

TRANSCRIPT

Looking for your next investment opportunity on Fidelity.com

Presenters: Nick Delisse & Jonathan Lord

Nick Delisse: Good afternoon, everyone. My name is Nicholas Delisse. I'm with Fidelity's Trading Strategy Desk. And I'm joined by my colleague, Jonathan Lord, also with the Trading Strategy Desk, and one of the best ways to think about our group, our team, is we're in essence, a group of trading coaches, and kind of what our goal is, to help make Fidelity clients more knowledgeable, more informed, more confident, to help them, in essence, make better investment decisions, and really couldn't say it better than this on really what our goal is. Today, a lot of what we're going to be talking about, of course, is going to be our stock screen, but a lot of our online research tools that we have. And a very large portion of today's session is going to be sitting around the screen share, we're actually going to be walking you through those particular tools to help you make those informed investment decisions.

So, we're going to start with our stock screener, and we're going to start with some of the more macro, broader picture tools for finding different stock ideas. And then we're going to kind of segue into, once you've found that stock idea, how to do more research on it, how to dig into it from a fundamental perspective, take a look at the earnings information, their

dividend yields, but whatever might actually interest you, and/or be a critical point of information for you making your decision on the individual security. Then we're going to wrap up, of course with some of our neat tools that can help you monitor your positions, you know, once you already have those positions in, or once you've made that decision, then you're kind of waiting on that right timing perspective to actually jump in and get that particular trade placed.

So, with that, a couple different resources that we have, that we utilize for that, as I said, starting with the stock screener. But with that, one thing I do want to mention that we get asked a lot is, how do you generate ideas? Where do your ideas come from? How do we answer this question on what to invest in? That's really where Fidelity.com excels at that. A lot of traders that Jonathan and I, and the rest of us on the Trading Strategy Desk will work with, they'll lean more towards the active investor type of trader, and many of them will use Active Trader Pro, for example, for their trading needs, for their portfolio monitoring needs, whether they're options traders or stock traders. And with that though, Active Trader Pro excels at the trading aspect, and excels at helping you get into, get out of the position, monitoring your position, doing that technical analysis, but from the idea generation, where you're looking at going, well which of these 9,000 securities that are out there that are part of

the broader market should I invest in? Well that's actually where Fidelity.com excels with that to help you actually screen through, kind of answer the second question that Fidelity.com screener, how do you use it? Or really, have you used it to then help you sort down and sift through the 9,000 securities and reduce it to a list of 2,000, reduced it to a list of 500, reduced it to a list of 100, to kind of sort the wheat from the chaff, so to speak, with that?

And then one last thing, you know, I kind of want to leave that with is, you know, don't forget that we do have other tools out there, other than just Active Trader Pro, other than just Fidelity.com to kind of manage and monitor your particular position. And that's where we kind of get into some of the mobile apps, some of the watchlists, and some of the other aspects and things you can do to monitor your position that could be invaluable, for once you've made your trade, maybe you're on the go, whether it's at the grocery store, at the golf course, or you know, whatever leisure activity that you prefer, you don't have to be glued to your computer; you can use some of these other tools we have to help you, you know, monitor your position, get in or get out, if you so need to.

Now, shifting over a little bit to kind of address looking for stocks. There are a lot of different trains of thought that traders will utilize to find stock ideas. And

the stock screener could help really with either one, you know, whether you're looking at the top-down approach, or the bottom-up approach. No, really the bottom-up approach, you're starting with an individual security. And then digging into that company's information, this is really where, you know, some of my background, being a financial analyst gets into it, where I want to look at the company's financials, and I want to kind of do that bottom-up approach, research on an individual company. But the top-down approach, really where it starts, is it starts with the theory and the thought process of looking at the broader market. And a lot of times, from the broader market perspective, if you have very, very large companies, well they can only grow so much. If you have a \$2 trillion company, a \$2 trillion company growing 20-fold becomes a \$40 trillion company, and all of a sudden, it's twice the size of the US's economy: it's twice the size of the US's gross domestic product. Or you could have a \$1 billion company grow into a \$100 billion company, and still be a smaller slice of that. So, a lot of times, from a true top-down approach, you're looking at it from the perspective of a company growing GDP plus or minus a certain amount, just because they're so large, or you're then, you're screening through and looking at it from a business cycle perspective to define different specific ideas that a security might fit with that. And so from the top-down approach, this is actually really where things like our stock screener could

really help, if you want to actually start with that, start with all the companies with a specific theme, if you're looking at growth, you're looking at value.

And so, as such, we're actually going to shift over, and we're going to show everybody with our stock screener, how they can actually look through and shift through and find those particular companies. With that being said, one of the places that you start with the stock screener is just on Fidelity.com, and you'll get there, of course, by going to News and Research, once you're on Fidelity.com, and then going to stocks, and this pulls up our Stock Research Center. You can absolutely do that as we do this.

Now one thing I do want to mention, of course, is you do need to be logged in in order to see a lot of these particular tools. So if you're seeing a little bit of an issue, like especially down below where it has the equity summary score information, if it's saying something like log in to see it, well you might need to log in, or if you see in the top-left-hand corner, a lot of things have a little lock on it, you might need to log in to see them.

Now with that being said, Jonathan, why don't you kind of take us through how traders can access the screener, and a couple really interesting things to start with from that top-down approach?

Jonathan Lord: Yeah, certainly appreciate that, Nick. Great to be here, great to be talking to you guys today, a lovely day out today, right? So, wanted to start you out with the stock research center, which is going to take us into the stock screener. This is a really powerful tool that essentially will allow you, depending on what your strategy is, or if you don't have a strategy, maybe you want thematic-type investing, maybe you are a fundamental investor. Maybe you use technical analysis. If you do that, we can use this tool to then drill down, or to go the other direction, go from the bottom-up. So, if you can see here, we're starting on the stock research center. Again, News and Research, and then stocks, and then you're going to have basically two ways to get there, to this tool. You have the ability to find stocks, which shows up on the right, over here, under find stocks, and you have the other side of here, where the stock screeners are. So, if you've, once you've built out some of these screens, you do have the ability to save these, so this is a great way to just get directly to it, and go back to your old screens you might have saved. Also something we've made a little bit simple for you here, if you're just interested, if you do like our equity summary score, for instance, you can click here and just go straight through and say, I'm looking for a very bullish, that'll start the process of launching this into the screener.

But let's start with a blank slate by going to the stock screeners page here.

And again, we're going to then say, "start a screen," this will look familiar for you, right. So, the way we think about it, we talked about, they talked about top-down versus bottom-up, right? I like to use sort of a metaphor for that, right? When you're looking at the universe of stocks, what are you going to use, right? So we have the ability to, you know, really from a top-down approach, using your telescope, right, we're going to get that out, we're going to try and zoom in as much as we can over time in order to find out what stocks have fit our criteria, maybe fit our theme. So, once we're there, you know, we can tell you to move further and further down. And so, we got that microscope at the end, right? So, we're starting out with just that broad array. We've got almost 8,000 stocks that are going to pop up on here, right? So, again, I don't know if you have enough time to research through 8,000 stocks; I don't. I need something to drill down and to get to at the end here, maybe a manageable amount of stocks at the end. So, we use the stock screener.

You're going to have on the left side just to get your orientation right, you've got your criteria. This is where you can either add in specifically your own criteria if you wanted to. We use another metaphor here. We use the coffee example, right, so this looks like a coffee can to you here. The more filters that you add on top, the less that comes out at the bottom. So, we're going to be adding in filters. We can do that in two ways. We can have the experts kind of

help us, pick it for us. We can go from a more bottom-up approach through themes, or we can do it personally ourselves by searching for a criteria, like a dividend. So, this will add in, and we can adjust from here. We have quick access to "View All." This will show you; I believe there's about 140 criteria that you can add. And again, you can just continue to add those layers on top of each other, in order to at the end here, come up with just a much more manageable amount of securities to research, to dig into. And we're going to go all the way through that. We're not going to go through all of these, but I mentioned earlier, we do have the ability to look at this through technical analysis. We have the ability to use the analyst opinions. If you're just interested specifically in liquidity in terms of trading, we have that here. If you're looking at prior performance, the growth if you're more of a fundamental investor, that's all there. So that's been something, and if you're interested in criteria, the definitions here as well. So, if something doesn't make sense to you, if you're not familiar with it, definitely click there. Gives you a really nice ability to kind of read up on it, understand what some of these definitions are, or acronyms. That happens a lot in finance, right?

But I wanted to focus real quick, before we start diving into the more top-down approach process, these themes, and strategies. So again, if you're coming into this, and you don't -- you're not familiar with maybe what some of these

are, so maybe you're not familiar with all of the criteria; you don't really know what you want. Maybe you want to have Fidelity kind of, or one of our outside third-party research firms kind of build that for you. So, I'm going to start with themes as a process. So maybe you read *Barron's* on the weekend, or you're going through, you read an article about a specific industry, a specific type of stock that's been growing. Maybe you just have an idea, it's something you want to look at. So, this would be where you could grow straight into the themes, and Fidelity's built these out. It tells you how many stocks are within the theme. We would push this more towards the bottom-up analysis, right? You already have an idea of what you're looking for; you're not looking at the broad spectrum. We're just going to jump right into a stock, or an area that has a small amount of positions to research. So, I mentioned the microscope versus telescope, and we just have to have a microscope here, so now go ahead and hit "Life Sciences Tools," right, just to give you a picture of what that looks like. It'll go ahead and bring in that, basically what's used for the GICs, so they will use that as a sub-industry, and you'll just see these will pop up. You've got 35 of them, again, filter number one has shown up right here, under our criteria. We can always save, again, we talked about that earlier, or we could add additional things that we might want to, from these criteria here on the left, right?

So just real quick, what we're seeing is these life science tool stocks that fit into that sub-industry. We're going to get some basic information that's sortable; we're able to sort by market cap. We're able to sort by, maybe volume. And again, as we add in some of this criteria that will come through, let's see if any of these, you know, pay a dividend coming up. We're able to add that into there. So, we can see one or two come in, right? So that's been added to the list of our search criteria. We're able to toggle through these. These are always going to be here, but basic facts about the company, so one you look for, specifically where they're located, also the sector, you're able to scroll across here so you get any more information. Looks like we got the options if it's available on that stock. Also, the ability to click on performance volatility, if you're interested in that, the valuation, again we're going over the fundamental standpoint. And then lastly, the analyst opinions, again another thing that we focus on. The equity summary score is going to come up again here shortly. We're going to have Nick talk a little bit more about it. But looking for that, screening for a change maybe in the equity summary score, or if you're interested in sort of how they're rated by MSCI in terms of our scores here as well. So again, interesting like, we're able to just dig into these stocks immediately. We're able to take things out as well, clicking here. We're able to remove a security, and we'll dive in here shortly into some of these other ones. If we want to clear everything out, "Clear All" will take us right there.

So, we talked about themes from the bottom-up. Real quick, I'll talk about strategies. Strategies, is a little bit more of a broader-based. We're looking at, again, these are scans that are built by our third-party research firms, so if you're interested in specifically growth stocks, you're able to pull this up, and you're able to then see who created it. I like my favorite acronym here, GARP, Growth at a Reasonable Price. Of course, if you click on it, you're able to see here, style made famous by a Fidelity legend, Peter Lynch, it's looking for growth at a reasonable price. You can read about the strategy, things to look for, if you take a look at the summary here. But it's already added this criteria here to the left. And again, this is kind of what we're talking about, that filter that has overtime as we've added on, everything starts to pull up into a manageable 30 amount of stocks. Maybe we don't like one of the things that they built; we can take that out. We can also adjust it if need be, by clicking here, we're able to maybe add or expand our range into that match. So, definitely, again, a tool that we can use to our advantage, specifically if we have an idea what we're looking for, or if it's not getting us what we want, we're able to adjust these in order to expand or contract our criteria. But this again, reasonable price as a pre-built scan, another trade pick just to use, to see what the professionals maybe use on their own when pulling these up here, right?

So, we talked a little bit on this last one that this is the, more of a top-down type analysis. You'll see there's some other ones here that actually dive into the technical, or value, or just specifically income. We hear a lot about that of course, but wanted to go back here because we are going to talk a little bit more about top-down, using another tool, another page that is extremely helpful in terms of how to find stocks, how to drill down from the broader economy into a specific type of trade that you're looking for. So, Nick's going to come back on here. We're going to talk about the Markets and Sectors page.

Nick Delisse: Absolutely. One of the ways you can actually access this stock markets and sectors page is if you go up to News and Research, of course, and then come down to Markets and Sectors. Now we actually already had this page pulled up just to make it a little bit quicker, and that way we also didn't have to navigate away from the screen that we already had. But there is a ton of very, very, very useful information on this particular page. While it does have a lot regarding the global markets there at the top, as we kind of scroll down there in kind of the middle of the page, from top-to-bottom, so-to-speak, we actually have the US markets information (inaudible) fixed income, forex, energy and such, you know, from the domestic perspective. But a useful part to actually

start doing some more equity research on is, if we look over on the right-hand side where it has US Sectors and Industries Performance, actually then click on Research Sectors and Industries, that can take us deeper into this particular tool to allow us to do more research on the broader sectors and broader industries.

So, just to give a little bit of a primer on this, of course, you know Jonathan talked about this GICs, those global industry classifications that are there, that kind of separate different companies to compare similar companies with similar companies, because of course, it wouldn't be fair to compare one of those biotechnology or life science companies that Jonathan had pulled up from the thematic investing to a utility company, or maybe an energy company, or a technology company that's not quite the same. So, this then of course, the classification system, it then groups up into like sectors, and then of course those subsectors or really industries, as what they're called, to drill down even more.

So, a common place many traders might start is actually with the business cycle. And if we click on the Business Cycle tab, there's a lot of really great information on this particular page to learn more about the business cycle. Now one thing I'd like to mention about the business cycle is according to the

CMT Association, the average business cycle lasts about 7.9 years. So, this is very different than that annual cycle where maybe toy manufacturers did a lot more sales in November and December than they do in July, or you know, other types of cyclical businesses like that. This is actually then dealing with the business cycle, dealing with recessions and expansions and such, more than macroeconomic perspective. A great way to think about the business cycle is think about things like, you know, your own personal set of economics. If you're very comfortable about your job in the future, and you've built up some savings, maybe some of those computer discretionary purchases, you might go ahead and make them, whether it's a car, or a dishwasher, or something else, or maybe it's going out to eat, you might make some of those more discretionary purchases. Where if you're worried about the economy, you're worried about the future of your job or something like that, you might then not make those purchases; you might be more likely to go to the grocery store versus go out to eat. With just this thought process, you can kind of think about different sectors, different industries do better or worse than others, depending on where we are in the business cycle. And if you'd like to learn more about this, of course, on the right-hand side, we have some great links you can of course click on, take a look at the business cycle approach to investing. But we also, of course, have that where you could dig into to review the most recent business cycle analysis, as provided by Fidelity's institutional

research that will take you over to where the US and some international markets have been on.

Now why this might be important is of course based on where we are in the business cycle, investors might overweight or underweight different particular sectors. And keep in mind, of course, when a sector might tend to over-- or tend to outperform the market, just because it outperforms the market doesn't mean it goes up. Outperforming the market could be the market drops 20%, and this particular sector only drops 10%; that's outperforming, it just didn't go down as much as the market, not that it went up when the market went down. So, keep that in mind.

Now actually shifting over to weighting recommendations, Fidelity partners with a couple different firms actually provide recommendations on the different sectors, on where to invest in. You have CFRA, and of course Argus research here, and that you can look down, you can see what the market weight is for each of these particular sectors, we can see information technology, happens to be over 26% of the bottom market. I mean, if you had \$100,000, and you're invested, just indexed the market, well \$26,200 would be in information technology. You know, as such, dealing with 12.3 would be in consumer discretionary right now. And if you're then overweight consumer

discretionary, it doesn't mean you take a quarter of your portfolio and you go buy a consumer discretionary stock. That overweight standpoint, we can look at CFRA, it actually has market weight plus 1%. So that means as opposed to having \$12,000 of your \$100,000 portfolio, you have \$13,000 of your \$100,000 portfolio, you just add them just a little bit more to your portfolio, you just put your finger on the scale just a little bit more.

Now, one thing I'd like to point out of course is all these links and all these names, they're blue, meaning you can click on them to actually dig into and do a little bit more research. But before we do that, I want to scroll up a little bit more. I actually want to go back to the snapshot page that we had showing all the different sectors. So, with of course the snapshot page, this is showing that information like I talked about about the market cap of the different sectors, and we can see information technology actually have \$13.3 trillion of market cap. And if we want to then dig a little bit more into it, you know, we can, we can click the plus-sign next to information technology. But one thing we can see of course in general is, there, most of the things, of course, most of the sectors of the market are doing well today, you know, with the exception of one, we can see energy's not doing so well today, and this can kind of help us make some of those particular decisions. But as we then look back down into information technology, we can see of course, we have the different

industries of information technology sector that we can then look at. Of course, that top one, communications equipment, it's up 22.7% over the last one year. It's full \$134 billion, and while that might sound like a lot, and it is, you know there's \$13.3 trillion, sectors, so it's actually just a smaller slice of that. We see of course some of the other sectors within information technology actually have a larger slice of the market.

So, with that, of course from here, we're going to click on Information Technology now, so that maybe we've decided we want to, based on the business cycle analysis, we want to add on a little bit more on information technology. Well we can do that, we can actually do some more digging, we can do some more research from this particular page. And as such, if you look at the very top, it kind of gives you a little bit of a snapshot, information, of what is included in information technology, you know, semiconductors, semiconductor equipment, technology hardware, manufacturing, distributors, all that kind of information is included in information technology. But as we then scroll down, you know, we can see some performance compared to the S&P 500, that, looking at all that relatively strength, get it to go up more or less than the bottom market, but then we can also see some of the fundamentals of this particular sector as compared to other aspects. And this is really where you can compare this sector with other parts of the sectors, of the other

sectors. We're actually comparing things like PE ratios, return equity, and all this kind of nitty-gritty information on that broader basis, so to speak. You can absolutely do more digging into this if you want, as we see all these links are blue, you can click on them to go into a little bit more.

But let's actually, we're going to scroll up just a little bit. And from here, we see some tabs, actually mentioned Industries, and then Find Investments. And we can actually click on that Find Investments tab, and maybe we've done some more research on this page, and we've decided, well, we want to add a little bit of exposure of this particular sector to our portfolio. Well, we absolutely can, and as it's popped up, you know, we see stocks, exchange-traded products, mutual funds. So if we wanted to add some mutual fund exposure, or an exchange-traded product, like an ETF exposure, we can do that, we can find those products that potentially track this sector passively, or even actively dealing with mutual funds, or we can actually look for actual stock examples if we want.

Now, this list is just going to show the top-ten performing information technology stocks as of today. You can see it's stack-ranked by stock performance. But we can of course mouse over these particular companies, and as we see, we're mousing over the IMOS, LRCX, you see Lam Research,

that gives us a little bit more information on kind of what that last quote is today, how much it's changed, bid and ask information, a little bit of a small chart, you know, equity summary score, some other information, as we kind of start to get into that nitty-gritty aspect of doing stock research.

So, with that, while this is just price points as today, maybe we really want to dig into, we want to do more research on other companies other than just the ones that just had a large increase of price today. Maybe we want to find a more stable company based on other factors. Well we can actually click on View All Results and Criteria, and this is going to send us right back over to the stock screener Jonathan was showing us earlier. And so, with this, this is actually shown us some of that particular screener information, and this is a great way to actually pull up that particular information you list, looking at these particular companies.

Now, one other thing I'd like to show real quick before we actually dig into this, is, or mention, is Jonathan was talking about the Stock Research page earlier. On the Stock Research page, it actually lists some of those other sectors and industries as well. On that page, you can just click on them, and it will also preload these particular screens for you as well.

So, now that this screener has actually come up, one thing I'd like to mention is we take a look, this is actually just sorted alphabetically by company name. You see the top one is 21 Vianet, the next one is 3D systems, 8x8, it's all alphabetically, as it goes down. Maybe we actually want to sort it by market cap, you know, we want to see some of the larger securities versus some of the smaller securities in this. So, we'll go ahead and we'll sort by market cap. And as we can see, this then sorts it, and now we're starting to see some names we're familiar with. It goes up and we have, Taiwan Semiconductor being that \$560 billion company that hits the top of this list. Now really, from that perspective, there are some companies that you might have thought might have been part of information technology, but you don't really see here. Why might that be? Well let's actually go over and take a look at some of the criteria that we've listed and see if we can make some changes here. So, we're going to expand on market capitalization. So right now, of course by default, this is showing \$100 million-\$900 billion. Well why don't we change this to the \$2 trillion threshold? Because, we know actually now, there are companies, larger than a trillion dollars that might be displaying here. We do this, and all of a sudden, Microsoft... and we can see, it's that \$1.8 trillion, and that's why this particular company wasn't listed.

Well maybe there are some other companies you think should be listed with this, and one that might come to mind is, what about the largest company in the S&P 500, the largest company in the Nasdaq composite index, we can actually go up to the top of this, where it says Add My Stocks, and we can click on that, and maybe you want to add an example that we think should be here. And the company that I was talking about, Apple being the largest company in the S&P 500 and the largest company in the Nasdaq index, we're going to go and we're going to type in a symbol, AAPL, and then we're going to hit continue. And as we then notice, Apple's been added on, but take a look at that market capitalization column. There's a circle with a line through it. Well it wasn't meeting the list because this is actually a greater than \$2 trillion company. Look at, if you expect the company to be here and it's not, you can add it in, and you can take a look.

So, this provides a great way that we can search for, we can screen for, we see Apple of course is on the list, it's on there twice because we've also had it on there as a user-added security. But right now, with this, we have 540 different companies that still meet this particular threshold. Maybe we want to reduce it down. And potentially a good way to reduce it down is, maybe we take a look at the equity summary score to actually have that reduction. We're going to click on this now, that's going to expand equity summary score out, and

maybe from the equity summary score perspective, we just look at the companies that are bullish and very bullish. And so, let's go ahead and expand those out to then, we're going to just check on bullish and very bullish.

With that, we've actually now reduced the matches down to 143 from that 540.

And this is still a lot of names, and maybe you want to reduce that a little bit further down. So, we're actually going to go back up to market capitalization, and maybe you're hoping to see those, small-cap securities. Maybe you want to see the minimum of a couple billion-dollar threshold, not the \$100 million threshold. So, we're then going to check on, maybe we just check large-cap and mega-cap. And this is then going to reduce things even further. And as we then hit large-cap and mega-cap, now there are only 21 names, which is a much more manageable list, potentially than the 540 that were being shown earlier.

So with that, what we can then do, of course, is we can check these particular names and sort them through, if we didn't want to check those, we're just looking at, we would then add them to particular watch list, we could of course, we can do that, and add them to the watch list. Let's actually, maybe we expand this out just a little bit more, and go ahead and we're going to add them to the watchlist, and we'll kind of talk about that watchlist a little bit later,

but we're actually going to, maybe you want more than the (inaudible) next to medium capitalization real quick, to leave that. But then as we then scroll down, you know, we're going to see a lot of these other names, there it goes to bump the list up from 21 to 47. And we can then sort by price information, we can sort by other aspects, other things. But as we then scroll back up to the top maybe we've decided that we've, based on this list, we want to dig into a couple different actual specific companies. And so, we with that, we don't want one of those, those top ones that we already looked at. Maybe we scroll down and look kind of at the bottom of this list that's already being displayed, we see IBM there, about ten down. Maybe we want to actually do some more digging at IBM. Well we can mouse over the IBM that was there. It's, from that perspective, that's going to give us a little pop-up box, or we can actually click on this, and this will take us to the stock research center. We're going to go ahead and click on that now, and actually if you could, Jonathan, why don't you walk us through a lot of the different tools we have here in the stock research center?

Jonathan Lord: Yeah, appreciate that. Again, going back to my original metaphor right now, we've got the microscope out, right? We're going to dig in on a specific position, because we've gone from that broad base of 8,000 stocks, and now we're down to one, and you know, IBM, you've heard of this one,

right, you know this stock, but it may be something else, it may be again, come from that entire universe of stocks. So, we're choosing IBM, again, for just illustrative purposes. You've got the ability here, and this may look a little more familiar to you. It comes up a lot when you're researching this, is just the regular research page, but wanted to kind of highlight some things on here to make sure you're aware it has been updated in the last couple years, so it's an important tool once we know our stocks. So, the ability to of course dive into just buying and selling, we've got the ability to look at from a visual perspective our day range, or 52-week range, where are we in terms of that. We also have just some basic details that are going to pop up on the top here, right, again, looking at it from a PEG ratio, looking at our volume, where do we stand today versus other days. So definitely, dive in a little bit further here, you're going to see a chart as well that'll pop up on there. And this, what we've kind of done over the past few years, if you're an Active Trader Pro user, it looks familiar, right? So, these charts are built in, or advanced chart, you're able to draw, you're able to add things, events, indicators. I just want to show you just kind of how this would look, right, just adding a simple moving average on top of this price here. And then you're able to save these, or expand these out, and keep this open, but you're able to compare IBM's performance to the S&P 500. If you use these tools, or if you're interested in them, definitely nice just to have right then and there, right on this page when

we're researching, you can change settings if we don't like the way the chart looks, you can add other technical analysis features like support/resistance. Again, something our desk really focused on quite a bit is teaching about technical analysis, how to use that for trading strategy, how to help you become a better trader, so if you're interested, definitely keep an eye on some of our events that come up as well.

But now, as well, just more information here right for news that we can dive into, what's going on today with IBM, right? We have, always as well, you're able to view this More tab. If you click on that, it's going to launch you into a deeper dive, so maybe we're looking for a specific source, we're looking for a certain time range. So, keep an eye for that on all these, because these are just getting you the basic information in terms of news, but we can dive in deeper if we need to if you're more interested in that. We're going to cover the equity summary score. I'm just going to kind of run down this page here, right, just to take a look at it. Equity summary score, we're going to cover in detail here shortly, a great tool that we're able to use in terms of taking overall analysts and putting it into one number right, so we can tell if we're bullish on the stock based off of these analyst opinions. Again, just one other piece of evidence that we're able to use in terms of coming up with, you know, our

thesis in terms of what we want to trade, but and sell for an active trader, for a long-term trader. Things that we want to keep in mind.

Dividends of course is always something important to know about. Again, we're using more of an analytics side of this now, right? We're showing what the median is, what the dividend yield's coming in, how sustainable is that payout ratio in the priors versus currently, as things start to change, how that's grown from the chart perspective as well, in terms of dividends, and then upcoming information of course is very important to know about. Not all of them will pay quarterly, not all, you know, (inaudible) pulling up ETFs, it'll have a lot of that same information here as well, so definitely something to keep in mind. And then again anytime you see something in blue, know that you can click on that to dive in deeper, learn more about them, or find more dividend-paying stocks. Again, we'll kind of launch back into that screener, right, we're always taking you back there. So definitely a powerful tool.

We're going to go in as well, if you're still looking at it, if you're an earnings-type trader, if you're looking for growth, again, fundamental analysis is all going to kind of show up here, we're able to dive in deeper in terms of the actual quarters, whether they beat or met their earnings, looking at it over the past, in terms of the comparisons, industry averages, you know, again, from a

fundamental investment standpoint, we use that in support of our technical analysis, something that, you know, we can keep an eye on and dive in deeper here as well to go back further. Company profile, of course, it's going to give you the information. Again, we know about IBM, but maybe we're, if it's a smaller-cap stock, we hadn't heard about, again, we're putting this under the microscope, we can look in deeper, we can see who's running the company, where they're based out of, and what they do in terms of how they make their money.

The other thing that's come up quite a bit, ESG, Environmental, Social, and Governance. A lot of times we talked about those themes earlier. You know, a lot of people use their personal values in terms of how they trade, so if this is a company that fits in, maybe with your ESG, give you a score here, MSCI puts that out, and gives you an idea of where it stands versus its competitors in the industry. The comparison tool of course is extremely important when we're comparing, maybe there's something else out there that is more attractive. Again, we're trying to have idea generation. It doesn't have to always be the name, the biggest company, and the most traded, right? So, there's opportunities out there, definitely something we can continue to focus on.

As we drill down further, more kind of information that's coming in and a great form, right? We want to be able to use technical analysis, we want to be able to use fundamental analysis and get to it quickly. We need that information, and we want to be able to get to it and make our investing decisions without having to, you know, go in and read an entire, you know, 800-page report on the stock, right? We don't have that time. What this, these tools do is they use technology to make things easier for you, to make your decisions, right.

Another interesting thing that's come up recently, I guess I'll go into, and then we'll dive into the equity summary score, is the social sentiment indicator. It's becoming a much more followed type indicator, right, where we're looking at, what is social media talking about? What kind of sentiment are they having? So, this S-score, created by social market analytics gets an idea of what people are talking about out there, right, if it's a positive or negative, in terms of what they're saying, the words that they're using. Again, nice little video tutorial on how to interpret that if you're interested in digging deeper into it, definitely something that has come up on the radar recently, is becoming more prominent in terms of, if we can track what the behavior is at the market. Again, there's usually going to be three types of ways to track, right, we're going to look at it from a behavioral standpoint, a technical standpoint, or a fundamental standpoint, it's all right here visually, right in front of you, to help

you with your decisions. Any other information that might come up here, in terms of if you do want to read those reports, you can certainly do that. We're not going to hold that against you. You can read this SEC filing, look at the statements and dive into them if you really want to, and then you know, lastly, what's coming up. These are extremely important to know from a technical perspective and long-term perspective, when is earnings coming out, what are we expecting, so we can really dive into the stock using just one page here and if we need to, again, diving into one that interests us even more.

So speaking with IBM here, I'm going to talk about the equity summary scores, so I'm just going to bring Nick back on here, and we're going to dive in deeper into how this is calculated, what it tells us, how we can use that for our idea generation and decision-making.

Nick Delisse: Absolutely, so one of the easiest ways to dive more, the equity summary score, is just simply hit that little More button on the stock research page. And what this is going to do is this is going to give us a better reflection on the equity summary score. And kind of the, what the equity summary score is, is an accuracy-weighted score. So as opposed to saying, buy, sell, hold, or 1-5 stars, or overweight, underweight, market weight, this is actually on a 0.1-10 scale rating from very bearish to very bullish. If it's, of course, a 0.1-1, it's

going to be weighted as very bearish, 1.1-3 is bearish, 3.1-7 is neutral, 7.1-9 is bullish, and 9.1-10 is going to be that very bullish aspect on this equity summary score. And as we can see of course, IBM is currently rated at 8.5, which is giving that bullish rating. And Jonathan and I have had almost literally hundreds of clients throughout the years asked us, does Fidelity have an opinion on a particular individual security, or what's your opinion on this particular individual security? Fidelity doesn't have a published opinion, like as we look down below, we see Merrill Lynch, Morgan Stanley, forward research, definitely research. We see this other company, UBS that do have these published opinions. Fidelity provides the equity summary score to our clients, which is in essence, taking a couple different participating firms and accuracy-weighting them, and then using that to derive an opinion. And I've actually seen some companies that if we scroll up to the very top above where it has all opinions, and it has the actual opinion for IBM, I've seen some companies that, you know, there's one company that's very bullish, four or five that are neutral, and the one company that's bearish, yet the net equity summary score is bullish. And many traders go, well wouldn't they balance each other out and be neutral? Well the reason why not is, as we see, you know, ISS EVA with a buy rating is 87. Well what if you had that as the buy rating, and then going down Argus Research, they do say buy. What if Argus Research said sell? Well, this particular tool is going to take ISS EVA's opinion

and give it greater weight based on the relative accuracy. And of course, if you want to learn more about these aspects, how they're utilized, how they're actually impacting things, if you see a little question mark at the top column, the Refinitiv StarMine relative accuracy, if you click on that, you'll actually get a pop-up box that will tell you that. Now, this will then shift you over to the glossary that we have on this to answer those particular questions, but of course, they're based on these standardized opinions. And we see these standardized opinions, they're not 1-5 star, they're not buy/sell/hold, you know, they're buy, they're neutral, they're strong buy, they're strong sell.

But as we then look down below (inaudible) does is if we then look at that line that says forward equity research, well the standardized opinion, the forward equity research is neutral. Well, forward equity research actually says, we're three out of five, not neutral. And so, you can see these opinions as opposed to them being, you know, outperformed by three equal weight, this tool actually standardized them to be all similar, and then accuracy weights them based on that. In addition, if you'd like, if you want to do some more of that bottom-up research on these companies through this particular tool, you can even click on it, you can view some of these latest research reports over on the right-hand side. And the companies that do participate in the tool, you can typically see their latest report as data there over on the right, so lots of really,

really fantastic information if you're wanting to kind of do some of that fundamental analysis on a company, and you can see kind of what these analysts thought processes are.

So, this actually provides a very powerful tool for clients to sort through and stream for different company ideas, depending on this analysis. And you can even incorporate a lot of this into the stock screener. Like we showed a little bit about that earlier, if we actually shift over, and if you could, we're going to go up to the top, we're going to go to News and Research, and we're going to pull up the Stock Research Center from here. And with this on just the main landing page, there are a couple different things you can look at and you can click on. Well, like I was talking about earlier, you have these different sectors. And then, if you wanted to dig into a particular sector, you know, we're talking about information technology earlier, you'll see in that right-hand column that shows, there are 22 stocks that are considered to be very bullish within that sector. And we can click on that and pull up the Stock Research Center.

But before we do that, if you look over on the left-hand side of the Stock Research Center, we actually have some additional information we can click on. So that left-hand side, we have Explore Firm Research. And so, with this, we're just going to pull this up at a new tab. We're going to pull up the

Research Firms in a new tab, to then look at some of the additional information on those research firms. So, with that, this is then digging into all those research firms that we utilize, that we can of course see Argus, CFRA, Forward Research, that talks about these different firms and their approach. Are they fundamentally driven? Are they algorithmically driven? Do technical analysis. What is their approach? In addition, we could then actually go over and click on Research Firm Scorecard to dig into these specific firms that are listed here, and kind of give those scorecards, how does it come out with those relative accuracy weighting, so to speak? This provides a lot more of that other information on those particular firms, how the Equity Summary Scorecard has performed in general, how companies that were very bullish versus bullish versus neutral perform relative to the market. This is a fantastic way to look at and do more analysis on the Equity Summary Score.

So, with this, now I know we also talked about some other things, we mentioned that we talked about that watchlist, and other ways you can kind of monitor your particular account, with this. So why don't we actually take a look at that particular page next, unless there was a couple other interesting insights you saw on this particular page, Jonathan.

Jonathan Lord: No, I appreciate, I think you covered everything there, so definitely appreciate that. Now these, sometimes a lot of people will also focus maybe on how it changes. We actually have charts that will show over time how the equity summary score has moved from, something moves from bearish to bullish. And you know, and keep in mind, those bearish and bullish numbers too are, they give a nominal number to them. So sometimes, something might be on the cusp of being between one or the other, and again, it could be that something can be on the low end of bullish, and on the high end, on the other one. So, you want to look at those on a relative basis. Just because it's bullish or bearish doesn't mean that it might not be relative to another security. So, good things to keep an eye on, but I think ending here on the watchlist is important. Because a lot of what we're talking about here is Fidelity.com, right? And we get a lot of feedback on, we focus a lot on Active Trader Pro, clients are wanting those features, and we offer those. We have this information, all of that data. It's available on your phone, right? We built that screener to actually fit in so that those are easily clickable on the phone. And the same thing here with the launch, the idea that you can add securities in and out of a position, in and out, and track them over time and watch them streaming. So, this is just a quick view of the updated watchlist, something that you have available to you, that actually communicates across your systems as well as you create them. So, wanting to make sure that you have these

securities, and you're interested in them, and you want to keep track of them, all of our technology, you're able to get to that, right? So, the watchlist here, you're able to add, edit, I just pulled up a default one here, just as a quick look at it, right? But it'll show you, you can see if there's upcoming earnings dates, where it is in these ranges. You can have trade directly from this page.

There's also additional columns available. Again, customization, something we've brought to the website, something that hadn't been there before. So the ability to click on the word "Columns" and then change and move them around as need be in order to find what's important to you in terms of your process, right, what information do you use on a daily basis, or weekly basis, or monthly basis, however much you pull up these tools, what is important to you, and make that front and center for you, right? You can do that; you can edit these. Another feedback we get quite a bit is, you want to do kind of a hypothetical trade, this would be the tool to use. You can go in and add a symbol, and you can say, hypothetically I bought this many shares at this price, and then track that performance over time, allows you to then go back and look at it, right, go back and effect kind of hypothetical trades that you're able to view. So definitely, again, an important tool, you're able to add these in, you can add symbols, you can edit them over time to adjust that. You're able to then jump into some of these other positions, or export, and sort those out, maybe send it to an Excel file or something to that effect, if you want to track it

outside, but definitely another powerful tool that we're adding that's linking in with all of those other tools that we talked about today.

END OF AUDIO FILE

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