

Fidelity Viewpoints®

market sense



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The latest headlines, the current market conditions,
and what it all means for you.

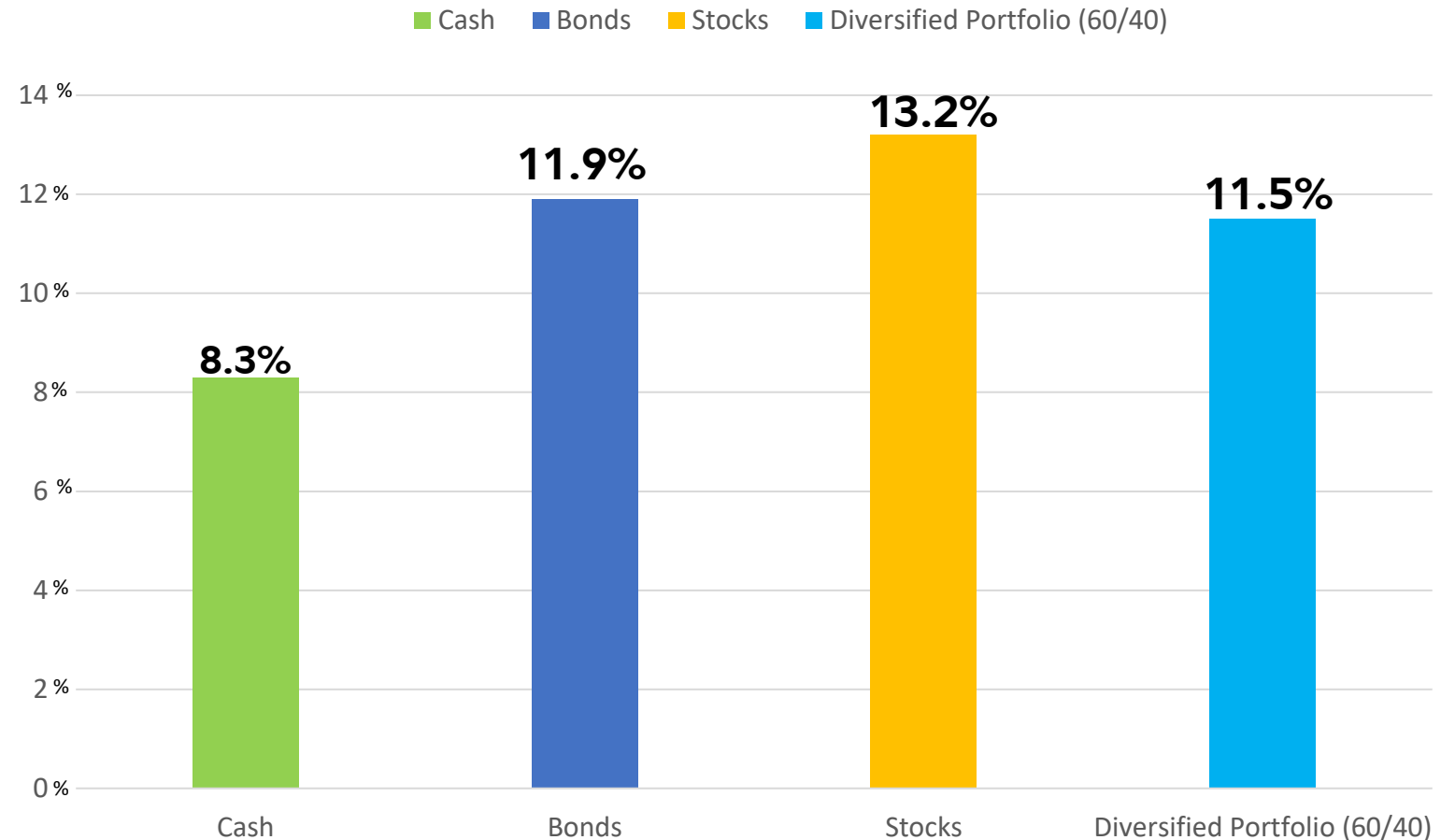


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Cash historically tends to underperform stocks and bonds following the end of hiking cycles

Total returns of cash, the Bloomberg US Aggregate Bond Index, the S&P 500 Index, and a 60% stock/40% bond and cash portfolio as soon as one year after hiking cycle ends

August 1969 to December 2019



Source: Fidelity. Past performance is no guarantee of future results: It is not possible to invest directly in an index. All market indexes are unmanaged. Index performance is not meant to represent that of any Fidelity mutual fund. Cash—Bloomberg 1-3 Month U.S. Treasury Bill Index; bonds—Bloomberg U.S. Aggregate Bond Index; stocks—S&P 500 Index. Sources: Bloomberg, AART, August 1969 to December 2019.

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1. Fidelity Viewpoints, April 25, 2024: www.fidelity.com/learning-center/personal-finance/low-risk-investments
2. www.fidelity.com/bin-public/060_www_fidelity_com/documents/managed-accounts/cash-is-rarely-king.pdf
3. Yahoo Finance, March 20, 2024: finance.yahoo.com/news/fed-dot-plot-suggests-central-bank-will-cut-interest-rates-3-times-in-2024-180543905.html?guccounter=1

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Past performance is no guarantee of future results.

All indexes are unmanaged, and performance of the indexes includes reinvestment of dividends and interest income, unless otherwise noted. Indexes are not illustrative of any particular investment, and it is not possible to invest directly in an index.

Bloomberg U.S. Aggregate Bond Index is a broad-based, market-value-weighted benchmark that measures the performance of the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market. Sectors in the index include Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS, and CMBS.

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Fixed income investments entail interest rate risk (as interest rates rise bond prices usually fall), the risk of issuer or counterparty default, issuer credit risk and inflation risk. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks all of which are magnified in emerging markets.

It is not possible to invest directly in an index.

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