

Findings from Corporate Insight

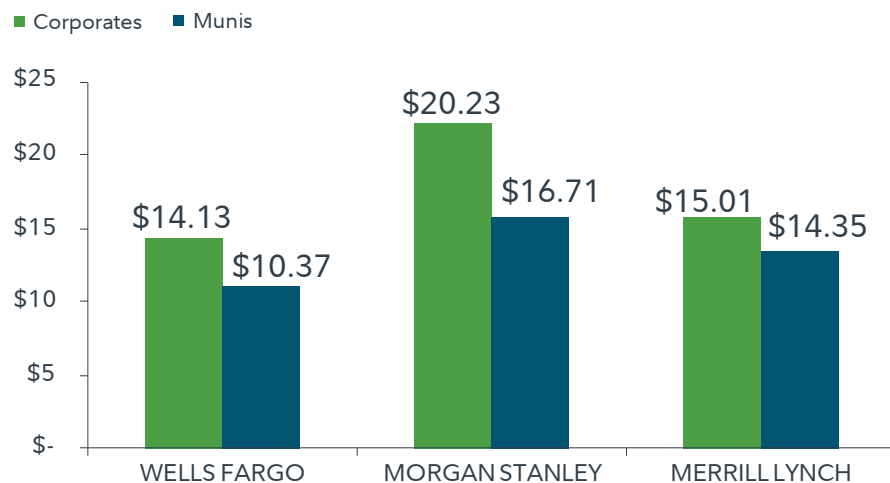
SUMMARY OF FINDINGS

1. Fidelity's prices were found to be lower than certain other brokers over 97% of the time, on average.¹
2. Fidelity's online bond pricing beat that of certain other brokers by \$15 per bond, on average.²
3. As bond maturities lengthen, the three brokers in the study generally charged more per bond.

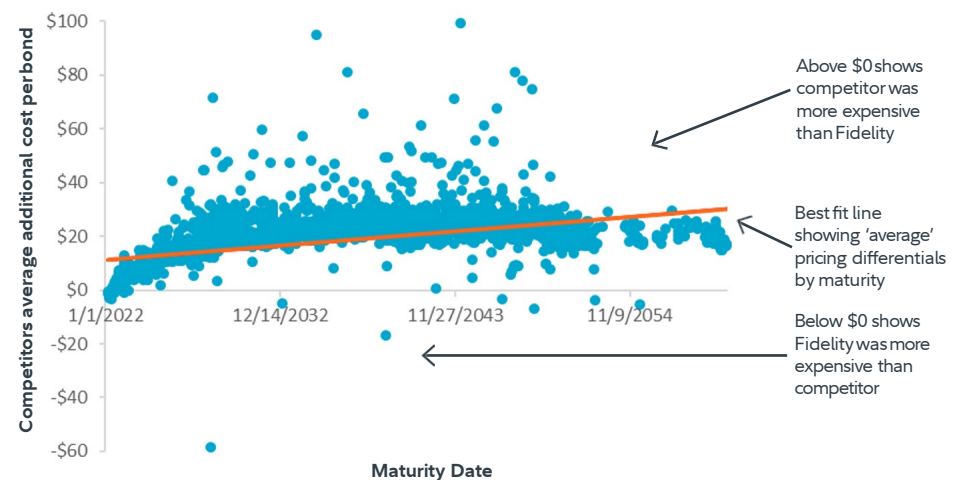
1 % OF MATCHING BONDS WITH FIDELITY CHEAPER¹

BOND TYPE	VS. WELLS FARGO	VS. MORGAN STANLEY	VS. MERRILL LYNCH
Corporate Bonds	96.8%	99.3%	99.6%
Municipal Bonds	94.7%	99.2%	97.4%

2 AVERAGE COST DIFFERENTIALS PER BOND VS. FIDELITY FOR LOWEST PRICE²



3 OBSERVATIONS FOR CORPORATE BOND PRICING DIFFERENTIALS PER BOND FOR MORGAN STANLEY



Bond Pricing Study 2022: Findings from Corporate Insight

Minimum mark-up or mark-down of \$19.95 applies if traded with a Fidelity representative. For U.S. Treasury purchases traded with a Fidelity representative, a flat charge of \$19.95 per trade applies. A \$250 maximum applies to all trades, reduced to a \$50 maximum for bonds maturing in one year or less. Rates are for U.S. dollar-denominated bonds; additional fees and minimums apply for non-dollar bond trades. Other conditions may apply; see [Fidelity.com/commissions](https://www.fidelity.com/commissions) for details. Please note that mark-ups and mark-downs may affect the total cost of the transaction and the total, or "effective," yield of your investment. The offering broker, which may be our affiliate, National Financial Services LLC, may separately mark-up or mark-down the price of the security and may realize a trading profit or loss on the transaction.

¹If cost differential was within \$0.02, then Corporate Insight considered prices equal.

²Fidelity commissioned Corporate Insight to study bond pricing, available online, for self-directed retail investors from three brokers that offer corporate and municipal bonds for comparison to Fidelity's standard online pricing. The study compared online bond prices for more than 27,000 municipal and corporate inventory matches from February 4 through March 7, 2022. It compared municipal and corporate inventories offered online in varying quantities. The study found that, on average, the three online bond brokers identified in the chart were asking \$15.14 more per bond. Corporate Insight determined the average price differential by calculating the difference between the prices of matching corporate and municipal bond inventory at Fidelity, including Fidelity's \$1 per bond mark-up for online trades vs. the prices offered online for the same bonds from the three brokers in the table, then averaging the differences of the financial services firms. The analysis included investment grade corporate and municipal bonds only.

In general, the bond market is volatile, and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities). Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. Lower-quality fixed income securities involve greater risk of default or price changes due to potential changes in the credit quality of the issuer. Foreign investments involve greater risks than U.S. investments, and can decline significantly in response to adverse issuer, political, regulatory, market, and economic risks. Any fixed-income security sold or redeemed prior to maturity may be subject to loss. Additional details about the Corporate Insight Bond Pricing Study is available at [Fidelity.com/buybonds](https://www.fidelity.com/buybonds).