

Fidelity® Blue Chip Value Fund

Key Takeaways

- For the fiscal year ending July 31, 2025, the fund returned -3.28%, significantly trailing the benchmark Russell 1000® Value Index's advance of 8.79%.
- Amid substantial market volatility, very little earnings growth and multiple expansion, value-oriented stocks lagged as investors were willing to pay a premium for corporate earnings the past 12 months.
- This was a challenging backdrop for the fund, according to Portfolio Manager Sean Gavin, who was disappointed with the portfolio's performance shortfall this period, largely stemming from poor security selection among a handful of individual stocks.
- Specifically, within the broader health care sector, picks among health care equipment & services stocks, as well as in utilities, notably detracted versus the benchmark. Investment choices in communication services and information technology, in addition to an overweight in health care, also hurt.
- Exposure to managed health care firms in particular, pressured the portfolio's relative return, especially Centene (-55%), UnitedHealth Group (-47%) and Cigna (-21%).
- On the positive side, favorable positioning in materials and investment choices in industrials contributed to relative performance.
- On a stock-specific basis, the top individual relative contributor was an overweight stake in Deere (+44%), the world's largest manufacturer of agricultural equipment.
- Looking ahead as of July 31, Sean was trying to gauge where corporate revenues and profit margins are headed, as well as how changes in U.S. economic policy are likely to affect firms' intrinsic values. In the meantime, his emphasis remains on high-quality, attractively valued stocks.

MARKET RECAP

U.S. equities gained 16.33% for the 12 months ending July 31, 2025, according to the S&P 500® index, reaching period end just shy of a record. U.S. stocks erased a sharp decline that began on February 20, as post-election optimism gave way to investor concern about a flurry of executive actions by the new administration, disruption to government programs and a rise in uncertainty stemming from shifting policy priorities, especially related to tariffs. The downturn steepened on April 2, upon the announcement of a sweeping tariff plan. Amid rising volatility and concern about a global trade war, the index returned -12.12% through April 8, but then sharply reversed course and gained 27.72% through period end. The historically fast rebound was set off by a 90-day pause on most planned tariffs, and sustained by robust corporate profits, a solid economy and inflation trending around the Federal Reserve's 2% target. These tailwinds overshadowed rising tension in the Middle East and lingering uncertainty about trade ahead of the August 1 deadline for tariff hikes. By sector for the full 12 months, communication services (+31%) and information technology (+24%) led the way, boosted by exuberance for artificial intelligence. Financials (+22%), industrials (+21%) and consumer discretionary (+20%) also topped the index. Conversely, health care (-11%), energy and materials (-3% each) notably trailed. Real estate gained roughly 4% and consumer staples rose about 7%.



Sean Gavin
Portfolio Manager

Fund Facts

Trading Symbol:	FBCVX
Start Date:	June 17, 2003
Size (in millions):	\$559.38

Investment Approach

- Fidelity® Blue Chip Value Fund is a large-cap, value-oriented strategy that seeks capital appreciation.
- We focus on companies where there is a significant price dislocation, believing that a stock's market value will move toward its intrinsic (fair) value over time. We seek to purchase securities with a large "margin of safety" and use three different valuation measures to determine a company's intrinsic value.
- We manage a concentrated portfolio of companies with both cheap valuations and high-quality franchises – those with above-average returns on invested capital and that operate in businesses protected by strong entry barriers. Our strategy aims to benefit from lower earnings volatility and higher long-term growth. We also like firms with healthy cash-flow generation.
- Capital preservation is as important a factor in investing as is upside potential. The fund is structured to maintain a lower beta (sensitivity to market risk) and a higher-quality orientation than its benchmark, the Russell 1000® Value Index.

Q&A

An interview with Portfolio Manager Sean Gavin

Q: Sean, how did the fund perform for the fiscal year ending July 31, 2025?

The fund returned -3.28% the past 12 months, significantly trailing the 8.79% advance of the benchmark Russell 1000® Value Index. The portfolio lagged the peer group average by a slightly narrower margin.

Relative to the benchmark, security selection among health care equipment & services stocks, within the broader health care sector, as well as in utilities, notably detracted from performance. Picks in communication services and information technology, plus an overweight in health care, also hurt. In contrast, favorable positioning in materials and investment choices in industrials contributed to performance compared with the benchmark.

Q: What drove the fund's relative result the past 12 months?

Amid substantial market volatility, very little earnings growth and multiple expansion, value-oriented stocks lagged as investors were willing to pay a premium for corporate earnings. This proved to be a challenging environment for the fund. Obviously, I'm disappointed with the portfolio's relative performance shortfall this period, which largely stemmed from poor security selection among a handful of individual stocks, particularly in the health care and utilities sectors.

While many of the holdings within the fund underperformed this period, my investment philosophy remains focused on the long term. Furthermore, I remain hopeful that, over time, the types of high-quality, large-cap value stocks I regularly prioritize may once again return to favor.

Q: Can you elaborate on your management approach and how it fared this period?

Sure. Let me first remind shareholders that my investment style reflects the view that, over time, a stock's market value eventually will converge with its intrinsic value, or true underlying worth. I use three measures to determine a company's intrinsic value, and I invest in what I believe are high-quality firms. These tend to be businesses that either operate in a specific niche or that possess a strong competitive position that provides a "moat," or high barrier to entry. I also look for an above-average return on invested

capital. Because of this focus, I expect each holding to deliver a return on equity – a measure of profitability – that exceeds that of the benchmark. I feel this can lead to lower earnings volatility over time. I also pay close attention to a company's ability to generate cash, which I think can contribute to faster long-term growth when combined with high ROE.

During the period, one notable positioning change to the portfolio was my decision to reduce exposure to California utility companies. For example, I eliminated the fund's stakes in PG&E (-23%) and Edison International (-32%), the fund's fifth- and sixth-biggest relative detractors, respectively, for the past 12 months. Both stocks fell sharply due to investor concerns about potential losses stemming from wildfires in the Los Angeles area, in addition to growing uncertainty about the future of the state's wildfire fund. This has made it much harder to assess utilities' fire-related liability and, in turn, to accurately value these two stocks. Given this uncertainty, I concluded it was best to sell each stock.

Another noteworthy shift within the fund came in early April, when equity markets briefly plunged following President Trump's announcement of large new tariffs. This triggered significant market volatility that I sought to capitalize upon by adding to certain economically sensitive businesses that were hit particularly hard. Several were in the industrials sector, where the portfolio's weight grew from about 8% to 15%. That said, capitalizing on these value-driven opportunities proved fairly short-lived, as the market quickly rebounded after a delay in the implementation of the tariffs.

Q: Aside from utilities, what else notably detracted from relative performance?

Health care was another challenging area for the fund relative to the index, including overweight positions in Centene (-55%), UnitedHealth Group (-47%) and Cigna (-21%). The former hurt the most on an individual basis after reporting much lower-than-projected Q2 earnings due to lower profitability amid higher patient utilization. This surprised market participants, as management had repeatedly expressed confidence in its prior usage estimates. All told, I lost confidence in the company's earnings prospects and sold the position prior to period end.

UnitedHealth was another poor performer I ultimately parted ways with the past 12 months. Shares of this managed health care firm fell after it reported lower-than-expected profits. Here, the earnings miss reflected unexpectedly weak cost management, due in part to the apparent mispricing of certain insurance offerings. Investor concerns about United Health's business practices and the replacement of its CEO also didn't help. In addition, the reporting period closed with potential criminal charges against the company. Once again, I no longer had conviction in the business and sold the position before the end of July, a good move in hindsight

given that the stock continued to slide after the sale.

Though Cigna also was not immune to the market's concern about managed-care stocks, my view was somewhat different in this case. I continue to believe that the firm has done an exemplary job of handling a difficult industry environment. In my opinion, Cigna is competitively well positioned, given that most of its earnings are derived from its pharmacy benefit management segment, which is not subject to the same cost pressures facing the broader industry. At the same time, most of its health insurance business comes from pass-through costs – meaning the company manages the health system and provider network for large employers – rather than directly assuming the financial risks. As such, the stock was among the fund's top holdings on July 31, despite my trimming it during the 12 months.

Q: What meaningfully contributed?

The top individual relative contributor was an overweight stake in Deere (+44%). In my opinion, this is a great business with healthy returns, a strong competitive position and a big technology advantage over its rivals. In addition, the stock entered the period trading at what I saw as a very attractive valuation, and it remained a core holding throughout the 12 months, finishing the period as our ninth-largest position. That said, I did somewhat reduce exposure to the stock as I believe the company's valuation may have gotten ahead of itself, given weaker near-term farm industry fundamentals.

Lastly, outsized exposure to bank stock Wells Fargo (+39%) also helped. The company was a strong performer this period, benefiting from earnings growth driven by better net interest margins amid higher interest rates. The business also continues to make strides in getting out from underneath the regulatory burden that had been weighing down the stock since its corporate mismanagement scandal nearly a decade ago. As of period end, I still believe that Wells – which finished July as our No. 6 holding – offers additional upside given its profitability and return potential.

Q: Any closing thoughts as of July 31, Sean?

These days, I'm trying to gauge where corporate revenues and profit margins are headed over the medium and longer term, as well as how changes in U.S. economic policy are likely to affect a company's intrinsic value. Versus history, stocks remain relatively expensive, in my opinion. For some time now, I feel like we've been patiently waiting for a more attractively priced equity market, which has yet to materialize. Nevertheless, I think it's important to stick to one's approach. Stocks can remain expensive in the short and medium term, but long term, I strongly believe the price one pays is critical to generating favorable results. ■

Sean Gavin discusses opportunities in the industrials sector:

"My investment philosophy is based on the view that if you buy strong assets at good prices, and you're willing to be patient, you may profit over the long term."

"Despite the fact that the market has gotten pricier, I've still found opportunities to invest in high-quality companies that I think offer good value."

"For example, I've been recently drawn to cyclical – economically sensitive – stocks that remain fundamentally solid but have seen less earnings growth than the broader market."

"These include transportation companies within the industrials sector, which have struggled due to worries about higher tariffs and oversupply. This situation presented an opportunity to invest in certain stocks I found to be very attractively priced, given my expectation that the economy, despite its near-term challenges, may continue to grow over the long term."

"This period, in addition to an existing position in FedEx, we purchased logistics and delivery company United Parcel Service the past 12 months. We also established a new position in truckload services company Knight-Swift Transportation. Despite concern about a slowdown in the global economy is reasonable, I do think the market has overreacted, especially given how much stimulus is being injected. What's more, short-term disruption and confusion about tariff policy aside, I fully expect goods to continue to flow around the world and for these transportation networks to fulfill a vital role moving goods from place to place."

"At the same time, I feel like trucking companies are successfully addressing their current oversupply challenges. If goods start to move more quickly within these networks, I'd expect to see better pricing and an uptick in earnings."

"In short, I believe that buying these assets cheaply may help boost performance over the long run."

LARGEST CONTRIBUTOR VS. BENCHMARK

Holding	Market Segment	Average Relative Weight	Relative Contribution (basis points)*
Deere & Co	Industrials	2.94%	89
Wells Fargo & Co	Financials	2.03%	48
Ferguson Enterprises Inc	Industrials	1.79%	48
Bank of America Corp	Financials	3.32%	40
The Travelers Companies, Inc.	Financials	3.36%	39

* 1 basis point = 0.01%.

LARGEST DTRACTORS VS. BENCHMARK

Holding	Market Segment	Average Relative Weight	Relative Contribution (basis points)*
Centene Corp	Health Care	4.32%	-376
UnitedHealth Group Inc	Health Care	3.02%	-228
Cigna Group/The	Health Care	5.12%	-121
Samsung Electronics Co Ltd	Information Technology	2.39%	-113
PG&E Corp	Utilities	2.42%	-107

* 1 basis point = 0.01%.

ASSET ALLOCATION

Asset Class	Portfolio Weight	Index Weight	Relative Weight	Relative Change From Six Months Ago
Domestic Equities	81.84%	98.82%	-16.98%	-0.68%
International Equities	14.03%	1.18%	12.85%	-1.87%
Developed Markets	14.03%	1.05%	12.98%	1.11%
Emerging Markets	0.00%	0.13%	-0.13%	-2.98%
Tax-Advantaged Domiciles	0.00%	0.00%	0.00%	0.00%
Bonds	0.00%	0.00%	0.00%	0.00%
Cash & Net Other Assets	4.13%	0.00%	4.13%	2.55%

Net Other Assets can include fund receivables, fund payables, and offsets to other derivative positions, as well as certain assets that do not fall into any of the portfolio composition categories. Depending on the extent to which the fund invests in derivatives and the number of positions that are held for future settlement, Net Other Assets can be a negative number.

"Tax-Advantaged Domiciles" represent countries whose tax policies may be favorable for company incorporation.

MARKET-SEGMENT DIVERSIFICATION

Market Segment	Portfolio Weight	Index Weight	Relative Weight	Relative Change From Six Months Ago
Financials	24.02%	22.69%	1.33%	0.27%
Industrials	15.04%	13.44%	1.60%	2.61%
Energy	11.05%	6.03%	5.02%	1.54%
Communication Services	9.40%	7.66%	1.74%	0.03%
Consumer Discretionary	8.39%	7.86%	0.53%	3.41%
Health Care	8.26%	11.25%	-2.99%	-8.61%
Consumer Staples	6.98%	7.96%	-0.98%	1.00%
Information Technology	5.67%	10.16%	-4.49%	-1.12%
Materials	4.71%	4.13%	0.58%	1.40%
Utilities	2.36%	4.61%	-2.25%	-3.42%
Real Estate	0.00%	4.21%	-4.21%	0.37%
Other	0.00%	0.00%	0.00%	0.00%

10 LARGEST HOLDINGS

Holding	Market Segment	Portfolio Weight	Portfolio Weight Six Months Ago
Shell PLC ADR	Energy	5.99%	4.73%
Alphabet Inc Class A	Communication Services	5.12%	2.72%
Exxon Mobil Corp	Energy	5.06%	3.74%
Bank of America Corp	Financials	4.19%	4.77%
Ferguson Enterprises Inc	Industrials	3.94%	2.77%
Wells Fargo & Co	Financials	3.91%	3.31%
Gen Digital Inc	Information Technology	3.90%	3.08%
Keurig Dr Pepper Inc	Consumer Staples	3.88%	1.70%
Deere & Co	Industrials	3.87%	3.97%
PNC Financial Services Group Inc/The	Financials	3.67%	2.79%
10 Largest Holdings as a % of Net Assets		43.54%	46.94%
Total Number of Holdings		40	37

The 10 largest holdings are as of the end of the reporting period, and may not be representative of the fund's current or future investments. Holdings do not include money market investments.

FISCAL PERFORMANCE SUMMARY: Periods ending July 31, 2025

	Cumulative		Annualized			
	6 Month	YTD	1 Year	3 Year	5 Year	10 Year/ LOF ¹
Fidelity Blue Chip Value Fund Gross Expense Ratio: 0.82% ²	-0.91%	0.08%	-3.28%	5.35%	10.87%	6.21%
Russell 1000 Value Index	1.90%	6.61%	8.79%	10.59%	13.18%	9.20%
Morningstar Fund Large Value	1.98%	6.00%	8.14%	10.77%	13.32%	9.34%
% Rank in Morningstar Category (1% = Best)	--	--	100%	98%	86%	98%
# of Funds in Morningstar Category	--	--	1,129	1,074	1,013	824

¹ Life of Fund (LOF) if performance is less than 10 years. Fund inception date: 06/17/2003.

² This expense ratio is from the prospectus in effect as of the date shown above and generally is based on amounts incurred during that fiscal year, or estimated amounts for the current fiscal year in the case of a newly launched fund. It does not include any fee waivers or reimbursements, which would be reflected in the fund's net expense ratio.

Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your shares. Current performance may be higher or lower than the performance stated. Performance shown is that of the fund's Retail Class shares (if multiclass). You may own another share class of the fund with a different expense structure and, thus, have different returns. To learn more or to obtain the most recent month-end or other share-class performance, visit fidelity.com/performance, institutional.fidelity.com, or 401k.com. Total returns are historical and include change in share value and reinvestment of dividends and capital gains, if any. Cumulative total returns are reported as of the period indicated. Please see the last page(s) of this Q&A document for most-recent calendar-quarter performance.

Definitions and Important Information

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FUND RISKS

Stock markets, especially foreign markets, are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks. Value stocks can perform differently than other types of stocks and can continue to be undervalued by the market for long periods of time.

IMPORTANT FUND INFORMATION

Relative positioning data presented in this commentary is based on the fund's primary benchmark (index) unless a secondary benchmark is provided to assess performance.

INDICES

It is not possible to invest directly in an index. All indices represented are unmanaged. All indices include reinvestment of dividends and interest income unless otherwise noted.

Russell 1000 Value Index is a market capitalization-weighted index designed to measure the performance of the large-cap value segment of the US equity market. It includes those Russell 1000 Index companies with lower price-to-book ratios and lower expected growth rates. Effective March 24, 2025, the index applies a capping methodology. Index constituents are capped quarterly so that no more than 22.5% of the index's weight may be allocated to a single constituent, and the sum of the weights of all constituents representing more than 4.5% of the index should not exceed 45% of the total index weight. For periods prior to March 24, 2025, the index was uncapped.

S&P 500 is a market-capitalization-weighted index of 500 common stocks chosen for market size, liquidity, and industry group representation to represent U.S. equity performance.

MARKET-SEGMENT WEIGHTS

Market-segment weights illustrate examples of sectors or industries in which the fund may invest, and may not be representative of the fund's current or future investments. They

should not be construed or used as a recommendation for any sector or industry.

RANKING INFORMATION

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% Rank in Morningstar Category is the fund's total-return percentile rank relative to all funds that have the same Morningstar Category. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100. The top-performing fund in a category will always receive a rank of 1%. % Rank in Morningstar Category is based on total returns which include reinvested dividends and capital gains, if any, and exclude sales charges. Multiple share classes of a fund have a common portfolio but impose different expense structures.

RELATIVE WEIGHTS

Relative weights represents the % of fund assets in a particular market segment, asset class or credit quality relative to the benchmark. A positive number represents an overweight, and a negative number is an underweight. The fund's benchmark is listed immediately under the fund name in the Performance Summary.

Manager Facts

Sean Gavin is a portfolio manager in the Equity division at Fidelity Investments. Fidelity Investments is a leading provider of investment management, retirement planning, portfolio guidance, brokerage, benefits outsourcing, and other financial products and services to institutions, financial intermediaries, and individuals.

In this role, Mr. Gavin manages Fidelity Value Discovery Fund, Fidelity Blue Chip Value Fund, Fidelity Advisor Equity Value Fund, Fidelity Advisor Value Leaders Fund, Fidelity Series Value Discovery Fund, and FIAM Target Date Value Discovery Commingled Pool.

Prior to assuming his current position in January 2012, Mr. Gavin was a research analyst in the Equity division. During this time, he worked as a diversified analyst on the Value team, as a food and beverage analyst, and as a transportation analyst.

Before joining Fidelity in 2007, Mr. Gavin was an assistant portfolio manager at Pioneer Investments and a research analyst at both Boston Partners Asset Management and at Delphi Management. He has been in the financial industry since 1998.

Mr. Gavin earned his bachelor of arts degree in mathematics from Oberlin College and his bachelor of music degree in trombone performance from the Oberlin Conservatory. He is also a CFA® charterholder. The Chartered Financial Analyst (CFA) designation is offered by the CFA Institute. To obtain the CFA charter, candidates must pass three exams demonstrating their competence, integrity, and extensive knowledge in accounting, ethical and professional standards, economics, portfolio management, and security analysis, and must also have at least 4,000 hours of qualifying work experience completed in a minimum of 36 months, among other requirements. CFA® is a trademark owned by CFA Institute.

PERFORMANCE SUMMARY:

Quarter ending December 31, 2025

	Annualized			
	1 Year	3 Year	5 Year	10 Year/ LOF ¹
Fidelity Blue Chip Value Fund Gross Expense Ratio: 0.56% ²	11.14%	7.65%	9.63%	7.92%
% Rank in Morningstar Category (1% = Best)	81%	96%	85%	98%
# of Funds in Morningstar Category	1,107	1,059	995	832

¹ Life of Fund (LOF) if performance is less than 10 years. Fund inception date: 06/17/2003.

² This expense ratio is from the prospectus in effect as of the date shown above and generally is based on amounts incurred during that fiscal year, or estimated amounts for the current fiscal year in the case of a newly launched fund. It does not include any fee waivers or reimbursements, which would be reflected in the fund's net expense ratio.

Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your shares. Current performance may be higher or lower than the performance stated. Performance shown is that of the fund's Retail Class shares (if multiclass). You may own another share class of the fund with a different expense structure and, thus, have different returns. To learn more or to obtain the most recent month-end or other share-class performance, visit fidelity.com/performance, institutional.fidelity.com, or 401k.com. Total returns are historical and include change in share value and reinvestment of dividends and capital gains, if any. Cumulative total returns are reported as of the period indicated.



Before investing in any mutual fund, please carefully consider the investment objectives, risks, charges, and expenses. For this and other information, call or write Fidelity for a free prospectus or, if available, a summary prospectus. Read it carefully before you invest.

Past performance is no guarantee of future results.

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Diversification does not ensure a profit or guarantee against a loss.

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