

FIDELITY INSIGHT

THE INDEPENDENT REPORT ON FIDELITY FUNDS

MAY 2012

VOLUME 28, NUMBER 5

MARKET OUTLOOK

Despite Some Caution Flags, Slow Growth Scenario Still Intact

At the beginning of this year, our forecast was for a continuation of modest improvements in the economy.



John M. Boyd

Combined with attractive valuations on stocks (especially when compared to bonds), we expected that such a slow growth scenario would produce solid gains for equity funds. So far, right on both counts.

For that past couple of month's I've also been suggesting that members should expect a more difficult period for the market, as we approached the seasonally unfavorable months of May-

Anniversaries: Happy And Otherwise
(see page 11).

October. Well, April indeed turned out to be more difficult. But thanks to a rally triggered by Apple's blowout earnings, most markets ended the month with only modest losses. (For more on that and Apple's effect on Fidelity's funds see John Bonnanzio's *Fund Commentary* on page 5.) We continue to expect a more rocky road ahead.

GDP Growth Slows

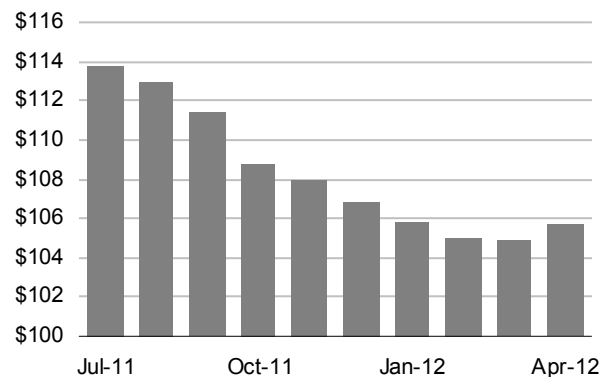
In February, we wrote that one of the reasons to expect tougher sledding for the markets going forward was

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OVERDONE PESSIMISM?

2012 S&P 500 Earnings Per Share Estimates



Amid concerns over a slowing economy, since last summer, analysts had been steadily cutting their estimates for 2012 S&P 500 earnings from a high of nearly \$114 per share in July, to a low of just under \$105 by March. But perhaps their pessimism was overdone, as estimates began to creep up in April to near \$106. Earnings growth has been slowing in recent quarters, so a rising trend in forecasted growth could provide welcome support for stocks. Of course, that in turn may rest with the fate of the economy (see Market Outlook).

that GDP growth was likely to slow in the first quarter, as much of the prior quarter's 3.0% gain was due to inventory accumulation. Indeed the initial estimate of first quarter GDP growth came in at 2.2%. The "good news" in the report is that more of this quarter's gains came from consumer spending and less from inventory building. In the underlying details of the report there is enough ammunition for either bulls or bears on the economy to make their case, but the top line figure is consistent with our slow growth expectation.

Major Economic Indicators Ahead of Last Year

The future course of the economy remains murky and in March, we noted that fewer positive surprises from economic data might be another headwind for the market. That was the case in April, as readings for industrial production, durable goods orders and jobless claims were weaker-than-expected. In addition a broad measure of economic activity, the Chicago Fed National Activity Index, has

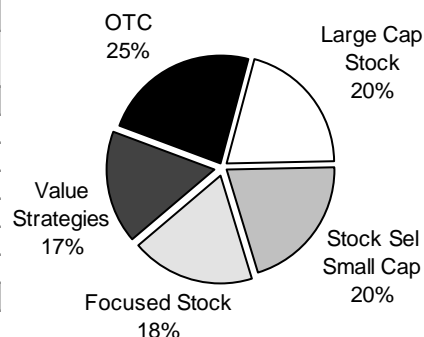
Market Outlook cont'd on page 3

FIDELITY INSIGHT MODEL PORTFOLIOS - APRIL 30, 2012

Aggressive Growth Model		Rel Vol: 1.24	Est. Yield: 0.3%	YTD Return: 12.6%		
Current Asset Allocation		Stocks 98.4%	Bonds 0.0%	Cash 1.6%	Alternative ¹ 0.0%	Foreign 8.7%
Holdings	Ticker	Alloc	NAV	Shares	Value	Apr Ret
OTC	FOCPX	25%	\$61.49	681.20	\$41,887	-4.1%
Large Cap Stock	FLCSX	20	19.55	1,805.82	35,304	-1.4
Stock Sel Small Cap	FDSCX	20	19.91	1,746.10	34,765	-1.5
Focused Stock	FTQGX	18	15.72	2,010.96	31,612	1.2
Value Strategies	FSLSX	17	28.79	1,035.02	29,798	-0.3

Current Value (4/7/99 = \$100,000) \$173,366 -1.4%

For aggressive members who have no need for income or principal for more than 10 years. Target volatility range: 0.50-1.50.

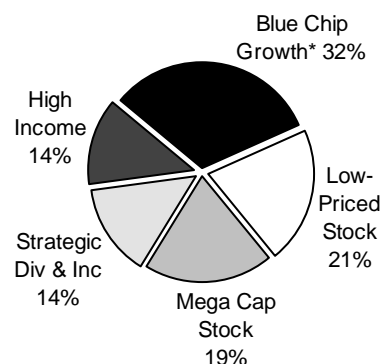


Growth Model		Rel Vol: 0.98	Est. Yield: 1.7%	YTD Return: 12.6%		
Current Asset Allocation		Stocks 80.4%	Bonds 0.0%	Cash 3.3%	Alternative ¹ 16.2%	Foreign 11.4%
Holdings	Ticker	Alloc	NAV	Shares	Value	Apr Ret
Blue Chip Growth*	FBGRX	32%	\$49.85	7,936.94	\$395,656	-1.1%
Low-Priced Stock	FLPSX	21	40.31	6,246.15	251,782	-1.0
Mega Cap Stock	FGRTX	19	11.48	20,076.27	230,476	-1.0
Strategic Div & Inc	FSDIX	14	11.90	14,510.67	172,677	0.4
High Income	SPHIX	14	9.05	18,406.78	166,581	1.0

Current Value (1/1/87 = \$100,000) \$1,217,172 -0.5%

*Longtime members may own Growth Company

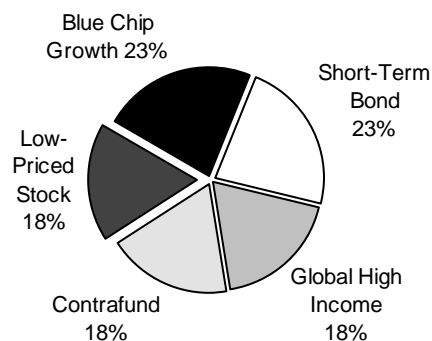
For moderately aggressive members who want equity-dominated portfolios and have no income needs for at least 10 years. Target volatility range: 0.50-1.00.



Growth & Income Model		Rel Vol: 0.71	Est. Yield: 1.5%	YTD Return: 10.2%		
Current Asset Allocation		Stocks 57.6%	Bonds 22.2%	Cash 2.9%	Alternative ¹ 17.2%	Foreign 18.3%
Holdings	Ticker	Alloc	NAV	Shares	Value	Apr Ret
Blue Chip Growth	FBGRX	23%	\$49.85	4,578.43	\$228,235	-1.1%
Short-Term Bond	FSHBX	23	8.54	26,100.16	222,895	0.2
Global High Income	FGHNX	18	9.74	18,729.05	182,421	1.1
Contrafund	FCNTX	18	77.45	2,320.60	179,730	-0.1
Low-Priced Stock	FLPSX	18	40.31	4,403.02	177,486	-1.0

Current Value (1/1/87 = \$100,000) \$990,767 -0.2%

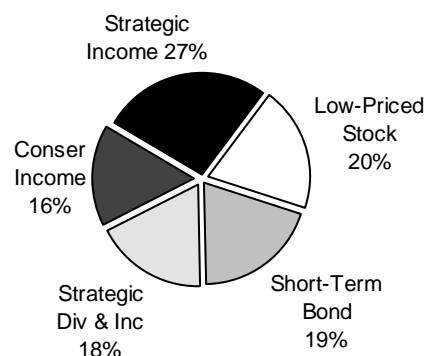
A good choice for members retiring in five-10 years looking for less volatility than the market. Seeks a yield in excess of the S&P 500. Target volatility range: 0.25-0.75.



Income & Preservation Model		Rel Vol: 0.45	Est. Yield: 2.0%	YTD Return: 5.4%		
Current Asset Allocation		Stocks 30.3%	Bonds 41.9%	Cash 3.4%	Alternative ¹ 24.4%	Foreign 16.2%
Holdings	Ticker	Alloc	NAV	Shares	Value	Apr Ret
Strategic Income	FSICX	27%	\$11.15	14,135.16	\$157,607	1.2%
Low-Priced Stock	FLPSX	20	40.31	2,776.83	111,934	-1.0
Short-Term Bond	FSHBX	19	8.54	12,915.38	110,297	0.2
Strategic Div & Inc	FSDIX	18	11.90	8,469.24	100,784	0.4
Conservative Income	FCONX	16	10.01	9,459.31	94,688	0.1

Current Value (1/1/87 = \$100,000) \$575,310 0.2%

For members needing income and protection of their purchasing power against inflation. Seeks a yield in excess of the S&P 500. Target volatility range: 0.10-0.50.



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.

deteriorated over the past four months. While these factors raise caution flags, and bear watching, *for now* the trend of a slowly improving economy remains intact. As shown in the table, most major economic indicators remain solidly ahead of a year ago. There are concerns of course.

Economic Indicator (figures seasonally adjusted)	Y/Y Change
Industrial Production	+3.8%
Durable Goods Orders*	+7.7%
Retail Sales	+6.2%
Initial Jobless Claims*	-6.7%
New Home Sales	+7.5%
Existing Home Sales	+5.2%
Non-Farm Payrolls	+1.5%
Real Disposable Income	+0.3%

*4 Week Moving Average

While the rate of job losses is going down nicely, job growth is still quite weak, and along with that, income growth is anemic.

(You can find a fuller discussion of some of these economic variables in our new editorial blog “from the desk of...” on our website.)

Upside Earnings Surprise

Another concern I noted in past reports was a slowing in corporate earnings growth, with only 49% of S&P 500 firms managing to beat expectations in the fourth quarter of last year. But with 300 firms reporting in the first quarter, so far, 70% have come in ahead of expectations. (The 10 year average is 62%.)

To throw a little cold water on that, however, earnings estimates for this year’s first quarter were cut by 10% over the past several months, making that higher “beat rate” possible. In fact, at the end of March, expectations were for only 1% year-over-year growth.

With earnings coming in better-than-expected, now projections are for a 7.8% rise. While that is much better, it is still off quite a bit from the fourth quarter’s gain of 11%. Still, the market is taking the recent earnings news as a positive and so do we.

WHICH FUNDS SHOULD YOU BUY NOW!

Equity Funds: **Blue Chip Growth, Focused Stock, Growth Co.** and **OTC** are our top large-cap growth picks. **Strategic Dividend & Income** (listed among Specialty funds in our *Scorecard*) is our large-cap value option. **Low-Priced Stock** and **Stock Selector Small Cap** ply mostly the mid-and small-cap arenas, respectively; **Contrafund** is a more conservative “all-cap” approach to growth.

Bond Funds: **Short-Term Bond** affords limited interest-rate risk. **Conservative Income** gets you a bit more yield than a money market fund.

International Funds: We favor domestic over foreign stock exposure; see *Scorecard* for preferred diversified options.

High Yield Funds: **Capital & Income** is an aggressive play on improving company balance sheets, with a bit of stocks added in. **High Income** is a less risky alternative with no stock exposure. **Strategic Income** and **Global High Income** are diversified bond funds with US high-yield, emerging market, developed foreign and US gov’t debt obligations. ■

Europe Still A Mess

And now for our obligatory Europe discussion! While, as we noted in the March report, the liquefaction of Europe’s banks through cheap loans (LTROs) from the ECB, has taken Armageddon off the table (at least for now), there has been no real progress on the underlying fundamentals — and they are bad. Much of the continent is in recession and the UK just joined the list.

Spain is the big concern today: Unemployment stands at 24.4% (and 50% for young workers!), its economy is in recession, its sovereign debt was just downgraded and its bond yields are moving into the danger zone where they will need a bailout to survive. While Europe has not rattled our markets like it did last year, that remains an ongoing threat.

Model Portfolios

Although there is no shortage of cross-currents to worry about, until we see a real deterioration in year-over-year economic data, we remain comfortable with our Model Portfolio positioning, which favors stocks over bonds and high-yield bonds over investment grade fare. Our Select Model (Jack is making a trade there — see below), Aggressive Growth Model and Growth Model are all ahead of the market. And our Growth & Income Model is not far behind. Gains in the Income & Preservation Model are more modest, but in the current low interest rate environment it is hard to get bigger returns without taking on excessive risk. While the next months may be rough, stay disciplined and stay invested.

— John M. Boyd

MODEL PORTFOLIO TRADES

As announced on our April 27 Hotline, on Monday April 30, we made trades in our Select Model and Annuity Sector Model as shown below.

Action	Fund (ticker)	Shares	Price	Value	Old %	New %
Select Model						
Sold:	Sel. Energy (FSENX)	264.85	\$51.71	\$13,695.57	12%	0%
Bought:	Sel. Cons Fin (FSVLX)	1,031.29	\$13.28	\$13,695.57	0%	12%
Annuity Sector Model						
Sold:	VIP Energy (FJLLC)	968.49	\$14.69	\$14,227.09	12%	0%
Bought:	VIP Fin Svs. (FONNC)	2,098.39	\$6.78	\$14,227.09	0%	12%

For an explanation of these trades see Jack Bowers’ commentary on page 8. Please note that **Select Energy** has a 0.75% redemption fee on shares that are held for fewer than 30 days and **VIP Energy** has a 1.0% fee for 60 days.

MANAGER UPDATES

Anniversaries: Happy And Otherwise

Against the backdrop of new top management wanting changes and forcing out fund managers who simply weren't getting the job done, a number of stock fund managers are marking anniversaries.

Some — along with their shareholders — should be celebrating. Others will be hoping for better days.

When tenures can be measured in terms of a year or preferably multiple years (rather than months), it's far easier to assess whether a "new" manager is adding value or falling short.

With their compensation typically tied to a rolling three-year record, plus the total amount of assets they manage, benchmark-beating returns benefits the manager financially. A good performance also benefits a fund's analysts and traders, and it benefits Fidelity. But the primary beneficiaries, of course, are the fund's shareholders. So in theory, everyone's interests are aligned.

One Year: Fifty and Growth & Income

When a manager "inherits" a fund, especially one that has not performed well, it can take months to reshape it. Not only is there a risk of discarding the baby with the bath water, but the trading must be done with an eye to minimizing taxes. So, especially on funds with large assets and many holdings, one year may be an insufficient timeframe to fully measure a manager's effectiveness.

With Fidelity managers backed by plenty of firepower from the firm's many research analysts, the image of a lone stockpicker burning the midnight oil amid reams of spreadsheets and piles of annual reports, is perhaps a bit outdated.

Yet Fidelity has always had a Darwinian culture, so working late into the night and traveling far afield to meet company management is the rule, not the exception.

One manager who knows that culture exceedingly well is Stephen DuFour. After receiving his MBA from the University of Chicago, he joined Fidelity 20 years ago and has run funds in many disciplines. Among Selects, his resume includes Broadcast & Media (now **Multimedia**), **Energy** and **Transportation**, and he's run the diversified **Balanced**, **Convertible Securities** and **VIP Value**. Today, in addition to running the domestic sleeve of **Worldwide**, Steve has just clocked five years at

modestly underweighting strong-performing financials.

With Focused held in our Aggressive Growth Model, it's naturally rated *Buy*. Its clone Fifty had been rated *OK to Buy* as we weighed its repositioning. We now rate it *Buy*.

Elsewhere, Matt Fruhan just marked his first anniversary running **Growth & Income**. A mere shadow of its former asset-rich self, Matt's job includes returning G&I to its roots: boost its yield to at least match the S&P 500, and do so without sacrificing capital appreciation. A new dividend-paying stock that perfectly fits that bill is Apple, though given the stock's sorry performance in April (it fell 2.6%), you can see why G&I's

twin objectives are easier said than done. In truth, Matt has yet to get G&I firing on both cylinders, even as he's radically reshaped it into a true growth and income fund. Matt, who also runs **Mega Cap Stock** and **Large Cap Stock** — both are held in our models — cer-

Total return % during a manager's tenure on fund (shown in years) vs. its respective index (benchmark)*

Fund	Manager	One	Two	Three	Five	Ten	Index
Export & Multi	Carrillo		20.1				28.8
Fidelity Fifty	Avery					47.5	50.2
Fifty	DuFour	2.3					5.1
Focused Stock	DuFour				31.1		8.0
Growth Discovery	Weiner				13.4		16.9
Growth & Inc	Fruhan	3.0					4.2
Mega Cap Stk	Fruhan			96.8			87.9
Puritan	Arani				12.8		12.2

*Managers' performances not comparable owing to different anniversaries and benchmarks.

Focused Stock and just marked his first anniversary at **Fifty** fund.

It's no mystery as to why Steve was assigned to run the very concentrated Fifty, as his performance at the equally concentrated Focused Stock has been stellar. (Fifty's name reflects its strategy of investing in Fidelity's best stock ideas — a similar approach to the once quantitatively run Focused.) However, the result is that Fifty is now a virtual clone of Focused, and we frankly don't see the benefit of that for investors. As such, its performance is tracking Focused very closely, though neither fund is among this year's leaders.

One explanation: while Apple is a top-10 holding, their better-performing peers made the tech giant their #1 holding. Moreover, they held less in tech. Stephen overweighted defensive health care stocks while

certainly has his hands full. (April marks his third year at Mega Cap, so please read on.) But in conservative portfolios, G&I strikes the right balance of risk and potential reward.

2 Years: Export & Multinational

Heather Carrillo took over this fund following the untimely death of her predecessor. Apart from a meaningless fund name, it failed to beat its benchmark in 2010 or 2011, although it has so far this year. Volatility, in the meantime, runs higher than the market for this large-cap growth fund, though it's tamer than its peers. So whether you're looking for a large-cap growth or large-cap blend offering, you'll find more highly rated alternatives in the *Scorecard*.

Manager Updates *cont'd on page 11*

Stocks Wilt In April; Bonds Bloom

Following big gains in the first quarter (some stock indexes even broke records), April, if not the cruelest



John Bonnanzio

month, was certainly a less hospitable one for stock investors. They did get some support from corporate earnings that are largely coming in better than expected (see *Market Outlook*).

On that score, companies that came up short were taken to the woodshed by investors, while those that exceeded expectations were rewarded, but not overly so, by a crowd that is always wondering, “What will you do for me tomorrow?”

[Note: We take a look at changing 2012 earnings forecasts in our page 1 chart.]

Of course, that’s where things get murky, because China is slowing and so is Europe. More specifically, seven European countries are in recession, including Greece, Ireland and Spain, while Italy and France seem destined for that same fate.

So even though the US is still recovering unevenly, if our best customers are spending less, we’ll be selling less. And that’s precisely what investors were thinking about in April. And it’s the reason that the S&P 500 slipped 0.6% last month, while the tech-rich Nasdaq Composite retreated 1.4% and the small-cap Russell 2000 fell 1.5%. The Dow Industrials, however, managed a fractional gain (up 0.2%).

As for the Nasdaq, almost 10% of its performance can be explained by Apple. So, quite simply, as went Apple’s stock last month, so went Fidelity’s large-cap growth funds. And despite a strong rally after its earnings came out, it finished the month down 2.6% (it had been down as much as 6.5% for the month).

Equity Funds

The average Fidelity stock fund fell 0.9% in April. Market-cap played less of a role in performance than did a fund’s sector exposures. Funds with larger exposures to consumer-oriented holdings (like retail) and normally defensive areas like health care, generally fared best. Consumer spending was a bright spot in an otherwise dim GDP report. Keeping in mind that there were plenty of exceptions to this “rule,” certain areas within tech (like communications), plus medical delivery and financials were laggards, while falling gold prices helped neither **Select Gold** (down 6.3%) nor **Natural Resources** (down 2.3%); the latter being hurt by falling energy prices.

Turning to diversified stock funds, the worst performer was **OTC** which fell 4.1% for the month; nothing else was close to that. On that score, as of its last reporting period, 13.3% of **OTC** was in Apple shares. But given the fund’s performance, it looks like Manager Gavin Baker may have reduced his holdings mid-month, as the fund sank with Apple, but didn’t rally when it did. On the other hand, **Focused Stock** and **Fifty** both gained 1.2%. Among Specialty funds, **Real Estate Investment** continues its strong performance, rising 2.7%.

International Funds

Overall, Fidelity’s international funds declined just 0.7%. But if you

were not in emerging markets you did much worse. **Spartan Int’l Index** lost 2.1%. Emerging markets were generally the best performers, with **China Region** topping the list with a gain of 1.5%. But not all emerging markets fared well. **Spartan Emerging Markets Index** lost 1.9% and **Latin America** was the worst performer falling 4.4%. While the fund has no exposure to Argentina, that country’s move to “steal” oil giant Repsol from Spain didn’t help the mood. Japan continues to suffer from its weakened economic position, as **Japan** fund gave up 2.8% on the month, though **Japan Smaller Companies** was flat.

All things considered, Fidelity’s Europe-oriented funds fared okay with **Europe** dropping 1.5% and **Europe Cap App** losing 1.2% (see p. 12 for manager changes), although our outlook for much of the continent remains negative.

Fixed Income

April was a very good month to own bonds: every single taxable, municipal and even high-yield Fidelity offering gained ground. One-percent-age-point returns were common for funds with intermediate-term durations and longer. Among taxables, **Spartan Long-Term US Treasury Index** soared 4.5% amid a desire for safety, while in the high-yield space, **Global High Income** rose 1.1% and **High Income** gained 1.0%. ■

— John Bonnanzio

MAY SCORECARD RATING CHANGES

Fund	Ratings		Comments
	Old	New	
Balanced	B	B ↑	Nice balance between risk/reward (see p. 11).
Fifty	B	B ↑	Now a clone of Focused (see p. 4).
Puritan	B	B ↑	Nice balance between risk/reward (see p. 11).
Sel Air Transportation	H	B ↑	Falling fuel prices should offset unused capacity.
Sel Consumer Fin	B	B ↑	We’ve warmed to mid-sized commercial banks.
Select Energy	B	H ↓	Slowing global demand portends weaker prices.
Select Gold	S	S ↓	Low inflation, diminishing demand are negatives.
Trend	H	B ↑	Now a clone of Large Cap Growth.
VIP Energy	B	H ↓	Slowing global demand portends weaker prices.
VIP Financial Svcs	H	B ↑	A decent substitute for Sel. Consumer Finance.
VIP Growth Stock	H	B ↑	Now a clone of Trend and Large Cap Growth.

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

FIDELITY SCORECARD - APRIL 30, 2012

Fund No.	Fund Ticker	Fund Name	Sht-Term Fee	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)			Rel Vol (Risk) ¹	Assets (\$Mil)		
						Apr	YTD	2011	1 Year	3 Year	5 Year				
Comparative Indexes		S&P 500		1397.91		-0.6	11.9	2.1	4.8	19.5	1.0	1.00			
		Nasdaq		3046.36		-1.4	17.3	-0.8	7.2	22.3	4.8	1.16			
		Dow Jones Industrials		13213.63		0.2	9.1	8.4	6.0	20.7	3.0	0.90			
		Russell 2000 (Small Caps)		816.88		-1.5	10.7	-4.3	-4.2	20.3	1.5	1.36			
		Barclays Aggregate Bond*				1.1	1.4	7.7	7.3	6.8	5.8	0.18			
LARGE CAP GROWTH						Category Averages			-0.6	15.4	-2.3	2.2	20.7	3.1	1.16
312	FBGRX	Blue Chip Growth		49.85	Buy	-1.1	17.5	-2.7	4.4	22.5	5.4	1.19	\$11,381		
307	FDCAX	Capital Appreciation		28.97	OK to Buy	0.3	17.7	-2.7	6.2	21.8	2.2	1.22	4,439		
22	FCNTX	Contrafund		77.45	Buy	-0.1	14.8	-0.1	6.4	20.4	4.4	0.93	60,560		
332	FEXPX	Export and Multinational	0.75%/30d	23.32	OK to Sell	-0.6	12.8	-3.7	0.2	17.0	0.5	1.07	1,857		
500	FFTYX	Fifty		19.96	Buy↑	1.2	14.5	-0.8	3.9	20.5	-0.5	1.05	715		
333	FTQGX	Focused Stock		15.72	Buy	1.2	14.7	0.6	3.2	22.0	5.3	1.09	519		
25	FDGRX	Growth Company (closed)		97.09	Buy	-0.9	20.0	0.7	7.4	24.6	6.8	1.16	26,230		
339	FDSVX	Growth Discovery		15.90	Buy	0.0	16.4	0.5	5.0	22.6	4.0	1.17	918		
73	FDFFX	Independence		25.42	Hold	-0.9	17.4	-10.9	-4.7	20.9	2.5	1.49	3,323		
763	FSLGX	Large Cap Growth		11.22	OK to Buy	-0.6	16.0	-0.7	3.3	20.1	1.0	1.12	142		
21	FMAGX	Magellan		72.41	OK to Buy	-1.2	15.0	-11.6	-5.9	13.4	-1.9	1.21	13,322		
300	FMLX	New Millennium		32.44	OK to Buy	-0.6	12.4	2.5	4.0	22.6	4.9	1.10	2,066		
93	FOCPX	OTC		61.49	Buy	-4.1	12.4	-0.4	-1.3	22.3	7.1	1.29	6,369		
320	FDSSX	Stock Selector All Cap		27.54	Hold	-1.0	13.5	-5.1	-1.6	17.9	0.4	1.14	2,412		
5	FTRNX	Trend		77.47	OK to Buy↑	-0.6	15.9	-0.8	3.1	22.7	4.8	1.12	1,182		
LARGE CAP BLEND						Category Averages			-1.1	12.6	-2.6	0.0	18.1	-0.8	1.16
315	FDEQX	Disciplined Equity		24.00	Sell	-1.0	11.6	-3.1	-2.4	14.4	-2.6	1.10	5,711		
330	FDGFX	Dividend Growth		29.66	Hold	-1.5	14.7	-8.5	-3.9	21.3	1.2	1.36	7,093		
3	FFIDX	Fidelity Fund		35.36	Hold	-0.6	13.5	-2.4	-0.4	16.8	1.1	1.06	4,542		
27	FGRIX	Growth & Income		20.45	OK to Buy	-0.8	12.5	1.4	5.5	18.5	-5.2	1.05	4,943		
338	FLCSX	Large Cap Stock		19.55	Buy	-1.4	14.0	-1.6	3.4	21.8	2.1	1.20	951		
361	FGRTX	Mega Cap Stock		11.48	Buy	-1.0	13.7	2.3	7.7	20.7	1.8	1.08	1,334		
343	FTXMX	Tax Managed Stock		12.62	Sell	-1.4	9.4	-7.0	-9.8	13.8	-3.5	1.22	57		
832	FVDFX	Value Discovery		15.80	Hold	-0.9	11.7	-2.3	-0.4	18.0	-1.2	1.21	437		
LARGE CAP VALUE						Category Averages			-0.9	9.7	-3.9	-3.7	15.6	-3.6	1.15
1271	FBCVX	Blue Chip Value		10.73	Sell	-2.3	9.7	-8.0	-8.2	13.5	-5.2	1.21	315		
319	FEQTX	Equity Dividend Income ⁶		18.97	Buy	0.0	9.6	-2.8	-2.2	16.5	-2.3	1.16	4,316		
23	FEQIX	Equity-Income		45.11	Buy	-0.4	9.8	-4.7	-4.0	16.8	-2.7	1.16	6,728		
708	FSLVX	Stock Sel Large Cap Value		11.27	OK to Sell	-0.9	9.5	-0.3	-0.3	15.4	-4.2	1.09	474		
MID-CAP GROWTH						Category Averages			-1.7	11.9	-6.6	-4.4	21.0	0.0	1.33
324	FDEGX	Growth Strategies	1.50%/90d	20.71	Hold	-2.5	11.3	-9.0	-7.0	18.2	-0.1	1.33	1,555		
793	FSMGX	Mid Cap Growth	0.75%/30d	12.68	Hold	-2.5	11.2	-8.4	-6.4	20.4	-1.5	1.34	255		
337	FMCSX	Mid-Cap Stock	0.75%/30d	30.15	Hold	-0.3	13.1	-2.4	0.2	24.4	1.5	1.32	5,238		
MID-CAP BLEND						Category Averages			-1.1	14.3	-5.3	-2.6	22.6	1.4	1.32
122	FLVCX	Leveraged Company Stock	1.50%/90d	29.06	Buy	-1.2	15.7	-10.6	-6.9	23.6	-0.6	1.58	3,247		
316	FLPSX	Low-Priced Stock	1.50%/90d	40.31	Buy	-1.0	12.8	-0.1	1.7	21.5	3.3	1.05	25,525		
MID-CAP VALUE						Category Averages			-0.6	13.4	-6.7	-4.1	22.3	-0.7	1.32
762	FSMVX	Mid Cap Value	0.75%/30d	17.01	Hold	-0.6	12.2	-4.2	-2.5	22.3	0.1	1.20	573		
39	FDVLX	Value		71.80	Hold	-1.0	13.1	-6.7	-4.5	21.0	-1.4	1.34	5,875		
14	FSLSX	Value Strategies		28.79	Buy	-0.3	14.8	-9.3	-5.3	23.6	-0.7	1.41	314		
SMALL CAP GROWTH						Category Averages			-1.0	11.1	-2.7	-4.7	22.5	1.4	1.37
1388	FCPGX	Small Cap Growth	1.50%/90d	16.66	OK to Buy	-0.5	11.7	-2.8	-4.5	22.3	2.9	1.33	1,233		
336	FDSCX	Stock Selector Small Cap	1.50%/90d	19.91	Buy	-1.5	10.4	-2.6	-4.9	22.8	-0.1	1.40	1,523		
SMALL CAP BLEND						Category Averages			-1.6	11.7	-7.6	-7.0	23.2	4.8	1.48
384	FSCRX	Small Cap Discovery	1.50%/90d	22.37	Buy	-1.3	11.7	0.4	0.7	27.1	8.0	1.36	2,777		
340	FSLCX	Small Cap Stock	2.00%/90d	18.49	Buy	-1.9	11.8	-15.6	-14.8	19.3	1.6	1.60	3,223		

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 \$100,000, but a lower expense ratio. ⁶Formerly Equity-Income II. ⁷Distributed yield is calculated by taking a fund's actual distributions over the past year divided by its current NAV. (p) Partial year; (↑) Rating upgraded; (↓) Rating downgraded.

ANNUAL MODEL PORTFOLIO RETURNS (%)

	'87	'88	'89	'90	'91	'92	'93	'94	'95	'96	'97	'98	'99	'00	'01	'02	'03	'04	'05	'06	'07	'08	'09	'10	'11
AG													31.4	-8.4	-20.9	-15.8	36.6	14.8	17.9	14.2	14.5	-42.0	28.6	10.8	-4.1
G	20.8	18.9	34.3	1.0	24.7	13.0	18.0	-0.1	23.9	13.8	17.2	3.3	30.7	-2.1	-2.7	-14.0	33.0	14.4	11.1	11.8	7.8	-38.2	32.2	11.5	-1.5
G&I	5.8	14.8	29.1	-1.3	24.6	14.2	18.2	-0.1	23.1	18.7	20.9	6.3	22.6	-2.1	-4.0	-9.7	27.1	11.5	5.2	10.2	7.3	-26.5	25.3	9.9	-0.8
I&P	1.3	10.2	17.7	0.8	20.9	11.4	16.7	-2.8	21.1	19.0	18.0	5.2	13.4	-1.4	-5.6	-6.8	18.9	7.0	3.5	7.2	5.2	-18.4	19.2	6.4	-0.5
SEL																									-2.8

FIDELITY SCORECARD - APRIL 30, 2012

Fund No.	Fund Ticker	Fund Name	Sht-Term Fee	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)			Rel Vol (Risk) ¹	Assets (\$Mil)			
						Apr	YTD	2011	1 Year	3 Year	5 Year					
SMALL CAP VALUE						Category Averages			-0.6	11.3	-3.6	0.0	20.8	4.0	1.28	
1389	FCPVX	Small Cap Value	1.50%/90d	15.56	OK to Buy	-0.6	11.3	-3.6	0.0	20.8	4.0	1.28	\$1,780			
SPECIALTY																
2063	FOTTX	130/30 Large Cap		7.45	Sell	-0.8	7.0	-3.8	-8.7	10.7	--	1.15	17			
304	FBALX	Balanced		19.73	Buy↑	-0.2	8.9	1.7	3.7	16.0	2.6	0.67	15,213			
308	FCV SX	Convertible Securities		24.88	Buy	-1.9	9.8	-7.3	-6.9	21.4	2.5	1.07	1,980			
334	FGBLX	Global Balanced	1.00%/30d	23.17	Hold	0.8	8.2	-2.5	-2.3	14.3	3.7	0.82	480			
2120	FFGCX	Global Commodity Stock	1.00%/30d	14.78	Hold	-1.8	6.0	-18.1	-19.6	12.7	--	1.68	463			
1960	FDYSX	Global Strategies		9.29	Hold	-0.1	7.9	-5.3	-4.8	13.7	--	0.81	219			
1368	FIREX	International Real Estate	1.50%/90d	8.19	Sell	0.4	17.8	-22.2	-10.5	14.8	-9.2	1.54	251			
4	FPURX	Puritan		19.40	Buy↑	-0.2	10.1	0.7	3.1	16.3	2.9	0.71	15,825			
833	FRIFX	Real Estate Income	0.75%/90d	10.99	OK to Buy	1.0	7.8	4.7	6.9	20.8	4.4	0.46	2,064			
303	FRESX	Real Estate Investment	0.75%/90d	31.64	OK to Buy	2.7	14.8	8.3	10.8	35.6	0.1	1.43	3,833			
1329	FSDIX	Strategic Dividend & Income		11.90	Buy	0.4	8.6	7.3	5.4	22.0	0.8	0.91	1,819			
1505	FSRRX	Strategic Real Return	0.75%/60d	9.51	Hold	1.2	4.4	1.7	0.1	14.0	3.6	0.51	617			
311	FIUIX	Telecom & Utilities		17.86	OK to Buy	3.0	3.5	11.9	5.8	17.8	-0.3	0.76	895			
ASSET ALLOCATION																
328	FASIX	Asset Manager 20%		13.17	Hold	0.4	3.9	2.6	3.1	10.0	3.9	0.29	4,253			
1957	FTANX	Asset Manager 30%		9.97	Hold	0.4	5.2	1.7	2.7	11.8	--	0.40	319			
1958	FFANX	Asset Manager 40%		9.89	Hold	0.2	6.4	0.5	1.9	13.2	--	0.52	282			
314	FASMX	Asset Manager 50%		16.06	Hold	0.0	7.2	-0.7	0.7	14.5	3.1	0.64	6,775			
1959	FSANX	Asset Manager 60%		9.93	Hold	-0.2	8.4	-2.2	-0.4	15.3	--	0.76	536			
321	FASGX	Asset Manager 70%		16.91	Hold	-0.4	9.5	-3.8	-1.7	16.3	1.9	0.87	2,746			
347	FAMRX	Asset Manager 85%		13.76	Hold	-0.7	11.1	-6.1	-3.7	17.2	1.0	1.05	700			
EQUITY INDEX																
355	FFNOX	Four-in-One Index		28.47	Hold	-0.8	9.7	-1.4	-0.2	15.9	0.9	0.92	2,368			
2010	FIENX	International Enhanced Index	1.00%/30d	6.80	OK to Sell	-1.9	9.2	-12.0	-12.6	12.3	--	1.30	26			
1827	FLCEX	Large Cap Core Enhanced Index		9.91	Hold	-1.0	11.0	4.7	5.5	18.9	0.9	0.99	263			
1829	FLGEX	Large Cap Growth Enhanced Index		11.23	OK to Buy	-0.5	13.3	4.4	7.3	20.9	3.3	1.02	159			
1828	FLVEX	Large Cap Value Enhanced Index		7.81	OK to Sell	-1.4	9.7	2.5	1.9	17.3	-2.2	1.02	75			
2012	FMEIX	Mid Cap Enhanced Index	0.75%/30d	9.79	Hold	-0.4	11.9	-1.6	-1.5	21.8	--	1.17	79			
1282	FNCMX	Nasdaq Composite Index	0.75%/90d	40.57	OK to Buy	-1.4	17.3	-1.0	7.1	22.0	4.6	1.16	412			
2011	FCPEX	Small Cap Enhanced Index	1.50%/90d	9.79	Hold	-1.9	11.6	-1.1	-1.1	21.1	--	1.34	125			
650	FUSEX	Spartan 500 Index ⁴		49.59	Hold	-0.6	11.9	2.0	4.7	19.4	1.0	1.00	11,210			
2341	FPEMX	Spartan Emerging Mkts Index ⁴	1.50%/90d	9.86	Hold	-1.9	10.8	-10.7p	--	--	--	--	54			
398	FSEMX	Spartan Extended Mkt Index ⁴	0.75%/90d	39.81	Hold	-0.8	13.6	-3.8	-1.7	22.7	3.2	1.26	2,230			
2345	FSGUX	Spartan Global ex U.S. Index ⁴	1.00%/90d	10.42	Hold	-1.8	9.5	-4.5p	--	--	--	--	13			
399	FSIIX	Spartan Int'l Index ⁴	1.00%/90d	32.40	Hold	-2.1	8.9	-12.2	-13.0	12.1	-4.5	1.32	3,090			
2349	FSCLX	Spartan Mid Cap Index ⁴	0.75%/30d	11.68	Hold	-0.3	12.4	4.4p	--	--	--	--	8			
2353	FRXIX	Spartan Real Estate Index ⁴	0.75%/90d	11.69	Hold	2.9	14.1	-3.4p	--	--	--	--	12			
2356	FSSPX	Spartan Small Cap Index ⁴	1.50%/90d	11.78	Hold	-1.6	10.5	7.0p	--	--	--	--	12			
397	FSTMX	Spartan Total Mkt. Index ⁴	0.50%/90d	40.40	Hold	-0.6	12.2	1.0	3.5	20.0	1.4	1.04	3,224			
INTERNATIONAL						Category Averages			-0.6	12.0	-14.7	-11.2	16.0	-2.0	1.41	
309	FICDX	Canada	1.50%/90d	53.64	OK to Sell	1.3	7.0	-12.4	-14.0	15.5	2.3	1.41	3,438			
352	FHKCX	China Region	1.50%/90d	28.31	Hold	1.5	11.9	-20.4	-14.1	15.3	6.8	1.58	1,430			
325	FDIVX	Diversified International	1.00%/30d	28.41	OK to Sell	-1.2	11.3	-13.8	-11.9	12.5	-4.1	1.32	14,451			
351	FSEAX	Emerging Asia	1.50%/90d	28.42	Hold	0.4	12.9	-16.2	-11.5	16.0	2.0	1.40	1,467			
2053	FEMEX	Emerg Europe, MidEast, Africa	1.50%/90d	8.87	OK to Buy	-0.8	13.3	-15.3	-12.1	18.7	--	1.53	121			
322	FEMKX	Emerging Markets	1.50%/90d	22.95	Hold	-0.6	11.8	-21.0	-16.4	18.2	-0.8	1.59	2,597			
2374	FEDDX	Emerging Mkts Discovery	2.00%/90d	11.06	OK to Buy	-1.2	17.3	-5.6p	--	--	--	--	18			
301	FIEUX	Europe	1.00%/30d	28.52	OK to Sell	-1.5	12.0	-16.8	-16.6	11.3	-4.5	1.54	599			
341	FECAX	Europe Capital App	1.00%/30d	17.37	OK to Sell	-1.2	12.4	-16.9	-16.4	11.3	-5.6	1.54	317			
335	FIVFX	International Cap App	1.00%/30d	13.03	Buy	-0.1	17.2	-12.8	-6.1	19.9	-2.5	1.55	724			
305	FIGRX	International Discovery	1.00%/30d	30.83	OK to Sell	-0.4	11.7	-15.2	-12.7	12.7	-3.5	1.35	6,176			
1979	FIGFX	International Growth	1.00%/30d	8.83	OK to Buy	0.0	13.1	-9.0	-5.2	19.6	--	1.26	103			
818	FISMX	International Small Cap	2.00%/90d	20.19	Buy	-0.1	15.2	-15.5	-10.4	20.8	-0.6	1.32	802			
1504	FSCOX	International Small Cap Opps	2.00%/90d	10.59	Buy	1.2	14.5	-9.6	-4.6	24.1	-6.2	1.27	334			
1597	FIVLX	International Value	1.00%/30d	6.98	OK to Sell	-1.7	6.7	-16.7	-19.7	9.1	-7.2	1.42	137			
350	FJPNX	Japan	1.50%/90d	9.93	Hold	-2.8	7.9	-15.9	-5.1	7.3	-6.1	1.04	434			
360	FJSCX	Japan Smaller Companies	1.50%/90d	8.96	Hold	0.0	4.8	-5.8	-1.4	13.5	-4.5	1.16	279			
349	FLATX	Latin America	1.50%/90d	52.98	OK to Buy	-4.4	8.3	-15.8	-10.6	19.8	4.1	1.67	2,828			
342	FNORX	Nordic	1.50%/90d	31.27	Hold	-0.2	16.9	-20.3	-17.5	19.0	-3.8	1.68	332			
94	FOSFX	Overseas	1.00%/30d	30.31	OK to Sell	-0.9	14.5	-16.0	-12.1	10.3	-5.5	1.47	1,660			
302	FPBFX	Pacific Basin	1.50%/90d	24.24	OK to Buy	-0.7	13.1	-17.0	-9.7	23.6	0.3	1.37	636			
2369	FTEMX	Total Emerging Markets	1.50%/90d	10.74	Hold	0.3	12.0	-3.9p	--	--	--	--	68			
1978	FTIEX	Total International Equity	1.00%/30d	6.99	OK to Buy	-1.0	10.4	-14.1	-12.9	15.1	--	1.35	284			
318	FWWFX	Worldwide	1.00%/30d	19.58	Hold	0.3	12.9	-6.7	-4.4	17.6	0.8	1.22	1,091			

SELECT MODEL PORTFOLIO

After a review of the global energy situation, I've concluded that today's oil and gas prices may be headed lower over the long run. Flow reversals and new pipeline capacity stand to relieve the bottleneck in Cushing, Oklahoma, bringing down domestic prices. European demand is likely to remain negative for at least five years, and oil importers like India are feeling pressure to suspend consumer fuel subsidies. Most importantly, shale fracking will increase oil supplies in the US and many other countries.



Jack Bowers

As such, I've decided to sell **Energy** and buy **Consumer Finance**. The latter is emerging from a long shakeout period and should benefit from the growth in transaction processors, and also because consumers are migrating from big banks to small ones. On the annuity side, **VIP Financial**

Services is a stand-in for **Consumer Finance** (it carries more risk, but we're limited by the choices available).

Apart from the models, **Air Transportation** has been upgraded to *OK to Buy* – the airlines are finding ways to make money in an era of high jet fuel prices, and the fuel cost problem should not get much worse going forward. Finally, **Select Gold** is downgraded to *Sell* – the government of India has begun to discourage jewelry purchases to help reduce its trade deficit. As an interesting aside, a well-backed asteroid mining company called Planetary Resources was recently launched. If successful, it will one day make scarce metals like gold a little less precious than they are today! ■

Select Model Portfolio	
Fund	Allocation
Pharmaceuticals (FPHAX)	20%
Chemicals (FSCHX)	19
Technology (FSPTX)	19
IT Services (FBSOX)	15
Industrials (FCYIX)	15
Consumer Finance (FSVLX)	12
Total Return: Apr: -0.4% YTD: 13.7%	

Fund No.	Fund Ticker	Fund Name	Sht-Term Fee	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)			Rel Vol (Risk) ¹	Assets (\$Mil)
						Apr	YTD	2011	1 Year	3 Year	5 Year		
SELECT PORTFOLIOS						-1.2	12.7	-3.5	-1.3	21.1	2.6	1.39	
Category Averages													
34	FSAIX	Air Transportation	0.75%/30d	38.58	OK to Buy↑	-0.9	11.7	-6.1	0.0	26.6	1.9	1.50	\$72
502	FSAVX	Automotive	0.75%/30d	35.97	OK to Buy	-6.4	15.5	-26.2	-16.4	27.5	-0.3	2.06	141
507	FSRBX	Banking	0.75%/30d	18.92	Hold	-0.5	18.6	-13.3	3.2	18.9	-8.2	1.60	494
42	FBIOX	Biotechnology	0.75%/30d	97.30	Hold	-0.3	19.6	18.2	19.6	23.4	8.9	1.28	1,787
68	FSLBX	Brokerage & Investment	0.75%/30d	45.81	Hold	-6.0	14.6	-22.8	-13.2	12.0	-6.7	1.71	381
69	FSCHX	Chemicals	0.75%/30d	112.16	Buy	0.6	18.8	0.3	2.5	27.5	11.5	1.64	908
518	FSDCX	Communications Equipment	0.75%/30d	23.71	Hold	-6.6	7.5	-16.7	-21.4	15.9	1.9	1.53	281
7	FDCPX	Computers	0.75%/30d	66.16	OK to Buy	-2.0	22.8	-4.5	6.5	29.4	10.3	1.39	847
511	FSHOX	Construction & Housing	0.75%/30d	43.03	Hold	1.4	20.1	2.9	14.7	20.4	2.7	1.53	220
517	FSCPX	Consumer Discretionary	0.75%/30d	27.43	OK to Buy	1.0	19.0	-1.7	10.3	24.1	3.9	1.20	318
98	FSVLX	Consumer Finance	0.75%/30d	13.28	Buy↑	-0.9	20.3	-1.0	9.6	15.9	-19.5	1.21	198
9	FDFAX	Consumer Staples	0.75%/30d	77.08	Hold	0.1	8.4	8.8	10.0	20.5	7.4	0.79	1,271
67	FSDAX	Defense & Aerospace	0.75%/30d	85.78	Hold	0.0	10.5	7.3	5.3	23.2	3.5	1.13	667
8	FSELX	Electronics	0.75%/30d	51.33	Buy	-6.1	16.1	-8.5	-5.2	22.8	2.1	1.73	1,141
60	FSENX	Energy	0.75%/30d	51.71	Hold↓	-1.7	5.0	-4.9	-15.8	17.0	0.7	1.79	2,253
43	FSESX	Energy Service	0.75%/30d	68.50	Hold	0.4	5.3	-12.6	-21.6	16.5	-1.2	2.14	1,243
516	FSLEX	Environment & Alt Energy	0.75%/30d	16.07	Hold	-2.1	6.7	-14.3	-19.6	8.8	-1.5	1.17	69
66	FIDSX	Financial Services	0.75%/30d	58.03	Hold	-3.6	18.7	-20.4	-7.0	10.9	-11.8	1.67	452
41	FSAGX	Gold	0.75%/30d	38.20	Sell↓	-6.3	-9.5	-16.3	-26.6	12.9	7.1	2.14	3,194
63	FSPHX	Health Care	0.75%/30d	133.94	Hold	0.7	12.5	7.8	5.0	22.9	5.7	0.90	2,234
510	FSCGX	Industrial Equipment	0.75%/30d	36.23	OK to Buy	-1.2	17.2	-7.7	-2.8	25.3	4.1	1.53	340
515	FCYIX	Industrials	0.75%/30d	24.68	Buy	-0.9	14.1	-4.9	-3.4	24.4	5.4	1.39	558
45	FSPCX	Insurance	0.75%/30d	49.35	OK to Sell	1.1	11.3	-5.2	-1.9	18.5	-5.2	1.18	285
353	FBSOX	IT Services	0.75%/30d	24.88	Buy	-0.1	18.4	2.3	8.1	27.1	9.7	1.21	356
62	FDLSX	Leisure	0.75%/30d	111.72	Hold	0.2	16.1	5.9	18.0	26.5	8.6	1.19	513
509	FSDPX	Materials	0.75%/30d	68.11	Hold	-1.0	11.6	-8.2	-6.7	23.9	7.1	1.70	1,044
505	FSHCX	Medical Delivery	0.75%/30d	61.71	Hold	-3.2	12.7	10.2	3.8	27.5	4.9	1.12	956
354	FSMEX	Medical Equipment	0.75%/30d	28.17	Hold	-0.6	14.0	-3.4	-4.0	16.8	6.8	0.99	1,359
503	FBMPX	Multimedia	0.75%/30d	49.50	Hold	-0.9	15.0	1.8	1.3	28.4	4.3	1.30	199
513	FSNGX	Natural Gas	0.75%/30d	31.32	Hold	-0.2	3.3	-7.7	-14.7	10.6	-3.8	1.69	681
514	FNARX	Natural Resources	0.75%/30d	32.56	Hold	-2.3	4.1	-9.3	-18.4	17.3	1.8	1.83	1,253
580	FPHAX	Pharmaceuticals	0.75%/30d	14.57	Buy	1.2	7.9	13.7	7.4	24.6	7.2	0.84	740
46	FSRPX	Retailing	0.75%/30d	63.79	OK to Buy	3.7	24.6	3.4	19.6	27.3	9.4	1.20	525
28	FSCSX	Software & Computer Svcs	0.75%/30d	87.32	OK to Buy	-1.5	18.6	2.2	10.6	27.1	9.6	1.18	1,815
64	FSPTX	Technology	0.75%/30d	103.50	Buy	-2.0	19.7	-9.6	-1.3	27.4	7.6	1.36	2,406
96	FSTCX	Telecommunications	0.75%/30d	46.26	Hold	-0.5	5.8	-4.2	-6.3	14.0	-1.1	1.01	341
512	FSRFX	Transportation	0.75%/30d	52.46	Hold	-0.3	8.5	-5.3	-3.4	26.7	3.6	1.45	201
65	FSUTX	Utilities	0.75%/30d	55.54	OK to Buy	4.4	4.3	13.1	8.9	18.4	-0.2	0.72	538
963	FWRLX	Wireless	0.75%/30d	7.65	OK to Buy	-2.6	5.5	-1.0	-5.6	13.4	2.8	1.03	248

FIDELITY SCORECARD - APRIL 30, 2012

Fund No.	Fund Ticker	Fund Name	Sht-Term Fee	\$Price (NAV)	Advice	Total Return (%)			SEC %Yield	Dist ⁷ %Yield	Dur ² (Yrs)	Tax-Equivalent Yield Federal Tax Bracket						
						Apr	YTD	2011										
TAXABLE BOND						Category Averages			1.2	1.3	8.6	1.56	2.11	4.6				
2267	FCONX	Conservative Income Bond		10.01	Buy	0.1	0.7	0.0p	0.65	0.55	0.2							
2208	FCBFX	Corporate Bond		11.06	OK to Buy	1.6	3.6	11.1	2.99	2.99	6.6							
15	FGMNX	GNMA (Ginnie Mae)		11.88	OK to Buy	0.8	1.2	7.9	2.48	2.99	3.1							
54	FGOVX	Government Income		10.78	Hold	1.2	0.6	7.9	1.33	1.77	4.6							
794	FINPX	Inflation-Protected Bond ³		13.11	Hold	2.0	2.7	13.0	-0.33	0.52	6.7							
32	FTHRFX	Intermediate Bond		10.98	OK to Buy	0.9	1.8	6.2	1.78	2.73	3.9							
452	FSTGX	Intermediate Gov't Income		10.99	Hold	0.8	0.6	5.7	0.70	1.34	3.7							
26	FBNDX	Investment Grade Bond		7.81	OK to Buy	1.1	2.2	7.9	2.40	3.19	4.9							
40	FMSFX	Mortgage Securities		11.27	OK to Buy	0.8	1.9	6.5	2.82	3.09	2.7							
450	FSHFX	Short-Term Bond		8.54	Buy	0.2	1.0	1.8	0.79	1.31	1.8							
1561	FIBIX	Sptn Interm Treas Index ⁴		11.42	OK to Sell	2.1	0.9	12.9	1.27	2.36	6.6							
1562	FLBIX	Sptn Lng-Term Treas Index ⁴		12.62	Sell	4.5	-1.7	29.5	2.73	3.17	15.9							
1560	FSBIX	Sptn Sht-Term Treas Index ⁴		10.62	Hold	0.4	0.2	3.2	0.27	1.12	2.6							
651	FBIDX	Sptn US Bond Index		11.84	Hold	1.1	1.4	7.7	1.95	2.78	4.8							
820	FTBFX	Total Bond		11.07	OK to Buy	1.2	2.4	7.4	2.60	3.52	4.7							
812	ULSFXX	Ultra-Short Bond	0.25%/60d	8.20	Hold	0.0	0.8	0.1	0.54	0.38	0.6							
HIGH-YIELD BOND						Category Averages			1.0	6.1	3.6	4.96	5.35					
38	FAGIX	Capital & Income	1.00%/90d	9.23	Buy	0.7	8.5	-1.9	6.01	6.18	--							
814	FFRHX	Floating Rate High Income	1.00%/60d	9.84	Buy	0.6	3.2	1.7	3.26	3.40	--							
1366	FHIFX	Focused High Income	1.00%/90d	9.23	Buy	1.0	5.0	5.9	4.97	5.90	--							
2297	FGHXX	Global High Income	1.00%/90d	9.74	Buy	1.1	7.1	-4.7p	5.73	--	--							
455	SPHIX	High Income	1.00%/90d	9.05	Buy	1.0	6.8	3.4	5.99	6.60	--							
331	FNMIX	New Markets Income	1.00%/90d	16.73	OK to Buy	1.7	7.7	7.9	4.74	5.31	--							
368	FSICX	Strategic Income		11.15	Buy	1.2	4.6	4.6	3.99	4.73	--							
NATIONAL MUNICIPAL BOND						Category Averages			1.0	2.6	8.5	1.78	3.15	5.7	25%	28%	33%	35%
36	FLTXX	Interm Municipal Income	0.50%/30d	10.58	Hold	1.1	2.2	8.0	1.60	3.15	5.0	2.1	2.2	2.4	2.5			
37	FHIGX	Municipal Income	0.50%/30d	13.32	Hold	1.1	3.5	10.6	2.34	3.76	7.3	3.1	3.3	3.5	3.6			
404	FSTFX	Short-Int Municipal Income	0.50%/30d	10.86	Hold	0.5	1.0	4.3	0.75	1.98	2.9	1.0	1.0	1.1	1.2			
90	FTABX	Tax-Free Bond	0.50%/30d	11.48	Hold	1.4	3.5	10.9	2.44	3.72	7.5	3.3	3.4	3.6	3.8			
STATE-SPECIFIC MUNICIPAL BOND						Category Averages			1.1	2.7	9.3	2.01	3.36	6.6				
434	FSAZX	Arizona Muni Income	0.50%/30d	12.03	Hold	1.1	3.2	9.9	2.29	3.47	7.2	3.2	3.3	3.6	3.7			
91	FCTFX	California Muni Income	0.50%/30d	12.70	Hold	1.4	3.7	11.2	2.69	3.87	7.1	4.0	4.1	4.4	4.6			
1534	FCSTX	Calif Short-Interm Tax Free	0.50%/30d	10.82	Hold	0.5	1.2	4.7	0.92	2.25	2.8	1.4	1.4	1.5	1.6			
407	FICNX	Connecticut Muni Income	0.50%/30d	12.00	Hold	1.3	2.2	10.0	1.72	3.06	6.5	2.4	2.5	2.7	2.8			
429	SMDMX	Maryland Muni Income	0.50%/30d	11.54	Hold	1.3	2.5	8.9	1.67	3.01	6.8	2.3	2.4	2.6	2.7			
70	FDMMX	Mass Muni Income	0.50%/30d	12.56	Hold	1.2	3.2	10.4	2.18	3.54	7.6	3.1	3.2	3.4	3.5			
81	FMHTX	Michigan Muni Income	0.50%/30d	12.42	Hold	1.0	2.7	9.2	2.33	3.67	6.5	3.2	3.4	3.6	3.7			
82	FIMIX	Minnesota Muni Income	0.50%/30d	11.96	Hold	1.0	2.4	9.1	1.66	3.29	5.9	2.4	2.5	2.7	2.8			
416	FNJHX	New Jersey Muni Income	0.50%/30d	12.17	Hold	1.0	3.2	9.7	2.04	3.55	7.1	2.9	3.0	3.3	3.4			
71	FTFMX	New York Muni Income	0.50%/30d	13.50	Hold	1.1	2.6	9.6	2.08	3.44	7.2	3.0	3.1	3.4	3.5			
88	FOHFX	Ohio Muni Income	0.50%/30d	12.20	Hold	1.3	2.8	9.6	2.21	3.57	7.1	3.1	3.2	3.5	3.6			
402	FPXTX	Pennsylvania Muni Income	0.50%/30d	11.32	Hold	1.3	3.2	9.8	2.32	3.63	7.2	3.2	3.3	3.6	3.7			
TAXABLE MONEY MARKET						Category Averages			0.00	0.01	0.02	0.02						
55	FDRXX	Cash Reserves		1.00	--	0.00	0.01	0.01	0.01	na	na							
631	FGMXX	Retirement Government MM		1.00	--	0.00	0.00	0.01	0.01	na	na							
630	FRTXX	Retirement MM		1.00	--	0.00	0.00	0.01	0.01	na	na							
458	SPAXX	Government MM		1.00	--	0.00	0.00	0.01	0.01	na	na							
454	SPRXX	Money Market		1.00	--	0.00	0.00	0.01	0.01	na	na							
85	FSLXX	Select MM		1.00	--	0.01	0.04	0.06	0.10	na	na							
50	FGRXX	U.S. Gov't Reserves		1.00	--	0.00	0.00	0.01	0.01	na	na							
415	FDLXX	US Treasury MM		1.00	--	0.00	0.00	0.01	0.01	na	na							
MUNICIPAL MONEY MARKET						Category Averages			0.00	0.00	0.01	0.01						
460	FIMXX	AMT Tax-Free Money Fnd		1.00	--	0.00	0.00	0.01	0.01	na	na	0.0	0.0	0.0	0.0			
10	FTEXX	Municipal Money Market		1.00	--	0.00	0.00	0.01	0.01	na	na	0.0	0.0	0.0	0.0			
275	FMOXX	Tax-Free Money Market		1.00	--	0.00	0.00	0.01	0.01	na	na	0.0	0.0	0.0	0.0			
STATE MUNICIPAL MONEY MARKET						Category Averages			0.00	0.00	0.01	0.01						
433	FSAXX	Arizona		1.00	--	0.00	0.00	0.01	0.01	na	na	0.0	0.0	0.0	0.0			
457	FSPXX	California AMT Tax-Free		1.00	--	0.00	0.00	0.01	0.01	na	na	0.0	0.0	0.0	0.0			
97	FCFXX	California		1.00	--	0.00	0.00	0.01	0.01	na	na	0.0	0.0	0.0	0.0			
418	FCMXX	Connecticut		1.00	--	0.00	0.00	0.01	0.01	na	na	0.0	0.0	0.0	0.0			
426	FMSXX	Mass AMT Tax-Free		1.00	--	0.00	0.00	0.01	0.01	na	na	0.0	0.0	0.0	0.0			
74	FDMXX	Massachusetts		1.00	--	0.00	0.00	0.01	0.01	na	na	0.0	0.0	0.0	0.0			
420	FMIXX	Michigan		1.00	--	0.00	0.00	0.01	0.01	na	na	0.0	0.0	0.0	0.0			
423	FSJXX	New Jersey AMT Tax-Free		1.00	--	0.00	0.00	0.01	0.01	na	na	0.0	0.0	0.0	0.0			
417	FNJXX	New Jersey		1.00	--	0.00	0.00	0.01	0.01	na	na	0.0	0.0	0.0	0.0			
422	FSNXX	New York AMT Tax-Free		1.00	--	0.00	0.00	0.02	0.01	na	na	0.0	0.0	0.0	0.0			
92	FNYXX	New York		1.00	--	0.00	0.00	0.01	0.01	na	na	0.0	0.0	0.0	0.0			
419	FOMXX	Ohio		1.00	--	0.00	0.00	0.01	0.01	na	na	0.0	0.0	0.0	0.0			
401	FPTXX	Pennsylvania		1.00	--	0.00	0.00	0.01	0.01	na	na	0.0	0.0	0.0	0.0			

Tax-equivalent yields for state funds assume top state (City tax excluded) tax level for that federal bracket.

FIDELITY SCORECARD - APRIL 30, 2012

Fund No.	Fund Ticker	Fund Name	Style	Sht-Term Fee	\$Price (NAV)	Advice	Total Return (%)			Avg Annual (%)			Rel Vol (Risk) ¹
							Apr	YTD	2011	1 Year	3 Year	5 Year	
FIDELITY PERSONAL RETIREMENT ANNUITY PORTFOLIOS													
9067	FLRQC	Fid VIP Asset Manager	Allocation		13.78	Hold	-0.1	8.5	-3.0	-0.8	14.3	3.8	0.74
9066	FAEEC	Fid VIP Asset Manager: Growth	Allocation		13.20	Hold	-0.5	11.3	-6.5	-3.4	16.1	2.8	1.02
9069	FJBAC	Fid VIP Balanced	Allocation		14.38	OK to Buy	-0.6	11.0	-3.9	-0.4	17.7	3.1	0.94
9081	FVHAC	Fid VIP Consumer Discretionary	Sector	1.00%/60d	14.28	OK to Buy	1.1	18.9	-2.0	9.8	23.6	3.7	1.20
9171	FCSAC	Fid VIP Consumer Staples	Sector	1.00%/60d	14.02	Hold	0.1	7.9	7.8	8.9	19.8	--	0.79
9065	FPDFC	Fid VIP Contrafund	Large Growth		13.80	Hold	-1.0	12.7	-2.8	0.2	19.2	2.1	1.11
9148	FPRGC	Fid VIP Disciplined Small Cap	Small Growth		10.87	Hold	-2.0	11.3	-1.6	-1.6	20.1	0.5	1.34
9074	FZAMC	Fid VIP Dynamic Capital App	Large Growth		14.16	OK to Buy	0.3	17.5	-2.9	5.9	21.4	1.5	1.22
9198	FEMAC	Fid VIP Emerging Markets	Emg Mkts	1.00%/60d	8.05	Hold	-0.6	11.7	-21.2	-16.5	17.2	--	1.57
9085	FJLLC	Fid VIP Energy	Sector	1.00%/60d	14.69	Hold↓	-1.7	4.9	-5.3	-16.1	16.9	0.4	1.79
9061	FLOLC	Fid VIP Equity-Income	Large Value		11.66	Buy	-0.4	9.7	0.6	0.6	18.8	-2.1	1.11
9083	FONNC	Fid VIP Financial Services	Sector	1.00%/60d	6.78	Buy↑	-3.7	18.3	-20.6	-7.5	10.9	-11.8	1.67
9157	FMPAC	Fid VIP FundsManager 20	Allocation		12.57	Hold	0.3	3.2	2.0	2.2	7.2	3.1	0.25
9158	FMPBC	Fid VIP FundsManager 50	Allocation		12.26	Hold	-0.1	6.7	-0.7	0.3	11.9	2.1	0.58
9197	FMPPC	Fid VIP FundsManager 60	Allocation		10.97	Hold	-0.2	7.8	-2.2	-0.9	13.2	--	0.69
9159	FMPCC	Fid VIP FundsManager 70	Allocation		11.62	Hold	-0.4	8.9	-3.2	-1.9	14.3	0.6	0.81
9160	FMPDC	Fid VIP FundsManager 85	Allocation		11.04	Hold	-0.7	10.0	-5.5	-3.7	16.0	-0.6	0.99
9062	FMNDC	Fid VIP Growth	Large Growth		13.38	Buy	0.0	16.3	-0.1	4.3	22.0	3.0	1.17
9070	FLFNC	Fid VIP Growth & Income	Large Blend		12.70	Buy	-0.5	12.6	1.3	5.4	18.0	0.4	1.04
9068	FIDPC	Fid VIP Growth Opportunities	Large Growth		13.36	Buy	-1.8	19.2	1.9	7.5	25.7	2.0	1.21
9078	FPVDC	Fid VIP Growth Stock	Large Growth		14.01	OK to Buy↑	-0.6	15.4	0.4	3.7	22.9	4.8	1.10
9077	FQBRC	Fid VIP Growth Strategies	Mid Growth		11.65	Hold	-2.5	11.3	-9.3	-7.2	17.6	-0.5	1.33
9084	FPDRC	Fid VIP Health Care	Sector	1.00%/60d	15.22	Buy	0.3	11.9	8.0	4.6	22.7	5.5	0.90
9060	FBBLC	Fid VIP High Income	High-Yield Bond		15.47	Buy	-1.0	6.5	3.6	5.3	16.0	5.9	0.50
9064	FXVLT	Fid VIP Index 500	Large Blend		12.80	Hold	-0.6	11.8	1.8	4.4	19.1	0.8	1.00
9082	FBALC	Fid VIP Industrials	Sector	1.00%/60d	16.89	Buy	-0.9	14.0	-4.9	-3.4	24.4	5.5	1.40
9076	FVJIC	Fid VIP Int'l Capital App	Diversified Int'l	1.00%/60d	11.59	Buy	-0.1	17.2	-12.8	-6.1	19.8	-2.7	1.56
9063	FTLKC	Fid VIP Investment Grade Bond	Inv Grd Bond		14.23	OK to Buy	1.1	2.0	7.0	6.8	9.4	5.9	0.20
9172	FVMAC	Fid VIP Materials	Sector	1.00%/60d	13.98	Buy	-1.1	11.4	-8.5	-7.2	23.5	--	1.70
9071	FNBSB	Fid VIP Mid Cap	Mid Growth		14.94	OK to Buy	-1.1	12.2	-10.9	-6.7	18.9	3.0	1.06
9059	FTNJC	Fid VIP Money Market	Money Mkt		11.43	--	0.0	-0.1	-0.1	-0.2	0.0	1.2	0.01
9088	FEMMC	Fid VIP Overseas	Diversified Int'l	1.00%/60d	11.42	OK to Sell	-0.8	14.0	-17.5	-14.5	12.8	-4.4	1.45
9072	FFWKC	Fid VIP Real Estate	Sector		15.32	Hold	2.7	14.0	7.8	8.5	34.5	0.8	1.44
9075	FGDQC	Fid VIP Strategic Income	High-Yield Bond		15.79	Buy	1.1	4.4	4.3	4.4	12.7	7.2	0.37
9086	FYENC	Fid VIP Technology	Sector	1.00%/60d	17.46	Buy	-2.3	19.3	-10.2	-2.5	27.6	7.7	1.37
9173	FVTAC	Fid VIP Telecommunications	Sector	1.00%/60d	9.30	Hold	-0.7	5.9	-2.2	-3.5	14.2	--	0.98
9087	FXRRC	Fid VIP Utilities	Sector	1.00%/60d	15.24	OK to Buy	4.4	4.5	12.8	8.9	18.5	0.1	0.72
9079	FKMSC	Fid VIP Value	Mid Value		11.63	Buy	-0.5	12.6	-2.8	0.3	20.5	-1.9	1.25
9080	FUEBC	Fid VIP Value Leaders	Large Value		9.68	Sell	-2.3	9.8	-8.3	-8.3	13.3	-5.4	1.21
9073	FRBSC	Fid VIP Value Strategies	Mid Value		12.61	Buy	-0.3	14.8	-9.2	-5.0	23.5	-1.1	1.41
9285	FIGXC	Invesco Van Kampen Gbl Val Eqty	Global Stock		8.66	OK to Sell	-1.7	7.8	-11.2	-11.7	9.7	-6.1	1.13
9147	FPRLC	Lazard Retirement Emerging Mkts	Emg Mkts		14.72	Hold	-2.5	14.1	-18.0	-8.9	19.6	4.1	1.48
9143	FPRMC	Morgan Stanley Emerg Mkt Debt	Emg Mkt Bond		15.88	OK to Buy	1.5	7.0	6.8	11.5	14.1	7.2	0.48
9144	FPRNC	Morgan Stanley Emerg Mkt Equity	Emg Mkts		12.55	Hold	-0.2	12.8	-18.4	-10.3	18.1	1.1	1.42
9146	FPRPC	Morgan Stanley Gbl Tactical Alloc	Diversified Int'l		9.95	Hold	-0.9	7.3	-3.9	-3.9	14.4	-3.4	1.16
9276	FPMBC	Pimco VIT Low Duration	Shrt-Term Bond		11.01	Buy	0.7	2.3	0.9	1.3	--	--	0.17
9277	FPNBC	Pimco VIT Real Return	TIPS		12.78	Hold	2.1	3.3	11.4	10.4	--	--	--
9278	FPOBC	Pimco VIT Total Return	Intermed Bond		11.73	OK to Buy	1.4	3.9	3.3	4.8	--	--	--

ANNUITY MODEL PORTFOLIOS

Annuity Sector		Annuity Growth		Annuity Growth & Income		Annuity Income & Pres	
Fund	Allocation	Fund	Allocation	Fund	Allocation	Fund	Allocation
VIP Technology	36%	VIP Growth Opps	33%	VIP Strategic Inc	26%	Pimco Low Duration	22%
VIP Health Care	19	VIP Strategic Income	24	VIP Growth Opps	24	VIP Strategic Inc	21
VIP Materials	18	VIP Value Strategies	23	Pimco Low Duration	19	VIP Money Market	20
VIP Industrials	15	VIP Equity-Income	20	VIP Value	17	VIP Value	15
VIP Financial Svcs	12			VIP Equity-Income	14	VIP Equity-Income	12
						VIP Growth Opps	10
Total Return:		Total Return:		Total Return:		Total Return:	
Apr: -1.3% YTD: 13.7%		Apr: -0.5% YTD: 12.3%		Apr: -0.2% YTD: 9.4%		Apr: 0.1% YTD: 6.1%	

3 Years:

Mega Cap Stock

As noted earlier, Matt Fruhan has much on his plate, including Mega Cap Stock. Launched as Growth & Income II in 1998, it was intended to duplicate the once wildly successful Growth & Income. However, it was almost always a performance dud. So, five years ago, Fidelity conceded defeat, changed its name, altered its objective, changed its strategy and, more recently, handed the reins to Matt three years ago.

Now benchmarked against the S&P 500 and the even larger-cap Russell Top 200 index, its market cap is a whopping \$96.2 billion versus “just” \$38.7 billion for Fidelity’s average large-cap offering. By comparison, the S&P 500’s market cap — as measured by **Spartan 500 Index** fund — is \$57.0 billion.

By holding such large companies, it’s able to produce a yield that matches the S&P (2.1%), even as Matt overweights lower-yielding but faster-growing tech stocks.

Thanks to good stockpicking and some wind to his back, Matt’s delivering the goods for his shareholders, beating both the S&P 500 and the

more narrow Russell Top 200. His three-year results means that Mega Cap has surpassed 85% of its industry-wide competitors.

We’ve been fortunate to hold Mega Cap in our Growth Model.

5 Years:

Focused Stock, Growth Discovery and Puritan

For years now, we’ve viewed **Growth Discovery** as a reasonable

TIN FOR 10

John Avery has managed the flagship **Fidelity** fund through the past tumultuous decade. Holding 127 stocks, John attempts to beat his S&P 500 benchmark through stock picking; his sector bets have always been modest. And, quite frankly, so has his performance.

John’s 10-year return has been a tad less than the market (see p. 4), but with a relative volatility (a measure of risk) that’s been 7% higher. That kind of risk-reward tradeoff won’t earn any gold medals — tin for his tenth anniversary might be more appropriate.

We rate Fidelity fund *Hold*, and recommend **Large Cap Stock** or **Mega Cap Stock** in its place. ■

alternative to the closed **Growth Company**. While Manager Jason Weiner is a capable large-cap growth investor, pitting him or anyone else against Growth Co’s legendary Steve Wymer is a tall order. Steve’s record is better. Jason’s 3-year number is solid, though his 5-year suffers from a painful 2008 when Growth Discovery plunged almost 47%! (In the subsequent two years, it soared 29.3% and 24.0%.) For large-cap growth, this fund should serve you well. We rate it *Buy*.

Puritan is a Specialty fund with an asset allocation mix of roughly 60% stocks/40% bonds and cash.

In the five years that Ramin Arani has run Puritan’s equity component (co-manager Pramod Atluri recently replaced George Fischer on bonds), this low-volatility fund has only trailed the S&P slightly in bull markets. That’s pretty impressive. In 2008, its fixed-income holdings helped to cushion the fund’s decline (-29.2% vs -37.0% for the market).

Puritan is quite similar to the team-managed **Balanced**. Over the past five years, Puritan owns a slight performance advantage over **Balanced**, but has trailed more recently. We rate both funds *Buy*. ■

— John Bonnanzio

Inside Fidelity

New Funds — In last month’s report, we indicated that Fidelity was set to launch four new income-oriented funds: **Global Bond**, **Global Equity Income**, **International Bond** and **Spartan Inflation-Protected Bond Index** are likely to be available this month. While we appreciate that there’s always some “buzz” around new fund offerings, they are unlike stock IPOs where big gains can be made in short order.

Moreover, given the wide investment latitudes for all but the Spartan bond fund, it’s unlikely that we’ll be rating them any higher than *Hold* until such time that we can see their portfolio compositions.

Manager Changes — Fidelity is making a series of manager changes within its lineup of mid-cap offerings.

Steve Calhoun is being replaced at three funds that are essentially clones: **Growth Strategies**, **Mid Cap Growth** and the annuity version **VIP Growth Strategies**. While Steve’s performance at Mid Cap Growth has been average, his nearly seven years at Growth Strategies has been sub par.

Replacing Steve at Mid Cap Growth is Fidelity’s so-called Stock Selector Mid Cap Team. The group’s eight “co-managers” have responsibilities for one and sometimes two industry sectors apiece. This approach has become more widely used at Fidelity. In fact, it has met with success at **Balanced** and **Stock Selector**

Small Cap. Notably, some of their sector co-managers have now been dispatched to Mid Cap Growth.

As for Growth Strategies and VIP Growth Strategies, they still have a single-manager. (These funds and Mid Cap Growth remain a *Hold*.) Leading their turnaround is Christopher Lee. Although he joined Fidelity in 2004 as a semiconductor analyst, he’s part of the newer generation of Fidelity stockpickers whose career was started elsewhere. That said, Chris has run **Electronics** and he’s still managing **Consumer Finance**. (Now upgraded to *Buy* and held in our Select Model, Chris has been joined at Consumer Finance by

Inside Fidelity *cont'd on page 12*

Shilpa Mehra; she'll likely take over the fund once they've settled into their respective new posts.)

Elsewhere, **Europe** and **Europe Cap App** may no longer be run as clones. That's because Manager Melissa Reilly has handed the reins of Europe fund to Ristead Hogan. Among his many prior experiences, Ristead has run the consumer staples and financials subportfolios of Fidelity's International Equity Central fund. (Central funds are only used by other Fidelity funds to provide fast and inexpensive access to a variety of markets.) And, there's one other interesting change. Whereas Ristead

will be situated in Fidelity's London research group, Melissa remains in Boston. However, she'll continue to travel extensively abroad and rely on Fidelity's global research prowess to buttress her own work.

Given Europe's myriad economic problems, we continue to rate both funds *OK to Sell*. ■

MESSAGE TO MEMBERS

Honor Thy Father

Fidelity Chairman Edward "Ned" C. Johnson 3d was responsible for turning the fund company into one of the world's most successful. In so doing, his family is among the world's wealthiest but, along the way, millions of investors have been able to

reach their own investment goals.

Unlike the self-aggrandizing types whose lives are tabloid fodder, the Johnson's epitomize the positive attributes of the New England "Yankee": they are hard-working, philanthropic and unassuming.

So it surprised us that after a lifetime shunning the limelight (and sometimes us!), in April, the Johnson family finally acquiesced and were inducted into the Academy of Distinguished Bostonians by the Greater Boston Chamber of Commerce.

The honor was long overdue.

We mention this event because Mr. Johnson is now 81 years old. Moreover, Fidelity has 40,000 employees in dozens of countries. Fund assets under management are \$1.4 trillion, and there are some 20 million investors who rely on Fidelity's managers, analysts and traders to safeguard and grow their money.

For all these reasons (to say nothing of the family's quiet generosity to untold charities and institutions), the 1,600 attendees at the chamber event were also watching closely for any sign that Abigail Johnson, Ned's daughter and heir-apparent, is inching closer to taking over the firm.

The largest stakeholder in the privately held business (Abby owns 25% of Fidelity, with the remainder held be her father, family members and other insiders), she runs the Personal, Workplace and Institutional Services unit — Fidelity's largest. She recently became chair of its flagship fund business. So while it seems that there's little else for her to run, it's still comforting to know that Mr. Johnson's wisdom and experience continues to help guide Fidelity.

Sincerely,
John M. Boyd
John Bonnanzio
editorial@mfi.com

DIVIDEND UPDATE

In addition to monthly dividends paid by bond and money market funds and Asset Mgr: 20%/30%, the following funds may make a dividend or capital gain distribution in May:

Magellan and Real Estate Income.

The final distributions for April were as follows:

Fund	Ex-Date	\$ Amt	NAV
Asset Mgr 40%	4/4	0.035	9.83
Asset Mgr 50%	4/4	0.046	15.97
Automotive	4/13	0.024	36.61
Balanced	4/4	0.079	19.68
Banking	4/13	0.016	18.25
Biotechnology	4/13	5.350	91.80
CA Muni Inc	4/4	0.001	12.55
CA Sh-Int T-Free	4/4	0.001	10.78
Chemicals	4/13	0.857	109.84
Comm Equip	4/13	0.005	23.83
Consum Stple	4/13	0.382	75.47
Consum Discret	4/13	0.020	27.02
Consum Finance	4/13	0.003	13.02
Convertible Secs	4/4	0.179	25.30
Defense & Aerosp	4/13	0.328	83.47
Energy	4/4	0.077	51.84
Env & Alt Energy	4/13	0.002	15.90
Equity-Income	4/4	0.256	44.87
Equity-Income II	4/4	0.093	18.82
Four-in-One Index	4/13	0.014	27.93
Freedom Income	4/4	0.011	11.57
Growth & Income	4/4	0.078	20.42
Health Care	4/13	3.543	128.81
Industrial Equip	4/13	0.067	35.44
Industrials	4/13	0.195	24.14
Insurance	4/13	0.037	47.70

Fund	Ex-Date	\$ Amt	NAV
Intl Enhanced Idx	4/13	0.021	6.62
IT Services	4/13	0.299	24.65
Leisure	4/13	0.138	113.70
L Cap Gro Enhcd	4/13	0.019	11.06
L Cap Val Enhcd	4/13	0.108	7.65
Materials	4/13	0.409	67.34
Medical Equip	4/13	0.544	27.40
Mid Cap Enhcd	4/13	0.146	9.57
Natural Gas	4/4	0.104	31.27
Pharmaceuticals	4/13	0.080	13.97
Puritan	4/4	0.074	19.36
Retailing	4/13	0.044	61.21
Small Cap Enhcd	4/13	0.116	9.62
Software & Comp	4/13	4.630	85.94
Spartan 500 Index	4/4	0.175	49.59
Spartan Extd Mkt	4/13	0.443	38.86
Sptn Intmdt Treas	4/13	0.180	11.37
Sptn Short Treas	4/13	0.016	10.62
Spartan Total Mkt	4/13	0.117	39.55
Strategic Div & Inc	4/4	0.065	11.79
Strategic Real Ret	4/4	0.099	9.38
Telecom and Util	4/4	0.084	17.45
Telecomm	4/13	0.099	45.58
Transportation	4/13	1.119	52.00
Utilities	4/4	0.259	53.70

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