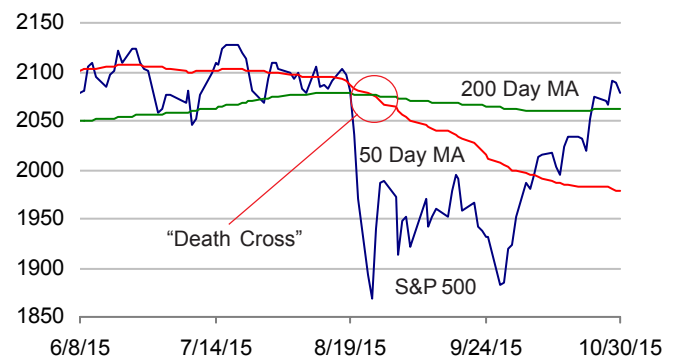
Despite the many calls that a new bear market had begun, backed up by very scary sounding technical indicators — so-called "Death Crosses" in four major market indexes, the Dow, S&P 500, Nasdaq and the Russell 2000 simultaneously — the stock market surged in October. The S&P 500 jumped 8.4%, recovering all of the losses from the correction that began in August.



John M. Boyd

A death cross occurs when the short-term 50-day moving average of an index drops below its longer 200-day moving average. This is supposed to indicate that a short-term decline is likely to morph into a longer-term sell-off, with the 200-day moving average now becoming a key "resistance" level.

S&P 500 with 50- and 200-Day Moving Averages



There is only one problem with this "grand slam" of death crosses as an indicator of impending doom — it has a lousy track record! According to Jason Goepfert of Sundial Capital, since 1979 there have been 12 other instances of all four indexes suffering death crosses at the same time. Three months later the S&P 500 was higher 9 out of 12 times and only one of those losses was significant (that was 2008, and very significant). In fact, the S&P has averaged a gain of 5.0% in the subsequent three months and 8.4% a year later. The most recent prior case was in August of 2011 (which bears a great deal of resemblance to today). And while stocks were only up 1.3% after three months, they surged 15.8% over six months.

Unique Opportunities

Target Risk: 1.20 (Current: 1.04)

Foreign Holdings: 8.5%

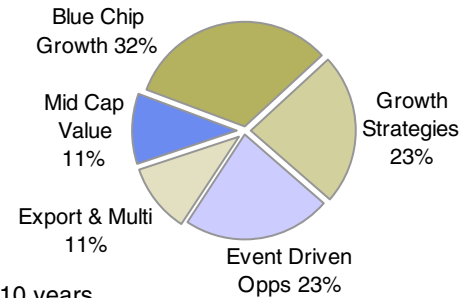
YTD Return: 2.3%

Stocks: 99.4% Bonds: 0.0% Cash: 0.6% Alternatives: 0.0% Yield: 0.1%

Holdings	Ticker	NAV	Shares	Value	Oct Ret
Blue Chip Growth	FBGRX	\$68.95	1,970.85	\$135,890	7.1%
Growth Strategies	FDEGX	33.66	2,873.22	96,713	5.5
Event Driven Opps	FARNX	11.19	8,360.34	93,552	13.5
Export & Multinational	FEXPX	20.83	2,152.89	44,845	6.7
Mid Cap Value	FSMVX	23.99	1,861.10	44,648	6.3

Current Value (3/31/99 = \$100,000) **\$415,647** **7.9%**

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



Select

Target Risk: 1.20 (Current: 0.99)

Foreign Holdings: 9.8%

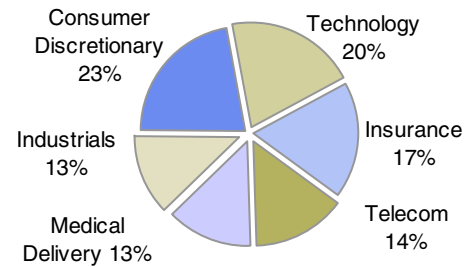
YTD Return: -0.4%

Stocks: 98.1% Bonds: 0.0% Cash: 1.9% Alternatives: 0.0% Yield: 0.5%

Holdings	Ticker	NAV	Shares	Value	Oct Ret
Consumer Discretionary	FSCPX	\$35.82	17,911.25	\$641,581	8.7%
Technology	FSPTX	121.69	4,792.96	583,255	11.0
Insurance	FSPCX	70.07	7,151.69	501,119	6.5
Telecommunications	FSTCX	62.40	6,668.20	416,096	8.9
Medical Delivery	FSHCX	84.80	4,356.83	369,460	1.1
Industrials	FCYIX	31.06	11,653.81	361,967	9.1

Current Value (12/31/88 = \$100,000) **\$2,873,477** **7.8%**

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: 8.7%

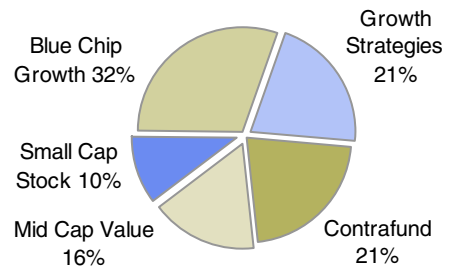
YTD Return: 2.8%

Stocks: 98.5% Bonds: 0.0% Cash: 1.5% Alternatives: 0.0% Yield: 0.2%

Holdings	Ticker	NAV	Shares	Value	Oct Ret
Blue Chip Growth	FBGRX	\$68.95	9,222.87	\$635,917	7.1%
Growth Strategies	FDEGX	33.66	13,018.47	438,202	5.5
Contrafund	FCNTX	104.05	4,255.13	442,746	7.1
Mid Cap Value	FSMVX	23.99	14,188.56	340,384	6.3
Small Cap Stock	FSLCX	18.55	11,737.25	217,726	6.9

Current Value (12/31/86 = \$100,000) **\$2,074,975** **6.6%**

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: 0.72)

Foreign Holdings: 8.4%

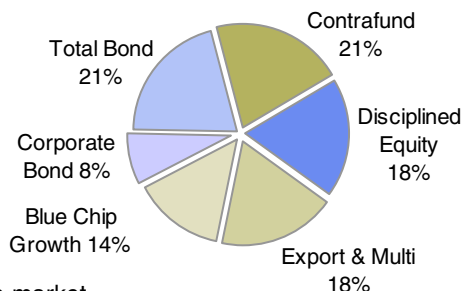
YTD Return: 2.1%

Stocks: 69.6% Bonds: 23.7% Cash: 3.1% Alternatives: 3.6% Yield: 1.3%

Holdings	Ticker	NAV	Shares	Value	Oct Ret
Total Bond	FTBFX	\$10.47	11,064.71	\$115,847	0.6%
Contrafund	FCNTX	104.05	1,098.10	114,257	7.1
Disciplined Equity	FDEQX	34.19	2,874.39	98,276	7.8
Export & Multinational	FEXPX	20.83	4,659.79	97,064	6.7
Blue Chip Growth	FBGRX	68.95	1,127.35	77,731	7.1
Corporate Bond	FCBFX	11.18	3,984.41	44,546	1.0

Current Value (12/31/93 = \$100,000) **\$547,720** **5.2%**

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



Income

Target Risk: 0.33 (Current: 0.33)

Foreign Holdings: 10.0%

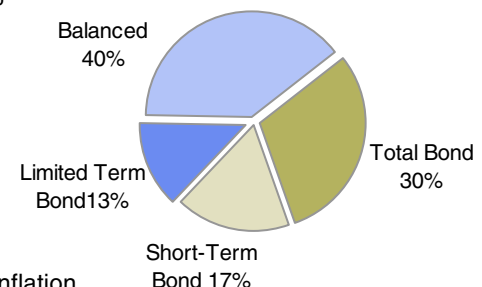
YTD Return: 1.0%

Stocks: 25.8% Bonds: 67.0% Cash: 2.7% Alternatives: 4.6% Yield: 2.0%

Holdings	Ticker	NAV	Shares	Value	Oct Ret
Balanced	FBALX	\$21.58	6,619.21	\$142,843	5.4%
Total Bond	FTBFX	10.47	10,201.99	106,815	0.6
Short-Term Bond	FSHBX	8.59	7,165.69	61,553	0.1
Limited Term Bond	FJRLX	11.47	4,211.30	48,304	0.2

Current Value (12/31/91 = \$100,000) **\$359,514** **2.3%**

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



In the current case, three of the indexes have already broken back above their 200-day moving averages (the Russell 2000 is the exception).

GDP Growth Slows Sharply

That doesn't necessarily mean that the coast is clear. There are still risks to be concerned about. Primary among them is the fact that economic growth has slowed markedly over the past three months. The initial estimate for third quarter GDP growth came in at just 1.5%, down sharply from the second quarter's 3.9%. The bulk of the drop came from firms drawing down their inventories at the fastest rate in three years. After two straight quarters of \$100 billion-plus increases in goods produced for inventory — the largest back-to-back gains ever — companies added just \$56.8 billion this quarter. Without the drop in inventory production, so-called real final sales rose at a much healthier 2.9%. And low additions this quarter make it more likely we will see a rebound in GDP growth next quarter, so long as consumer spending remains solid. On that score, while wages have not risen much, strong job growth, plus lower gas prices, allowed consumers to increase their spending 3.2%.

While growing in fits and starts, the economy is still on track for modest 2.0-2.5% annual growth — not great, but growth nonetheless. Indeed, all the forecasting models I look at show a 5% or less chance of an imminent recession. A recent survey of economists by Bloomberg pegged the chance of recession in the next 12 months at 15%. Still pretty low.

Areas I Am Watching

That said, there are a couple of areas I am watching closely. One is job growth. After averaging 214,000 new jobs per month over the first seven

FUNDS YOU SHOULD BUY NOW

Growth: For large-cap exposure ... **Blue Chip Growth** and **Growth Co** take aggressive approaches to growth. **Contrafund** (p. 12) is more conservative, whereas **Disciplined Equity** and **Export** take risk even lower. **Growth Strategies** and **Mid-Cap Value** provide mid-cap exposure; **Event Driven Opp's** (p. 4) and **Small Cap Stock** are smaller-cap options that enhance portfolio diversification.

Growth & Income: **Balanced** and **Puritan** use a mix of stocks and bonds to mitigate risk.

Taxable Bond: **Short-Term Bond** and **Limited Term Bond** contain interest-rate risk. **Investment Grade Bond** limits credit risk but boosts yield via additional interest-rate risk; **Total Bond** (p. 4) provides the greatest bond diversification boosting its yield through well-managed credit risk.

Muni Bond: More highly taxed investors should consider muni funds. We prefer the less risky, nationally diversified variety. ■

months of the year, we've averaged just 139,000 in August and September. Ideally, I'd like to see that figure moving back higher — or at the least not decline further from here.

The other area is housing. While existing home sales rose 8.8% in September, new home sales fell 11.5%. And pending home sales have fallen in three of the last four months. Still, combined sales of new and existing homes rose at an annualized rate of over 6 million in September, only the second time since 2007 that sales have breached that level. And one-month dips in new sales have been seen before, so I am not exceedingly worried at the moment.

Earnings About As Expected

With about half of the firms reporting, so far third quarter S&P 500 earnings are now expected to be 4.5% below last year's third quarter (a bit worse than forecasted a month ago), with dismal performances from energy concerns a major reason. As I noted last month, a return to earnings growth will be key to further gains for stocks. While earnings growth forecasts for the fourth quarter and 2016 are still coming down, they remain in double-digit territory. On the surface,

without a major jump in GDP growth, it is hard to see how such gains can be achieved. But the "secret" is much easier comparisons going forward. Beginning in the fourth quarter of last year, earnings really began to be depressed by the collapse in the energy sector. But now that oil prices have stabilized, that impact should start to fade. If you look at earnings growth estimates compared to two years ago — before the energy collapse — the growth rate is only in the mid-high single digits, not a lay-up, but a much easier target.

The Fed(s)

At their October meeting, the Fed held rates steady once again. But a slight change in the wording of their statement led some to believe they would raise them in December. I am not among them, *unless* we see the improvement in job gains I noted earlier. Even then I think it's a toss up.

The liquidity from the Fed's "zero interest rate" policy has definitely aided stocks, but they are not the only central bank in town. Taken together, China, Japan and the ECB have far more reserves than the Fed, and they are all in easing mode. ■

— John M. Boyd

Model Portfolios Key:

¹Alternative investments include such areas as high-yield bonds, commodities, real estate. Portfolio trades and total returns do not take taxes into account, however, redemption and exchange fees are included. 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 Friday evening Hotline updates via telephone, e-mail, and web (see p. 12). **Annuity Model Portfolios** are on p. 10.

FUND UPDATE

Event Driven Opp's Pops On Big Event

We ran this headline in September: "Event Driven Hits Pothole."

Whether its returns were measured at that time on a monthly-, quarterly- or year-to-date basis, it was pretty much at the bottom of the performance pack. In short, it certainly wasn't helping our *Unique Opp's Model*.

One problem for manager Arvind was that small-cap stocks were taking a drubbing. Another was the fund's exposure to energy and commodities. As we somewhat indelicately decried at the time, Arvind Navaratnam had "bought some lemons." But unbeknownst to anyone, he was about to make some lemonade.

In October, Journal Media Group was the fund's second-biggest position at 10% of assets. Then, in an all-cash deal, it was suddenly acquired by Ganet for \$280 million, or \$12 a share. That was a 45% premium over its \$8.30 market valuation. As a consequence, the fund's NAV jumped 6.2% overnight, further enhancing its already-improving fortunes.

Popping 13.5% in October (up 1.9% for the year), it now compares favorably against the small-cap Russell 2000 (down 2.5% YTD). That said, its official benchmark is the substantially higher-market-cap Russell 3000. But that barometer is ignored in much the same way that the Russell 2000 is an afterthought for Joel Tillinghast's

Low-Priced Stock fund (see box).

In truth, the only reason the R3000 is used by Event Driven is that the benchmark provides an extraordinarily large universe of opportunities to a manager who roams broadly in search of corporate events. These include M&As, spin-offs, share buybacks, index additions/deletions, and even bankruptcy "workouts."

"I shop in that corner of the market that has historically, vastly outperformed."
— Arvind Navaratnam

So with roughly 250 corporate "actions" presently unfolding, but only 90 or so fund positions, what's Arvind actually looking for from a stock?

Answer: "Several ways to win," while a "significant" margin of safety helps, too. In the case of Journal Media, not only did Arvind see multiple paths to winning (real estate assets made its newspaper businesses a steal), he saw the risk of a permanent loss of capital as quite small.

Action Recommendation

Event Driven's investment process (which is "post-event" because it's less risky relative to a strategy that tries to anticipate events) holds the promise of delivering excess returns over time with the added bonus of less volatility. As Arvind puts it (and as we've recently experienced), the fund "does not offer a linear return stream over the short term." Put in more pedestrian terms, the fund may "zig" while the rest of the market "zags."

For all these reasons we continue to hold the fund in our *Unique Opportunities Model*. ■

—John Bonnanzio

With its weighted median market cap of \$2.1 billion, **Event Driven Opp's** is clearly a small-cap fund — and we expect it to stay that way unless its assets dramatically rise. However, we've been classifying Event Driven as a mid-cap blend fund based on its Russell 3000 benchmark — not on what the fund actually holds. Regardless of its different benchmark (and its agnosticism towards the R3000's sector weights and other metrics), Event Driven now joins Fidelity's three Russell 2000-benchmarked small-cap blend funds. Here are their respective market caps along with three indexes. ■

Small Cap Funds	Mkt Cap* (\$B)
Event Driven Opportunities	2.1
Small Cap Discovery	2.6
Small Cap Stock	3.0
Stock Selector Small Cap	3.0
Russell 2000 Index (<i>small-cap</i>)	1.6
Russell 3000 Index (<i>mid-cap</i>)	47.1
S&P 500 (<i>large-cap</i>)	74.0

*Weighted medians as of Sept. 30, 2015

BOND FUNDS

Liquidity Concerns Misplaced

In September, the *Wall Street Journal* examined the country's largest bond funds with significant corporate holdings and concluded that some run afoul of SEC guidelines involving liquidity. Simply put, in order to limit risk during a selloff, no more than 15% of a fund's securities should be in "illiquid" investments — meaning a security that can't be sold in a 7-day period.

The *WSJ* identified 10 funds "that might have trouble selling in seven days." While none were Fidelity funds, its graphic showed that **Total Bond** (held in our *Growth & Income* and *Income Models*) has 7% of its \$16.5 billion in assets that the *WSJ* deemed illiquid.

Even if we accepted their definition of liquidity, 7% doesn't concern us. Regardless, we asked Fidelity to explain their understanding of the matter. And, by-the-way, we weren't surprised that they took exception to the *Journal's* methodology. "Evaluating the liquidity of a security based solely on how frequently it has traded does not offer investors a good understanding of the liquidity of a fund," they said. "Though many securities do not trade on a regular basis," they countered, "such securities can be in demand and easily tradeable." Fidelity likened this situation to "a great house in a great neighborhood" that doesn't go on the market very often, but will certainly command a good price once it does.

Fidelity has one of the industry's most successful lineup of fixed-income funds. As for Total Bond, it outpaced 73% of its competitors in the past year, and 81% over the prior 10. While market conditions may one day dictate a change in Total Bond's rating, it's highly unlikely that liquidity-risk would ever have anything to do with such a change. ■

FUND COMMENTARY

Stocks Recover From Prior Selloff

Having bled red in August and September, stocks rebounded in October, marking their largest monthly gain in about four years.



John Bonnanzio

Another surge in large-scale and global M&A activity helped to rekindle investors' love for stocks. While beverage and health care deals dominated the news, tech, industrials and financials were also in play. To a certain extent, M&A activity has picked up because it's become difficult to increase sales and earnings in any other way. In addition, so-called inversions (merging U.S. and foreign firms and, in so doing, headquartering the new business overseas to sidestep higher U.S. taxes), have become a familiar tactic for improving corporate balance sheets.

To that end, third-quarter earnings have hardly been impressive (see John Boyd's *Market Outlook*). And, if not for low interest rates and cheap fuel costs, the housing/homebuilding sectors, plus autos and airlines, would probably not be faring nearly as well. Notably, the latest read on the economy is that GDP growth remains sluggish and that inflation is nonexistent. And, if that were otherwise, the Fed most assuredly wouldn't have passed on its umpteenth opportunity to raise interest rates last week.

Indeed, over the past 10 years, U.S. stock prices have appreciated at about twice the pace of GDP growth. While much of this has been driven by rising shareholder compensation (see "Activists" on p. 1), this suggests that the Fed's accommodative monetary policies, coupled with stimulative deficit spending, continue to be major factors behind the long-running bull market. If nothing else, it helps to explain why stocks rebounded last month, when fundamentals might argue otherwise.

Market Indexes

Last month, small-cap stocks posted their biggest gains since February. Rising 5.6% in October, the Russell 2000 is down 2.5% for the year. Over on the big-cap side, the story is not dissimilar. The Dow Industrials soared 8.6% for the month resulting in a year-to-date return of only 1.1%. Likewise, the S&P 500 gained 8.4% and is now back in the black (up 2.7%) for the year.

As impressive as October was for these indexes, the tech- and biotech-rich Nasdaq Composite fared even better: up a whopping 9.4% for the month, it's now ahead an impressive 7.7% for the year.

Stock Funds

Up 13.5% last month, **Event Driven Opportunities** was Fidelity's top-performing fund. Benefiting from both surging small-cap stocks and one particular portfolio holding (see facing page), it's suddenly in the black for the year (up 1.9%). Another big winner in October was **Small Cap Stock** (up 6.9%); it's now up 5.1% this year.

Mid-cap funds also enjoyed sizable gains in October. One of the best was **Leveraged Co. Stock** (up 7.2%). A rebound among chemicals and their feedstock materials, industrials and even consumer discretionary shares, were each beneficial. (Notably, the "Specialty" **Global Commodity Stock** fund gained an impressive 8.7% for the month, though it's down a painful 19.0% this year.)

Among large-cap funds, a growth bias typically provided a modest performance edge over more value-oriented fare. **OTC** (up 9.2%) fared best

of all, in part, because of a number of its top holdings (Apple, Microsoft, Google/Alphabet and Amazon) all surpassed earnings expectations. For similar reasons, some widely held funds like **Magellan** (up 8.8%) and the closed **Growth Company** (up 8.3%) also posted strong October gains. However, **Capital Appreciation's** 8.2% surge was principally driven by big stakes in health care/biotech plus consumer discretionary stocks. Combined, they account for 59% of assets.

Elsewhere, **Contrafund** pushed higher with a 7.1% return in October (see p. 12), while **Low-Priced Stock** was a relative laggard (up 4.0%).

International Funds

Generally speaking, we've not been recommending many international stock funds this year because their U.S. counterparts offer about the same upside potential, but with less risk. Case in point, **Spartan 500 Index** has risen 8.4% and 2.6%, for the month and year, whereas **Spartan Int'l Index** is up 6.9% and 2.1%, respectively. With roughly the same returns this year, the foreign stock index has been the poorer option with 19% higher risk.

Still, a few of the more diversified funds we've rated positively this year have performed well for the month/year. They include **Diversified International** (+6.5%/+4.7%), **Europe** (+5.6%/+5.4%) and **Overseas** (+5.9%/+8.9%).

Emerging markets funds roared back this month. They got some help from the Fed's decision to leave rates

Fund Commentary *cont'd on page 8*

NOVEMBER SCORECARD RATING CHANGES

Fund	Ratings		Comments
	Old	New	
Event Driven Opp's	B	B NC	Style changed to small cap blend (see p. 4).
Select Automotive	H	B ↑	Aging fleet + strong demand = brighter profit picture.
Select Indust Equip	B	B ↑	Conglomerates like GE and Boeing faring well.
Select IT Services	H	B ↑	Demand growing for storing and analyzing Big Data.
Select Multimedia	S	H ↑	Market overreacted to soft patch in ad revenues.

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

FIDELITY SCORECARD

OCTOBER 31, 2015

Fund No.	Fund Ticker	Fund Name	Sht-Term Fee	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)				Rel Vol (Risk) ¹		
						Oct	YTD	3 Mo.	1 Yr	3 Yr	5 Yr	10 Yr			
Comparative Indexes		S&P 500		2079.4		8.4	2.7	-0.6	5.2	16.2	14.3	7.8	1.00		
		Nasdaq Composite		5053.8		9.4	7.7	-1.2	10.4	20.8	16.4	10.2	1.13		
		Dow Jones Industrials		17663.5		8.6	1.1	0.5	4.1	13.2	12.5	8.2	1.04		
		Russell 2000 (Small Caps)		1161.9		5.6	-2.5	-5.9	0.4	13.9	12.1	7.5	1.31		
		Barclays Aggregate Bond*				0.0	1.0	0.4	1.9	1.5	2.9	4.4	0.29		
Model Portfolios		Unique Opportunities				7.9	2.3	-2.9	4.3	14.9	11.7	7.6	1.04		
		Select				7.8	-0.4	-3.1	5.2	17.5	14.6	9.1	0.99		
		Growth				6.6	2.8	-3.3	4.8	13.2	11.8	6.6	1.03		
		Growth & Income				5.2	2.1	-2.3	3.3	11.0	9.3	6.2	0.72		
		Income				2.3	1.0	-0.7	1.7	4.2	5.4	4.7	0.33		
											Rel Vol (Risk) ¹	Assets (\$Mil)			
LARGE CAP GROWTH						Category Averages			7.7	4.0	-3.4	5.4	17.6	14.4	1.11
312	FBGRX	Blue Chip Growth		68.95	Buy	7.1	6.0	-3.7	8.5	20.4	16.0	1.11	\$15,237		
307	FDCAX	Capital Appreciation		37.03	OK to Buy	8.2	2.8	-4.1	3.5	16.9	14.3	1.10	5,920		
22	FCNTX	Contrafund		104.05	Buy	7.1	7.2	-1.4	9.0	17.2	14.0	0.98	78,559		
3	FFIDX	Fidelity Fund		42.46	Hold	7.6	3.3	-3.6	6.4	15.2	13.3	1.05	3,970		
500	FFTYX	Fifty				Merged into Focused Stock									
333	FTQGX	Focused Stock		19.08	Hold	5.9	1.8	-5.6	1.3	14.5	13.7	1.18	1,898		
25	FDGRX	Growth Company (Closed)		140.62	Buy	8.3	6.8	-3.1	9.7	19.9	16.6	1.17	23,144		
339	FDSVX	Growth Discovery		25.03	OK to Buy	7.5	6.1	-2.7	5.6	17.7	15.0	1.08	1,070		
73	FDFFX	Independence		38.65	OK to Sell	7.1	0.8	-6.9	1.1	17.8	12.7	1.27	3,905		
21	FMAGX	Magellan		93.69	OK to Buy	8.8	4.6	-2.1	6.8	18.0	12.7	1.07	13,795		
300	FMILX	New Millennium		38.83	Hold	7.2	0.2	-3.1	0.7	14.4	13.5	1.03	3,352		
93	FOCPX	OTC		81.05	OK to Buy	9.2	6.9	-2.2	9.4	23.8	17.0	1.31	9,374		
320	FDSSX	Stock Selector All Cap		35.61	Hold	7.9	0.8	-3.6	2.3	15.4	12.9	1.04	5,081		
5	FTRNX	Trend		88.25	OK to Buy	7.9	4.5	-2.4	6.5	17.4	15.0	1.08	1,476		
LARGE CAP BLEND						Category Averages			7.7	0.8	-2.8	2.7	15.0	13.3	1.04
315	FDEQX	Disciplined Equity		34.19	Buy	7.8	1.7	-1.9	4.7	16.6	12.9	1.00	1,383		
330	FDGFX	Dividend Growth		31.09	OK to Buy	7.9	0.8	-2.3	2.7	15.0	12.2	1.02	6,174		
332	FEXPX	Export and Multinational	0.75%/30d	20.83	Buy	6.7	3.3	-2.6	6.1	13.3	11.4	0.95	1,748		
27	FGRIX	Growth & Income		29.65	Hold	8.0	-0.4	-3.4	0.9	14.4	13.9	1.07	5,803		
338	FLCSX	Large Cap Stock		27.46	Hold	7.6	-1.0	-4.2	-0.4	15.9	14.8	1.11	2,904		
361	FGRTX	Mega Cap Stock		16.21	Hold	8.5	0.6	-2.3	2.2	15.0	14.6	1.09	3,186		
LARGE CAP VALUE						Category Averages			6.6	-1.3	-3.1	1.3	14.1	12.0	0.98
1271	FBCVX	Blue Chip Value		16.12	OK to Buy	6.5	0.0	-3.4	4.5	16.3	11.5	1.03	485		
319	FEQTX	Equity Dividend Income		26.08	Hold	7.3	-0.8	-2.1	1.5	12.8	11.6	0.98	4,878		
23	FEQIX	Equity-Income		54.92	Hold	6.3	-2.3	-4.3	-1.2	11.1	10.5	0.95	6,371		
708	FSLVX	Stock Sel Large Cap Value		16.81	Hold	6.5	-1.9	-3.0	0.0	14.6	12.7	0.98	712		
832	FVDFX	Value Discovery		23.62	OK to Buy	6.4	-1.6	-3.0	1.9	15.8	13.7	0.98	1,383		
MID-CAP GROWTH						Category Averages			5.8	1.4	-3.8	4.2	16.2	12.8	1.04
324	FDEGX	Growth Strategies	1.50%/90d	33.66	Buy	5.5	4.2	-3.7	8.3	19.3	13.1	1.03	2,531		
337	FMCSX	Mid-Cap Stock	0.75%/30d	35.81	OK to Buy	5.5	0.8	-3.6	2.2	15.4	13.4	1.01	5,392		
2412	FSSMX	Stock Selector Mid Cap		33.18	OK to Buy	6.5	-0.8	-4.2	2.1	14.1	12.1	1.07	485		
MID-CAP BLEND						Category Averages			7.2	-1.7	-5.0	-0.6	14.1	12.8	1.15
122	FLVCX	Leveraged Company Stock	1.50%/90d	42.66	Hold	7.2	-1.7	-5.0	-0.6	14.1	12.8	1.15	3,437		
MID-CAP VALUE						Category Averages			6.0	-0.3	-4.0	2.1	15.8	13.3	1.03
316	FLPSX	Low-Priced Stock	1.50%/90d	49.25	Buy	4.0	1.7	-2.9	3.7	15.3	13.2	0.89	28,891		
762	FSMVX	Mid Cap Value	0.75%/30d	23.99	Buy	6.3	-1.8	-4.3	1.8	18.0	14.6	1.09	3,151		
39	FDVLX	Value		110.73	Buy	6.3	-2.2	-4.7	0.1	16.0	13.1	1.08	7,441		
14	FSLSX	Value Strategies		43.64	OK to Buy	7.5	1.1	-4.1	2.8	13.8	12.2	1.07	600		
SMALL CAP GROWTH						Category Averages			2.3	5.8	-8.1	11.0	17.4	14.1	1.28
1388	FCPGX	Small Cap Growth	1.50%/90d	18.73	Buy	2.3	5.8	-8.1	11.0	17.4	14.1	1.28	1,457		
SMALL CAP BLEND						Category Averages			7.5	1.5	-2.7	5.3	14.6	12.2	1.19
2624	FARNX	Event Driven Opportunities		11.19	Buy	13.5	1.9	0.7	7.1	--	--	--	201		
384	FSCRX	Small Cap Discovery (Closed)	1.50%/90d	28.22	OK to Buy	4.4	-1.8	-3.4	2.3	15.4	15.4	1.21	5,572		
340	FSLCX	Small Cap Stock	2.00%/90d	18.55	Buy	6.9	5.1	-2.8	7.4	14.9	9.0	1.14	2,098		
336	FDSCX	Stock Selector Small Cap	1.50%/90d	24.89	OK to Buy	5.4	0.9	-5.3	4.5	13.6	12.1	1.22	1,375		
SMALL CAP VALUE						Category Averages			5.6	1.8	-0.9	6.7	16.0	14.0	1.22
1389	FCPVX	Small Cap Value (Closed)	1.50%/90d	17.62	OK to Buy	5.6	1.8	-0.9	6.7	16.0	14.0	1.22	2,089		

Notes: *Fidelity's Spartan U.S. Bond Index used as a proxy for the Barclays Aggregate Bond Index. ¹Relative Volatility 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 before any inflation adjustment, your effective yield may be different. ⁴Also available in an Advantage share class with a minimum of \$10,000, but a lower expense ratio. (p) Partial year; (↑) Rating upgraded; (↓) Rating downgraded.

FIDELITY SCORECARD

OCTOBER 31, 2015

Fund No.	Fund Ticker	Fund Name	Sht-Term Fee	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)			Rel Vol (Risk) ¹	Assets (\$Mil)
						Oct	YTD	3 Mo.	1 Year	3 Year	5 Year		
SPECIALTY													
304	FBALX	Balanced		21.58	Buy	5.4	1.5	-1.9	2.8	11.0	10.1	0.70	\$20,610
308	FCV SX	Convertible Securities		29.82	Hold	5.2	-5.9	-2.9	-3.4	10.5	8.2	0.87	1,851
334	FGBLX	Global Balanced	1.00%/30d	22.79	OK to Buy	3.5	-0.3	-2.9	-1.2	5.2	5.2	0.70	458
2120	FFGCX	Global Commodity Stock	1.00%/30d	10.09	Sell	8.7	-19.0	-9.0	-23.0	-10.5	-7.3	1.61	156
1960	FDYSX	Global Strategies		8.66	Hold	4.7	1.2	-1.9	0.4	5.0	4.8	0.67	100
1368	FIREX	International Real Estate	1.50%/90d	10.31	Hold	4.3	4.3	-1.0	3.0	10.0	7.2	1.10	340
4	FPURX	Puritan		20.48	Buy	5.6	2.1	-1.7	3.7	11.3	10.3	0.72	19,307
833	FRIFX	Real Estate Income	0.75%/90d	11.48	OK to Buy	1.8	1.6	0.0	2.6	6.5	8.6	0.51	2,520
303	FRESX	Real Estate Investment	0.75%/90d	40.61	Hold	6.9	4.0	3.9	7.2	12.4	12.6	1.39	4,476
1329	FSDIX	Strategic Dividend & Income		14.16	OK to Buy	5.6	-0.1	-0.6	1.6	10.3	11.1	0.73	2,868
1505	FSRRX	Strategic Real Return	0.75%/60d	8.56	Hold	0.5	-4.1	-1.8	-6.7	-1.7	1.4	0.43	542
311	FIUIX	Telecom & Utilities		22.63	Hold	4.3	-4.8	-4.1	-6.1	8.7	10.7	1.05	866
ASSET ALLOCATION													
328	FASIX	Asset Manager 20%		13.17	Hold	1.9	0.7	-0.7	1.0	3.6	4.1	0.30	4,746
1957	FTANX	Asset Manager 30%		10.45	Hold	2.6	0.9	-1.1	1.2	4.8	5.2	0.39	845
1958	FFANX	Asset Manager 40%		10.69	Hold	3.3	0.9	-1.5	1.2	6.1	6.0	0.48	948
314	FASMX	Asset Manager 50%		16.98	Hold	4.0	0.9	-2.0	1.2	7.2	6.8	0.58	7,777
1959	FSANX	Asset Manager 60%		11.16	Hold	4.7	0.8	-2.5	1.2	8.3	7.5	0.67	1,340
321	FASGX	Asset Manager 70%		19.93	Hold	5.5	0.9	-2.8	1.2	9.4	8.2	0.77	3,944
347	FAMRX	Asset Manager 85%		16.57	Hold	6.5	0.9	-3.6	1.1	11.1	9.2	0.91	1,432
EQUITY INDEX													
355	FFNOX	Four-in-One Index		37.70	Hold	6.4	1.9	-2.2	2.6	11.7	10.0	0.86	4,309
2010	FIENX	International Enhanced Index	1.00%/30d	8.50	Hold	7.3	4.1	-5.0	1.6	9.3	5.9	1.18	152
1827	FLC EX	Large Cap Core Enhanced Index		11.91	OK to Buy	7.6	0.8	-1.1	3.0	16.0	14.4	0.99	409
1829	FLG EX	Large Cap Growth Enhanced Index		15.30	OK to Buy	8.1	5.4	-0.4	7.6	17.8	15.3	1.01	444
1828	FLV EX	Large Cap Value Enhanced Index		10.97	Hold	6.9	-1.8	-1.8	0.8	15.4	14.2	1.01	1,447
2012	FMEIX	Mid Cap Enhanced Index	0.75%/30d	13.43	OK to Buy	5.4	-0.1	-3.0	3.3	18.0	14.5	1.03	821
1282	FNCMX	Nasdaq Composite Index	0.75%/90d	67.05	Hold	9.5	7.6	-1.2	10.3	20.6	16.2	1.13	1,978
2011	FCPEX	Small Cap Enhanced Index	1.50%/90d	12.41	OK to Buy	5.5	0.8	-4.7	3.0	15.7	14.1	1.28	557
650	FUSEX	Spartan 500 Index ⁴		73.37	Hold	8.4	2.6	-0.7	5.1	16.1	14.2	1.00	7,774
2341	FPEMX	Spartan Emerging Mkts Index ⁴	1.50%/90d	8.41	Hold	5.8	-10.6	-7.4	-15.7	-3.0	--	1.41	24
398	FSEM X	Spartan Extended Mkt Index ⁴	0.75%/90d	53.89	Buy	5.5	-1.1	-5.5	1.3	15.3	13.1	1.16	1,540
2345	FSGUX	Spartan Global ex U.S. Index ⁴	1.00%/90d	11.32	Hold	6.7	-1.8	-5.5	-5.5	4.4	--	1.17	18
399	FSIIX	Spartan Int'l Index ⁴	1.00%/90d	38.00	Hold	6.9	2.1	-5.5	-1.3	7.8	4.7	1.19	2,903
2349	FSCLX	Spartan Mid Cap Index ⁴	0.75%/30d	17.29	OK to Buy	6.2	-0.2	-3.1	2.6	16.4	--	1.03	34
2353	FRXIX	Spartan Real Estate Index ⁴	0.75%/90d	14.99	Hold	5.9	2.7	2.9	6.6	12.1	--	1.40	32
2356	FSSPX	Spartan Small Cap Index ⁴	1.50%/90d	16.16	OK to Buy	5.6	-2.5	-5.9	0.4	13.9	--	1.31	35
397	FSTMX	Spartan Total Mkt. Index ⁴	0.50%/90d	60.87	Hold	7.9	1.9	-1.6	4.4	15.9	14.0	1.01	2,046
INTERNATIONAL						Category Averages	5.9	1.0	-4.6	-1.6	7.2	4.9	1.24
309	FICDX	Canada	1.50%/90d	45.55	OK to Sell	3.7	-13.4	-5.1	-14.1	-0.3	0.4	1.17	1,281
352	FHKCX	China Region	1.50%/90d	29.72	OK to Sell	10.4	-3.1	-5.6	-0.9	10.2	4.6	1.87	1,265
325	FDIVX	Diversified International	1.00%/30d	36.07	OK to Buy	6.5	4.7	-5.8	3.3	10.0	6.4	1.12	13,232
351	FSEAX	Emerging Asia	1.50%/90d	31.20	Hold	7.7	-4.4	-3.8	-4.7	4.4	2.6	1.32	979
2053	FEMEX	Emerg Europe, MidEast, Africa	1.50%/90d	7.51	OK to Sell	4.7	-6.0	-5.7	-15.2	-2.8	-1.6	1.37	68
322	FEMKX	Emerging Markets	1.50%/90d	22.55	Hold	7.6	-7.2	-4.1	-10.8	1.3	-1.6	1.28	2,723
2374	FEDDX	Emerging Mkts Discovery	2.00%/90d	10.98	Hold	4.0	-5.7	-4.8	-10.1	-1.0	--	1.17	62
301	FIEXX	Europe	1.00%/30d	37.19	OK to Buy	5.6	5.4	-4.5	5.0	9.5	6.1	1.21	1,385
2406	FGILX	Global Equity-Income	1.00%/90d	12.12	OK to Buy	6.5	2.4	-3.7	2.9	11.6	--	0.94	68
335	FIVFX	International Cap App	1.00%/30d	16.99	Buy	6.3	3.9	-3.2	4.0	11.6	8.3	1.07	1,379
305	FIGRX	International Discovery	1.00%/30d	40.14	Hold	5.6	5.7	-5.0	3.5	9.6	6.1	1.12	7,212
1979	FIGFX	International Growth	1.00%/30d	11.38	OK to Buy	6.2	5.4	-4.1	3.4	9.2	7.2	1.05	938
818	FISM X	International Small Cap	2.00%/90d	23.06	OK to Buy	3.1	6.5	-4.4	6.5	12.4	7.8	1.05	812
1504	FSCOX	International Small Cap Opps	2.00%/90d	14.91	OK to Buy	3.5	9.0	-3.7	8.9	12.2	9.9	0.96	762
1597	FIVLX	International Value	1.00%/30d	8.29	OK to Sell	5.9	3.0	-5.8	-0.4	7.3	3.5	1.20	266
350	FJPNX	Japan	1.50%/90d	11.91	OK to Sell	9.0	8.9	-4.0	2.7	9.9	4.5	1.36	486
360	FJSCX	Japan Smaller Companies	1.50%/90d	13.76	OK to Sell	5.0	11.8	-3.0	6.9	17.3	13.0	1.79	502
349	FLATX	Latin America	1.50%/90d	18.08	OK to Sell	5.2	-24.0	-10.5	-34.5	-18.3	-13.7	1.90	481
342	FNORX	Nordic	1.50%/90d	45.01	OK to Buy	4.0	5.7	-2.0	3.8	16.8	9.3	1.26	405
94	FOSFX	Overseas	1.00%/30d	41.55	Buy	5.9	8.9	-4.0	8.3	12.0	7.9	1.08	3,858
302	FPBFX	Pacific Basin	1.50%/90d	27.01	Hold	7.5	3.6	-4.7	-0.3	11.2	7.3	1.18	655
2369	FTEMX	Total Emerging Markets	1.50%/90d	10.39	Hold	5.5	-3.2	-2.3	-8.7	0.2	--	1.12	38
1978	FTIEX	Total International Equity	1.00%/30d	7.82	Hold	6.3	2.2	-4.8	-0.5	6.1	4.1	1.09	307
318	FWWFX	Worldwide	1.00%/30d	23.15	OK to Buy	6.0	3.8	-5.1	3.1	12.5	10.2	1.08	1,545

FIDELITY SCORECARD

OCTOBER 31, 2015

Fund No.	Fund Ticker	Fund Name	Sht-Term Fee	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)			Rel Vol (Risk) ¹	Assets (\$Mil)
						Oct	YTD	3 Mo.	1 Year	3 Year	5 Year		
SELECT PORTFOLIOS						7.7	-0.4	-2.6	1.8	14.7	12.2	1.40	
<i>Category Averages</i>													
34	FSAIX	Air Transportation	0.75%/30d	70.99	OK to Buy	7.9	-4.2	2.7	7.1	25.8	15.9	1.27	\$391
502	FSAVX	Automotive	0.75%/30d	43.96	OK to Buy↑	8.0	0.5	-2.3	3.8	20.4	10.6	1.35	99
507	FSRBX	Banking	0.75%/30d	26.50	Hold	4.8	1.1	-5.0	3.8	15.0	13.2	1.22	660
42	FBIOX	Biotechnology	0.75%/30d	231.84	OK to Sell	6.5	7.3	-16.8	12.6	35.4	32.2	2.30	14,125
68	FSLBX	Brokerage & Investment	0.75%/30d	69.05	OK to Buy	7.1	-7.8	-8.7	-4.4	14.6	9.4	1.46	421
69	FSDCHX	Chemicals	0.75%/30d	137.00	Hold	14.0	-4.2	0.1	-4.1	11.9	13.3	1.43	1,177
518	FSDCX	Communications Equipment	0.75%/30d	30.35	Hold	7.6	-4.3	-3.1	0.1	16.8	6.1	1.40	215
7	FDCPX	Computers	0.75%/30d	75.64	Hold	8.7	-8.5	-1.6	-5.0	12.6	9.9	1.28	556
511	FSHOX	Construction & Housing	0.75%/30d	58.50	Buy	3.7	6.1	-0.4	11.4	16.1	19.7	1.21	516
517	FSCPX	Consumer Discretionary	0.75%/30d	35.82	Buy	8.7	8.7	-0.6	15.7	19.9	16.8	1.21	1,279
98	FSVLX	Consumer Finance	0.75%/30d	13.13	OK to Buy	2.7	-1.6	-5.7	-0.6	12.3	14.9	1.07	111
9	FDFAVX	Consumer Staples	0.75%/30d	93.74	OK to Buy	5.3	-0.8	-3.1	2.3	12.0	12.5	1.14	1,884
67	FSDAX	Defense & Aerospace	0.75%/30d	117.29	OK to Buy	9.2	3.0	-0.2	6.8	18.3	14.6	1.21	848
8	FSELX	Electronics	0.75%/30d	80.37	Hold	9.6	0.3	3.6	9.5	27.7	15.4	1.37	1,509
60	FSENX	Energy	0.75%/30d	40.35	OK to Sell	12.0	-9.8	0.2	-20.2	-0.7	2.7	1.73	2,018
43	FSESX	Energy Service	0.75%/30d	46.11	Sell	8.1	-18.1	-4.5	-34.1	-6.5	-3.1	2.17	534
516	FSLEX	Environment & Alt Energy	0.75%/30d	19.62	Hold	9.9	-1.7	-0.6	0.7	13.3	6.8	1.24	80
66	FIDSX	Financial Services	0.75%/30d	86.03	OK to Buy	5.6	-3.2	-5.6	-0.4	13.9	10.3	1.14	1,271
41	FSAGX	Gold	0.75%/30d	14.48	Sell	7.6	-11.9	8.6	-7.2	-29.8	-21.1	3.39	771
63	FSPHX	Health Care	0.75%/30d	214.08	OK to Buy	5.3	2.3	-12.9	5.9	29.1	24.7	1.47	8,869
510	FSCGX	Industrial Equipment	0.75%/30d	36.74	Buy↑	10.6	2.0	1.7	3.6	12.6	11.5	1.29	120
515	FCYIX	Industrials	0.75%/30d	31.06	Buy	9.1	-1.2	-1.4	1.5	15.4	13.1	1.22	1,190
45	FSPCX	Insurance	0.75%/30d	70.07	Buy	6.5	4.8	-2.0	8.6	18.8	14.7	1.21	480
353	FBSOX	IT Services	0.75%/30d	41.68	OK to Buy↑	8.8	16.9	1.6	22.7	24.9	19.6	1.30	1,939
62	FDLSX	Leisure	0.75%/30d	140.07	Buy	5.4	7.5	-4.7	13.4	20.8	15.4	1.08	495
509	FSDPX	Materials	0.75%/30d	73.18	Hold	11.3	-5.0	-3.5	-5.0	6.5	7.4	1.32	883
505	FSHCX	Medical Delivery	0.75%/30d	84.80	Buy	1.1	5.1	-8.1	9.1	20.4	18.8	1.01	1,037
354	FSMEX	Medical Equipment	0.75%/30d	36.23	Buy	5.7	3.3	-7.3	9.0	23.6	17.9	1.26	1,970
503	FBMPX	Multimedia	0.75%/30d	81.81	Hold↑	9.5	3.8	-5.4	7.6	19.1	18.3	1.43	730
513	FSNGX	Natural Gas	0.75%/30d	25.07	OK to Sell	10.2	-22.4	-4.9	-31.7	-5.5	-2.5	2.05	349
514	FNARX	Natural Resources	0.75%/30d	27.13	OK to Sell	11.8	-10.8	-1.0	-20.1	-3.0	0.4	1.77	599
580	FPHAX	Pharmaceuticals	0.75%/30d	21.79	OK to Buy	4.1	6.1	-12.6	7.8	23.4	20.0	1.24	2,047
46	FSRPX	Retailing	0.75%/30d	106.26	OK to Buy	8.9	19.5	5.2	29.6	25.6	22.1	1.30	1,645
28	FSCSX	Software & Computer Svcs	0.75%/30d	124.58	OK to Buy	12.3	10.1	3.8	13.7	22.7	17.8	1.29	3,122
64	FSPTX	Technology	0.75%/30d	121.69	Buy	11.0	7.7	1.0	8.5	17.2	12.3	1.19	2,971
96	FSTCX	Telecommunications	0.75%/30d	62.40	Buy	8.9	3.4	0.2	2.2	9.6	9.2	1.11	535
512	FSRFX	Transportation	0.75%/30d	83.37	OK to Buy	5.0	-12.8	-3.1	-5.1	22.0	13.9	1.26	514
65	FSUTX	Utilities	0.75%/30d	66.87	OK to Sell	2.0	-9.3	-3.5	-8.0	9.4	10.1	1.22	705
963	FWRLX	Wireless	0.75%/30d	9.03	OK to Buy	7.6	0.7	-2.8	0.9	11.4	9.5	1.01	237
SECTOR ETFs													
	FDIS	MSCI Consumer Discretionary		31.82	Buy	7.9	9.9	-0.6	17.0	--	--	--	239
	FSTA	MSCI Consumer Staples		30.04	OK to Buy	5.8	4.4	-0.1	9.2	--	--	--	149
	FENY	MSCI Energy		19.37	OK to Sell	11.4	-13.5	-1.0	-21.6	--	--	--	242
	FNCL	MSCI Financials		28.57	OK to Buy	6.0	-0.2	-3.3	3.5	--	--	--	197
	FHLC	MSCI Healthcare		34.02	OK to Buy	7.0	5.2	-8.2	7.8	--	--	--	680
	FIDU	MSCI Industrials		27.78	Buy	8.8	-2.1	-0.3	0.1	--	--	--	70
	FTEC	MSCI Information Technology		33.51	Buy	10.7	6.8	2.8	10.7	--	--	--	288
	FMAT	MSCI Materials		25.30	Hold	13.0	-6.6	-1.6	-5.8	--	--	--	36
	FREL	MSCI Real Estate		22.67	Hold	6.2	-4.8p	1.4	--	--	--	--	29
	FCOM	MSCI Telecomm Services		27.05	Buy	9.3	4.4	1.8	2.8	--	--	--	32
	FUTY	MSCI Utilities		28.12	OK to Sell	2.0	-4.8	1.1	-0.6	--	--	--	114

Fund Commentary *cont'd from page 5*

alone, and firming commodities helped, too. **Emerging Markets** popped 7.6% in October, though it's down 7.2% for the year.

Bond Funds

Pure government funds slipped a bit in October as the 10-year Treasury finished at 2.15%, up from 2.03%

at the start of the month. With bond prices moving in the opposite direction of their yield, **Spartan Intermediate Treasury Index** fell 0.6%. However, funds that take more credit risk by owning corporates had solid gains. Model portfolio holdings **Corporate Bond** and **Total Bond** (which is spiced with corporates and some emerging-market debt — see p. 4), were up 1.0% and 0.6%, respectively.

But the biggest gainers were high-yield funds as their yield spreads versus Treasuries had grown over the past three months. **Focused High Income** surged 3.5% for the month.

For their part, tax-free munis provided shareholders with fractional gains. The nationally diversified **Tax-Free Bond** and **Muni Income** fared especially well, rising 0.5% apiece. ■

— John Bonnanzio

FIDELITY SCORECARD

OCTOBER 31, 2015

Fund No.	Fund Ticker	Fund Name	Sht-Term Fee	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)			SEC %Yield	Dur ² (Yrs)	Rel Vol (Risk) ¹			
						Oct	YTD	3 Mo.	1 Yr	3 Yr	5 Yr						
TAXABLE BOND						Category Averages			0.2	0.3	0.1	0.6	0.6	2.8	1.86	5.0	0.32
2267	FCONX	Conservative Income Bond		10.02	Buy	0.1	0.2	0.0	0.2	0.4	--	0.51	0.2	0.02			
2208	FCBFX	Corporate Bond		11.18	Buy	1.0	0.2	0.2	0.8	2.1	5.2	3.31	6.8	0.41			
2423	FGBFX	Global Bond		8.92	OK to Sell	0.9	-3.0	-0.1	-4.3	-2.1	--	2.82	6.8	0.42			
15	FGMNX	GNMA (Ginnie Mae)		11.57	OK to Buy	0.0	1.3	0.5	1.9	1.7	3.0	2.07	2.9	0.26			
54	FGOVX	Government Income		10.42	Hold	-0.2	1.1	0.3	2.0	1.3	2.4	1.34	5.0	0.27			
794	FINPX	Inflation-Protected Bond ³		11.83	Hold	0.3	-0.9	-1.2	-1.7	-2.4	1.6	0.24*	5.7	0.50			
32	FTHRX	Intermediate Bond		10.88	Buy	0.1	1.5	0.4	1.6	1.4	2.7	1.87	3.9	0.21			
452	FSTGX	Intermediate Gov't Income		10.68	Hold	-0.4	1.5	0.3	1.6	0.9	1.7	0.85	3.6	0.19			
2428	FINUX	International Bond		8.46	OK to Sell	1.2	-5.1	0.3	-7.8	-3.9	--	2.45	7.3	0.57			
26	FBNDX	Investment Grade Bond		7.75	Buy	0.5	0.2	-0.2	0.8	1.4	3.3	2.85	5.6	0.29			
2622	FJRLX	Limited Term Bond		11.47	Buy	0.2	1.4	0.3	1.3	1.1	2.5	1.71	2.6	0.14			
662	FFXSX	Limited Term Government		10.07	OK to Buy	-0.3	1.1	0.1	1.0	0.7	0.9	0.61	2.5	0.11			
40	FMSFX	Mortgage Securities		11.35	OK to Buy	0.0	1.8	0.6	2.6	2.1	3.2	2.28	3.4	0.24			
450	FSHBX	Short-Term Bond		8.59	Buy	0.1	0.9	0.2	0.8	0.9	1.2	0.92	1.7	0.06			
2415	FSIQX	Sotn Inflation-Protect Index ⁴		9.51	Hold	0.3	-0.6	-1.1	-1.4	-2.1	--	0.00*	5.7	0.50			
1561	FIBIX	Sotn Intermed Treas Index ⁴		11.01	Hold	-0.6	2.4	0.8	3.4	1.3	3.0	1.57	6.5	0.44			
1562	FLBIX	Sotn Lnc-Term Treas Index ⁴		12.98	Hold	-0.5	-0.5	0.7	5.2	2.6	6.6	2.61	17.5	1.06			
1560	FSBIX	Sotn Sht-Term Treas Index ⁴		10.48	Hold	-0.2	1.2	0.2	1.1	0.7	0.9	0.66	2.6	0.12			
651	FBIDX	Sotn U.S. Bond Index		11.62	Hold	0.1	1.0	0.4	1.9	1.5	2.9	2.08	5.3	0.29			
820	FTBFX	Total Bond		10.47	Buy	0.6	1.0	-0.1	1.2	1.9	3.6	2.98	5.3	0.29			
HIGH-YIELD BOND						Category Averages			2.4	1.3	-1.2	-0.8	3.3	4.8	5.34	4.0	0.47
38	FAGIX	Capital & Income	1.00%/90d	9.50	Hold	3.0	2.1	-2.0	1.2	6.9	6.8	4.23	4.4	0.54			
814	FFRHX	Floating Rate High Income	1.00%/60d	9.40	Hold	0.1	0.9	-1.3	-0.4	2.0	3.0	4.65	0.3	0.20			
1366	FHIFX	Focused High Income	1.00%/90d	8.39	Hold	3.5	1.9	-0.6	0.1	3.4	5.1	5.42	4.3	0.46			
2297	FGHNX	Global High Income	1.00%/90d	9.11	Hold	2.8	1.4	-1.4	-1.2	4.0	--	5.81	4.3	0.50			
455	SPHIX	High Income	1.00%/90d	8.46	Hold	2.6	-0.5	-2.4	-2.5	3.2	5.2	6.93	3.8	0.48			
331	FNMIX	New Markets Income	1.00%/90d	14.97	Hold	3.5	2.4	0.2	-2.3	1.0	4.7	5.96	7.3	0.72			
2580	FSAHX	Short Duration High Income	1.00%/90d	9.45	Hold	1.9	1.4	-1.2	-0.4	--	--	5.83	2.5	--			
368	FSICX	Strategic Income		10.46	OK to Buy	1.9	0.8	-0.7	-0.6	2.2	3.8	3.87	4.8	0.38			
MUNICIPAL BOND						Category Averages			0.4	1.9	1.2	2.5	2.7	3.9	1.62	5.8	0.33
434	FSAZX	Arizona Muni Income	0.50%/30d	12.11	OK to Buy	0.5	2.5	1.4	3.6	3.3	4.5	1.79	6.8	0.38			
1534	FCSTX	Calif Limited Term Tax Free	0.50%/30d	10.73	Buy	0.2	1.5	0.8	1.5	1.7	2.2	0.81	3.1	0.15			
91	FCTFX	California Muni Income	0.50%/30d	13.03	OK to Buy	0.4	2.3	1.4	3.1	3.9	5.1	1.66	6.3	0.37			
407	FICNX	Connecticut Muni Income	0.50%/30d	11.72	OK to Buy	0.3	2.1	1.4	2.6	2.5	3.7	1.84	6.5	0.35			
2578	FCRDY	Conservative Income Muni		10.05	Buy	0.1	0.3	0.2	0.3	--	--	0.25	0.8	--			
36	FLTMX	Interm Municipal Income	0.50%/30d	10.47	Buy	0.4	1.4	1.0	1.9	2.3	3.3	1.53	5.0	0.27			
404	FSTFX	Limited Term Muni Income	0.50%/30d	10.66	Buy	0.3	1.1	0.8	0.9	1.2	1.8	0.82	2.8	0.13			
429	SMDMX	Maryland Muni Income	0.50%/30d	11.33	OK to Buy	0.4	2.3	1.4	3.1	2.5	3.7	1.80	7.2	0.35			
70	FDMMX	Mass Muni Income	0.50%/30d	12.46	OK to Buy	0.3	2.2	1.4	3.1	2.9	4.3	1.86	7.1	0.39			
81	FMHTX	Michigan Muni Income	0.50%/30d	12.33	OK to Buy	0.7	2.7	1.7	3.5	3.1	4.1	1.57	5.7	0.32			
82	FIMIX	Minnesota Muni Income	0.50%/30d	11.75	OK to Buy	0.3	2.1	1.2	2.7	2.4	3.5	1.48	5.7	0.28			
37	FHIGX	Municipal Income	0.50%/30d	13.42	Buy	0.5	2.1	1.4	3.0	3.3	4.7	2.00	7.0	0.38			
416	FNJHX	New Jersey Muni Income	0.50%/30d	11.76	OK to Sell	0.8	0.3	1.1	1.1	2.0	3.6	2.35	7.2	0.37			
71	FTFMX	New York Muni Income	0.50%/30d	13.55	OK to Buy	0.4	2.6	1.3	3.1	3.0	4.1	1.76	7.1	0.37			
88	FOHFX	Ohio Muni Income	0.50%/30d	12.29	OK to Buy	0.3	2.8	1.5	3.9	3.4	4.5	1.99	7.5	0.39			
402	FPXTX	Pennsylvania Muni Income	0.50%/30d	11.27	OK to Buy	0.3	2.2	1.1	2.9	3.1	4.4	1.94	6.7	0.35			
90	FTABX	Tax-Free Bond	0.50%/30d	11.60	Buy	0.5	1.9	1.3	2.9	3.4	4.8	2.12	7.1	0.39			

Note: Yields on municipal bond and money market 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; SEC yield is fluctuating excessively.

TAXABLE MONEY MARKET FUNDS			Total Return (%)		SEC %Yield	MUNICIPAL MONEY MARKET FUNDS			Total Return (%)		SEC %Yield
			Oct	YTD					Oct	YTD	
55	FDRXX	Cash Reserves	0.00	0.01	0.01	418	FCMXX	Connecticut Muni MM	0.00	0.01	0.01
458	SPAXX	Government MM	0.00	0.01	0.01	426	FMSXX	Mass AMT Tax-Free	0.00	0.01	0.01
454	SPRXX	Money Market	0.00	0.01	0.01	74	FDMXX	Massachusetts Muni MM	0.00	0.01	0.01
631	FGMXX	Retirement Gov't MM	0.00	0.01	0.01	420	FMIXX	Michigan Muni MM	0.00	0.01	0.01
630	FRTXX	Retirement MM	0.00	0.01	0.01	10	FTEXX	Municipal Money Market	0.00	0.01	0.01
85	FSLXX	Select MM	0.00	0.01	0.02	417	FNJXX	New Jersey Muni MM	0.00	0.01	0.01
2742	FZFXX	Treasury Fund	0.00	0.01	0.01	423	FSJXX	New Jersey AMT Tax-Free	0.00	0.01	0.01
415	FDLXX	Treasury Only MM	0.00	0.01	0.01	92	FSNYX	New York Muni MM	0.00	0.01	0.01
50	FGRXX	U.S. Gov't Reserves	0.00	0.01	0.01	422	FSNXX	New York AMT Tax-Free	0.00	0.01	0.01
MUNICIPAL MONEY MARKET FUNDS						419	FOMXX	Ohio Muni MM	0.00	0.01	0.01
433	FSAXX	Arizona Muni MM	0.00	0.01	0.01	401	FPTXX	Pennsylvania Muni MM	0.00	0.01	0.01
97	FCFXX	California Muni MM	0.00	0.01	0.01	275	FMOXX	Tax-Free Money Market	0.00	0.01	0.01
457	FSPXX	California AMT Tax-Free	0.00	0.01	0.01						

FIDELITY SCORECARD

OCTOBER 31, 2015

Fund No.	Fund Ticker	Fund Name	Style	Sht-Term Fee	SPrice (NAV)	Advice	Total Return (%)			Avg Annual (%)			Rel Vol (Risk) ¹
							Oct	YTD	3 Mo.	1 Year	3 Year	5 Year	
FIDELITY PERSONAL RETIREMENT ANNUITY PORTFOLIOS													
Model Portfolios	Annuity Sector Model						8.1	2.6	-3.1	5.0	16.6	12.9	1.02
	Annuity Growth Model						7.5	1.9	-3.6	3.7	13.3	11.6	1.05
	Annuity Growth & Income Model						5.8	1.7	-2.2	3.3	10.0	8.9	0.76
	Annuity Income Model						2.5	0.7	-0.9	1.2	3.0	4.7	0.35
9067	FLRQC	Fid VIP Asset Manager	Allocation		17.50	Hold	3.8	1.0	-3.3	0.8	7.9	6.6	0.67
9066	FAEEC	Fid VIP Asset Manager: Growth	Allocation		17.75	Hold	5.1	1.0	-4.4	0.6	10.2	7.9	0.88
9069	FJBAC	Fid VIP Balanced	Allocation		19.73	Buy	5.5	1.3	-1.9	2.4	10.5	9.3	0.71
9081	FVHAC	Fid VIP Consumer Discretionary	Sector	1.00%/60d	24.19	Buy	8.3	8.1	-1.1	15.1	19.2	16.3	1.21
9171	FCSAC	Fid VIP Consumer Staples	Sector	1.00%/60d	21.88	OK to Buy	5.6	4.6	-1.4	8.2	14.1	13.5	1.14
9065	FPDFC	Fid VIP Contrafund	Large Growth		21.03	Buy	8.0	1.4	-2.8	3.0	14.6	12.5	0.99
9148	FPRGC	Fid VIP Disciplined Small Cap	Small Growth		16.84	OK to Buy	5.6	0.5	-4.8	2.6	15.1	13.5	1.27
9074	FZAMC	Fid VIP Dynamic Capital App	Large Growth		22.99	Buy	8.1	2.3	-4.2	2.8	17.3	14.3	1.13
9198	FEMAC	Fid VIP Emerging Markets	Emg Mkts	1.00%/60d	7.96	Hold	7.6	-7.3	-4.1	-10.9	1.0	-2.0	1.27
9085	FJLLC	Fid VIP Energy	Sector	1.00%/60d	14.24	OK to Sell	11.9	-10.1	0.1	-20.6	-0.9	2.5	1.73
9061	FLOLC	Fid VIP Equity-Income	Large Value		16.74	Hold	6.2	-2.7	-4.3	-1.8	10.8	11.5	0.95
9083	FONNC	Fid VIP Financial Services	Sector	1.00%/60d	10.45	Buy	5.7	-3.2	-5.5	-0.4	13.8	10.1	1.14
9361	FFLCC	Fid VIP Floating Rate High Income	High-Yield Bond		10.07	OK to Buy	-0.3	1.4	-1.3	--	--	--	--
9157	FMPAC	Fid VIP FundsManager 20	Allocation		14.10	Hold	1.6	0.4	-1.0	1.0	3.4	3.6	0.30
9158	FMPBC	Fid VIP FundsManager 50	Allocation		15.29	Hold	3.7	0.8	-2.2	1.5	7.1	6.4	0.58
9197	FMPCC	Fid VIP FundsManager 60	Allocation		14.25	Hold	4.5	1.1	-2.7	1.9	8.6	7.3	0.67
9159	FMPCC	Fid VIP FundsManager 70	Allocation		15.53	Hold	5.0	1.2	-3.1	1.9	9.6	8.1	0.77
9160	FMPDC	Fid VIP FundsManager 85	Allocation		15.47	Hold	6.2	1.2	-3.6	2.1	11.5	9.1	0.91
9062	FMNDC	Fid VIP Growth	Large Growth		20.95	OK to Buy	7.5	5.8	-2.7	5.2	17.3	14.6	1.08
9070	FIDNC	Fid VIP Growth & Income	Large Blend		19.40	Hold	7.9	-0.7	-3.4	0.5	13.9	13.5	1.07
9068	FIDPC	Fid VIP Growth Opportunities	Large Growth		21.55	Buy	8.6	4.9	-3.1	7.6	18.4	16.2	1.23
9078	FPVDC	Fid VIP Growth Stock	Merged into VIP Growth Opportunities										
9077	FQBRC	Fid VIP Growth Strategies	Merged into VIP Mid Cap										
9084	FPDRC	Fid VIP Health Care	Sector	1.00%/60d	34.48	Buy	5.2	2.3	-13.1	5.9	28.7	24.3	1.46
9060	FBBLC	Fid VIP High Income	High-Yield Bond		17.89	Hold	2.6	1.3	-2.0	-1.3	3.3	5.1	0.47
9064	FXVLT	Fid VIP Index 500	Large Blend		20.27	Hold	8.4	2.4	-0.7	4.9	15.8	14.0	1.00
9082	FBALC	Fid VIP Industrials	Sector	1.00%/60d	25.71	Buy	9.1	-1.5	-1.5	1.2	15.2	12.9	1.22
9076	FVJIC	Fid VIP Int'l Capital App	Diversified Int'l	1.00%/60d	16.01	Buy	6.3	3.8	-3.3	3.9	11.2	8.0	1.07
9063	FTLKC	Fid VIP Investment Grade Bond	Inv Grd Bond		15.27	Buy	0.8	0.3	-0.1	0.7	1.3	2.9	0.29
9172	FVMAC	Fid VIP Materials	Sector	1.00%/60d	17.30	Hold	11.1	-5.5	-3.8	-5.6	6.3	7.1	1.31
9071	FNBSJ	Fid VIP Mid Cap	Mid Growth		22.10	Buy	5.6	0.9	-4.7	4.0	14.5	9.0	1.13
9059	FTNJC	Fid VIP Money Market	Money Mkt		11.34	--	-0.1	-0.3	-0.1	-0.3	-0.2	-0.2	0.01
9088	FEMMC	Fid VIP Overseas	Diversified Int'l	1.00%/60d	15.03	OK to Buy	6.7	4.7	-5.6	2.5	9.8	5.2	1.19
9072	FFWKC	Fid VIP Real Estate	Sector		21.24	Hold	5.7	1.6	1.7	5.0	11.3	11.9	1.37
9075	FGDQC	Fid VIP Strategic Income	High-Yield Bond		17.31	Buy	1.8	0.5	-0.7	-0.9	1.8	3.4	0.37
9086	FYENC	Fid VIP Technology	Sector	1.00%/60d	25.85	Buy	10.4	5.9	0.5	6.2	15.6	11.3	1.15
9173	FVTAC	Fid VIP Telecommunications	Sector	1.00%/60d	13.55	Buy	9.0	3.3	0.1	2.0	9.5	9.7	1.12
9087	FXRRC	Fid VIP Utilities	Sector	1.00%/60d	20.71	OK to Sell	2.0	-9.4	-3.6	-8.1	9.2	10.0	1.22
9079	FKMSC	Fid VIP Value	Large Value		18.60	Buy	7.5	1.9	-2.9	3.9	15.3	13.6	1.01
9080	FUEBC	Fid VIP Value Leaders	Merged into VIP Value										
9073	FRBSC	Fid VIP Value Strategies	Mid Value		19.46	OK to Buy	7.5	0.8	-4.1	2.4	13.6	12.1	1.07
9347	FBMEC	Black Rock Global Allocation	Global Allocation		11.87	Hold	4.4	0.4	-2.3	0.0	6.0	4.9	0.64
9349	FTMEC	Franklin Templeton Global Bond	Global Bond		10.70	OK to Sell	2.8	-3.6	-2.6	-5.6	0.7	2.6	0.51
9348	FFMEC	Franklin Templeton US Gov't	Intermed Gov't		10.26	Hold	-0.1	0.6	0.2	0.8	0.4	1.4	0.19
9285	FIGXC	Invesco Global Core Eqty	Global Stock		11.43	Hold	7.4	2.1	-3.1	1.3	10.0	5.6	1.02
9147	FPRLC	Lazard Retirement Emerging Mkts	Emg Mkts		12.71	Hold	6.8	-14.3	-8.6	-22.2	-4.9	-3.5	1.55
9143	FPRMC	Morgan Stanley Emerg Mkt Debt	Emg Mkt Bond		16.45	Hold	3.7	0.8	-0.5	-3.3	-1.0	2.6	0.74
9144	FPRNC	Morgan Stanley Emerg Mkt Equity	Emg Mkts		11.73	Hold	4.4	-6.4	-6.3	-12.4	-2.5	-2.4	1.18
9146	FPRPC	Morgan Stanley Global Strategist ⁵	Diversified Int'l		11.90	Hold	4.8	-4.0	-2.7	-5.2	5.1	4.7	0.70
9346	FPMEC	Pimco Commodity Real Return	Commodities		5.87	Sell	0.2	-17.0	-6.1	-28.5	-17.4	-9.6	1.32
9276	FPMBC	Pimco VIT Low Duration	Shrt-Term Bond		11.43	Buy	0.5	0.4	-0.2	0.0	0.3	1.3	0.16
9277	FPNBC	Pimco VIT Real Return	TIPS		12.31	Hold	0.7	-1.4	-1.9	-3.2	-2.8	1.3	0.57
9278	FPOBC	Pimco VIT Total Return	Intermed Bond		12.66	Hold	0.8	0.8	-0.5	1.2	1.0	2.6	0.35

Annuity Sector	
Fund	Allocation
VIP Cons Discretionary	22%
VIP Technology	20
VIP Telecom	16
VIP Industrials	14
VIP Financial Services	14
VIP Health Care	14
Total Return:	
Oct: 8.1% YTD: 2.6%	

Annuity Growth	
Fund	Allocation
VIP Growth Opps	24%
VIP Mid Cap	23
VIP Contrafund	20
VIP Value	19
VIP Dynamic Cap App	14
Total Return:	
Oct: 7.5% YTD: 1.9%	

Annuity Growth & Income	
Fund	Allocation
VIP Investment Grade	30%
VIP Growth Opps	29
VIP Contrafund	21
VIP Value	20
Total Return:	
Oct: 5.8% YTD: 1.7%	

Annuity Income	
Fund	Allocation
VIP Balanced	40%
VIP Investment Grade	33
Pimco VIT Low Duration	27
Total Return:	
Oct: 2.5% YTD: 0.7%	

TAXES

Year-End Distributions

2015 hasn't been a boffo year to hold U.S. stock funds. But the 2009-2014 period saw stocks rebound mightily off their lows set in 2008. In fact, the S&P 500 and other indexes have more than doubled off their lows set that year.

This year's topsy-turvy market has presented some funds with the opportunity to offset those years of imbedded capital gains with 2015's losses. (This is especially true for small-cap funds.) Even so, some investors with taxable accounts will once again face year-end taxable gains. The difference, of course, between what has been made by your fund and what

can be offset by losses is the shareholder's year-end distribution. This is typically a combination of capital gains and income which will be reported to you on your 1099-DIV (provided by Fidelity early next year), and left to you and your accountant to figure out how each will be taxed.

Below are funds whose estimated distributions exceed 2% of their NAV as of Oct. 29, 2015.

Of course, fund distributions are a non-event when held in tax-deferred accounts such as an IRA or 401(k). Moreover, **you can never make money from "buying" a distribution because the fund's NAV declines by the same amount as the distribution itself.**

However, if in the next few weeks you're looking to buy a fund that's going ex-dividend, you should probably wait for it to do so. How long?

Our rule of thumb is one week for each percentage point of the estimate. Consider, **Disciplined Equity** in our *Growth & Income Model*. Its ex-date is Dec. 4 and its estimated distribution is 6.3%. Given that, you'll want to postpone its purchase in taxable accounts until after the payout.

On the other hand, many funds will pay less than 2%, so it's really a toss-up as to whether you jump in now.

Note: On our website, we share some ideas on tax mitigation and provide a complete list of distributions. ■

— John Bonnanzio

Fund	Est Total \$ Per Share	Ex. Date	% of NAV as of 29-Oct
Asset Manager 50%	0.53	12/11	3.10%
Asset Manager 60%	0.42	12/11	3.72%
Asset Manager 70%	0.83	12/11	4.16%
Asset Manager 85%	0.73	12/11	4.39%
Capital Appreciation	3.84	12/04	10.30%
China Region	4.71	12/04	15.82%
Contrafund	4.02	12/11	3.84%
Convertible Securities	1.99	12/11	6.69%
Disciplined Equity	2.17	12/04	6.33%
Equity Dividend Income	0.97	12/11	3.69%
Equity-Income	2.76	12/11	5.00%
Focused Stock	0.76	12/04	3.93%
Global Balanced	0.71	12/11	3.11%
Global Commodity Stock	0.23	12/04	2.23%
Growth Company	5.25	12/04	3.72%
Independence	2.48	12/11	6.38%
Int'l Cap Appreciation	0.42	12/04	2.48%
Int'l Small Cap	0.76	12/04	3.29%
Large Cap Stock	0.56	12/04	2.03%
Lrg Cap Core Enhd Indx	0.25	12/11	2.12%
Lrg Cap Grow Enhd Indx	0.46	12/11	2.99%
Magellan	2.93	12/04	3.11%
Mid Cap Enhd Index	0.61	12/11	4.52%
Mid Cap Value	1.06	12/11	4.41%
Mid-Cap Stock	1.76	12/11	4.91%
New Millennium	3.96	12/11	10.14%
Pacific Basin	1.31	12/04	4.85%
Select Air Transport	5.69	12/18	8.03%
Select Automotive	4.09	12/18	9.39%
Select Banking	0.64	12/18	2.38%
Select Biotechnology	11.52	12/04	4.93%
Select Brokerage	2.75	12/18	3.96%
Select Chemicals	4.86	12/18	3.56%

Fund	Est Total \$ Per Share	Ex. Date	% of NAV as of 29-Oct
Select Computers	2.72	12/18	3.58%
Select Construction	1.31	12/18	2.23%
Select Consumer Finance	0.29	12/18	2.18%
Select Consumer Staples	4.93	12/18	5.19%
Select Electronics	4.95	12/04	6.22%
Select Health Care	16.26	12/18	7.59%
Select Industrials	1.44	12/18	4.63%
Select Insurance	1.51	12/18	2.13%
Select Leisure	4.99	12/18	3.54%
Select Materials	1.54	12/18	2.10%
Select Medical Delivery	2.08	12/18	2.42%
Select Medical Equip	1.65	12/18	4.57%
Select Multimedia	3.03	12/18	3.67%
Select Pharmaceuticals	1.73	12/18	7.91%
Select Software	3.38	12/18	2.71%
Select Technology	3.13	12/04	2.57%
Select Transportation	2.10	12/18	2.52%
Select Wireless	0.60	12/04	6.65%
Small Cap Enhd Idx	0.41	12/11	3.31%
Small Cap Stock	0.57	12/04	3.05%
Sptn Emerg Mkts Idx	0.17	12/11	2.04%
Sptn Extended Mkt Idx	2.04	12/18	3.79%
Sptn Int'l Index	0.77	12/18	2.03%
Sptn Mid Cap Index	0.53	12/18	3.08%
Sptn Small Cap Index	0.36	12/18	2.19%
Stock Sel Small Cap	1.67	12/04	6.68%
Stock Selector All Cap	1.35	12/11	3.78%
Strategic Dividend & Inc	0.33	12/11	2.33%
Telecom & Utilities	0.56	12/04	2.48%
Total Emerging Mkts	0.25	12/04	2.43%
Trend	4.58	12/18	5.17%
Value	9.47	12/04	8.55%
Worldwide	0.80	12/04	3.44%

Inside Fidelity

Manager Changes — Rob Galusza and Rob Chan are now co-portfolio managers of **Conservative Income Bond**. Over the next two months, they will work alongside current manager Kim Miller, who will then leave Fidelity after 24 years at the firm.

In the meantime, Fidelity says that both Robs will continue with their existing portfolio management assignments. Presently they are members of the **Limited Term Bond** team and currently manage similar products.

Name Changes — As we've been reporting, the nation's money market funds are being refashioned — some dramatically. This is in response to the SEC's controversial mandates that are intended to make "cash" investments

DIVIDEND UPDATE

Other than monthly dividends on bond and money market funds, and Asset Mgr: 20%/30%, no funds are expected to pay dividends and/or capital gains in November.

The final distributions for October were as follows:

Fund	Ex-Date	\$ Amt	NAV
Asset Mgr 40%	10/9	0.047	10.59
Asset Mgr 50%	10/9	0.072	16.80
AZ Municipal Inc	10/9	0.102	12.08
Balanced	10/9	1.321	21.18
Convert Sec	10/2	0.232	28.73
Equity Div Inc	10/2	0.143	24.68
Equity-Inc	10/2	0.333	52.33
Export & Multi	10/9	1.146	20.49
Glb Equity Inc	10/2	0.025	11.54
Government Inc	10/9	0.082	10.44
Growth & Inc	10/2	0.155	27.88
Intmd Gov't Inc	10/9	0.050	10.71
MD Municipal Inc	10/9	0.146	11.31
Puritan	10/9	1.161	20.05
Sp US Bond Index	10/9	0.012	11.64
Spartan 500 Index	10/2	0.353	68.78
Strat Real Return	10/9	0.071	8.66
Strategic Div & Inc	10/2	0.086	13.55
Telecom and Util	10/2	0.183	21.83
Total Bond	10/9	0.059	10.47

Danoff Marks 25 Years At Contra

For the past 25 years, we've been recommending **Contrafund**. And while there have been periods where one model portfolio or another has been bereft of its presence (typically when stocks have been rallying sharply and this risk-sensitive growth fund would have struggled to keep pace), we've always been a fan and devotee of its legendary manager, Will Danoff.



Will Danoff

Having recently marked his silver jubilee on this nearly 50-year-old fund, Will has made retirements, college educations and probably second homes possible for untold thousands of individuals and families. Apart from that, Will is also a gentleman.

From his first full month on the job (October 1990) until September of 2015 (25 years), Will has generated an average annual return of 13.1% versus 9.9% for the S&P 500! Congratulations Will. And here's hoping for 25 more years of market-beating (and peer-beating) performance! ■

safer than they already were.

With that in mind, on Dec. 1 all of Fidelity's money fund mergers, name changes and conversions should be finalized. Then again, maybe not!

Money Fund Alternative

With a duration of only 0.2 years, **Conservative Income Bond** is, in terms of interest-rate risk, more akin to a taxable money market fund than it is to **Short-Term Bond** (whose duration is 1.7 years). However, unlike a money market, Conservative Income's NAV does fluctuate slightly from its \$10.00 target, meaning that you can experience a capital loss. If a money market fund fell below its \$1.00 NAV, "breaking a buck" would set alarm bells off throughout the financial markets, such as occurred to one non-diversified fund in 2008.

With that in mind, the **Buy**-rated Conservative Income is still a good alternative to "cash" funds that continue to yield essentially nothing. Generally speaking, Conservative Income's yield advantage is roughly 40 basis points, or 0.40%. The trade-off, as we've suggested, is some modest risk to capital. ■

While Fidelity has determined that the vast majority of its money market funds are still appropriate for you, the retail investor (as opposed to institutions whose money fund options may well have to shoulder a combination of liquidity fees, redemption gates and even floating NAVs), a final determination will not be made by Fidelity until this January. At that time, all shareholders will be notified.

To that end, America's largest money market fund by assets, **Cash Reserves**, is poised for a transformation. The \$115 billion fund will cease to be a prime fund (along with **Retirement MM** and **VIP MM**), and become a government-only offering called **Gov't Cash Reserves**. In their new incarnations, the funds will theoretically become less risky (thus affording incrementally less yield to shareholders). That's because they will no longer hold generally higher-yielding corporate and foreign notes.

Frankly, the list of name changes, mergers and conversions is dizzying. But the bottom line is that for all these changes, most retail money market funds won't change much at all — at least not to any noticeable degree, just a regulatory degree! ■

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