

Fidelity® Corporate Bond Fund

Investment Approach

- Fidelity® Corporate Bond Fund is a credit-focused bond strategy that seeks a high level of current income.
- Benchmarked against the Bloomberg U.S. Credit Bond Index, the fund seeks to deliver competitive risk-adjusted performance commensurate with investor expectations of a primarily investment-grade corporate bond fund.
- Utilizing a team-based investment process, the fund relies on experienced portfolio managers, research analysts and traders. We concentrate on areas where we believe we can repeatedly add value, including asset allocation, sector and security selection, yield-curve positioning and opportunistic trading.
- Robust governance and risk management – consisting of extensive quantitative modeling, formal and informal portfolio reviews, and proprietary tools – support the identification of both opportunities and risks.

PERFORMANCE SUMMARY

	Cumulative		Annualized			
	3 Month	YTD	1 Year	3 Year	5 Year	10 Year/LOF ¹
Fidelity Corporate Bond Fund Gross Expense Ratio: 0.45% ²	5.77%	5.99%	14.96%	-1.24%	1.24%	2.99%
Bloomberg US Credit Bond Index	5.71%	5.23%	13.81%	-1.12%	1.07%	2.79%
Lipper Corporate Debt BBB-Rated Funds Classification	5.61%	5.33%	13.85%	-1.61%	0.91%	2.58%
Morningstar Fund Corporate Bond	5.54%	5.67%	13.93%	-0.98%	1.36%	2.75%

¹ Life of Fund (LOF) if performance is less than 10 years. Fund inception date: 05/04/2010.

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, institutional.fidelity.com, or 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):
Team Managed

Trading Symbol:
FCBFX

Start Date:
May 04, 2010

Size (in millions):
\$2,040.56

Morningstar Category:
Fund Corporate Bond

In general the bond market is volatile, and bond funds entail interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Bond funds also entail the risk of issuer or counterparty default, issuer credit risk, and inflation risk. The fund may invest in lower-quality debt securities that involve greater risk of default or price changes due to potential changes in the credit quality of the issuer. Foreign securities are subject to interest rate, currency-exchange-rate, economic, and political risks. Investments in mortgage securities are subject to the risk that principal will be repaid prior to maturity. As a result, when interest rates decline, gains may be reduced, and when interest rates rise, losses may be greater. Leverage can increase market exposure, magnify investment risks, and cause losses to be realized more quickly.



Not FDIC Insured • May Lose Value • No Bank Guarantee

Taxable Bond Market Review

U.S. taxable investment-grade bonds staged a strong rally in the third quarter of 2024, as steadily easing inflation and a cooling labor market led the U.S. Federal Reserve to implement its first policy interest-rate reduction following a lengthy period of monetary tightening. For the three months, investment-grade bonds advanced 5.20%, as measured by the Bloomberg U.S. Aggregate Bond Index.

After raising its benchmark interest rate 11 times between March 2022 and July 2023, the Fed held steady in a range of 5.25% to 5.5% for 14 months prior to cutting by half a percentage point (50 basis points) on September 18. The long-awaited move was enabled by several consecutive monthly reports that showed inflation receding. This contrasted with the early months of 2024, when three straight reports had most inflation measures moving sideways or ticking up, which kept the Fed on pause in the year's first half and led investors to push back expectations for the magnitude of rate cuts this year.

The Bloomberg U.S. Aggregate Bond Index gained 2.34% in July, when that month's inflation reading (through June) fell slightly from the previous month, dropping the year-over-year headline inflation rate to 3%. It was at this point that the market consensus around a likely September rate cut coalesced. The index advanced further in August (+1.44%) when that consensus firmed, stoked by a jobs report that showed U.S. hiring slowing substantially in July. Prior to the Fed's committee meeting on September 17-18, the only real suspense was around whether the central bank would opt for a quarter-point or half-point reduction in the federal funds rate. Its choice of the larger cut helped bonds gain again in the month of September (+1.34%). Year to date, the index is up 4.45%.

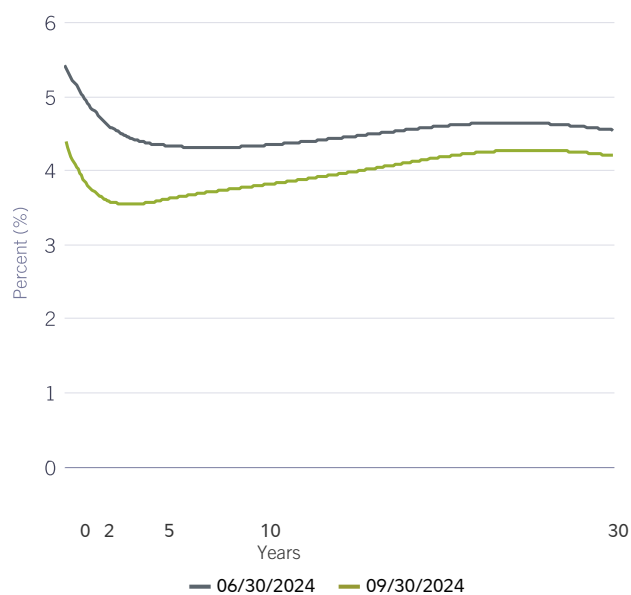
As bond prices rose during the three months, bond yields – which move in the opposite direction of prices – fell. The nominal 10-year U.S. Treasury yield dropped 55 basis points (0.55%) for the quarter, finishing at 3.81%.

For the full three months, gains were solid and broad-based across the bond market, with yield-advantaged, credit-sensitive segments leading the way. By quality rating, lower-quality investment-grade securities, rated A and BBB, gained 5.83% and 5.81%, respectively, faring best in the risk-on environment. Meanwhile, long-term maturities (10 years and up) advanced 7.93% and notably outpaced shorter-term issues.

Results varied at the sector level on a total-return basis (see exhibit below), but all spread products enjoyed positive excess returns versus Treasuries (+4.74%). U.S. corporate bonds (+5.84%) topped the investment-grade performance chart, bolstered by tighter credit spreads amid resilient fundamentals, followed by agency mortgage-backed securities (+5.53%), which benefited as investors increasingly shifted into high-quality, longer-duration asset classes. Commercial mortgage-backed securities (+4.65%) and government-related securities (+4.63%) delivered lesser gains, while asset-backed securities (+3.35%) turned in a comparatively modest advance.

Outside the Aggregate index, U.S. Treasury inflation-protected securities gained 4.12%, per Bloomberg, while U.S. high-yield corporate bonds (+5.28%) slightly lagged their investment-grade counterparts, and emerging-markets high-income bonds (+6.61%) showed relative strength. ■

U.S. TREASURY YIELD CURVE



Source: Bloomberg

THREE-MONTH FIXED-INCOME SECTOR RETURNS

Sector	Total Return	Excess Return*
Government-Related	4.63%	0.22%
U.S. Mortgage-Backed Securities	5.53%	0.78%
Asset-Backed Securities	3.35%	0.15%
Commercial Mortgage-Backed Securities	4.65%	0.36%
U.S. Corporate Investment Grade	5.84%	0.77%
U.S. Corporate High Yield	5.28%	1.72%
Emerging Markets: Investment Grade	5.34%	0.37%
Emerging Markets: High Yield	6.61%	2.33%
U.S. Treasury	4.74%	0.00%

Source: Bloomberg

*Over similar-duration Treasuries

THREE-MONTH INVESTMENT-GRADE CORPORATE RETURNS

	Total Return	Excess Return*
Financials	5.38%	0.84%
Industrials	5.90%	0.60%
Utilities	7.08%	1.50%

Source: Bloomberg

*Over similar-duration Treasuries

Performance Review

DETAILED FUND ATTRIBUTION RELATIVE TO BENCHMARK

Strategy: Sector Allocation		Strategy: Security Selection	
Market Environment	For the quarter, gains were solid and broad-based across the bond market, with yield-advantaged, credit-sensitive segments leading the way. U.S. investment-grade corporate bonds and agency mortgage-backed securities were particular standouts versus Treasuries.	Market Environment	Among investment-grade categories, lower-quality (A and BBB) and longer-term (10 years and up) securities fared best.
Fund Positioning (Impact vs. Benchmark)	<p>Overall, sector allocation modestly detracted versus the benchmark Bloomberg U.S. Credit Bond Index.</p> <ul style="list-style-type: none"> An out-of-benchmark stake in U.S. Treasuries – which the fund held, along with cash, for liquidity and hedging purposes – hurt. (Negative) In contrast, within corporates, overweight positioning in banks, REITS and insurance companies contributed to the fund's relative result. (Positive) Out-of-benchmark exposure to higher-quality high-yield bonds also aided performance. (Positive) 	Fund Positioning (Impact vs. Benchmark)	<p>Security selection contributed to the fund's relative performance.</p> <ul style="list-style-type: none"> Within financials, investment choices among REITS and banks helped most. Standout holdings included Hudson Pacific Properties and UBS. (Positive) Within industrials, bond selection among communications companies, including Warner Brothers Discovery, detracted. (Negative) Among other industrial names, underweight positions in certain technology companies, including Intel, contributed. (Positive)
Strategy: Duration and Yield Curve			
Market Environment	Yields declined across the maturity spectrum during the quarter, with the front end of the curve (0 to 5 years) falling most. In September the curve disinverted, as the yield of the two-year U.S. Treasury note fell below that of the 10-year note.		
Fund Positioning (Impact vs. Benchmark)	<p>Yield-curve positioning modestly aided relative performance.</p> <ul style="list-style-type: none"> The fund's duration, a measure of sensitivity to interest rates, was slightly longer than that of the benchmark. (Positive) 		

Outlook and Positioning

Overall, we're being conservative about adding risk to the portfolio. With spreads close to their tightest level in the past five years, corporate valuations are not that compelling, leading us to exercise a degree of caution.

Despite the market rally from May through September, we have some concern about the fundamentals driving the shift in Fed policy. Employment appears to be slowing, U.S. economic growth might also be decelerating, and we think robust consumer spending could begin to weaken.

Historically, changes in central bank policy have been accompanied by an uptick in market volatility. Consequently, we plan to maintain a meaningful liquidity cushion of U.S. Treasuries and cash in the portfolio. We want to have this "dry powder" available to capitalize on compelling credit opportunities as they arise. As of September 30, about 10% of the fund's assets were allocated to Treasuries and roughly 4% were in cash.

We continue to keep the fund's credit risk modestly greater than that of the benchmark through our allocation to bonds rated BBB. We are focusing on issuers that we believe offer the potential for strong long-term performance resulting from improving credit quality. We are also maintaining increased exposure to the 6-to-10-year portion of the corporate yield curve.

While corporate credit valuations as a whole are not that appealing at quarter end, bond yields, though trending lower, are still attractive. Regarding valuation, we think some of the best opportunities can be found in certain segments of the financials sector. Specifically, we like money center banks, particularly in Europe, that, in our view, have strong capital and liquidity positions, offering bonds that appear attractively valued against a solid fundamental profile. We particularly like banks that are larger and more systemically important to the country they're in.

We also believe valuations among insurers look reasonably attractive. Given their large fixed-income portfolios, insurance companies have benefited from higher bond yields. For several years now, we've also had a positive view of aircraft leasing companies. We believe they will continue to benefit from pent-up demand for airplanes from commercial carriers.

In each of these categories, our research team has found opportunities among companies that we believe have a durable credit profile with bonds that, in our view, offer attractive long-term risk/return dynamics. As of September 30, the fund has a greater-than-benchmark allocation in each of these groups. ■

MARKET-SEGMENT DIVERSIFICATION

Market Segment	Portfolio Weight	Index Weight	Relative Weight	Relative Change From Prior Quarter
U.S. Treasury	9.41%	0.00%	9.41%	1.41%
U.S. Agency	0.00%	0.03%	-0.03%	0.00%
Other Government Related (U.S. & Non-U.S.)	0.43%	13.26%	-12.83%	0.27%
Corporate	85.07%	86.71%	-1.64%	-4.07%
MBS Pass-Through	0.00%	0.00%	0.00%	0.00%
ABS	0.46%	0.00%	0.46%	0.06%
CMBS	0.00%	0.00%	0.00%	0.00%
CMOs	0.00%	0.00%	0.00%	0.00%
Cash	3.94%	0.00%	3.94%	2.24%
Net Other Assets	0.69%	0.00%	0.69%	0.09%
Futures, Options & Swaps	0.00%	0.00%	0.00%	0.00%

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.

CREDIT-SECTOR DIVERSIFICATION

Sector	Portfolio Weight	Index Weight	Relative Weight	Relative Change From Prior Quarter
Industrial	43.90%	57.89%	-13.99%	1.17%
Banking	24.97%	22.38%	2.59%	-1.20%
Financial Institutions ex Banking	19.87%	10.34%	9.53%	0.27%
Utility	11.26%	9.39%	1.87%	-0.24%
Other Industry	0.00%	0.00%	0.00%	0.00%

CHARACTERISTICS

	Portfolio	Index
Duration	7.12 years	7.00 years
30-Day SEC Yield	4.54%	--
30-Day SEC Restated Yield	--	--
Net Asset Value	\$10.84	--

CREDIT-QUALITY DIVERSIFICATION

Credit Quality	Portfolio Weight	Index Weight	Relative Weight	Relative Change From Prior Quarter
U.S. Government	9.41%	0.00%	9.41%	1.41%
AAA	0.10%	8.09%	-7.99%	0.23%
AA	3.36%	15.16%	-11.80%	-0.34%
A	21.43%	39.47%	-18.04%	-1.62%
BBB	59.38%	37.28%	22.10%	-1.82%
BB	1.69%	0.00%	1.69%	-0.23%
B	0.00%	0.00%	0.00%	0.00%
CCC & Below	0.00%	0.00%	0.00%	0.00%
Short-Term Rated	0.00%	0.00%	0.00%	0.00%
Not Rated/Not Available	0.00%	0.00%	0.00%	0.03%
Cash & Net Other Assets	4.63%	0.00%	4.63%	2.34%

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.

Credit ratings for a rated issuer or security are categorized using the highest credit rating among the following three Nationally Recognized Statistical Rating Organizations ("NRSRO"): Moody's Investors Service (Moody's); Standard & Poor's Rating Services (S&P); or Fitch, Inc. Securities that are not rated by any of these three NRSRO's (e.g. equity securities) are categorized as Not Rated. All U.S. government securities are included in the U.S. Government category. The table information is based on the combined investments of the fund and its pro-rata share of any investments in other Fidelity funds.

LARGEST HOLDINGS BY ISSUER

Issuer	
UNITED STATES TREASURY BOND	
BANK OF AMERICA CORPORATION	
JPMORGAN CHASE & CO	
BOEING CO	
UBS GROUP AG	
Five Largest Issuers as a % of Net Assets	15.74%
Total Number of Holdings	629

The five largest issuers 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.

3-YEAR RISK/RETURN STATISTICS

	Portfolio	Index
Beta	1.03	1.00
Standard Deviation	9.46%	9.12%
Sharpe Ratio	-0.52	-0.52
Tracking Error	0.82%	--
Information Ratio	-0.15	--
R-Squared	0.99	--

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.

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CHARACTERISTICS

Duration is a measure of a security's price sensitivity to changes in interest rates. Duration differs from maturity in that it considers a security's interest payments in addition to the amount of time until the security reaches maturity, and also takes into account certain maturity shortening features (e.g., demand features, interest rate resets, and call options) when applicable. Securities with longer durations generally tend to be more sensitive to interest rate changes than securities with shorter durations. A fund with a longer average duration generally can be expected to be more sensitive to interest rate changes than a fund with a shorter average duration.

30-day SEC Yield is a standard yield calculation developed by the Securities and Exchange Commission for bond funds. The yield is calculated by dividing the net investment income per share earned during the 30-day period by the maximum offering price per share on the last day of the period. The yield figure reflects the dividends and interest earned during the 30-day period, after the deduction of the fund's expenses. It is sometimes referred to as "SEC 30-Day Yield" or "standardized yield".

30-Day SEC Restated Yield is the fund's 30-day yield without applicable waivers or reimbursements, stated as of month-end.

Net Asset Value is the dollar value of one share of a fund; determined by taking the total assets of a fund, subtracting the total liabilities, and dividing by the total number of shares outstanding.

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.

Bloomberg U.S. Credit Bond Index is a market-value-weighted index of investment-grade corporate fixed-rate debt issues with maturities of one year or more.

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.

Bloomberg U.S. Treasury Inflation-Protected Securities (TIPS) Index (Series-L) is a market value-weighted index that measures the performance of inflation-protected securities issued by the U.S. Treasury.

S&P/LSTA Leveraged Performing Loan Index is a market value-weighted index designed to represent the performance of U.S. dollar-denominated institutional leveraged performing loan portfolios (excluding loans in payment default) using current market weightings, spreads and interest payments.

J.P. Morgan Emerging Markets Bond Index Global tracks total returns for the U.S. dollar-denominated debt instruments issued by Emerging Market sovereign and quasi-sovereign entities, such as Brady bonds, loans, and Eurobonds.

LIPPER INFORMATION

Lipper Averages are averages of the performance of all mutual funds with their respective investment classification category. The number of funds in each category periodically changes. Lipper, a Refinitiv company, is a nationally recognized organization that ranks the performance of mutual funds.

MORNINGSTAR INFORMATION

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SECTOR WEIGHTS

Sector weights illustrate examples of market segments 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 subset of the market.

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.

YIELD CURVE

The relationship at a given point in time between yields on a group of fixed-income securities with varying maturities - commonly, Treasury bills, notes, and bonds. The curve typically slopes upward since longer maturities normally have higher yields, although it can be flat or even inverted.



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.

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