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FIDELITY INVESTMENTS® SIGNIFICANTLY EXPANDS SUITE OF SHORT DURATION BOND FUNDS

New Products Can Help Provide Stability Amidst Rising Rates

BOSTON, Nov. 12, 2013 -- [Fidelity Investments®](#), a leading global asset management firm with \$1.9 trillion in managed assets, including approximately \$890 billion in fixed income assets, today announced it has expanded its line-up of short duration bond mutual funds for investors and financial advisors with the launch of three new products: [Fidelity Limited Term Bond Fund](#)ⁱ, [Fidelity Conservative Income Municipal Bond Fund](#) and [Fidelity Short Duration High Income Fund](#) (Advisor and retail shares classes).

“A top concern for many bond investors today is their exposure to interest rate risk and the negative impact rising rates could have on their bond portfolios,” said Charlie Morrison, president of Fidelity’s Fixed Income division. “For investors seeking to lower this risk, short duration funds can be an appropriate addition to a well-diversified bond portfolio.”

While the Federal Reserve has indicated it is unlikely to raise the short-term Fed funds rate in the near term, longer-term rates may rise if the Fed tapers its bond purchases. Under these circumstances, short duration bonds are generally less sensitive to rising interest rates. Even against a backdrop of declining interest rates over the past couple of decades, short duration funds have demonstrated the potential to capture compelling fixed income returns with less volatility.

The three new short duration bond funds are managed with varying degrees of credit and interest rate exposure, from primarily investment grade to below investment grade and with weighted average maturities between six months to five years.

Investors can learn more about Fidelity’s short duration funds and access educational videos and investment insights by visiting www.fidelity.com/fidelityshort.

Fidelity Conservative Income Municipal Bond Fund (FCRDX)

Managed by 19-year Fidelity veteran Doug McGinley, Fidelity Conservative Income Municipal Bond Fund invests in money market securities and high quality investment-grade municipal debt securities with a short duration. The fund normally maintains a dollar-weighted average maturity of one year or less. It offers a retail class (FCRDX) and an Advisor class (FMNDX).

Fidelity Limited Term Bond Fund (FJRLX)

Lead managed by 26-year Fidelity veteran Robert Galusza, Fidelity Limited Term Bond Fund seeks to provide a high rate of income and is credit-oriented, investing in sectors such as corporates, commercial mortgage-backed securities, asset backed securities and Government agency mortgages, which typically offer higher yields than Treasuries and Government securities. The fund normally maintains a dollar-weighted average maturity between two and five years. David Prothro, who co-manages Fidelity Corporate Bond Fund, co-manages the new fund.

Fidelity Short Duration High Income Bond Fund

Lead managed by 18-year Fidelity veteran Matt Conti, Fidelity Short Duration High Income Fund¹ normally invests in higher quality below investment grade bonds rated BB or B. It also intends to invest in floating rate loans and investment grade corporate bonds. The fund normally maintains a dollar-weighted average maturity of three years or less. Michael Plage, who co-manages Fidelity Corporate Bond Fund, will manage the fund's U.S. investment grade assets.

With the launch of these three new funds, Fidelity now offers investors and advisors access to a suite of 13 short duration funds, with total assets under management of more than \$34 billion. The table below lists Fidelity's retail and Advisor short duration bond funds.

Category	Strategy	Funds	Description
Higher Credit Quality	Ultra Short	Conservative Income Bond	Fidelity Conservative Income Bond Fund Fidelity Conservative Income Municipal Bond Fund
		Short	Fidelity Short-Term Bond Fund Fidelity Advisor Short-Fixed Income Fund
	Limited Term		
			Fidelity and Advisor Limited Term Bond Funds Fidelity Limited Term Government Fund Fidelity and Advisor Limited Term Municipal Income Funds Fidelity California Limited Term Tax-Free Bond Fund
	Passive		Spartan Short-Term Treasury Bond Index Fund
		Defined Maturity	Fidelity and Advisor Municipal Income 2015 Funds Fidelity and Advisor Municipal Income 2017 Funds
Lower Credit Quality	Bank Loan	Leveraged Loans	Fidelity and Advisor Floating Rate High Income Funds
		Corporate High Income	Fidelity and Advisor Short Duration High Income Funds

Fidelity Publishes New Short Duration Paper

Fidelity also launched a new report, [“Investor Blind Spots in Short Duration Bond Funds.”](#) The report highlights that many investors may not fully understand the different levels of risk associated with different short duration products.

For an investor who decides to allocate assets to a short duration strategy, there is a spectrum of fund offerings to consider. Variations in management style influence a fund's sector allocation, credit quality and level of interest-rate risk, all of which translate into meaningful diversity in risk-and-return characteristics within the short duration fund category.

“Investors need to consider that within the short duration category, fund composition can vary widely resulting in some investors taking on more risk than they intended,” said Morrison. “To help avoid these potential blind spots, investors need to understand what they own, in terms of duration and sector exposure, and align their risk tolerance with a fund's underlying investment approach.”

About Fidelity Investments

Fidelity Investments is one of the world's largest providers of financial services, with assets under administration of more than \$4.4 trillion, including managed assets of \$1.9 trillion, as of September 30, 2013. Founded in 1946, the firm is a leading provider of investment management, retirement planning, portfolio guidance, brokerage, benefits outsourcing and many other financial products and services to more than 20 million individuals and institutions, as well as through 5,000 financial intermediary firms. For more information about Fidelity Investments, visit www.fidelity.com.

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Before investing, consider the funds' investment objectives, risks, charges and expenses. Contact Fidelity or visit advisor.fidelity.com for a prospectus containing this information. Read it carefully.

Diversification does not ensure a profit or guarantee against loss.

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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 and credit and default risks for both issuers and counterparties. Unlike individual bonds, most bond funds do not have a maturity date, so avoiding losses caused by price volatility by holding them until maturity is not possible.

Foreign securities can be more volatile than U.S. markets due to increased risks of adverse issuer, political, regulatory, market or economic developments.

Changes in government regulation, interest rates and economic downturns can have a significant effect on issuers in the financial services sector, including the price of their securities or their ability to meet their payment obligations.

Prepayment of principal prior to a security's maturity can cause greater price volatility if interest rates change.

The funds can invest in securities that may have a leveraging effect (such as derivatives and forward-settling securities) which may increase market exposure, magnify investment risks, and cause losses to be realized more quickly. The funds are not money market funds and will have a fluctuating NAV.

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ⁱ A new retail share class of Fidelity Advisor Limited Term Bond Fund.