

FIDELITY WEALTH MANAGEMENT WEBINAR

Today's markets and tomorrow's taxes



Our Speakers



Nicholas A. Beis

VP, Advanced Planning, Fidelity Investments

Nicholas Beis joined Fidelity in 2019 as a vice president of Advanced Planning. In this role, he educates both clients and the broader Fidelity organization regarding family wealth planning strategies, including estate, trust, gift, and charitable planning techniques. Prior to joining Fidelity, Nicholas worked as an attorney for Wilson & Wilson Estate Planning & Elder Law LLC, where he focused primarily on the areas of estate planning, trust administration, and business succession planning.



Alice Joe, CFA®

VP, Federal Government Relations, Fidelity Investments

Alice Joe is a vice president of Government Relations for Fidelity Investments, a leading provider of investment management, retirement planning, portfolio guidance, brokerage, benefits outsourcing, and other financial products and services to more than 35 million individuals, institutions, and financial intermediaries. Since joining Fidelity in 2017, Alice has worked to align policy outcomes with the firm's strategic objectives. She has advocated on behalf of the firm's interest in Washington on a range of legislative and regulatory policies before government officials. Her areas of expertise include financial services regulation, retirement and education savings policy, and tax.



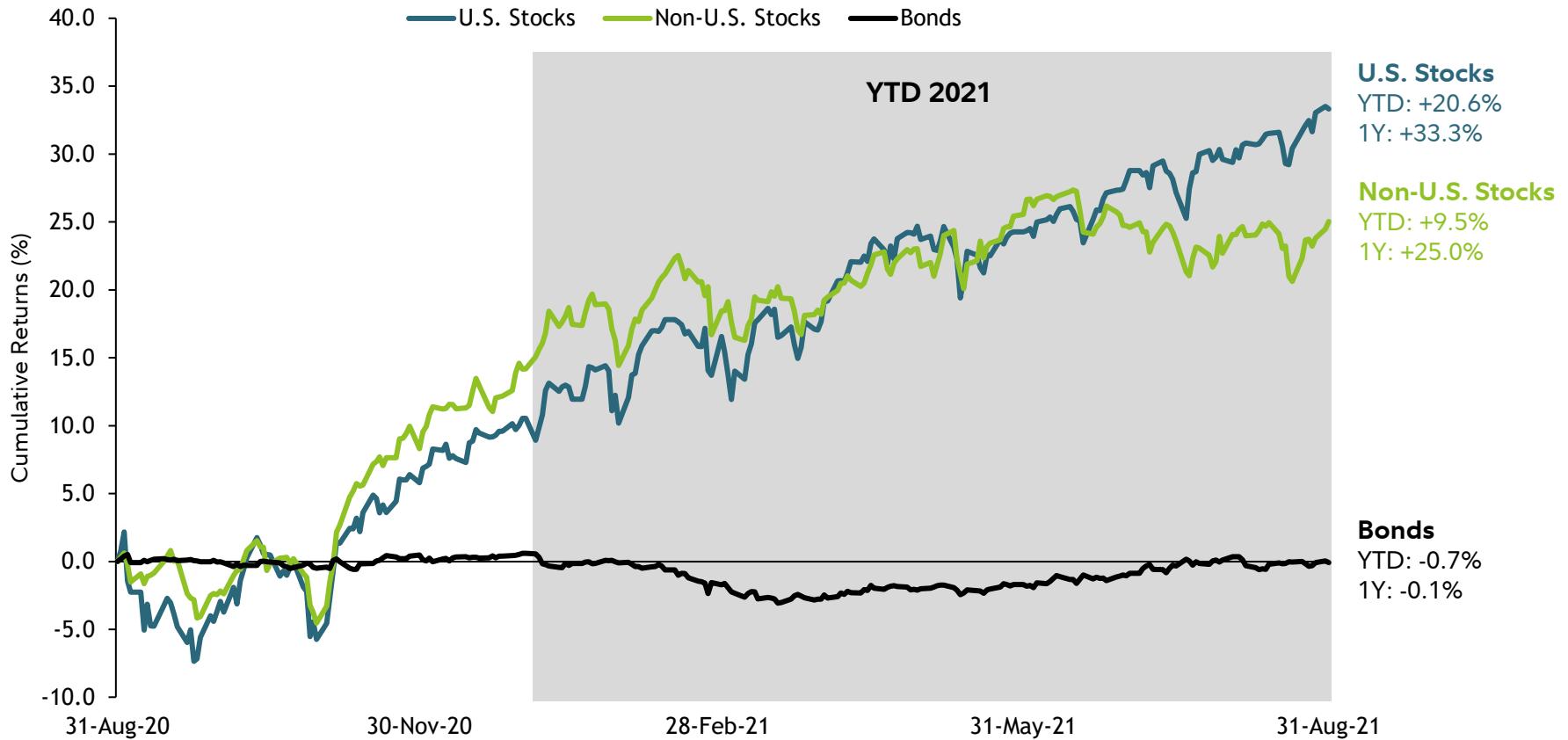
Lars Schuster

Institutional Portfolio Manager, Strategic Advisers LLC

Lars Schuster is an institutional portfolio manager at Strategic Advisers LLC, a registered investment adviser and a Fidelity Investments company. Fidelity Investments is a leading provider of investment management, retirement planning, portfolio guidance, brokerage, benefits outsourcing, and other financial products and services to more than 35 million individuals, institutions, and financial intermediaries. In this role, he is a member of the investment management team, and is responsible for delivering Strategic Advisers' managed account investment philosophy, process, and ongoing activities to a wide range of investors.

Stocks Have Posted Solid Gains

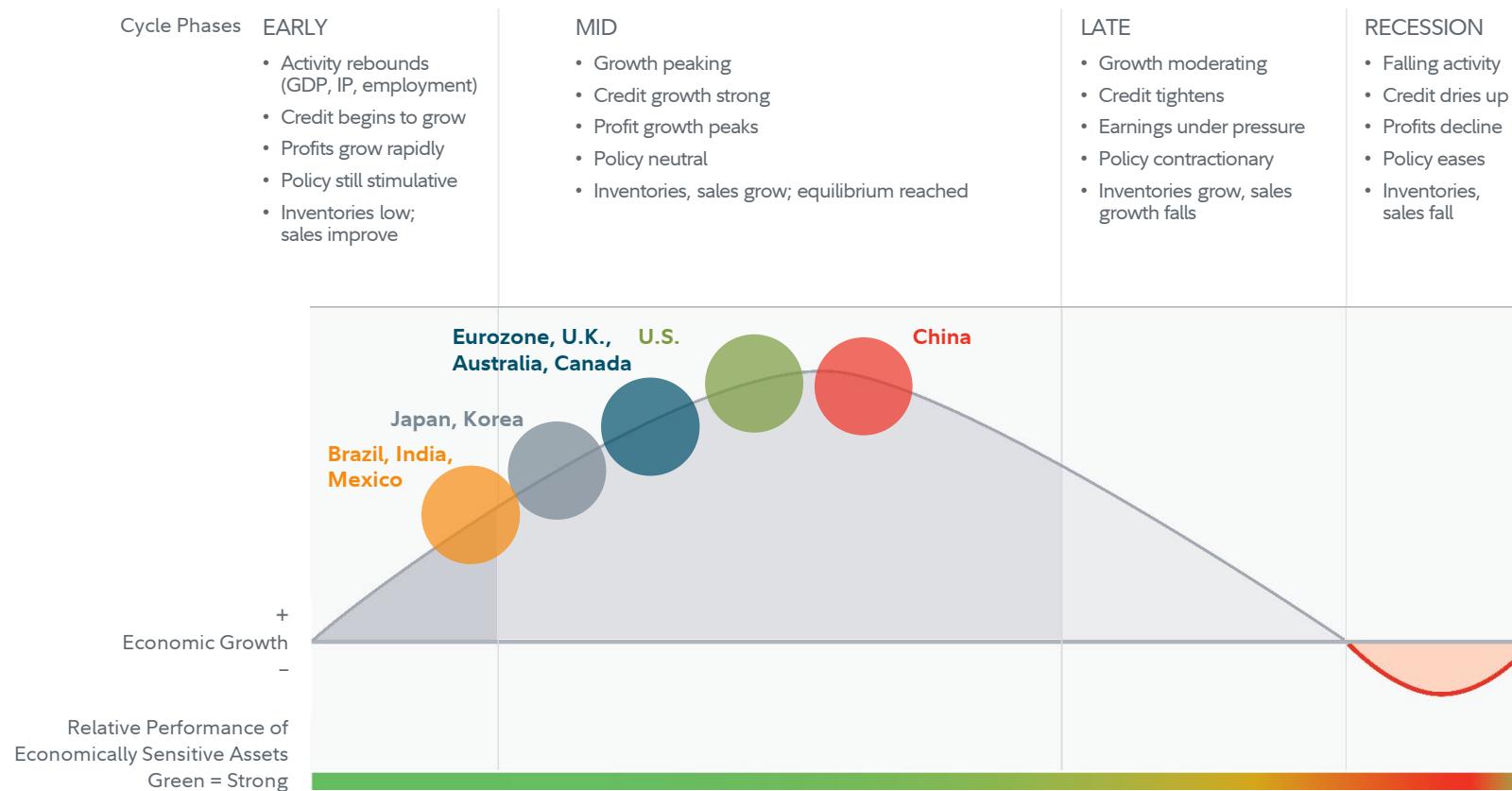
Vaccinations and strong corporate profits helped drive stocks higher



Past performance is no guarantee of future results. U.S. Stocks = Dow Jones U.S. Total Stock Market Index; Non-U.S. Stocks = Morgan Stanley Capital International (MSCI) All Country World Index ex-U.S. (Net MA); Bonds = Bloomberg US Aggregate Bond Index. Indexes are unmanaged. It is not possible to invest directly in an index. Source: Fidelity Investments, as of 8/31/21.

Global Expansion Progressing in an Uneven Manner

Business Cycle Framework



Note: The diagram above is a hypothetical illustration of the business cycle, the pattern of cyclical fluctuations in an economy over a few years that can influence asset returns over an intermediate-term horizon. There is not always a chronological, linear progression among the phases of the business cycle, and there have been cycles when the economy has skipped a phase or retraced an earlier one. Source: Fidelity Investments (AART), as of 7/31/21.

Inflation Expectations Have Started to Fade

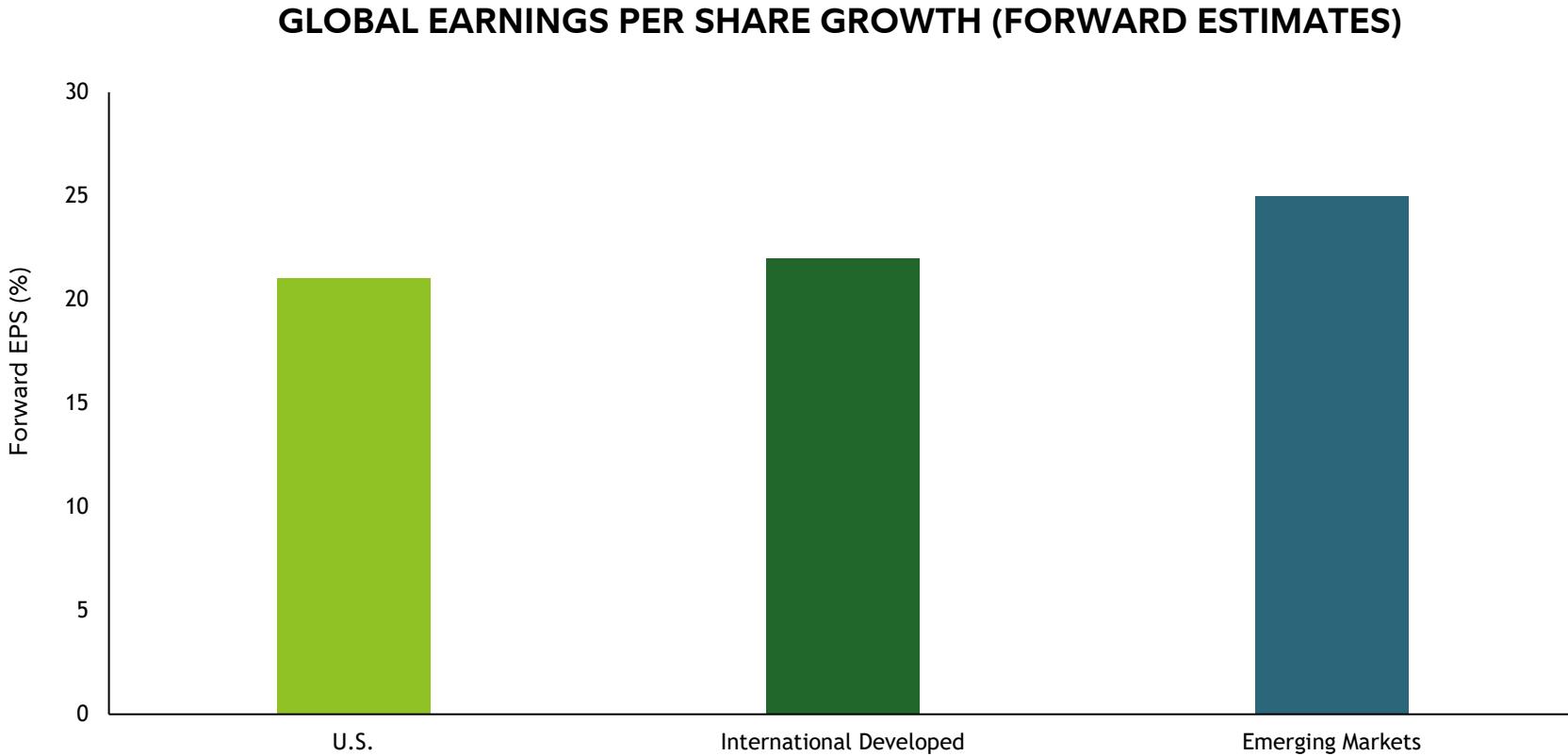
Currently, the bond market is not pricing in persistently high inflation

**INFLATION EXPECTATIONS ARE FALLING FROM THEIR PEAKS
AND DID NOT REACH EXTREME LEVELS
5-YEAR ZERO-COUPON INFLATION SWAP***



*A derivative used to transfer inflation risk from one party to another through an exchange of cash flows. In a zero-coupon inflation swap, only one payment is done at maturity where one party pays a fixed rate on a notional principal amount, while the other party pays a floating rate linked to an inflation index. Source: Bloomberg Finance L.P., as of 6/30/2021.

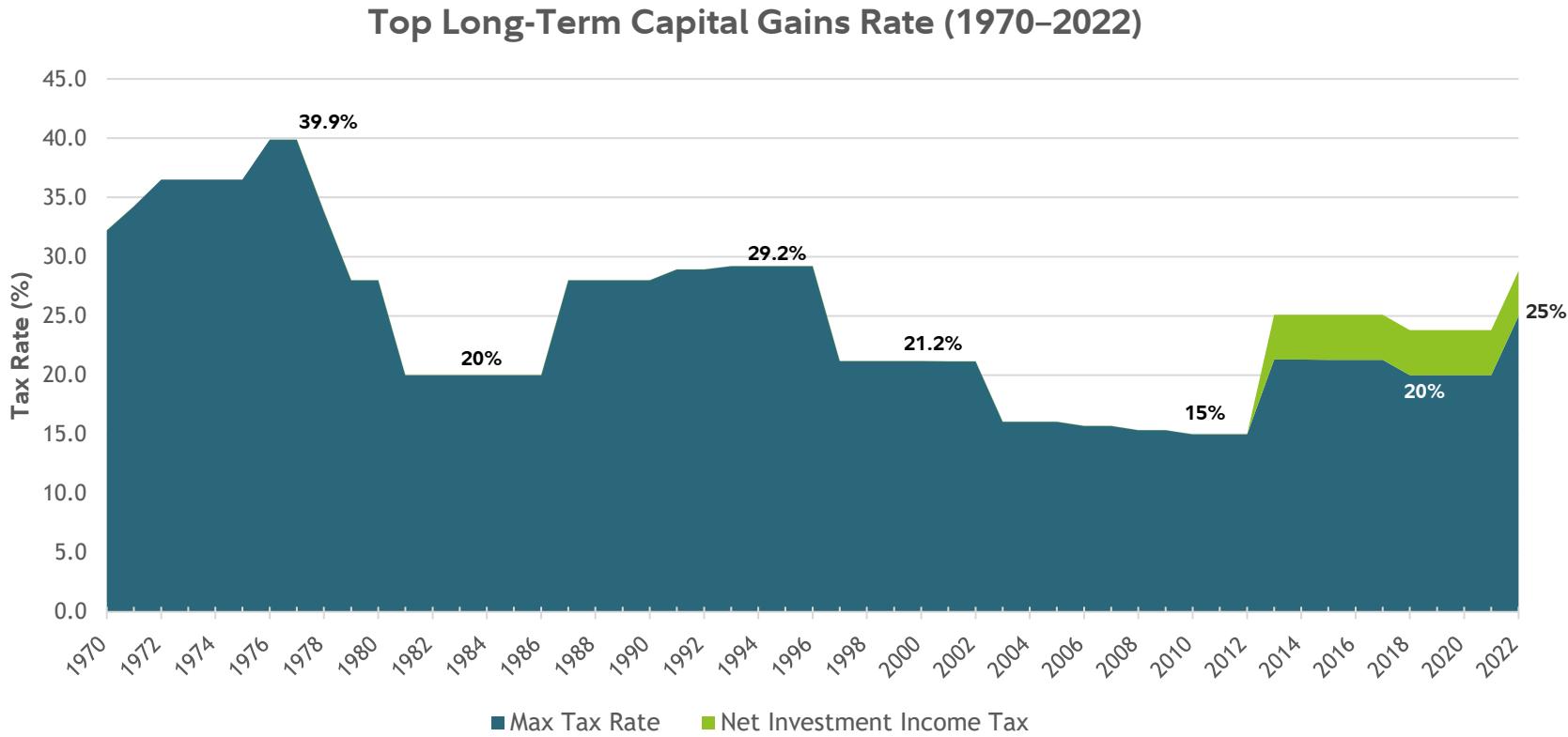
Earnings Outlook Improving for International Developed Stocks; Valuations Are Attractive



Forward estimates: Expectation for the next 12 months. Sources: MSCI, Bloomberg Finance L.P., Fidelity Investments (AART), as of 6/30/2021.

Capital Gains

Capital Gains Over Time

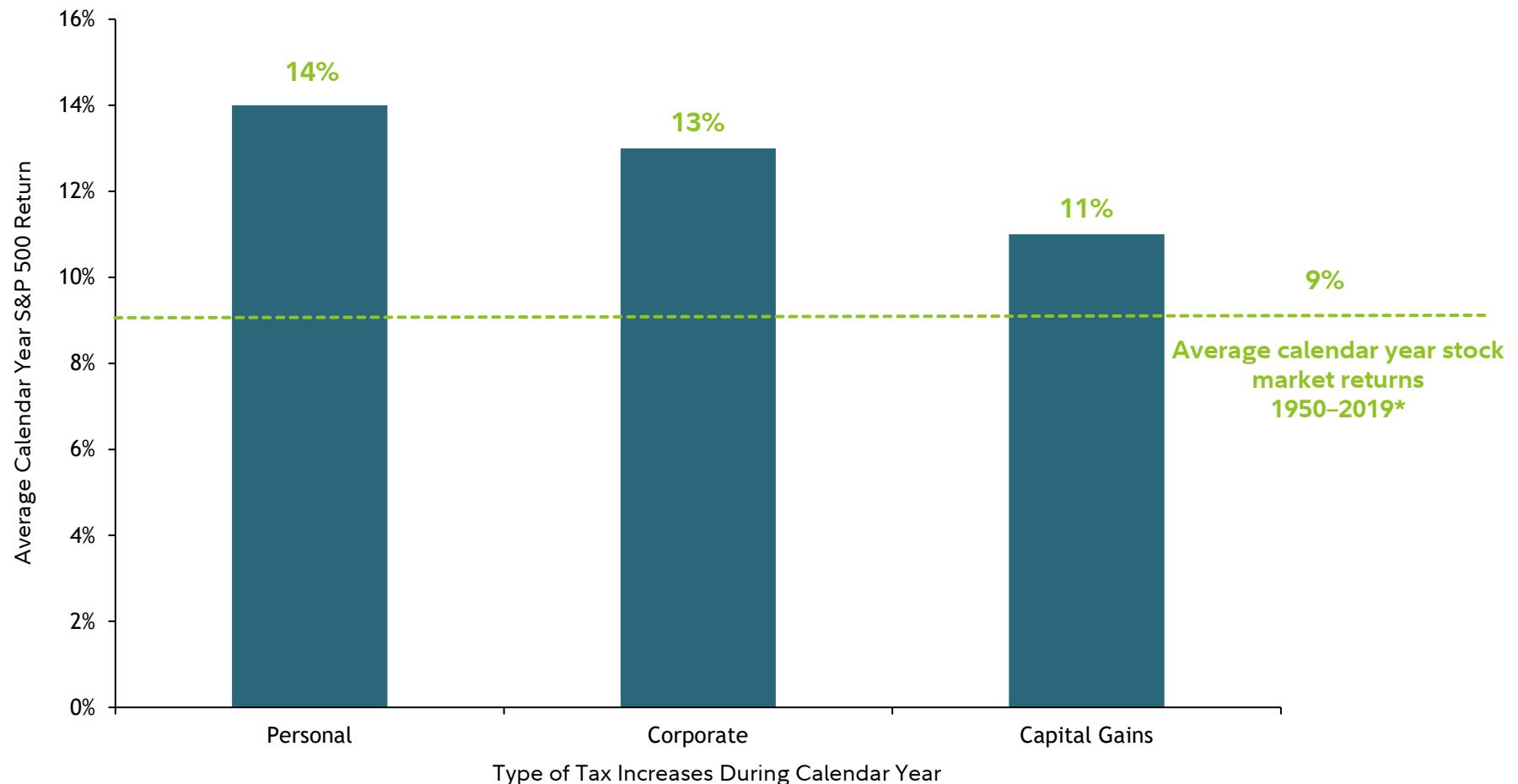


Source: "Federal Capital Gains Tax COLLECTIONS, Historical DATA (1954–2018)." Tax Foundation, April 26, 2021.
<https://taxfoundation.org/federal-capital-gains-tax-collections-historical-data/>
Dates after 2018: Treasury Department, Congressional Budget Office
Tax rates for 2022 are projected based on policy proposals.

Income Tax

Stocks Have Historically Gained Despite Tax Hikes

Stock markets have experienced higher-than-average gains during years when taxes increased



*Based on calendar year S&P 500® returns from 1950 to 2019.

Past performance is no guarantee of future results. Source: FactSet, Haver Analytics, Fidelity Investments, and Cornerstone Macro. January 1950–December 2019. Indexes are unmanaged. It is not possible to invest directly in an index.

Estate Planning

How Fidelity Can Help

Support from a Fidelity representative

- ▶ Provides education and guidance with regard to common wealth planning strategies
- ▶ Answers questions you and your family may have regarding your evolving needs and goals
- ▶ Fidelity.com/FindAnAdvisor

Insights from Fidelity Wealth Management

- ▶ Access to articles, webinars, and ideas from Fidelity's top thought leaders on wealth planning and investment strategies, designed to help you grow and protect your wealth
- ▶ Fidelity.com/Insights

Subscribe to stay informed

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Past performance does not guarantee future results.

Investing involves risk, including risk of loss.

This presentation is provided for informational use only and should not be considered investment advice or an offer for a particular security. Views and opinions expressed are as of 09/22/2021 and may change based on market and other conditions.

Investment decisions should be based on an individual's own goals, time horizon, and tolerance for risk.

Diversification does not ensure a profit or guarantee against loss.

Information provided herein is for educational purposes only and should not be construed or relied upon by you as advice or guidance as to the appropriateness of any investment decision.

Generally, among asset classes, stocks are more volatile than bonds or short-term instruments and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Although the bond market is also volatile, lower-quality debt securities, including leveraged loans, generally offer higher yields compared to investment-grade securities, but also involve greater risk of default or price changes. Foreign markets can be more volatile than U.S. markets due to increased risks of adverse issuer, political, market, or economic developments, all of which are magnified in emerging markets.

All indices are unmanaged and performance of the indices include reinvestment of dividends and interest income, unless otherwise noted, are not illustrative of any particular investment and an investment cannot be made in any index.

The Bloomberg Barclays US Aggregate Bond Index is a market value-weighted index of public obligations of the U.S. Treasury with maturities of one year or more. The Bloomberg Barclays US Aggregate Bond Index, or the Agg, is a broad base, market capitalization-weighted bond market index representing intermediate term investment grade bonds traded in the United States. Investors frequently use the index as a stand-in for measuring the performance of the U.S. bond market.

S&P 500 Index 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.

MSCI ACWI (All Country World Index) ex USA Index is a market capitalization-weighted index designed to measure the investable equity market performance for global investors of large and mid-cap stocks in developed and emerging markets, excluding the United States.

The Dow Jones U.S. Total Stock Market Index is a float-adjusted market capitalization-weighted index of all equity securities of U.S. headquartered companies with readily available price data.

The Business Cycle Framework depicts the general pattern of economic cycles throughout history, though each cycle is different. In general, the typical business cycle demonstrates the following: During the typical early-cycle phase, the economy bottoms out and picks up steam until it exits recession, then begins the recovery as activity accelerates. Inflationary pressures are typically low, monetary policy is accommodative, and the yield curve is steep. Economically sensitive asset classes such as stocks tend to experience their best performance of the cycle. During the typical mid-cycle phase, the economy exits recovery and enters into expansion, characterized by broader and more self-sustaining economic momentum but a more moderate pace of growth. Inflationary pressures typically begin to rise, monetary policy becomes tighter, and the yield curve experiences some flattening. Economically sensitive asset classes tend to continue benefiting from a growing economy, but their relative advantage narrows. During the typical late-cycle phase, the economic expansion matures, inflationary pressures continue to rise, and the yield curve may eventually become flat or inverted. Eventually, the economy contracts and enters recession, with monetary policy shifting from tightening to easing. Less economically sensitive asset categories tend to hold up better, particularly right before and upon entering recession.

Important Information (continued)

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Tax-smart (i.e., tax-sensitive) investing techniques, including tax-loss harvesting, are applied in managing certain taxable accounts on a limited basis, at the discretion of the portfolio manager, primarily with respect to determining when assets in a client's account should be bought or sold. Assets contributed may be sold for a taxable gain or loss at any time. There are no guarantees as to the effectiveness of the tax-smart investing techniques applied in serving to reduce or minimize a client's overall tax liabilities, or as to the tax results that may be generated by a given transaction.

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 four years of qualifying work experience, among other requirements. CFA® and Chartered Financial Analyst® are registered trademarks owned by CFA Institute.

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