

Fidelity® Equity-Income Fund

Investment Approach

- Fidelity® Equity-Income Fund is a diversified domestic equity strategy that seeks reasonable income. In pursuing this objective, the fund also will consider the potential for capital appreciation.
- The fund seeks a yield for its shareholders that exceeds the yield on the securities comprising the S&P 500® index.
- We believe in mean reversion, a value-driven philosophy and investment duration as a competitive advantage.
- In our bottom-up investment process, we focus on higher-quality firms, which helps minimize downside capture over time.

PERFORMANCE SUMMARY

	Cumulative		Annualized			
	3 Month	YTD	1 Year	3 Year	5 Year	10 Year/LOF ¹
Fidelity Equity-Income Fund Gross Expense Ratio: 0.54% ²	9.07%	9.07%	19.95%	9.31%	11.65%	9.29%
Russell 3000 Value Index	8.62%	8.62%	20.18%	7.74%	10.18%	8.86%
Morningstar Fund Large Value	8.83%	8.83%	20.70%	8.87%	10.89%	9.09%
% Rank in Morningstar Category (1% = Best)	--	--	57%	45%	35%	43%
# of Funds in Morningstar Category	--	--	1,204	1,118	1,058	816

¹ Life of Fund (LOF) if performance is less than 10 years. Fund inception date: 05/16/1966.

² This expense ratio is from the most recent prospectus and generally is based on amounts incurred during the most recent 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](https://www.fidelity.com/performance), [institutional.fidelity.com](https://www.institutional.fidelity.com), or [401k.com](https://www.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.

For definitions and other important information, please see the Definitions and Important Information section of this Fund Review.

FUND INFORMATION

Manager(s):
Ramona Persaud

Trading Symbol:
FEQIX

Start Date:
May 16, 1966

Size (in millions):
\$8,322.37

Morningstar Category:
Fund Large Value

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. Fixed income investments entail interest rate risk (as interest rates rise bond prices usually fall), the risk of issuer default, issuer credit risk and inflation risk. Lower-quality bonds can be more volatile and have greater risk of default than higher-quality bonds. Value stocks can perform differently from the market as a whole. They can remain undervalued by the market for long periods of time.



Not FDIC Insured • May Lose Value • No Bank Guarantee

Performance Review

For the quarter, the fund's Retail Class shares advanced 9.07%, modestly outpacing the 8.62% gain of the benchmark, the Russell 3000® Value Index. U.S. stocks were driven the past three months by resilient corporate profits, a frenzy over generative artificial intelligence and the Federal Reserve's likely pivot to cutting interest rates later this year.

In Q1, the U.S. economy and corporate earnings exhibited signs of broadening stabilization. Although core U.S. inflation remained elevated and investors dialed back their expectation for the pace and magnitude of expected rate cuts, investors remained largely optimistic that the U.S. Federal Reserve would soon shift to easing after a historic hiking cycle from March 2022 to July 2023.

In January, the Russell index returned -0.18%, but grew stronger amid widespread optimism the central bank would bring down inflation to its target of 2% without inflicting too much damage to the economy, thereby pulling off a "soft landing." Sure enough, value stocks gained 3.67% in February, boosted by strong corporate earnings. On March 20, the central bank held steady its benchmark federal funds rate and affirmed its projection to cut it three times this year, despite firmer-than-anticipated inflation in recent months. The index rose 4.97% for the month.

Growth stocks handily topped value in the first quarter, as the Russell 3000® Growth Index rose 11.23%.

By sector within the Russell 3000® Value Index, energy stocks rose roughly 14%, driven by a strong increase in oil prices, while the rate-sensitive financials sector advanced about 12%, as did industrials. In contrast, four defensive-oriented groups lagged most amid the risk-on backdrop: real estate (-1%), utilities (+5%), health care (+6%) and consumer staples (+7%).

As always, the fund was positioned with a value-oriented and defensive tilt. The fund's conservatism has historically led to outperformance during times of market volatility and moderate underperformance in "risk-on" market climates. This was largely true for its performance the past three months, as the fund pulled ahead of its benchmark early in the quarter when the index was down and lagged the benchmark when it rallied.

As we managed the fund through this largely positive backdrop, we were pleased that stock selection and industry positioning contributed to performance versus the benchmark. Specifically, choices in utilities, financials and energy were helpful, as was an underweight in the lagging real estate sector. Conversely, stock choices in industrials dragged on the fund's relative results. A modest cash position of about 2%, on average, also hurt.

In terms of individual stocks, the top relative contributor in Q1 was an out-of-index stake in Eli Lilly (+32%). Shares of Eli Lilly were paced by favorable fourth-quarter financial results. Both revenue and earnings surpassed consensus estimates amid the growing success of the firm's diabetes and weight-loss franchise. In particular, its Type 2 diabetes and obesity drug Mounjaro® eclipsed \$2 billion in sales, while its obesity treatment Zepbound™, which only became available in December, generated about \$175 million in sales, \$100 million more than expected. Management noted that both drugs produced positive results when used in a phase 2 study for the treatment of nonalcoholic steatohepatitis, a common liver condition. We reduced the fund's stake in Eli Lilly as the stock's valuation rose.

It also helped to overweight General Electric (+38%). GE reported that its earnings for the final three months of 2023 topped the consensus expectation, driven by profit growth in GE Aerospace, the firm's jet engine business. Meanwhile, the company's power-generation segment, GE Vernova, narrowed its operating loss from a year ago. Management's forecast for the first quarter of 2024 was largely as expected, while its full-year outlook reflected its plan to split into two independent, publicly traded companies in early April. GE Healthcare Technologies was spun out at the start of 2023.

Conversely, our decision to overweight Boeing (-26%) and avoid index component Berkshire Hathaway (+18%), an insurance-focused conglomerate, detracted most to the fund's relative result. Boeing shares slid considerably in early January following the emergency landing of an Alaska Airlines Boeing 737 MAX 9 when a panel of the aircraft blew out shortly after takeoff from Portland, Oregon. In response to the incident, the Federal Aviation Administration ordered a temporary grounding of certain MAX 9 aircraft, requiring airlines to perform emergency inspections. Other safety issues followed in March, further pressuring the stock. We reduced our stake in Boeing during the period. We didn't own Berkshire Hathaway because the company does not pay a dividend.■

LARGEST CONTRIBUTORS VS. BENCHMARK

Holding	Market Segment	Average Relative Weight	Relative Contribution (basis points)*
Eli Lilly & Co.	Health Care	1.03%	31
General Electric Co.	Industrials	1.21%	31
Taiwan Semiconductor Manufacturing Co. Ltd. sponsored ADR	Information Technology	1.44%	28
Constellation Energy Corp.	Utilities	0.54%	23
Intel Corp.	Information Technology	-0.86%	20

* 1 basis point = 0.01%.

LARGEST DETRACTORS VS. BENCHMARK

Holding	Market Segment	Average Relative Weight	Relative Contribution (basis points)*
The Boeing Co.	Industrials	0.66%	-33
Berkshire Hathaway, Inc. Class B	Financials	-3.28%	-28
Crown Holdings, Inc.	Materials	0.76%	-19
Roche Holding AG (participation certificate)	Health Care	0.93%	-19
The Walt Disney Co.	Communication Services	-0.60%	-18

* 1 basis point = 0.01%.

Outlook and Positioning

Equity valuations became somewhat more expensive amid the Q1 rally, especially in the U.S. As of March 31, the trailing one-year price-to-earnings ratio for U.S. stocks was near its historical high, leading to questions about the underlying strength of corporate profits keeping pace with investor optimism. While the prospect of lower rates could lead to further improvement in market breadth, the tech-focused mega-caps haven't shown signs of yielding their dominant leadership position yet.

Looking ahead, we plan to continue focusing on large price/value disconnects in quality companies to achieve our three main investment goals: investment return, minimizing downside capture and yield. We believe global demographic factors could offset inflation and rising rates in the long term, though the market is steadfastly focused on short-to-medium-term damage.

Since the global financial crisis, we have seen rate suppression accompanied by high correlation and low dispersion in stock prices, which has fueled stability in growth strategies at the expense of traditional value strategies. There is now a case for normalization in rates, which could provide a catalyst for better returns for value stocks.

We are keeping a close eye on structural factors like demographics-driven low global growth and accompanying lower rates, while maintaining flexibility when considering how to generate strong long-term return through a value lens.

Historically, when valuations for value stocks are especially cheap, our odds of outperforming the benchmark tend to improve. In the past, when rates and economic growth were less distorted, value efficacy was less sensitive, broader and more sustainable. We think we could be on the verge of returning to an environment like that, which we believe would be positive for value investing.

One notable addition to the fund in Q1 was a stake in mass media and entertainment giant Walt Disney. We also initiated small positions in biopharma firms AbbVie and GSK; railroad Norfolk Southern; construction company MDU Resources Group; and utility Southwest Gas Holdings.

On the other hand, we exited our holding in biopharma company Bristol-Myers Squibb and a very small stake in grocery retailer Albertsons.

The largest sector overweight at year end was in information technology, given the Fed's signal of monetary easing in 2024. This sector represented about 11% of the fund's assets as of March 31.

Our top tech holdings included networking gear maker Cisco Systems; software & services giant Microsoft; diversified tech firm Roper Technologies; South Korean consumer electronics giant Samsung Electronics; and chipmakers NXP Semiconductors and Taiwan Semiconductor Manufacturing.

The fund is also overweight consumer staples, where we favor high-quality companies that we think can pass along rising costs. In addition, stocks in this category typically perform well in a recession. Here, some of the fund's largest positions are big-box retailer Walmart, consumer goods maker Procter & Gamble, and global soft-drink stalwarts Coca-Cola and Keurig Dr Pepper.

As of March 31, the fund is also overweight communication services and utilities.

Conversely, our biggest sector underweights relative to the benchmark were in real estate, financials and health care. ■

MARKET-SEGMENT DIVERSIFICATION

Market Segment	Portfolio Weight	Index Weight	Relative Weight	Relative Change From Prior Quarter
Financials	20.73%	22.83%	-2.10%	0.29%
Industrials	13.20%	14.32%	-1.12%	-0.16%
Health Care	12.16%	13.97%	-1.81%	-2.08%
Information Technology	11.18%	9.20%	1.98%	-0.27%
Consumer Staples	8.77%	7.37%	1.40%	-0.19%
Energy	8.27%	8.17%	0.10%	0.25%
Utilities	5.71%	4.61%	1.10%	0.79%
Communication Services	5.57%	4.47%	1.10%	0.01%
Materials	5.27%	4.80%	0.47%	0.09%
Consumer Discretionary	4.66%	5.35%	-0.69%	-0.05%
Real Estate	2.10%	4.90%	-2.80%	0.36%
Other	0.00%	0.00%	0.00%	0.00%

CHARACTERISTICS

	Portfolio	Index
Valuation		
Price/Earnings Trailing	18.5x	19.0x
Price/Earnings (IBES 1-Year Forecast)	16.2x	16.5x
Price/Book	3.0x	2.5x
Price/Cash Flow	12.4x	13.1x
Return on Equity (5-Year Trailing)	14.9%	12.6%
Growth		
Sales/Share Growth 1-Year (Trailing)	9.5%	9.2%
Earnings/Share Growth 1-Year (Trailing)	3.0%	0.9%
Earnings/Share Growth 1-Year (IBES Forecast)	8.6%	10.4%
Earnings/Share Growth 5-Year (Trailing)	10.3%	12.0%
Size		
Weighted Average Market Cap (\$ Billions)	238.8	137.6
Weighted Median Market Cap (\$ Billions)	122.9	72.6
Median Market Cap (\$ Billions)	63.3	2.2

LARGEST OVERWEIGHTS BY HOLDING

Holding	Market Segment	Relative Weight
JPMorgan Chase & Co.	Financials	1.85%
Bank of America Corp.	Financials	1.61%
Taiwan Semiconductor Manufacturing Co. Ltd. sponsored ADR	Information Technology	1.50%
Linde PLC	Materials	1.48%
General Electric Co.	Industrials	1.37%

LARGEST UNDERWEIGHTS BY HOLDING

Holding	Market Segment	Relative Weight
Berkshire Hathaway, Inc. Class B	Financials	-3.32%
Chevron Corp.	Energy	-1.17%
Intel Corp.	Information Technology	-0.80%
Abbott Laboratories	Health Care	-0.80%
IBM Corp.	Information Technology	-0.75%

10 LARGEST HOLDINGS

Holding	Market Segment
JPMorgan Chase & Co.	Financials
Exxon Mobil Corp.	Energy
Bank of America Corp.	Financials
Linde PLC	Materials
General Electric Co.	Industrials
Wells Fargo & Co.	Financials
Danaher Corp.	Health Care
Merck & Co., Inc.	Health Care
Chubb Ltd.	Financials
Walmart, Inc.	Consumer Staples
10 Largest Holdings as a % of Net Assets	23.48%
Total Number of Holdings	124

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.

ASSET ALLOCATION

Asset Class	Portfolio Weight	Index Weight	Relative Weight	Relative Change From Prior Quarter
Domestic Equities	86.04%	98.45%	-12.41%	-0.41%
International Equities	11.56%	1.55%	10.01%	-0.56%
Developed Markets	9.01%	1.43%	7.58%	-0.73%
Emerging Markets	2.55%	0.11%	2.44%	0.17%
Tax-Advantaged Domiciles	0.00%	0.01%	-0.01%	0.00%
Bonds	0.00%	0.00%	0.00%	0.00%
Cash & Net Other Assets	2.40%	0.00%	2.40%	0.97%

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.

3-YEAR RISK/RETURN STATISTICS

	Portfolio	Index
Beta	0.87	1.00
Standard Deviation	14.63%	16.61%
Sharpe Ratio	0.45	0.30
Tracking Error	3.09%	--
Information Ratio	0.51	--
R-Squared	0.98	--

Definitions and Important Information

Information provided in, and presentation of, this document are for informational and educational purposes only and are not a recommendation to take any particular action, or any action at all, nor an offer or solicitation to buy or sell any securities or services presented. It is not investment advice. Fidelity does not provide legal or tax advice.

Before making any investment decisions, you should consult with your own professional advisers and take into account all of the particular facts and circumstances of your individual situation. Fidelity and its representatives may have a conflict of interest in the products or services mentioned in these materials because they have a financial interest in them, and receive compensation, directly or indirectly, in connection with the management, distribution, and/or servicing of these products or services, including Fidelity funds, certain third-party funds and products, and certain investment services.

CHARACTERISTICS

Earnings-Per-Share Growth Trailing measures the growth in reported earnings per share over trailing one- and five-year periods.

Earnings-Per-Share Growth (IBES 1-Year Forecast) measures the growth in reported earnings per share as estimated by Wall Street analysts.

Median Market Cap identifies the median market capitalization of the portfolio or benchmark as determined by the underlying security market caps.

Price-to-Book (P/B) Ratio is the ratio of a company's current share price to reported accumulated profits and capital.

Price/Cash Flow is the ratio of a company's current share price to its trailing 12-months cash flow per share.

Price-to-Earnings (P/E) Ratio (IBES 1-Year Forecast) is the ratio of a company's current share price to Wall Street analysts' estimates of earnings.

Price-to-Earnings (P/E) Ratio Trailing is the ratio of a company's current share price to its trailing 12-months earnings per share.

Return on Equity (ROE) 5-Year Trailing is the ratio of a company's last five years historical profitability to its shareholders' equity. Preferred stock is included as part of each company's net worth.

Sales-Per-Share Growth measures the growth in reported sales over the specified past time period.

Weighted Average Market Cap identifies the market capitalization of the average equity holding as determined by the dollars invested in the portfolio or benchmark.

Weighted Median Market Cap identifies the market capitalization of the median equity holding as determined by the dollars invested in the portfolio or benchmark.

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 3000 Value Index is a market-capitalization-weighted index designed to measure the performance of the broad value segment of the U.S. equity market. It includes those Russell 3000 Index companies with lower price-to-book ratios and lower forecasted growth rates.

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

© 2024 Morningstar, Inc. All rights reserved. The Morningstar information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or redistributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Fidelity does not review the Morningstar data and, for mutual fund performance, you should check the fund's current prospectus for the most up-to-date information concerning applicable loads, fees and expenses.

% 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.

3-YEAR RISK/RETURN STATISTICS

Beta is a measure of the volatility of a fund relative to its benchmark index. A beta greater (less) than 1 is more (less) volatile than the index.

Information Ratio measures a fund's active return (fund's average monthly return minus the benchmark's average monthly return) in relation to the volatility of its active returns.

R-Squared measures how a fund's performance correlates with a benchmark index's performance and shows what portion of it can be explained by the performance of the overall market/index. R-Squared ranges from 0, meaning no correlation, to 1, meaning perfect correlation. An R-Squared value of less than 0.5 indicates that annualized alpha and beta are not reliable performance statistics.

Sharpe Ratio is a measure of historical risk-adjusted performance. It is calculated by dividing the fund's excess returns (the fund's average annual return for the period minus the 3-month "risk free" return rate) and dividing it by the standard deviation of the fund's returns. The higher the ratio, the better the fund's return per unit of risk. The three month "risk free" rate used is the 90-day Treasury Bill rate.

Standard Deviation is a statistical measurement of the dispersion of a fund's return over a specified time period. Fidelity calculates standard deviations by comparing a fund's monthly returns to its average monthly return over a 36-month period, and then annualizes the number. Investors may examine historical standard deviation in conjunction with historical returns to decide whether a fund's volatility would have been acceptable given the returns it would have produced. A higher standard deviation indicates a wider dispersion of past returns and thus greater historical volatility. Standard deviation does not indicate how the fund actually performed, but merely indicates the volatility of its returns over time.

Tracking Error is the divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, creating an unexpected profit or loss.



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.

Views expressed are through the end of the period stated and do not necessarily represent the views of Fidelity. Views are subject to change at any time based upon market or other conditions and Fidelity disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Fidelity fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Fidelity fund. The securities mentioned are not necessarily holdings invested in by the portfolio manager(s) or FMR LLC. References to specific company securities should not be construed as recommendations or investment advice.

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

S&P 500 is a registered service mark of Standard & Poor's Financial Services LLC.

Other third-party marks appearing herein are the property of their respective owners.

All other marks appearing herein are registered or unregistered trademarks or service marks of FMR LLC or an affiliated company.

Fidelity Brokerage Services LLC, Member NYSE, SIPC, 900 Salem Street, Smithfield, RI 02917.

Fidelity Distributors Company LLC, 500 Salem Street, Smithfield, RI 02917.

© 2024 FMR LLC. All rights reserved.

Not NCUA or NCUSIF insured. May lose value. No credit union guarantee.

656701.43.0