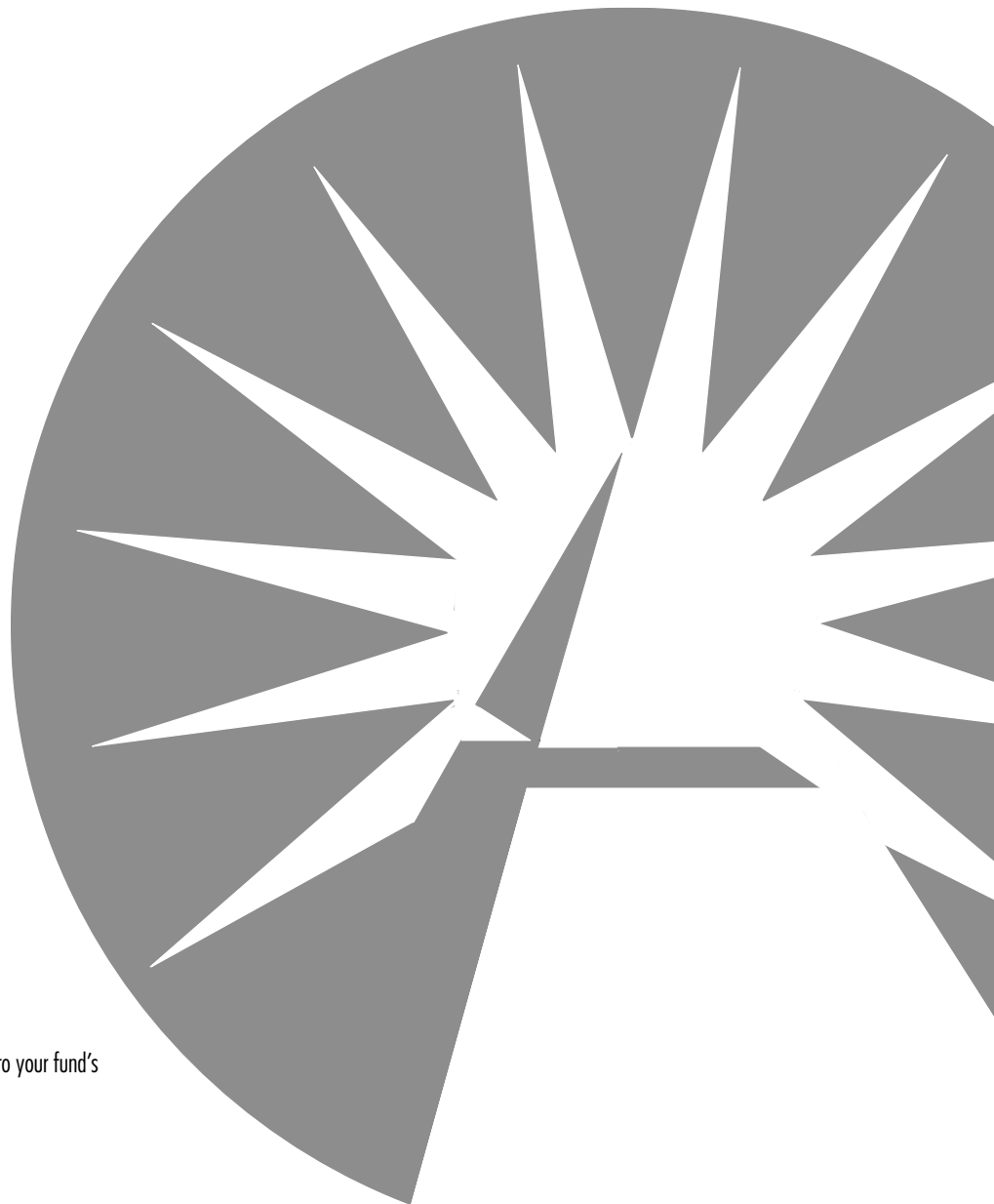


# Fidelity® Variable Insurance Products:

## Strategic Income Portfolio

Annual Report  
December 31, 2019



See the inside front cover for important information about access to your fund's shareholder reports.



Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, and if your insurance carrier elects to participate, you may not be receiving paper copies of the Fund's shareholder reports from the insurance company that offers your variable insurance product unless you specifically request paper copies from your financial professional or the administrator of your variable insurance product. Instead, the reports will be made available on a website, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the Fund electronically, by contacting your financial professional or the administrator of your variable insurance product. If you own a Fidelity-administered variable insurance product, please visit [fidelity.com/mailpreferences](https://www.fidelity.com/mailpreferences) to make your election or call 1-800-343-3548.

You may elect to receive all future reports in paper free of charge. If you wish to continue receiving paper copies of your shareholder reports, you may contact your financial professional or the administrator of your variable insurance product. If you own a Fidelity-administered variable insurance product, please visit [fidelity.com/mailpreferences](https://www.fidelity.com/mailpreferences) to make your election or call 1-800-343-3548. Your election to receive reports in paper will apply to all funds available under your variable insurance product.

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To view a fund’s proxy voting guidelines and proxy voting record for the 12-month period ended June 30, visit <http://www.fidelity.com/proxyvotingresults> or visit the Securities and Exchange Commission’s (SEC) web site at <http://www.sec.gov>.

You may also call 1-877-208-0098 to request a free copy of the proxy voting guidelines.

Fidelity® Variable Insurance Products are separate account options which are purchased through a variable insurance contract.

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*This report and the financial statements contained herein are submitted for the general information of the shareholders of the Fund. This report is not authorized for distribution to prospective investors in the Fund unless preceded or accompanied by an effective prospectus.*

*A fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-PORT. Forms N-PORT are available on the SEC’s web site at <http://www.sec.gov>. A fund’s Forms N-PORT may be reviewed and copied at the SEC’s Public Reference Room in Washington, DC. Information regarding the operation of the SEC’s Public Reference Room may be obtained by calling 1-800-SEC-0330.*

*For a complete list of a fund’s portfolio holdings, view the most recent holdings listing, semiannual report, or annual report on Fidelity’s web site at <http://www.fidelity.com>, <http://www.institutional.fidelity.com>, or <http://www.401k.com>, as applicable.*

**NOT FDIC INSURED •MAY LOSE VALUE •NO BANK GUARANTEE**

*Neither the Fund nor Fidelity Distributors Corporation is a bank.*

# Performance: The Bottom Line

Average annual total return reflects the change in the value of an investment, assuming reinvestment of distributions from dividend income and capital gains (the profits earned upon the sale of securities that have grown in value, if any) and assuming a constant rate of performance each year. During periods of reimbursement by Fidelity, a fund's total return will be greater than it would be had the reimbursement not occurred. Performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If performance information included the effect of these additional charges, the total returns would have been lower. How a fund did yesterday is no guarantee of how it will do tomorrow.

## Average Annual Total Returns

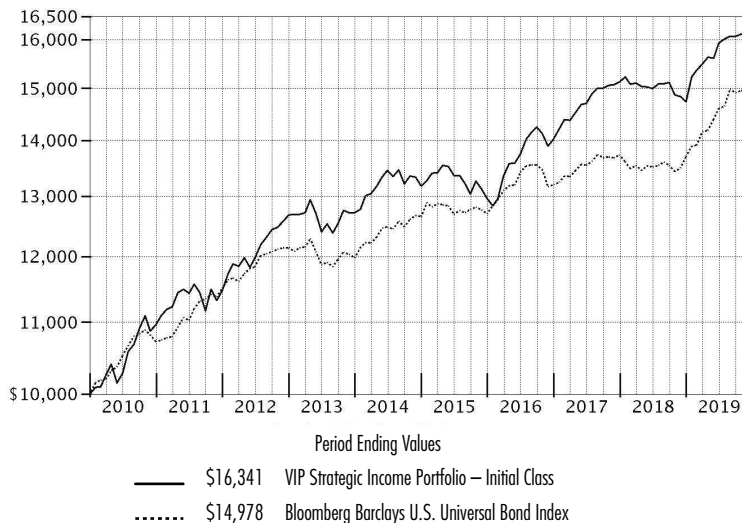
For the periods ended December 31, 2019

	Past 1 year	Past 5 years	Past 10 years
Initial Class	10.89%	4.40%	5.03%
Service Class	10.82%	4.30%	4.93%
Service Class 2	10.66%	4.14%	4.77%
Investor Class	10.89%	4.37%	5.00%

## \$10,000 Over 10 Years

Let's say hypothetically that \$10,000 was invested in VIP Strategic Income Portfolio – Initial Class on December 31, 2009.

The chart shows how the value of your investment would have changed, and also shows how the Bloomberg Barclays U.S. Universal Bond Index performed over the same period.



# Management's Discussion of Fund Performance

**Market Recap:** The global economy was sluggish in 2019, but most major economies remained in expansion amid signs that conditions were no longer deteriorating. The U.S. stood firmly in the late-cycle phase throughout the year, whereas recessionary conditions in major European nations, including Germany and Italy, appeared poised for improvement in December. U.S.–China trade-policy uncertainty served as a drag on corporate confidence for most of the period, but the two reportedly reached an agreement to reduce certain U.S. tariffs. Against this backdrop, the Fidelity Strategic Income Composite Index<sup>SM</sup> gained 10.53%. All five asset classes represented within the index generated positive returns, led by U.S. high-yield bonds, which, as measured by the ICE BofAML<sup>®</sup> U.S. High Yield Constrained Index, gained 14.41% amid a supportive backdrop for riskier assets and resilient corporate fundamentals. Also performing well, emerging-market bonds advanced 13.11%, as reflected by the Bloomberg Barclays Emerging Markets Index, while floating-rate debt, as measured by the S&P/LSTA<sup>®</sup> Leveraged Performing Loan Index, rose 8.70% in 2019. Meanwhile, slower global economic growth, coupled with the U.S. Federal Reserve's dovish shift early in the year, resulted in a 6.83% increase for the Bloomberg Barclays U.S. Government Bond Index. Finally, non-U.S. developed market debt, as measured by the Bloomberg Barclays Global Aggregate Developed Markets GDP Weighted Ex USD Index (Hedged), gained 5.15% this past year.

**Comments from Co-Lead Portfolio Manager Adam Kramer:** For the year, the fund's share classes gained roughly 11%, outperforming the 9.29% increase in our primary benchmark, the Bloomberg Barclays U.S. Universal Bond Index, with most share classes outperforming the 10.53% advance of the Fidelity Strategic Income Composite Index<sup>SM</sup> as well. Relative to this latter index, which, given its mix of investments, we see as a closer match for the fund, the main performance driver was favorable security selection, especially in the high-yield bond subportfolio. Specifically, investments in the technology and energy industries were particularly helpful, while significantly overweighting the banks & thrifts segment of the high yield market also contributed. A combination of favorable security selection and underweighting in the lagging non-U.S. developed-market debt subportfolio also aided the broader fund's relative result. This subportfolio benefited from both credit exposure and allocations to certain out-of-favor areas of the market that were bolstered by tightening credit spreads, including corporate bonds and the debt of peripheral sovereign issuers. In contrast, security selection in emerging-markets debt was the fund's biggest performance challenge this year by far. Relatively limited exposure to longer-duration emerging-markets bonds detracted, as did a significant overweighting in the poor-performing Argentinian market while the subportfolio's large average cash stake also hurt in a rising market.

*The views expressed above reflect those of the portfolio manager(s) only through the end of the period as stated on the cover of this report and do not necessarily represent the views of Fidelity or any other person in the Fidelity organization. Any such views are subject to change at any time based upon market or other conditions and Fidelity disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Fidelity fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Fidelity fund.*

**Notes to shareholders:** On March 28, 2019, Ario Emami Nejad and Rosie McMellin assumed co-management responsibilities for the fund's developed-market debt subportfolio, succeeding David Simner. In mid-December, the fund's foreign developed-markets debt subportfolio began hedging its currency exposure and, accordingly, adopted the U.S.-dollar-hedged version of the Bloomberg Barclays Global Aggregate Developed Markets ex USD GDP Weighted Index within the Fidelity Strategic Income Composite Index. On October 1, 2019, Brian Chang assumed co-management responsibilities for the high-income subportfolio, joining Mark Notkin.

# Investment Summary (Unaudited)

The information in the following tables is based on the combined investments of the Fund and its pro-rata share of the investments of Fidelity's Fixed-Income Central Funds.

## Top Five Holdings as of December 31, 2019

(by issuer, excluding cash equivalents)	% of fund's net assets
U.S. Treasury Obligations	17.1
German Federal Republic	2.6
Japan Government	2.3
CCO Holdings LLC/CCO Holdings Capital Corp.	1.7
Ginnie Mae guaranteed REMIC pass-thru certificates	1.7
	<u>25.4</u>

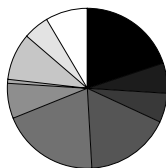
## Top Five Market Sectors as of December 31, 2019

	% of fund's net assets
Financials	10.4
Energy	8.5
Communication Services	7.6
Consumer Discretionary	5.2
Health Care	4.9

## Quality Diversification (% of fund's net assets)

As of December 31, 2019

■ U.S. Government and U.S. Government Agency Obligations*	19.9%
■ AAA,AA,A	6.1%
■ BBB	5.9%
■ BB	17.2%
■ B	19.8%
■ CCC,CC,C	7.1%
■ D	0.8%
■ Not Rated	9.5%
■ Equities	5.2%
□ Short-Term Investments and Net Other Assets	8.5%



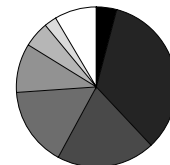
\* Includes NCUA Guaranteed Notes

We have used ratings from Moody's Investors Service, Inc. Where Moody's® ratings are not available, we have used S&P® ratings. All ratings are as of the date indicated and do not reflect subsequent changes.

## Asset Allocation (% of fund's net assets)

As of December 31, 2019\*, \*\*, \*\*\*, †

■ Preferred Securities	4.1%
■ Corporate Bonds	33.9%
■ U.S. Government and U.S. Government Agency Obligations††	19.9%
■ Foreign Government & Government Agency Obligations	16.0%
■ Bank Loan Obligations	9.9%
■ Stocks	5.2%
■ Other Investments	2.5%
□ Short-Term Investments and Net Other Assets (Liabilities)	8.5%



\* Futures and Swaps – 2.8%

\*\* Written options – (0.9)%

\*\*\* Foreign investments – 29.7%

† Foreign Currency Contracts – 11.9%

†† Includes NCUA Guaranteed Notes

An unaudited holdings listing for the Fund, which presents direct holdings as well as the pro-rata share of any securities and other investments held indirectly through its investment in underlying non-money market Fidelity Central Funds, is available at [fidelity.com](http://fidelity.com) and/or [institutional.fidelity.com](http://institutional.fidelity.com), as applicable.

Percentages in the above tables are adjusted for the effect of TBA Sale Commitments.

# Schedule of Investments December 31, 2019

Showing Percentage of Net Assets

## Corporate Bonds – 33.6%

	Principal Amount(a)	Value
<b>Convertible Bonds – 0.1%</b>		
<b>CONSUMER DISCRETIONARY – 0.0%</b>		
<b>Auto Components – 0.0%</b>		
Exide Technologies 7.25% 4/30/27 pay-in-kind (b) (c)	\$ 377,945	\$ 56,692
<b>ENERGY – 0.1%</b>		
<b>Oil, Gas &amp; Consumable Fuels – 0.1%</b>		
Denbury Resources, Inc. 6.375% 12/31/24 (b)	1,966,000	1,349,898
<b>TOTAL CONVERTIBLE BONDS</b>		<b>1,406,590</b>
<b>Nonconvertible Bonds – 33.5%</b>		
<b>COMMUNICATION SERVICES – 5.8%</b>		
<b>Diversified Telecommunication Services – 1.4%</b>		
Axtel S.A.B. de CV 6.375% 11/14/24 (b)	315,000	332,325
C&W Senior Financing Designated Activity Co. 6.875% 9/15/27 (b)	1,365,000	1,459,635
Colombia Telecomunicaciones SA 5.375% 9/27/22 (b)	635,000	640,755
Frontier Communications Corp. 8.5% 4/1/26 (b)	1,745,000	1,766,813
GCI, Inc. 6.875% 4/15/25	560,000	585,200
GTH Finance BV 7.25% 4/26/23 (b)	715,000	804,525
Qtel International Finance Ltd.:		
3.25% 2/21/23 (b)	735,000	747,863
3.75% 6/22/26 (b)	100,000	105,250
5% 10/19/25 (b)	230,000	255,875
Sable International Finance Ltd. 5.75% 9/7/27 (b)	800,000	846,000
SFR Group SA:		
5.5% 1/15/28 (b)	1,190,000	1,222,785
7.375% 5/1/26 (b)	5,100,000	5,475,564
8.125% 2/1/27 (b)	370,000	416,713
Sprint Capital Corp.:		
6.875% 11/15/28	2,572,000	2,771,330
8.75% 3/15/32	1,471,000	1,785,426
Telefonica Celular del Paraguay SA 5.875% 4/15/27 (b)	220,000	236,294
Telefonica del Peru SA 7.375% 4/10/27 (b)	PEN 2,430,000	783,901
Telenet Finance Luxembourg Notes SARL 5.5% 3/1/28 (b)	600,000	640,500
Turk Telekomunikasyon A/S 6.875% 2/28/25 (b)	220,000	234,850
U.S. West Communications:		
6.875% 9/15/33	170,000	170,765
7.25% 9/15/25	35,000	40,230
UPCB Finance IV Ltd. 5.375% 1/15/25 (b)	615,000	632,220
Virgin Media Finance PLC 4.875% 2/15/22	565,000	574,888
		<u>22,529,707</u>
<b>Entertainment – 0.5%</b>		
Lions Gate Entertainment Corp. 5.875% 11/1/24 (b)	215,000	218,225
Netflix, Inc.:		
4.375% 11/15/26	320,000	328,000
4.875% 4/15/28	1,465,000	1,521,696
5.375% 11/15/29 (b)	590,000	628,338
5.875% 11/15/28	3,265,000	3,619,448
New Cotai LLC/New Cotai Capital Corp. 10.625% 5/1/19 pay-in-kind (b) (c) (d)	2,098,525	923,351
		<u>7,239,058</u>
<b>Media – 3.4%</b>		
Block Communications, Inc. 6.875% 2/15/25 (b)	480,000	498,000

	Principal Amount(a)	Value
Cablevision SA 6.5% 6/15/21 (b)	\$ 200,000	\$ 191,750
CCO Holdings LLC/CCO Holdings Capital Corp.:		
4.75% 3/1/30 (b)	4,810,000	4,906,344
5% 2/1/28 (b)	4,665,000	4,895,078
5.125% 2/15/23	1,565,000	1,580,650
5.125% 5/1/23 (b)	720,000	734,854
5.125% 5/1/27 (b)	3,500,000	3,692,500
5.375% 5/1/25 (b)	720,000	743,400
5.375% 6/1/29 (b)	2,815,000	3,005,013
5.5% 5/1/26 (b)	2,450,000	2,581,688
5.75% 9/1/23	500,000	509,375
5.75% 1/15/24	83,000	84,453
5.75% 2/15/26 (b)	1,030,000	1,086,671
5.875% 5/1/27 (b)	855,000	904,163
Cengage Learning, Inc. 9.5% 6/15/24 (b)	520,000	449,800
CSC Holdings LLC:		
5.375% 2/1/28 (b)	1,190,000	1,268,838
5.5% 5/15/26 (b)	2,555,000	2,705,081
5.75% 1/15/30 (b)	5,510,000	5,881,925
6.5% 2/1/29 (b)	1,320,000	1,471,800
7.5% 4/1/28 (b)	725,000	819,250
Getty Images, Inc. 9.75% 3/1/27 (b)	1,090,000	1,081,825
Globo Comunicacao e Participacoes SA:		
4.843% 6/8/25 (b)	420,000	434,175
4.875% 4/11/22 (b)	250,000	259,375
iHeartCommunications, Inc.:		
4.75% 1/15/28 (b)	445,000	456,125
11.25% 3/1/21 (e)	630,000	0
LCPR Senior Secured Financing DAC 6.75% 10/15/27 (b)	605,000	641,300
Nexstar Escrow, Inc. 5.625% 7/15/27 (b)	1,275,000	1,343,595
Outfront Media Capital LLC / Corp. 4.625% 3/15/30 (b)	595,000	605,413
Quebecor Media, Inc. 5.75% 1/15/23	790,000	858,138
Sirius XM Radio, Inc.:		
4.625% 5/15/23 (b)	260,000	263,900
5% 8/1/27 (b)	735,000	775,425
5.375% 4/15/25 (b)	620,000	640,634
5.375% 7/15/26 (b)	620,000	658,556
Tegna, Inc. 5% 9/15/29 (b)	650,000	661,375
TV Azteca SA de CV 8.25% 8/9/24 (Reg. S)	2,100,000	1,874,906
Videotron Ltd. 5.125% 4/15/27 (b)	615,000	658,050
VTR Finance BV 6.875% 1/15/24 (b)	1,294,000	1,328,776
Ziggo Bond Co. BV 6% 1/15/27 (b)	635,000	669,925
Ziggo BV:		
4.875% 1/15/30 (b)	430,000	443,893
5.5% 1/15/27 (b)	1,270,000	1,349,375
		<u>53,015,394</u>
<b>Wireless Telecommunication Services – 0.5%</b>		
America Movil S.A.B. de CV 6.45% 12/5/22	MXN 18,930,000	968,964
Comcel Trust 6.875% 2/6/24 (b)	900,000	925,875
Digicel Group Ltd. 6.75% 3/1/23 (b)	350,000	203,219
Intelsat Jackson Holdings SA:		
5.5% 8/1/23	810,000	695,822
8.5% 10/15/24 (b)	1,150,000	1,047,455
9.75% 7/15/25 (b)	1,950,000	1,803,750

See accompanying notes which are an integral part of the financial statements.

## Schedule of Investments – continued

Corporate Bonds – continued		Principal Amount(a)	Value	Principal Amount(a)	Value
<b>Nonconvertible Bonds – continued</b>					
<b>COMMUNICATION SERVICES – continued</b>					
<b>Wireless Telecommunication Services – continued</b>					
Millicom International Cellular SA:					
6% 3/15/25 (b)	\$	360,000	\$	373,388	
6.625% 10/15/26 (Reg. S)		200,000		220,875	
MTN (Mauritius) Investments Ltd.:					
5.373% 2/13/22 (b)		100,000		103,250	
6.5% 10/13/26 (b)		230,000		254,438	
MTS International Funding Ltd. 5% 5/30/23 (b)		240,000		256,500	
Oztel Holdings SPC Ltd. 5.625% 10/24/23 (b)		295,000		314,267	
Sprint Corp. 7.625% 3/1/26		540,000		595,512	
TBG Global Pte. Ltd. 5.25% 2/10/22 (Reg. S)		400,000		404,172	
				8,167,487	
TOTAL COMMUNICATION SERVICES				90,951,646	
<b>CONSUMER DISCRETIONARY – 2.7%</b>					
<b>Auto Components – 0.5%</b>					
Allison Transmission, Inc.:					
5% 10/1/24 (b)		635,000		650,081	
5.875% 6/1/29 (b)		420,000		459,900	
Exide Technologies:					
10.75% 10/31/21 pay-in-kind (b) (c) (e)		183,015		170,204	
11% 10/31/24 pay-in-kind (b) (c) (e)		468,000		304,200	
11% 10/31/24 pay-in-kind (b) (c) (e)		185,848		83,632	
Metalsa SA de CV 4.9% 4/24/23 (b)		840,000		869,925	
ZF Europe Finance BV:					
2% 2/23/26 (Reg. S)	EUR	3,000,000		3,441,629	
3% 10/23/29 (Reg. S)	EUR	1,200,000		1,399,847	
				7,379,418	
<b>Distributors – 0.0%</b>					
LKQ Corp. 4.75% 5/15/23		115,000		116,817	
<b>Diversified Consumer Services – 0.1%</b>					
Bonitron Designated Activity Co. 8.75% 10/30/22 (b)		680,000		724,625	
GEMS MENASA Cayman Ltd. 7.125% 7/31/26 (b)		470,000		495,263	
Service Corp. International 5.125% 6/1/29		300,000		318,750	
				1,538,638	
<b>Hotels, Restaurants &amp; Leisure – 1.6%</b>					
1011778 BC Unlimited Liability Co./New Red Finance, Inc.:					
3.875% 1/15/28 (b)		495,000		496,238	
4.375% 1/15/28 (b)		680,000		681,700	
5% 10/15/25 (b)		3,296,000		3,403,120	
Choice Hotels International, Inc. 5.75% 7/1/22		145,000		156,510	
FelCor Lodging LP 6% 6/1/25		565,000		590,425	
Golden Nugget, Inc.:					
6.75% 10/15/24 (b)		1,200,000		1,242,000	
8.75% 10/1/25 (b)		1,235,000		1,320,678	
Hilton Domestic Operating Co., Inc.:					
4.875% 1/15/30		975,000		1,032,920	
5.125% 5/1/26		925,000		973,563	
Hilton Worldwide Finance LLC/Hilton Worldwide Finance Corp.:					
4.625% 4/1/25		925,000		950,438	
4.875% 4/1/27		435,000		462,188	
KFC Holding Co./Pizza Hut Holding LLC:					
4.75% 6/1/27 (b)	\$	475,000	\$	499,938	
5% 6/1/24 (b)		475,000		492,219	
5.25% 6/1/26 (b)		3,225,000		3,402,375	
Marriott Ownership Resorts, Inc. 6.5% 9/15/26		460,000		500,825	
MCE Finance Ltd.:					
4.875% 6/6/25 (b)		1,502,000		1,542,175	
5.25% 4/26/26 (b)		640,000		661,104	
5.375% 12/4/29 (b)		435,000		446,281	
Merlin Entertainments PLC 5.75% 6/15/26 (b)		615,000		673,425	
NagoCorp Ltd. 9.375% 5/21/21 (b)		100,000		105,950	
Scientific Games Corp.:					
7% 5/15/28 (b)		445,000		476,150	
7.25% 11/15/29 (b)		445,000		483,938	
Six Flags Entertainment Corp.:					
4.875% 7/31/24 (b)		715,000		740,919	
5.5% 4/15/27 (b)		380,000		405,175	
Studio City Co. Ltd. 7.25% 11/30/21 (b)		350,000		357,547	
Viking Cruises Ltd. 5.875% 9/15/27 (b)		595,000		635,906	
Voc Escrow Ltd. 5% 2/15/28 (b)		545,000		570,888	
Wynn Macau Ltd. 5.125% 12/15/29 (b)		890,000		908,254	
Yum! Brands, Inc. 4.75% 1/15/30 (b)		560,000		586,600	
				24,799,449	
<b>Household Durables – 0.2%</b>					
Lennar Corp. 4.75% 11/29/27					
		620,000		668,050	
LGI Homes, Inc. 6.875% 7/15/26 (b)					
		605,000		633,738	
TRI Pointe Homes, Inc. 5.875% 6/15/24					
		780,000		848,250	
William Lyon Homes, Inc.:					
5.875% 1/31/25		380,000		390,925	
6% 9/1/23		375,000		390,938	
				2,931,901	
<b>Internet &amp; Direct Marketing Retail – 0.3%</b>					
Terrier Media Buyer, Inc. 8.875% 12/15/27 (b)					
		2,055,000		2,173,163	
Zayo Group LLC/Zayo Capital, Inc.:					
5.75% 1/15/27 (b)		1,605,000		1,631,081	
6% 4/1/23		580,000		593,050	
6.375% 5/15/25		120,000		123,700	
				4,520,994	
<b>Specialty Retail – 0.0%</b>					
Lithia Motors, Inc. 4.625% 12/15/27 (b)					
		260,000		267,244	
Penske Automotive Group, Inc. 5.5% 5/15/26					
		460,000		481,850	
				749,094	
<b>Textiles, Apparel &amp; Luxury Goods – 0.0%</b>					
Delta Merlin Dunia Tekstil PT 8.625% 3/12/24 (b)					
		200,000		15,000	
TOTAL CONSUMER DISCRETIONARY					
				42,051,311	
<b>CONSUMER STAPLES – 1.5%</b>					
<b>Beverages – 0.0%</b>					
Central American Bottling Corp. 5.75% 1/31/27 (b)					
		105,000		110,873	
<b>Food &amp; Staples Retailing – 0.1%</b>					
KeHE Distributors LLC / KeHE Finance Corp. 8.625% 10/15/26 (b)					
		525,000		549,938	
Performance Food Group, Inc. 5.5% 10/15/27 (b)					
		680,000		726,750	
				1,276,688	

See accompanying notes which are an integral part of the financial statements.



## Corporate Bonds – continued

	Principal Amount(a)	Value
<b>Nonconvertible Bonds – continued</b>		
<b>CONSUMER STAPLES – continued</b>		
<b>Food Products – 1.4%</b>		
CF Industries Holdings, Inc.:		
4.95% 6/1/43	\$ 3,165,000	\$ 3,299,513
5.15% 3/15/34	1,414,000	1,580,145
5.375% 3/15/44	2,825,000	3,079,250
JBS Investments II GmbH:		
5.75% 1/15/28 (b)	575,000	606,338
7% 1/15/26 (b)	1,020,000	1,109,587
JBS U.S.A. LLC/JBS U.S.A. Finance, Inc.:		
5.75% 6/15/25 (b)	1,275,000	1,319,625
6.75% 2/15/28 (b)	925,000	1,022,134
JBS U.S.A. Lux SA / JBS Food Co.:		
5.5% 1/15/30 (b)	1,085,000	1,165,399
6.5% 4/15/29 (b)	1,550,000	1,722,484
Lamb Weston Holdings, Inc.:		
4.625% 11/1/24 (b)	425,000	451,031
4.875% 11/1/26 (b)	430,000	455,800
Pilgrim's Pride Corp. 5.75% 3/15/25 (b)	925,000	956,108
Post Holdings, Inc.:		
5% 8/15/26 (b)	2,440,000	2,577,250
5.5% 3/1/25 (b)	530,000	555,175
5.5% 12/15/29 (b)	810,000	863,703
5.75% 3/1/27 (b)	405,000	434,363
		<u>21,197,905</u>
<b>Personal Products – 0.0%</b>		
First Quality Finance Co., Inc. 5% 7/1/25 (b)	490,000	509,806
		<u>23,095,272</u>
<b>ENERGY – 6.3%</b>		
<b>Energy Equipment &amp; Services – 0.5%</b>		
ADES International Holding Ltd. 8.625% 4/24/24 (b)	450,000	467,719
Borets Finance DAC 6.5% 4/7/22 (b)	430,000	445,722
Exterran Energy Solutions LP 8.125% 5/1/25	575,000	566,375
Forum Energy Technologies, Inc. 6.25% 10/1/21	715,000	630,988
Jonah Energy LLC 7.25% 10/15/25 (b)	930,000	274,350
Nabors Industries, Inc.:		
5.1% 9/15/23	845,000	758,726
5.75% 2/1/25	1,028,000	925,200
Nine Energy Service, Inc. 8.75% 11/1/23 (b)	300,000	243,000
NuStar Logistics LP 6% 6/1/26	640,000	676,800
Oceanering International, Inc. 6% 2/1/28	30,000	29,400
SESI LLC 7.75% 9/15/24	365,000	242,725
Southern Gas Corridor CJSC 6.875% 3/24/26 (b)	280,000	333,078
Summit Midstream Holdings LLC 5.75% 4/15/25	285,000	217,669
The Oil and Gas Holding Co.:		
7.5% 10/25/27 (b)	415,000	478,417
7.625% 11/7/24 (b)	205,000	237,864
Transocean, Inc.:		
7.25% 11/1/25 (b)	590,000	578,200
7.5% 1/15/26 (b)	645,000	636,938
		<u>7,743,171</u>

	Principal Amount(a)	Value
<b>Oil, Gas &amp; Consumable Fuels – 5.8%</b>		
Antero Midstream Partners LP/Antero Midstream Finance Corp. 5.75% 1/15/28 (b)	\$ 805,000	\$ 700,350
Antero Resources Corp. 5.625% 6/1/23 (Reg. S)	115,000	92,288
Antero Resources Finance Corp. 5.375% 11/1/21	140,000	133,306
Callon Petroleum Co. 6.125% 10/1/24	225,000	229,262
Carrizo Oil & Gas, Inc. 6.25% 4/15/23	380,000	385,643
Chesapeake Energy Corp.:		
7% 10/1/24	15,000	9,038
8% 1/15/25	15,000	8,925
11.5% 1/1/25 (b)	1,310,000	1,237,950
Citgo Holding, Inc. 9.25% 8/1/24 (b)	4,945,000	5,303,513
Citgo Petroleum Corp. 6.25% 8/15/22 (b)	1,160,000	1,175,950
CNX Midstream Partners LP 6.5% 3/15/26 (b)	335,000	309,038
Comstock Escrow Corp. 9.75% 8/15/26	3,060,000	2,776,950
Consolidated Energy Finance SA:		
3 month U.S. LIBOR + 3.750% 5.6436%		
6/15/22 (b) (c) (f)	155,000	153,752
6.5% 5/15/26 (b)	1,695,000	1,589,063
6.875% 6/15/25 (b)	560,000	534,800
Covey Park Energy LLC 7.5% 5/15/25 (b)	580,000	498,800
Crestwood Midstream Partners LP/Crestwood Midstream Finance Corp.:		
5.625% 5/1/27 (b)	960,000	973,200
5.75% 4/1/25	250,000	255,625
6.25% 4/1/23	345,000	351,900
CVR Refining LLC/Coffeyville Finance, Inc. 6.5% 11/1/22	1,070,000	1,083,375
DCP Midstream LLC 5.85% 5/21/43 (b) (c)	885,000	823,050
Denbury Resources, Inc.:		
7.75% 2/15/24 (b)	2,155,000	1,907,175
9% 5/15/21 (b)	2,385,000	2,307,488
9.25% 3/31/22 (b)	350,000	329,875
DTEK Finance PLC 10.75% 12/31/24 pay-in-kind (c)	2,215,000	2,246,841
EG Global Finance PLC 8.5% 10/30/25 (b)	620,000	657,975
Endeavor Energy Resources LP/EER Finance, Inc.:		
5.5% 1/30/26 (b)	505,000	521,413
5.75% 1/30/28 (b)	880,000	925,100
Energy Transfer Equity LP 5.5% 6/1/27	860,000	873,865
EnLink Midstream Partners LP:		
4.15% 6/1/25	295,000	277,300
4.4% 4/1/24	160,000	155,216
EP Energy LLC/Everest Acquisition Finance, Inc. 7.75%		
5/15/26 (b) (d)	4,756,000	3,400,540
EQT Corp. 3.9% 10/1/27	1,413,000	1,321,627
Extraction Oil & Gas, Inc. 7.375% 5/15/24 (b)	365,000	228,125
Frontera Energy Corp. 9.7% 6/25/23 (b)	510,000	535,181
Genesis Energy LP/Genesis Energy Finance Corp. 6.25%		
5/15/26	465,000	444,075
GeoPark Ltd. 6.5% 9/21/24 (b)	61,000	63,573
Georgian Oil & Gas Corp. 6.75% 4/26/21 (b)	415,000	429,525
Global Partners LP/GLP Finance Corp. 7% 6/15/23	580,000	597,400
Hess Infrastructure Partners LP 5.625% 2/15/26 (b)	795,000	827,504
Hess Midstream Partners LP 5.125% 6/15/28 (b)	595,000	602,438
Hilcorp Energy I LP/Hilcorp Finance Co.:		
5% 12/1/24 (b)	510,000	493,155
5.75% 10/1/25 (b)	580,000	565,523

See accompanying notes which are an integral part of the financial statements.

## Schedule of Investments – continued

Corporate Bonds – continued			Corporate Bonds – continued		
	Principal Amount(a)	Value		Principal Amount(a)	Value
<b>Nonconvertible Bonds – continued</b>			<b>Nonconvertible Bonds – continued</b>		
<b>ENERGY – continued</b>			<b>ENERGY – continued</b>		
<b>Oil, Gas &amp; Consumable Fuels – continued</b>			<b>Oil, Gas &amp; Consumable Fuels – continued</b>		
Hilcorp Energy I LP/Hilcorp Finance Co.: – continued			6.5% 6/2/41	\$ 465,000	\$ 460,931
6.25% 11/1/28 (b)	\$ 590,000	\$ 560,500	6.75% 9/21/47	2,153,000	2,171,839
Holly Energy Partners LP/Holly Finance Corp. 6%			7.69% 1/23/50 (b)	2,453,000	2,687,777
8/1/24 (b)	390,000	406,575	PT Adaro Indonesia 4.25% 10/31/24 (b)	835,000	824,563
Indigo Natural Resources LLC 6.875% 2/15/26 (b)	1,135,000	1,066,900	Range Resources Corp.:		
Indika Energy Capital II Pte. Ltd. 6.875% 4/10/22 (b)	1,125,000	1,168,242	4.875% 5/15/25	475,000	406,125
KazMunaiGaz National Co. 4.75% 4/24/25 (b)	105,000	114,745	5% 3/15/23	1,785,000	1,641,879
Kosmos Energy Ltd. 7.125% 4/4/26 (b)	935,000	954,284	Sanchez Energy Corp.:		
Medco Strait Services Pte. Ltd. 8.5% 8/17/22 (b)	295,000	313,806	6.125% 1/15/23 (d)	1,675,000	75,375
MPLX LP 6.375% 5/1/24 (b)	245,000	256,172	7.25% 2/15/23 (b) (d)	1,185,000	770,250
Murphy Oil U.S.A., Inc.:			Saudi Arabian Oil Co.:		
4.75% 9/15/29	370,000	390,746	2.875% 4/16/24 (b)	175,000	177,406
5.625% 5/1/27	305,000	327,113	3.5% 4/16/29 (b)	1,380,000	1,430,888
Naftogaz of Ukraine NJSC 7.625% 11/8/26 (b)	200,000	203,250	4.25% 4/16/39 (b)	1,265,000	1,351,969
NAK Naftogaz Ukraine 7.375% 7/19/22 (Reg. S)	400,000	415,000	4.375% 4/16/49 (b)	1,045,000	1,149,500
Newfield Exploration Co. 5.375% 1/1/26	475,000	514,736	Sinopec Group Overseas Development Ltd. 3.68%		
NGL Energy Partners LP/NGL Energy Finance Corp.:			8/8/49 (b)	310,000	318,525
6.125% 3/1/25	625,000	589,063	SM Energy Co.:		
7.5% 4/15/26 (b)	640,000	619,200	5.625% 6/1/25	380,000	360,685
NGPL PipeCo LLC:			6.625% 1/15/27	1,900,000	1,867,425
4.375% 8/15/22 (b)	150,000	155,731	6.75% 9/15/26	250,000	245,000
4.875% 8/15/27 (b)	150,000	159,241	Southern Star Central Corp. 5.125% 7/15/22 (b)	320,000	323,200
Nostrum Oil & Gas Finance BV 8% 7/25/22 (b)	2,440,000	1,107,150	Southwestern Energy Co.:		
Pampa Holding SA 7.375% 7/21/23 (b)	335,000	314,167	4.1% 3/15/22	820,000	802,575
Pan American Energy LLC 7.875% 5/7/21 (b)	106,667	110,867	6.2% 1/23/25 (c)	100,000	91,720
PBF Holding Co. LLC/PBF Finance Corp.:			7.5% 4/1/26	1,090,000	1,008,250
7% 11/15/23	1,695,000	1,758,563	7.75% 10/1/27	680,000	629,816
7.25% 6/15/25	1,145,000	1,222,288	SRC Energy, Inc. 6.25% 12/1/25	380,000	382,850
PBF Logistics LP/PBF Logistics Finance, Inc. 6.875%			Sunoco LP/Sunoco Finance Corp.:		
5/15/23	435,000	448,050	4.875% 1/15/23	465,000	475,472
PDC Energy, Inc. 6.125% 9/15/24	200,000	202,500	5.5% 2/15/26	595,000	617,313
Pemex Project Funding Master Trust:			Teine Energy Ltd. 6.875% 9/30/22 (b)	590,000	590,000
6.625% 6/15/35	1,690,000	1,728,870	Tennessee Gas Pipeline Co. 7.625% 4/1/37	50,000	67,941
8.625% 12/1/23 (c)	250,000	278,733	Transportadora de Gas del Sur SA 6.75% 5/2/25 (b)	475,000	417,258
Petrobras Global Finance BV:			Tullow Oil PLC 6.25% 4/15/22 (b)	1,180,000	1,063,844
5.093% 1/15/30 (b)	560,000	598,920	Ultra Resources, Inc. 11% 7/12/24 pay-in-kind	538,029	86,085
5.999% 1/27/28	321,000	365,539	Unit Corp. 6.625% 5/15/21	120,000	66,000
6.25% 3/17/24	780,000	874,088	W&T Offshore, Inc. 9.75% 11/1/23 (b)	2,005,000	1,912,269
6.9% 3/19/49	175,000	205,406	Whiting Petroleum Corp. 6.625% 1/15/26	425,000	289,629
8.75% 5/23/26	1,260,000	1,618,470	YPF SA:		
Petrobras International Finance Co. Ltd. 6.875% 1/20/40	634,000	741,186	8.5% 3/23/21 (b)	560,000	554,400
Petroleos de Venezuela SA:			8.5% 6/27/29 (b)	225,000	203,133
5.375% 4/12/27 (d)	480,000	37,200	8.75% 4/4/24 (b)	2,190,000	2,127,038
6% 5/16/24 (b) (d)	585,000	45,338			<u>89,930,958</u>
6% 11/15/26 (b) (d)	930,000	72,075	TOTAL ENERGY		<u>97,674,129</u>
12.75% 2/17/22 (b) (d)	110,000	8,525	<b>FINANCIALS – 5.4%</b>		
Petroleos Mexicanos:			<b>Banks – 1.1%</b>		
3 month U.S. LIBOR + 3.650% 5.5384%			Akbank TAS 7.2% 3/16/27 (b) (c)	440,000	428,863
3/11/22 (c) (f)	325,000	338,613	Alfa Bond Issuance PLC 5.95% 4/15/30 (b) (c)	205,000	207,306
3.5% 1/30/23	1,030,000	1,036,116	Banco de Bogota SA 6.25% 5/12/26 (b)	100,000	112,094
4.875% 1/24/22	280,000	290,238	Banco de Reservas de La Republica Dominicana 7%		
4.875% 1/18/24	2,210,000	2,327,130	2/1/23 (b)	205,000	215,506
			Banco Do Brasil SA:		
			4.625% 1/15/25 (b)	170,000	177,650

See accompanying notes which are an integral part of the financial statements.

## Corporate Bonds – continued

	Principal Amount(a)	Value
<b>Nonconvertible Bonds – continued</b>		
<b>FINANCIALS – continued</b>		
<b>Banks – continued</b>		
Banco Do Brasil SA: – continued		
4.875% 4/19/23 (b)	\$ 105,000	\$ 110,381
Banco Macro SA 6.75% 11/4/26 (b)(c)	910,000	689,609
Banque Centrale de Tunisie 5.75% 1/30/25 (b)	470,000	437,394
BBVA Bancomer SA 7.25% 4/22/20 (b)	210,000	211,575
Biz Finance PLC 9.625% 4/27/22 (b)	420,833	441,875
BTA Bank JSC 5.5% 12/21/22 (b)	455,693	459,680
CBOM Finance PLC 5.55% 2/14/23 (b)	310,000	319,494
Citigroup, Inc. 0.5% 10/8/27 (Reg. S) (c)	EUR 2,096,000	2,328,094
Danske Bank A/S 2.5% 6/21/29 (Reg. S) (c)	EUR 1,905,000	2,245,178
Development Bank of Mongolia 7.25% 10/23/23 (b)	160,000	169,300
Development Bank of the Republic of Belarus 6.75% 5/2/24 (b)	105,000	110,578
Ecobank Transnational, Inc. 9.5% 4/18/24 (b)	295,000	329,755
Export-Import Bank of Korea 6.2% 8/7/21 (b)	INR 21,900,000	305,215
Fidelity Bank PLC 10.5% 10/16/22 (b)	270,000	302,231
Georgia Bank Joint Stock Co. 6% 7/26/23 (b)	810,000	850,500
HBOS PLC 4.5% 3/18/30 (c)	EUR 1,037,000	1,354,822
Oschadbank Via SSB #1 PLC 9.375% 3/10/23 (b)	280,000	295,138
T.C. Ziraat Bankasi A/S 5.125% 5/3/22 (b)	485,000	483,030
TBC Bank JSC 5.75% 6/19/24 (b)	120,000	123,638
Trade and Development Bank of Mongolia LLC 9.375% 5/19/20 (b)	580,000	590,875
Turkiye Garanti Bankasi A/S 6.125% 5/24/27 (b)(c)	480,000	454,050
Turkiye Is Bankasi A/S:		
5% 4/30/20 (b)	230,000	230,403
5.5% 4/21/22 (b)	335,000	338,350
Turkiye Vakiflar Bankasi TAO 5.75% 1/30/23 (b)	1,380,000	1,359,300
UniCredit SpA 6.95% 10/31/22 (Reg. S)	EUR 1,146,000	1,499,537
		<u>17,181,421</u>
<b>Capital Markets – 0.2%</b>		
AssuredPartners, Inc. 7% 8/15/25 (b)	245,000	249,214
Balboa Merger Sub, Inc. 11.375% 12/1/21 (b)	1,260,000	1,305,738
i2 Cloud Services LLC/i2 Global Communications, Inc. 6% 7/15/25 (b)	410,000	434,600
MSCI, Inc.:		
4% 11/15/29 (b)	340,000	344,675
5.25% 11/15/24 (b)	129,000	132,532
5.75% 8/15/25 (b)	365,000	382,794
		<u>2,849,553</u>
<b>Consumer Finance – 2.6%</b>		
Ally Financial, Inc.:		
8% 11/1/31	16,143,000	22,408,098
8% 11/1/31	823,000	1,127,802
Credito Real S.A.B. de CV 9.5% 2/7/26 (b)	310,000	353,981
Navient Corp.:		
5.5% 1/25/23	1,685,000	1,798,738
5.875% 10/25/24	2,745,000	2,937,150
6.125% 3/25/24	830,000	900,550
6.5% 6/15/22	470,000	509,363
7.25% 1/25/22	2,650,000	2,879,066
7.25% 9/25/23	285,000	322,059

	Principal Amount(a)	Value
Springleaf Finance Corp.:		
5.375% 11/15/29	\$ 500,000	\$ 521,900
6.625% 1/15/28	385,000	434,588
6.875% 3/15/25	2,580,000	2,934,750
7.125% 3/15/26	3,405,000	3,936,861
		<u>41,064,906</u>
<b>Disc-Real Estate Inv Trusts – 0.0%</b>		
The GEO Group, Inc. 5.125% 4/1/23	515,000	482,813
<b>Diversified Financial Services – 1.1%</b>		
1MDB Global Investments Ltd. 4.4% 3/9/23	2,000,000	1,943,750
Avolon Holdings Funding Ltd.:		
5.125% 10/1/23 (b)	175,000	188,629
5.25% 5/15/24 (b)	950,000	1,037,001
5.5% 1/15/23 (b)	280,000	301,862
Cimpor Financial Operations BV 5.75% 7/17/24 (b)	820,000	680,344
Enviva Partners LP / Enviva Partners Finance Corp. 6.5% 1/15/26 (b)	595,000	637,025
Icahn Enterprises LP/Icahn Enterprises Finance Corp.:		
5.25% 5/15/27 (b)	1,075,000	1,099,327
6.25% 5/15/26	1,290,000	1,373,850
6.375% 12/15/25	2,785,000	2,920,769
6.75% 2/1/24	535,000	555,063
James Hardie International Finance Ltd.:		
4.75% 1/15/25 (b)	450,000	466,875
5% 1/15/28 (b)	455,000	477,750
KfW 1.125% 5/9/33 (Reg. S)	EUR 2,700,000	3,361,499
Park Aerospace Holdings Ltd.:		
4.5% 3/15/23 (b)	225,000	235,575
5.25% 8/15/22 (b)	485,000	516,719
5.5% 2/15/24 (b)	40,000	43,916
Sparc Em Spc 0% 12/5/22 (b)	126,824	121,753
Starfruit Finco BV / Starfruit U.S. Holdco LLC 8% 10/1/26 (b)	545,000	577,700
Tempo Acquisition LLC 6.75% 6/1/25 (b)	475,000	490,438
Vedanta Resources Finance II PLC 9.25% 4/23/26 (b)	330,000	328,838
		<u>17,358,683</u>
<b>Insurance – 0.2%</b>		
Acrisure LLC 10.125% 8/1/26 (b)	605,000	651,888
Acrisure LLC / Acrisure Finance, Inc.:		
7% 11/15/25 (b)	910,000	878,150
8.125% 2/15/24 (b)	685,000	744,938
Alliant Holdings Intermediate LLC 6.75% 10/15/27 (b)	300,000	321,285
AmWINS Group, Inc. 7.75% 7/1/26 (b)	300,000	331,539
HUB International Ltd. 7% 5/1/26 (b)	595,000	629,213
		<u>3,557,013</u>
<b>Mortgage Real Estate Investment Trusts – 0.1%</b>		
Starwood Property Trust, Inc. 4.75% 3/15/25	595,000	627,725
<b>Thriffs &amp; Mortgage Finance – 0.1%</b>		
Nationwide Building Society 2% 7/25/29 (Reg. S) (c)	EUR 1,144,000	1,333,114
		<u>84,455,228</u>
<b>HEALTH CARE – 3.5%</b>		
<b>Health Care Equipment &amp; Supplies – 0.2%</b>		
Becton Dickinson Euro Finance SARL 1.208% 6/4/26	EUR 1,983,000	2,277,602

See accompanying notes which are an integral part of the financial statements.

## Schedule of Investments – continued

Corporate Bonds – continued		Principal Amount(a)	Value			Principal Amount(a)	Value
<b>Nonconvertible Bonds – continued</b>				<b>Pharmaceuticals – 0.6%</b>			
<b>HEALTH CARE – continued</b>				Catalent Pharma Solutions:			
<b>Health Care Equipment &amp; Supplies – continued</b>				4.875% 1/15/26 (b)			
Hologic, Inc.:				5% 7/15/27 (b)			
4.375% 10/15/25 (b)				\$	205,000	\$	212,175
4.625% 2/1/28 (b)					205,000		214,738
NVA Holdings, Inc. 6.875% 4/1/26 (b)				EUR	1,859,000		2,365,876
Teleflex, Inc. 4.625% 11/15/27							
		\$	320,000				
			215,000				
			330,000				
			255,000				
			<u>3,462,967</u>				
<b>Health Care Providers &amp; Services – 2.5%</b>				Teva Pharmaceutical Finance Co. BV:			
BCPE Cycle Merger Sub II, Inc. 10.625% 7/15/27 (b)					250,000		238,750
Centene Corp.:					75,000		73,406
4.25% 12/15/27 (b)					45,000		44,044
4.625% 12/15/29 (b)							
4.75% 1/15/25 (b)							
5.375% 6/1/26 (b)							
Community Health Systems, Inc.:							
8% 3/15/26 (b)					745,000		764,661
8.125% 6/30/24 (b)					745,000		772,565
8.625% 1/15/24 (b)					1,573,000		1,643,785
9.875% 6/30/23 (b)					165,000		179,025
Encompass Health Corp.:					1,280,000		1,408,000
5.125% 3/15/23					640,000		731,200
5.75% 11/1/24					1,120,000		<u>1,275,456</u>
HCA Holdings, Inc.:							<u>9,923,681</u>
4.75% 5/1/23							
5.25% 6/15/26							
5.375% 2/1/25							
5.375% 9/1/26							
5.625% 9/1/28							
5.875% 5/1/23							
5.875% 2/15/26							
5.875% 2/1/29							
Horizon Pharma U.S.A., Inc. 5.5% 8/1/27 (b)							
MPH Acquisition Holdings LLC 7.125% 6/1/24 (b)							
Polaris Intermediate Corp. 8.5% 12/1/22 pay-in-kind (b)(c)							
Tenet Healthcare Corp.:							
4.625% 7/15/24							
4.625% 9/1/24 (b)							
4.875% 1/1/26 (b)							
5.125% 5/1/25							
5.125% 11/1/27 (b)							
6.25% 2/1/27 (b)							
Vizient, Inc. 6.25% 5/15/27 (b)							
Wellcare Health Plans, Inc.:							
5.25% 4/1/25							
5.375% 8/15/26 (b)							
			3415,000				
			3507,000				
			2,400,000				
			1,825,000				
			330,000				
			662,000				
			630,000				
			750,000				
			1,010,000				
			635,000				
			1,565,000				
			1,925,000				
			2,635,000				
			1,815,000				
			650,000				
			335,000				
			1,585,000				
			305,000				
			650,000				
			1,625,000				
			305,000				
			975,000				
			955,000				
			145,000				
			475,000				
			385,000				
			<u>39,270,367</u>				
			640,000				
			<u>677,027</u>				
			625,000				
			185,000				
			<u>188,469</u>				
			<u>854,863</u>				
<b>Health Care Technology – 0.1%</b>				<b>Pharmaceuticals – 0.6%</b>			
IMS Health, Inc. 5% 5/15/27 (b)				Mylan NV 3.125% 11/22/28 (Reg. S)			
<b>Life Sciences Tools &amp; Services – 0.1%</b>				Teva Pharmaceutical Finance Co. BV:			
Avantor, Inc. 6% 10/1/24 (b)				2.95% 12/18/22			
Charles River Laboratories International, Inc. 4.25%				3.65% 11/10/21			
5/1/28 (b)				Teva Pharmaceutical Finance IV BV 3.65% 11/10/21			
			185,000	Valeant Pharmaceuticals International, Inc.:			
			<u>854,863</u>	5% 1/30/28 (b)			
				5.25% 1/30/30 (b)			
				5.5% 11/1/25 (b)			
				5.75% 8/15/27 (b)			
				7% 1/15/28 (b)			
				7.25% 5/30/29 (b)			
				8.5% 1/31/27 (b)			
				745,000			
				745,000			
				1,573,000			
				165,000			
				1,280,000			
				640,000			
				1,120,000			
				<u>9,923,681</u>			
				TOTAL HEALTH CARE			
				54,188,905			
<b>INDUSTRIALS – 2.6%</b>				<b>Aerospace &amp; Defense – 1.4%</b>			
<b>Aerospace &amp; Defense – 1.4%</b>				BBA U.S. Holdings, Inc. 5.375% 5/1/26 (b)			
Bombardier, Inc.:				225,000			
6.125% 1/15/23 (b)				236,837			
7.5% 12/1/24 (b)				570,000			
7.5% 3/15/25 (b)				160,000			
7.875% 4/15/27 (b)				168,101			
BWX Technologies, Inc. 5.375% 7/15/26 (b)				2,495,000			
DAE Funding LLC 4% 8/1/20 (b)				2,572,944			
Moog, Inc. 4.25% 12/15/27 (b)				1,790,000			
TransDigm UK Holdings PLC 6.875% 5/15/26				1,841,463			
TransDigm, Inc.:				430,000			
5.5% 11/15/27 (b)				455,800			
6.25% 3/15/26 (b)				260,000			
6.375% 6/15/26				261,175			
6.5% 5/15/25				185,000			
7.5% 3/15/27				188,256			
Wolverine Escrow LLC:				1,805,000			
8.5% 11/15/24 (b)				1,922,325			
9% 11/15/26 (b)				5,145,000			
13.125% 11/15/27 (b)				5,202,778			
975,000				955,000			
1,029,844				3,145,000			
1,027,819				835,000			
155,150				960,000			
494,000				745,000			
410,025				871,075			
<u>39,270,367</u>				1,045,000			
677,027				595,000			
666,394				<u>611,363</u>			
188,469				<u>22,199,249</u>			
854,863				<b>Air Freight &amp; Logistics – 0.1%</b>			
				Rumo Luxembourg Sarl 7.375% 2/9/24 (b)			
				1,260,000			
				<u>1,357,256</u>			
				<b>Airlines – 0.1%</b>			
				Air Canada 2013-1 Pass Through Trust 5.375%			
				11/15/22 (b)			
				99,724			
				102,514			
				Azul Investments LLP 5.875% 10/26/24 (b)			
				555,000			
				575,292			
				Continental Airlines, Inc. pass-thru certificates 6.903%			
				10/19/23			
				6,598			
				6,945			
				Delta Air Lines, Inc. pass-thru trust certificates 8.021%			
				2/10/24			
				82,552			
				90,275			
				Hawaiian Airlines pass-thru certificates Series 2013-1 Class B,			
				4.95% 7/15/23			
				186,960			
				190,376			

See accompanying notes which are an integral part of the financial statements.

## Corporate Bonds – continued

	Principal Amount(a)	Value
<b>Nonconvertible Bonds – continued</b>		
<b>INDUSTRIALS – continued</b>		
<b>Airlines – continued</b>		
U.S. Airways pass-thru certificates:		
Series 2011-1 Class A, 7.125% 4/22/25	\$ 241,380	\$ 270,967
Series 2012-2 Class B, 6.75% 12/3/22	131,466	137,986
Series 2013-1 Class B, 5.375% 5/15/23	175,935	183,024
		<u>1,557,379</u>
<b>Building Products – 0.0%</b>		
Advanced Drain Systems, Inc. 5% 9/30/27 (b)	125,000	128,906
Elementia S.A.B. de CV 5.5% 1/15/25 (b)	347,000	351,338
		<u>480,244</u>
<b>Commercial Services &amp; Supplies – 0.4%</b>		
ADS Waste Holdings, Inc. 5.625% 11/15/24 (b)	565,000	587,600
Covanta Holding Corp.:		
5.875% 3/1/24	1,870,000	1,923,763
5.875% 7/1/25	165,000	174,075
6% 1/1/27	585,000	617,175
IAA Spinco, Inc. 5.5% 6/15/27 (b)	250,000	265,625
KAR Auction Services, Inc. 5.125% 6/1/25 (b)	525,000	546,000
Kissner Holdings LP/Kissner Milling Co. Ltd./BSC Holding, Inc./Kissner U.S.A. 8.375% 12/1/22 (b)	530,000	554,513
Ritchie Bros. Auctioneers, Inc. 5.375% 1/15/25 (b)	190,000	198,075
The Brink's Co. 4.625% 10/15/27 (b)	620,000	638,600
		<u>5,505,426</u>
<b>Construction &amp; Engineering – 0.1%</b>		
AECOM 5.125% 3/15/27	625,000	671,875
JMC Steel Group, Inc. 9.875% 6/15/23 (b)	162,000	170,303
Odebrecht Finance Ltd.:		
4.375% 4/25/25 (b) (d)	1,530,000	69,328
5.25% 6/27/29 (b) (d)	580,000	28,855
7.125% 6/26/42 (b) (d)	1,406,000	63,270
		<u>1,003,631</u>
<b>Electrical Equipment – 0.1%</b>		
Sensata Technologies BV 5% 10/1/25 (b)	575,000	624,594
Vertiv Group Corp. 9.25% 10/15/24 (b)	405,000	435,375
		<u>1,059,969</u>
<b>Industrial Conglomerates – 0.0%</b>		
Türk Sise ve Cam Fabrikalari A/S:		
4.25% 5/9/20 (b)	17,000	16,958
6.95% 3/14/26 (b)	220,000	233,475
		<u>250,433</u>
<b>Machinery – 0.0%</b>		
Stevens Holding Co., Inc. 6.125% 10/1/26 (b)	155,000	169,338
<b>Marine – 0.0%</b>		
Navios South American Logistics, Inc./Navios Logistics Finance U.S., Inc. 7.25% 5/1/22 (b)		
	490,000	477,750
<b>Professional Services – 0.0%</b>		
ASGN, Inc. 4.625% 5/15/28 (b)	510,000	524,219
<b>Road &amp; Rail – 0.2%</b>		
JSC Georgian Railway 7.75% 7/11/22 (b)	100,000	109,500
Uber Technologies, Inc.:		
7.5% 9/15/27 (b)	1,120,000	1,149,053
8% 11/1/26 (b)	1,360,000	1,417,800

	Principal Amount(a)	Value
Ukraine Railways via Shortline PLC 9.875% 9/15/21 (b)	\$ 328,000	\$ 340,300
		<u>3,016,653</u>
<b>Trading Companies &amp; Distributors – 0.1%</b>		
FLY Leasing Ltd. 5.25% 10/15/24	490,000	510,825
United Rentals North America, Inc.:		
3.875% 11/15/27	300,000	306,285
5.5% 5/15/27	405,000	433,864
		<u>1,250,974</u>
<b>Transportation Infrastructure – 0.1%</b>		
Aeropuertos Argentina 2000 SA 6.875% 2/1/27 (b)	1,141,875	1,094,416
DP World Ltd. 5.625% 9/25/48 (b)	195,000	225,286
		<u>1,319,702</u>
<b>TOTAL INDUSTRIALS</b>		
		<u>40,172,223</u>
<b>INFORMATION TECHNOLOGY – 0.9%</b>		
<b>Communications Equipment – 0.1%</b>		
HTA Group Ltd. 9.125% 3/8/22 (b)	565,000	583,186
IHS Netherlands Holdco BV 7.125% 3/18/25 (b)	665,000	693,263
		<u>1,276,449</u>
<b>Electronic Equipment &amp; Components – 0.0%</b>		
MTS Systems Corp. 5.75% 8/15/27 (b)	170,000	177,650
<b>IT Services – 0.3%</b>		
Banff Merger Sub, Inc. 9.75% 9/1/26 (b)	1,845,000	1,868,063
Camelot Finance SA 4.5% 11/1/26 (b)	570,000	585,675
CDW LLC/CDW Finance Corp. 5% 9/1/25	335,000	350,075
Fidelity National Information Services, Inc. 1.5% 5/21/27	EUR 1,432,000	1,696,531
Go Daddy Operating Co. LLC / GD Finance Co., Inc. 5.25% 12/1/27 (b)	500,000	526,250
GTT Communications, Inc. 7.875% 12/31/24 (b)	30,000	22,641
		<u>5,049,235</u>
<b>Semiconductors &amp; Semiconductor Equipment – 0.0%</b>		
Qorvo, Inc. 5.5% 7/15/26	300,000	319,500
Sensata Technologies UK Financing Co. PLC 6.25% 2/15/26 (b)	585,000	630,338
		<u>949,838</u>
<b>Software – 0.4%</b>		
Ascend Learning LLC:		
6.875% 8/1/25 (b)	210,000	220,500
6.875% 8/1/25 (b)	630,000	661,500
CDK Global, Inc. 5.875% 6/15/26	225,000	240,363
Ensemble S Merger Sub, Inc. 9% 9/30/23 (b)	970,000	996,675
Fair Isaac Corp. 4% 6/15/28 (b)	580,000	584,350
JDA Escrow LLC/JDA Bond Finance, Inc. 7.375% 10/15/24 (b)	225,000	233,719
Nortonlifelock, Inc. 5% 4/15/25 (b)	530,000	541,276
Open Text Corp. 5.875% 6/1/26 (b)	465,000	497,550
Parametric Technology Corp. 6% 5/15/24	190,000	198,313
Veritas U.S., Inc./Veritas Bermuda Ltd.:		
7.5% 2/1/23 (b)	875,000	872,813
10.5% 2/1/24 (b)	1,087,000	1,005,475
		<u>6,052,534</u>

See accompanying notes which are an integral part of the financial statements.

## Schedule of Investments – continued

### Corporate Bonds – continued

	Principal Amount(a)	Value
<b>Nonconvertible Bonds – continued</b>		
<b>INFORMATION TECHNOLOGY – continued</b>		
<b>Technology Hardware, Storage &amp; Peripherals – 0.1%</b>		
NCR Corp.:		
5.75% 9/1/27 (b)	\$ 485,000	\$ 516,525
6.125% 9/1/29 (b)	485,000	526,283
		<u>1,042,808</u>
TOTAL INFORMATION TECHNOLOGY		<u>14,548,514</u>
<b>MATERIALS – 2.6%</b>		
<b>Chemicals – 0.5%</b>		
Braskem Idesa SAPI 7.45% 11/15/29 (b)	375,000	398,438
Element Solutions, Inc. 5.875% 12/1/25 (b)	945,000	988,706
LSB Industries, Inc. 9.625% 5/1/23 (b)	310,000	318,330
Neon Holdings, Inc. 10.125% 4/1/26 (b)	635,000	631,825
NOVA Chemicals Corp.:		
4.875% 6/1/24 (b)	770,000	795,025
5.25% 6/1/27 (b)	660,000	678,150
OCI NV:		
5.25% 11/1/24 (b)	895,000	928,563
6.625% 4/15/23 (b)	270,000	281,475
OCP SA 6.875% 4/25/44 (b)	95,000	121,036
Petkim Petrokimya Holding A/S 5.875% 1/26/23 (b)	1,055,000	1,056,978
SABIC Capital II BV 4% 10/10/23 (b)	560,000	588,980
SunCoke Energy Partners LP/SunCoke Energy Partners Finance Corp. 7.5% 6/15/25 (b)	495,000	476,027
The Chemours Co. LLC 5.375% 5/15/27	110,000	97,350
Valvoline, Inc. 5.5% 7/15/24	230,000	238,625
		<u>7,599,508</u>
<b>Construction Materials – 0.1%</b>		
CEMEX Finance LLC 6% 4/1/24 (b)	200,000	205,250
CEMEX S.A.B. de CV 7.75% 4/16/26 (b)	215,000	234,888
Summit Materials LLC/Summit Materials Finance Corp.		
5.125% 6/1/25 (b)	260,000	267,150
U.S. Concrete, Inc. 6.375% 6/1/24	300,000	313,125
		<u>1,020,413</u>
<b>Containers &amp; Packaging – 0.4%</b>		
ARD Finance SA 6.5% 6/30/27 pay-in-kind (b) (c)	595,000	615,200
Cascades, Inc.:		
5.125% 1/15/26 (b)	300,000	308,250
5.375% 1/15/28 (b)	300,000	308,250
Crown Cork & Seal, Inc.:		
7.375% 12/15/26	1,210,000	1,436,875
7.5% 12/15/96	160,000	176,400
Labl Escrow Issuer LLC:		
6.75% 7/15/26 (b)	975,000	1,035,938
10.5% 7/15/27 (b)	650,000	664,430
Trivium Packaging Finance BV:		
5.5% 8/15/26 (b)	375,000	395,156
8.5% 8/15/27 (b)	645,000	717,563
		<u>5,658,062</u>
<b>Metals &amp; Mining – 1.6%</b>		
Alcoa Nederland Holding BV:		
6.125% 5/15/28 (b)	200,000	216,500

	Principal Amount(a)	Value
6.75% 9/30/24 (b)	\$ 430,000	\$ 452,399
7% 9/30/26 (b)	355,000	387,412
Aleris International, Inc. 6% 6/1/20 (b) (e)	1,759	1,759
Algoma Steel SCA 0% 12/31/23 (e)	102,200	77,672
ArcelorMittal SA 1.75% 11/19/25 (Reg. S)	EUR 1,788,000	2,033,634
Celtic Resources Holdings DAC 4.125% 10/9/24 (b)	300,000	308,981
Cleveland-Cliffs, Inc.:		
4.875% 1/15/24 (b)	620,000	633,144
5.75% 3/1/25	160,000	157,900
5.875% 6/1/27 (b)	960,000	921,600
Commercial Metals Co. 5.75% 4/15/26	460,000	480,700
Compass Minerals International, Inc. 6.75% 12/1/27 (b)	1,305,000	1,386,563
CSN Resources SA:		
6.5% 7/21/20 (b)	593,000	601,339
7.625% 2/13/23 (b)	1,500,000	1,600,313
First Quantum Minerals Ltd.:		
6.5% 3/1/24 (b)	440,000	440,960
6.875% 3/1/26 (b)	1,265,000	1,278,039
7.25% 4/1/23 (b)	1,655,000	1,713,753
7.5% 4/1/25 (b)	740,000	759,680
FMG Resources (August 2006) Pty Ltd.:		
4.5% 9/15/27 (b)	485,000	497,125
4.75% 5/15/22 (b)	405,000	418,163
5.125% 3/15/23 (b)	650,000	686,563
5.125% 5/15/24 (b)	495,000	525,938
Freeport-McMoRan, Inc. 5.45% 3/15/43	280,000	289,800
Gold Fields Orogen Holding BVI Ltd.:		
4.875% 10/7/20 (b)	225,000	228,375
5.125% 5/15/24 (b)	100,000	106,750
Infrabuild Australia Pty Ltd. 12% 10/1/24 (b)	485,000	499,928
Joseph T Ryerson & Son, Inc. 11% 5/15/22 (b)	350,000	369,250
Kaiser Aluminum Corp. 4.625% 3/1/28 (b)	595,000	610,470
Metinvest BV 7.75% 4/23/23 (b)	1,376,000	1,443,080
Mineral Resources Ltd. 8.125% 5/1/27 (b)	960,000	1,053,600
Murray Energy Corp.:		
11.25% 4/15/21 (b) (d)	490,000	5
12% 4/15/24 pay-in-kind (b) (c) (d)	548,100	5
Polyus Finance PLC 5.25% 2/7/23 (b)	225,000	239,906
POSCO 4% 8/1/23 (b)	270,000	282,375
PT Bukit Makmur Mandiri Utama 7.75% 2/13/22 (b)	985,000	1,018,244
Stillwater Mining Co. 6.125% 6/27/22 (b)	1,285,000	1,313,913
United States Steel Corp. 6.25% 3/15/26	615,000	525,887
Usiminas International SARL 5.875% 7/18/26 (b)	245,000	255,106
Vedanta Resources PLC:		
6.375% 7/30/22 (b)	1,905,000	1,865,114
8.25% 6/7/21 (b)	85,000	88,267
		<u>25,770,212</u>
<b>Paper &amp; Forest Products – 0.0%</b>		
Boise Cascade Co. 5.625% 9/1/24 (b)	225,000	234,000
Mercer International, Inc. 7.375% 1/15/25	650,000	699,693
NewPage Corp. 3 month U.S. LIBOR + 6.250% 6.7159% 5/1/12 (c) (d) (e) (f)	90,000	0
		<u>933,693</u>
TOTAL MATERIALS		<u>40,981,888</u>

See accompanying notes which are an integral part of the financial statements.

## Corporate Bonds – continued

	Principal Amount(a)	Value
<b>Nonconvertible Bonds – continued</b>		
<b>REAL ESTATE – 0.6%</b>		
<b>Equity Real Estate Investment Trusts (REITs) – 0.5%</b>		
Crown Castle International Corp. 5.25% 1/15/23	\$ 1,530,000	\$ 1,661,307
Iron Mountain, Inc. 4.875% 9/15/29 (b)	1,300,000	1,320,540
MPT Operating Partnership LP/MPT Finance Corp.:		
4.625% 8/1/29	970,000	999,100
5% 10/15/27	1,295,000	1,372,700
5.25% 8/1/26	390,000	412,012
6.375% 3/1/24	195,000	202,794
The GEO Group, Inc.:		
5.875% 10/15/24	330,000	299,475
6% 4/15/26	511,000	453,513
VICI Properties, Inc.:		
4.25% 12/1/26 (b)	1,140,000	1,174,200
4.625% 12/1/29 (b)	650,000	679,250
		<u>8,574,891</u>
<b>Real Estate Management &amp; Development – 0.1%</b>		
Howard Hughes Corp. 5.375% 3/15/25 (b)	665,000	693,263
Inversiones y Representaciones SA 11.5% 7/20/20 (Reg. S)	85,000	82,344
Taylor Morrison Communities, Inc./Monarch Communities, Inc.:		
5.625% 3/1/24 (b)	65,000	70,200
5.875% 6/15/27 (b)	495,000	544,500
		<u>1,390,307</u>
<b>TOTAL REAL ESTATE</b>		<u>9,965,198</u>
<b>UTILITIES – 1.6%</b>		
<b>Electric Utilities – 1.1%</b>		
Clearway Energy Operating LLC 4.75% 3/15/28 (b)	365,000	370,019
Eskom Holdings SOC Ltd.:		
5.75% 1/26/21 (b)	2,631,000	2,634,289
5.75% 1/26/21 (Reg. S)	600,000	600,750
6.75% 8/6/23 (b)	450,000	457,875
7.125% 2/11/25 (b)	375,000	382,969
Lamar Funding Ltd. 3.958% 5/7/25 (b)	50,000	48,750
NextEra Energy Partners LP:		
4.25% 9/15/24 (b)	415,000	431,600
4.5% 9/15/27 (b)	290,000	302,325
Pacific Gas & Electric Co.:		
3.5% 10/1/20 (d)	303,000	303,758
3.75% 8/15/42 (d)	555,000	555,000
3.95% 12/1/47 (d)	2,880,000	2,857,824
4% 12/1/46 (d)	1,315,000	1,305,138
4.25% 3/15/46 (d)	125,000	126,250
4.3% 3/15/45 (d)	315,000	319,725
5.8% 3/1/37 (d)	693,000	722,453
6.05% 3/1/34 (d)	2,110,000	2,210,225
Pampa Holding SA 7.5% 1/24/27 (b)	195,000	165,689
Vistra Operations Co. LLC:		
5% 7/31/27 (b)	1,220,000	1,274,876

	Principal Amount(a)	Value
5.5% 9/1/26 (b)	\$ 820,000	\$ 869,200
5.625% 2/15/27 (b)	1,495,000	1,575,356
		<u>17,514,071</u>
<b>Gas Utilities – 0.1%</b>		
Southern Natural Gas Co.:		
7.35% 2/15/31	175,000	231,195
8% 3/1/32	335,000	484,743
		<u>715,938</u>
<b>Independent Power and Renewable Electricity Producers – 0.4%</b>		
NextEra Energy Partners LP 4.25% 7/15/24 (b)		
	650,000	676,813
NRG Energy, Inc.:		
5.75% 1/15/28	1,740,000	1,887,900
6.625% 1/15/27	1,345,000	1,459,325
Pattern Energy Group, Inc. 5.875% 2/1/24 (b)	295,000	303,481
TerraForm Power Operating LLC:		
4.25% 1/31/23 (b)	320,000	329,430
4.75% 1/15/30 (b)	600,000	610,500
5% 1/31/28 (b)	320,000	338,339
The AES Corp. 4.5% 3/15/23	260,000	266,500
		<u>5,872,288</u>
<b>TOTAL UTILITIES</b>		<u>24,102,297</u>
<b>TOTAL NONCONVERTIBLE BONDS</b>		<u>522,186,611</u>
<b>TOTAL CORPORATE BONDS</b>		<u>523,593,201</u>
(Cost \$508,523,505)		

## U.S. Government and Government Agency Obligations – 17.5%

<b>U.S. Government Agency Obligations – 0.1%</b>		
Private Export Funding Corp. Secured 1.75% 11/15/24	1,030,000	1,021,806
Tennessee Valley Authority:		
5.25% 9/15/39	126,000	173,430
5.375% 4/1/56	302,000	457,165
<b>TOTAL U.S. GOVERNMENT AGENCY OBLIGATIONS</b>		<u>1,652,401</u>
<b>U.S. Treasury Obligations – 17.1%</b>		
U.S. Treasury Bonds:		
2.375% 11/15/49	3,088,000	3,074,123
2.5% 2/15/45	17,524,000	17,857,812
2.875% 5/15/49	1,000,000	1,102,088
3% 2/15/48	472,000	529,991
3% 2/15/49	18,291,000	20,611,000
4.75% 2/15/37 (g) (h)	8,126,000	11,169,431
6.25% 8/15/23 (g)	2,249,000	2,611,052
U.S. Treasury Notes:		
1.375% 4/30/20	2,787,000	2,784,381
1.375% 8/31/23	500,000	495,012
1.5% 7/15/20	1,668,000	1,666,951
1.5% 8/31/21	2,000,000	1,996,416
1.5% 9/30/21	10,516,000	10,497,337
1.5% 9/30/24	2,995,000	2,967,217
1.5% 10/31/24	1,180,000	1,169,039

See accompanying notes which are an integral part of the financial statements.

## Schedule of Investments – continued

### U.S. Government and Government Agency Obligations – continued

	Principal Amount(a)	Value
<b>U.S. Treasury Obligations – continued</b>		
U.S. Treasury Notes: – continued		
1.625% 7/31/20	\$ 1,500,000	\$ 1,499,928
1.625% 8/31/22	4,833,000	4,834,578
1.625% 5/31/23	760,000	759,504
1.625% 9/30/26	8,282,000	8,173,506
1.625% 11/30/26	5,188,000	5,116,104
1.625% 8/15/29	2,200,000	2,141,527
1.75% 7/31/21	1,475,000	1,478,273
2% 9/30/20	3,047,000	3,054,754
2% 8/15/25	768,000	777,708
2% 11/15/26	8,354,000	8,440,853
2.125% 12/31/22	553,000	561,101
2.125% 3/31/24	5,843,000	5,946,525
2.125% 7/31/24	9,671,000	9,850,134
2.125% 5/15/25	1,911,000	1,948,425
2.25% 2/29/20	1,000,000	1,000,917
2.25% 3/31/21	800,000	806,000
2.25% 4/30/21	1,350,000	1,361,211
2.25% 7/31/21	1,379,000	1,392,634
2.25% 4/30/24	3,531,000	3,612,825
2.25% 12/31/24	8,414,000	8,629,794
2.25% 3/31/26	3,329,000	3,417,004
2.375% 4/15/21	9,090,000	9,176,416
2.375% 5/15/29	1,325,000	1,376,113
2.5% 12/31/20	15,611,000	15,740,111
2.5% 1/31/21	2,753,000	2,777,988
2.5% 2/28/21	5,080,000	5,129,013
2.5% 1/15/22	27,856,000	28,351,070
2.5% 1/31/24	630,000	650,212
2.5% 2/28/26	8,215,000	8,551,916
2.625% 8/31/20	5,000,000	5,031,931
2.625% 12/31/23	8,827,000	9,148,958
2.625% 2/15/29	5,072,000	5,371,405
2.75% 9/30/20	9,640,000	9,717,250
2.75% 6/30/25	6,174,000	6,496,897
2.875% 11/30/25	3,892,000	4,130,777
3.125% 11/15/28	1,580,000	1,736,062
<b>TOTAL U.S. TREASURY OBLIGATIONS</b>		<u>266,721,274</u>
<b>Other Government Related – 0.3%</b>		
National Credit Union Administration Guaranteed Notes:		
Series 2010-A1 Class A, 1 month U.S. LIBOR + 0.350%		
2.0676% 12/7/20 (NCUA Guaranteed) (c) (f)	65,892	65,872
Series 2011-R1 Class 1A, 1 month U.S. LIBOR + 0.450%		
2.1631% 1/8/20 (NCUA Guaranteed) (c) (f)	76,445	76,512
National Credit Union Administration Guaranteed Notes Master Trust		
3.45% 6/12/21 (NCUA Guaranteed)	3,400,000	3,470,553
<b>TOTAL OTHER GOVERNMENT RELATED</b>		<u>3,612,937</u>
<b>TOTAL U.S. GOVERNMENT AND GOVERNMENT AGENCY OBLIGATIONS</b>		<u>271,986,612</u>
(Cost \$262,705,510)		

### U.S. Government Agency – Mortgage Securities – 1.7%

	Principal Amount(a)	Value
<b>Fannie Mae – 0.3%</b>		
12 month U.S. LIBOR + 1.365% 3.693% 10/1/35 (c) (f)	\$ 752	\$ 781
12 month U.S. LIBOR + 1.490% 4.233% 1/1/35 (c) (f)	3,360	3,482
12 month U.S. LIBOR + 1.553% 4.345% 6/1/36 (c) (f)	586	611
12 month U.S. LIBOR + 1.565% 4.69% 3/1/37 (c) (f)	1,395	1,445
12 month U.S. LIBOR + 1.610% 4.26% 3/1/33 (c) (f)	2,292	2,379
12 month U.S. LIBOR + 1.640% 4.157% 6/1/47 (c) (f)	2,689	2,826
12 month U.S. LIBOR + 1.650% 4.346% 11/1/36 (c) (f)	880	918
12 month U.S. LIBOR + 1.710% 4.585% 6/1/42 (c) (f)	6,546	6,760
12 month U.S. LIBOR + 1.730% 4.647% 7/1/35 (c) (f)	5,100	5,314
12 month U.S. LIBOR + 1.760% 4.705% 2/1/37 (c) (f)	8,503	8,859
12 month U.S. LIBOR + 1.800% 4.499% 7/1/41 (c) (f)	10,191	10,654
12 month U.S. LIBOR + 1.800% 4.708% 1/1/42 (c) (f)	23,503	24,306
12 month U.S. LIBOR + 1.810% 4.537% 7/1/41 (c) (f)	6,112	6,364
12 month U.S. LIBOR + 1.810% 4.894% 2/1/42 (c) (f)	25,124	26,023
12 month U.S. LIBOR + 1.818% 4.068% 9/1/41 (c) (f)	4,362	4,558
12 month U.S. LIBOR + 1.830% 3.907% 10/1/41 (c) (f)	3,733	3,879
12 month U.S. LIBOR + 1.851% 4.58% 5/1/36 (c) (f)	456	477
12 month U.S. LIBOR + 1.885% 4.926% 4/1/36 (c) (f)	7,281	7,628
12 month U.S. LIBOR + 1.890% 4.768% 8/1/35 (c) (f)	3,087	3,230
6 month U.S. LIBOR + 1.550% 3.865% 9/1/33 (c) (f)	7,673	7,931
3% 5/1/33 to 7/1/33	574,137	591,914
3.5% 7/1/32	952,318	993,666
4% 5/1/29	569,797	594,433
4.5% 11/1/25	99,275	103,106
5.5% 12/1/39 to 5/1/44	1,753,425	1,956,212
6% to 6% 1/1/34 to 6/1/36	210,199	239,980
6.5% 5/1/26 to 8/1/36	202,783	232,472
<b>TOTAL FANNIE MAE</b>		<u>4,840,208</u>
<b>Freddie Mac – 0.2%</b>		
12 month U.S. LIBOR + 1.320% 3.832% 1/1/36 (c) (f)	1,706	1,760
12 month U.S. LIBOR + 1.600% 4.35% 7/1/35 (c) (f)	1,508	1,571
12 month U.S. LIBOR + 1.665% 4.79% 7/1/36 (c) (f)	121,775	126,482
12 month U.S. LIBOR + 1.750% 4.006% 9/1/41 (c) (f)	59,127	61,301
12 month U.S. LIBOR + 1.790% 4.109% 4/1/37 (c) (f)	1,929	2,016
12 month U.S. LIBOR + 1.870% 4.817% 4/1/41 (c) (f)	2,561	2,660
12 month U.S. LIBOR + 1.880% 3.838% 10/1/41 (c) (f)	37,124	38,552
12 month U.S. LIBOR + 1.880% 4.13% 9/1/41 (c) (f)	5,166	5,397
12 month U.S. LIBOR + 1.880% 4.443% 10/1/42 (c) (f)	31,808	33,149
12 month U.S. LIBOR + 1.910% 4.66% 6/1/41 (c) (f)	5,113	5,324
12 month U.S. LIBOR + 1.910% 4.734% 6/1/41 (c) (f)	8,645	9,004
12 month U.S. LIBOR + 1.910% 4.785% 5/1/41 (c) (f)	6,803	7,142
12 month U.S. LIBOR + 1.910% 4.813% 5/1/41 (c) (f)	7,748	8,060
12 month U.S. LIBOR + 2.045% 4.784% 7/1/36 (c) (f)	2,761	2,898
6 month U.S. LIBOR + 1.445% 3.695% 3/1/35 (c) (f)	937	968
6 month U.S. LIBOR + 1.660% 3.915% 1/1/37 (c) (f)	3,593	3,734
6 month U.S. LIBOR + 1.661% 4.199% 2/1/37 (c) (f)	1,522	1,577
6 month U.S. LIBOR + 1.720% 4.247% 8/1/37 (c) (f)	2,713	2,820
6 month U.S. LIBOR + 1.740% 3.83% 5/1/37 (c) (f)	724	754
6 month U.S. LIBOR + 1.840% 4.078% 10/1/36 (c) (f)	7,630	7,960
6 month U.S. LIBOR + 1.860% 4.061% 10/1/35 (c) (f)	3,970	4,134
6 month U.S. LIBOR + 2.010% 4.01% 5/1/37 (c) (f)	2,681	2,797

See accompanying notes which are an integral part of the financial statements.



## U.S. Government Agency – Mortgage Securities – continued

	Principal Amount(a)	Value
<b>Freddie Mac – continued</b>		
6 month U.S. LIBOR + 2.010% 4.203% 5/1/37 (c) (f)	\$ 3,605	\$ 3,763
6 month U.S. LIBOR + 2.020% 4.096% 6/1/37 (c) (f)	1,393	1,454
6 month U.S. LIBOR + 2.040% 4.349% 6/1/37 (c) (f)	2,098	2,190
6 month U.S. LIBOR + 2.270% 4.488% 10/1/35 (c) (f)	557	583
U.S. TREASURY 1 YEAR INDEX + 2.035% 4.573% 6/1/33 (c) (f)	6,594	6,913
U.S. TREASURY 1 YEAR INDEX + 2.548% 4.956% 7/1/35 (c) (f)	4,352	4,588
3% 4/1/33 to 11/1/33	1,768,422	1,823,777
3.5% 7/1/32	340,060	355,034
6% 1/1/24	27,600	28,994
6.5% 9/1/21 to 3/1/22	3,490	3,601
<b>TOTAL FREDDIE MAC</b>		<b>2,560,957</b>
<b>Ginnie Mae – 0.9%</b>		
6% 6/15/36	176,869	200,782
3.5% 8/20/42 to 8/20/47	3,623,644	3,797,320
4% 3/20/47 to 7/20/47	1,789,083	1,869,006
4.5% 6/20/48	6,546,846	6,896,862
4.537% 2/20/62 (c) (i)	20,528	20,681
4.58% 2/20/62 (c) (i)	1,419	1,427
5% 4/20/48	1,040,801	1,117,576
5.025% 1/20/62 (c) (i)	14,625	14,778
5.47% 8/20/59 (c) (i)	414	445
<b>TOTAL GINNIE MAE</b>		<b>13,918,877</b>
<b>Uniform Mortgage Backed Securities – 0.3%</b>		
3% 1/1/50 (j)	2,500,000	2,535,175
3% 1/1/50 (j)	2,500,000	2,535,175
<b>TOTAL UNIFORM MORTGAGE BACKED SECURITIES</b>		<b>5,070,350</b>
<b>TOTAL U.S. GOVERNMENT AGENCY – MORTGAGE SECURITIES</b>		
(Cost \$26,172,796)		<b>26,390,392</b>

## Asset-Backed Securities – 0.1%

ALG Student Loan Trust Series 2017-1A Class A3, 3 month U.S. LIBOR + 0.090% 2.0256% 6/28/23 (b) (c) (f) (Cost \$870,020)	\$ 873,526	\$ 866,885
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## Collateralized Mortgage Obligations – 1.9%

<b>Private Sponsor – 1.9%</b>		
Fannie Mae:		
floaters Series 2010-15 Class FJ, 1 month U.S. LIBOR + 0.930% 2.722% 6/25/36 (c) (f)	179,713	181,695
planned amortization class:		
Series 2003-70 Class BJ, 5% 7/25/33	9,420	10,257
Series 2005-19 Class PA, 5.5% 7/25/34	7,427	7,461
Series 2005-64 Class PX, 5.5% 6/25/35	35,095	37,214
Series 2005-68 Class CZ, 5.5% 8/25/35	241,712	271,427
Series 2010-118 Class PB, 4.5% 10/25/40	159,753	172,613

	Principal Amount(a)	Value
Series 2012-149:		
Class DA, 1.75% 1/25/43	\$ 71,366	\$ 70,492
Class GA, 1.75% 6/25/42	74,650	73,524
sequential payer:		
Series 2003-117 Class MD, 5% 12/25/23	25,305	26,197
Series 2004-52 Class KZ, 5.5% 7/25/34	429,314	477,328
Series 2004-91 Class Z, 5% 12/25/34	151,096	164,661
Series 2005-117 Class JN, 4.5% 1/25/36	11,829	12,670
Series 2005-14 Class ZB, 5% 3/25/35	62,970	68,627
Series 2006-72 Class CY, 6% 8/25/26	23,947	25,565
Series 2009-59 Class HB, 5% 8/25/39	85,388	93,068
Series 2010-139 Class NI, 4.5% 2/25/40 (k)	65,919	4,668
Series 2010-39 Class FG, 1 month U.S. LIBOR + 0.920% 2.712% 3/25/36 (c) (f)	114,430	116,433
Series 2010-97 Class CI, 4.5% 8/25/25 (k)	4,799	47
Series 2011-67 Class AI, 4% 7/25/26 (k)	20,938	1,438
Series 2012-27 Class EZ, 4.25% 3/25/42	385,619	422,879
Series 2016-26 Class CG, 3% 5/25/46	573,679	587,004
Freddie Mac:		
floaters Series 2711 Class FC, 1 month U.S. LIBOR + 0.900% 2.6398% 2/15/33 (c) (f)	53,901	54,701
floaters planned amortization class Series 2770 Class FH, 1 month U.S. LIBOR + 0.400% 2.1398% 3/15/34 (c) (f)	75,787	75,759
planned amortization class:		
Series 2101 Class PD, 6% 11/15/28	1,126	1,225
Series 2996 Class MK, 5.5% 6/15/35	2,122	2,299
Series 3415 Class PC, 5% 12/15/37	24,899	27,143
Series 3857 Class ZP, 5% 5/15/41	196,430	233,477
Series 4135 Class AB, 1.75% 6/15/42	56,317	55,673
sequential payer:		
Series 2004-2802 Class ZG, 5.5% 5/15/34	348,884	392,080
Series 2303 Class ZV, 6% 4/15/31	3,192	3,506
Series 2877 Class ZD, 5% 10/15/34	187,777	204,738
Series 3745 Class KV, 4.5% 12/15/26	298,988	314,853
Series 3843 Class PZ, 5% 4/15/41	172,688	201,222
Freddie Mac Multi-family Structured pass-thru certificates sequential payer:		
Series 4335 Class AL, 4.25% 3/15/40	159,688	165,022
Series 4341 Class ML, 3.5% 11/15/31	308,056	322,553
Ginnie Mae guaranteed REMIC pass-thru certificates:		
floaters:		
Series 2007-59 Class FC, 1 month U.S. LIBOR + 0.500% 2.2646% 7/20/37 (c) (f)	38,685	38,738
Series 2008-2 Class FD, 1 month U.S. LIBOR + 0.480% 2.2446% 1/20/38 (c) (f)	9,815	9,828
Series 2008-73 Class FA, 1 month U.S. LIBOR + 0.860% 2.6246% 8/20/38 (c) (f)	65,372	66,241
Series 2008-83 Class FB, 1 month U.S. LIBOR + 0.900% 2.6646% 9/20/38 (c) (f)	51,072	52,054
Series 2009-108 Class CF, 1 month U.S. LIBOR + 0.600% 2.3398% 11/16/39 (c) (f)	43,266	43,472
Series 2009-116 Class KF, 1 month U.S. LIBOR + 0.530% 2.2698% 12/16/39 (c) (f)	32,402	32,500
Series 2010-H17 Class FA, 1 month U.S. LIBOR + 0.330% 2.0295% 7/20/60 (c) (f) (i)	313,444	311,609

See accompanying notes which are an integral part of the financial statements.

## Schedule of Investments – continued

### Collateralized Mortgage Obligations – continued

	Principal Amount(a)	Value
<b>Private Sponsor – continued</b>		
Ginnie Mae guaranteed REMIC pass-thru certificates: – continued		
floater: – continued		
Series 2010-H18 Class AF, 1 month U.S. LIBOR + 0.300% 2.0743% 9/20/60 (c) (f) (i)	\$ 374,764	\$ 372,450
Series 2010-H19 Class FG, 1 month U.S. LIBOR + 0.300% 2.0743% 8/20/60 (c) (f) (i)	383,434	381,139
Series 2010-H27 Series FA, 1 month U.S. LIBOR + 0.380% 2.1543% 12/20/60 (c) (f) (i)	179,792	178,999
Series 2011-H05 Class FA, 1 month U.S. LIBOR + 0.500% 2.2743% 12/20/60 (c) (f) (i)	209,639	209,411
Series 2011-H07 Class FA, 1 month U.S. LIBOR + 0.500% 2.2743% 2/20/61 (c) (f) (i)	365,069	364,779
Series 2011-H12 Class FA, 1 month U.S. LIBOR + 0.490% 2.2643% 2/20/61 (c) (f) (i)	513,543	513,032
Series 2011-H13 Class FA, 1 month U.S. LIBOR + 0.500% 2.2743% 4/20/61 (c) (f) (i)	170,833	170,639
Series 2011-H14:		
Class FB, 1 month U.S. LIBOR + 0.500% 2.2743% 5/20/61 (c) (f) (i)	225,457	225,181
Class FC, 1 month U.S. LIBOR + 0.500% 2.2743% 5/20/61 (c) (f) (i)	195,448	195,223
Series 2011-H17 Class FA, 1 month U.S. LIBOR + 0.530% 2.3043% 6/20/61 (c) (f) (i)	231,426	231,319
Series 2011-H21 Class FA, 1 month U.S. LIBOR + 0.600% 2.3743% 10/20/61 (c) (f) (i)	268,501	268,782
Series 2012-H01 Class FA, 1 month U.S. LIBOR + 0.700% 2.4743% 11/20/61 (c) (f) (i)	250,537	251,340
Series 2012-H03 Class FA, 1 month U.S. LIBOR + 0.700% 2.4743% 1/20/62 (c) (f) (i)	157,066	157,565
Series 2012-H06 Class FA, 1 month U.S. LIBOR + 0.630% 2.4043% 1/20/62 (c) (f) (i)	237,703	238,105
Series 2012-H07 Class FA, 1 month U.S. LIBOR + 0.630% 2.4043% 3/20/62 (c) (f) (i)	148,377	148,426
Series 2012-H21 Class DF, 1 month U.S. LIBOR + 0.650% 2.4243% 5/20/61 (c) (f) (i)	6,326	6,336
Series 2013-H19 Class FD, 1 month U.S. LIBOR + 0.600% 2.3743% 8/20/63 (c) (f) (i)	150,316	150,416
Series 2014-H11 Class BA, 1 month U.S. LIBOR + 0.500% 2.2743% 6/20/64 (c) (f) (i)	1,177,232	1,175,868
Series 2015-H13 Class FL, 1 month U.S. LIBOR + 0.280% 2.0543% 5/20/63 (c) (f) (i)	25,986	25,918
Series 2015-H19 Class FA, 1 month U.S. LIBOR + 0.200% 1.9743% 4/20/63 (c) (f) (i)	30,750	30,615
Series 2016-H20 Class FM, 1 month U.S. LIBOR + 0.400% 2.1743% 12/20/62 (c) (f) (i)	27,231	27,192
Series 2017-161 Class DF, 1 month U.S. LIBOR + 0.250% 2.0146% 10/20/47 (c) (f)	388,917	385,102
Series 2018-65 Class DF, 1 month U.S. LIBOR + 0.300% 2.0646% 5/20/48 (c) (f)	474,972	471,338
Series 2018-77 Class FA, 1 month U.S. LIBOR + 0.300% 2.0646% 6/20/48 (c) (f)	550,786	546,412
Series 2019-98 Class FC, 1 month U.S. LIBOR + 0.450% 2.2146% 8/20/49 (c) (f)	3,070,353	3,058,857
Series 2019-115 Class FA, 1 month U.S. LIBOR + 0.450% 2.2146% 9/20/49 (c) (f)	1,282,875	1,279,682

	Principal Amount(a)	Value
planned amortization class:		
Series 2010-31 Class BP, 5% 3/20/40	\$ 620,000	\$ 682,974
Series 2011-136 Class WI, 4.5% 5/20/40 (k)	45,911	3,815
Series 2017-134 Class BA, 2.5% 11/20/46	77,140	77,832
sequential payer:		
Series 2011-69 Class GX, 4.5% 5/16/40	470,000	499,236
Series 2013-H06 Class HA, 1.65% 1/20/63 (i)	47,678	47,498
Series 2013-H26 Class HA, 3.5% 9/20/63 (i)	438,809	442,245
Series 2014-H04 Class HA, 2.75% 2/20/64 (i)	1,099,232	1,109,887
Series 2014-H12 Class KA, 2.75% 5/20/64 (i)	235,207	236,304
Series 2016-H02 Class FM, 1 month U.S. LIBOR + 0.500% 2.2743% 9/20/62 (c) (f) (i)	139,745	139,709
Series 2016-H04 Class FE, 1 month U.S. LIBOR + 0.650% 2.4243% 11/20/65 (c) (f) (i)	23,321	23,329
Series 2017-139 Class BA, 3% 9/20/47	1,051,945	1,063,354
Series 2018-H12 Class HA, 3.25% 8/20/68 (i)	1,419,189	1,475,269
Series 2004-22 Class M1, 5.5% 4/20/34	54,336	69,237
Series 2010-169 Class Z, 4.5% 12/20/40	432,135	475,744
Series 2010-H15 Class TP, 5.15% 8/20/60 (i)	8,963	9,086
Series 2010-H16 Class BA, 3.55% 7/20/60 (i)	58,559	60,721
Series 2010-H17 Class XP, 5.31% 7/20/60 (c) (i)	13,592	13,753
Series 2010-H18 Class PL, 5.01% 9/20/60 (c) (i)	36,552	36,734
Series 2010-H22 Class LA, 3.75% 10/20/60 (i)	70,901	70,812
Series 2010-H28 Class KA, 3.75% 12/20/60 (i)	300,047	300,160
Series 2012-64 Class KI, 3.5% 11/20/36 (k)	29,189	996
Series 2013-124:		
Class ES, 8.667%- 1 month U.S. LIBOR 6.3138% 4/20/39 (c) (l)	95,596	98,113
Class ST, 8.800%- 1 month U.S. LIBOR 6.4472% 8/20/39 (c) (l)	340,705	352,495
Series 2013-H01 Class FA, 1.65% 1/20/63 (i)	335,558	334,221
Series 2013-H07 Class JA, 1.75% 3/20/63 (i)	609,410	607,528
Series 2013-H08 Class MA, 3% 3/20/63 (i)	724,021	725,512
Series 2015-H17 Class HA, 2.5% 5/20/65 (i)	205,116	205,088
Series 2015-H21:		
Class HA, 2.5% 6/20/63 (i)	160,768	160,635
Class JA, 2.5% 6/20/65 (i)	50,153	50,140
Series 2015-H30 Class HA, 1.75% 9/20/62 (c) (i)	328,230	327,040
Series 2016-H13 Class FB, U.S. TREASURY 1 YEAR INDEX + 0.500% 2.07% 5/20/66 (c) (f) (i)	855,181	854,889
Series 2017-H06 Class FA, U.S. TREASURY 1 YEAR INDEX + 0.350% 1.92% 8/20/66 (c) (f) (i)	1,033,095	1,030,063
Series 2090-118 Class XZ, 5% 12/20/39	864,680	975,870

### TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS

(Cost \$29,029,679)

**29,058,376**

See accompanying notes which are an integral part of the financial statements.

## Commercial Mortgage Securities – 0.2%

	Principal Amount(a)	Value
Freddie Mac:		
sequential payer:		
Series 2019-K103 Class A2, 2.651% 12/25/51	\$ 700,000	\$ 713,835
Series K006 Class A2, 4.251% 1/25/20	65,553	65,441
Series 2018-K081 Class A2, 3.9% 8/25/28	700,000	774,872
Series K086 Class A2, 3.859% 11/25/28	700,000	773,472
Series K090 Class A2, 3.422% 2/25/29	800,000	860,052

### TOTAL COMMERCIAL MORTGAGE SECURITIES

(Cost \$3,220,036)

**3,187,672**

## Foreign Government and Government Agency Obligations – 16.0%

Angola Republic 9.5% 11/12/25 (b)	325,000	379,742
Arab Republic of Egypt:		
5.577% 2/21/23 (b)	110,000	114,923
6.125% 1/31/22 (b)	1,295,000	1,345,181
6.2004% 3/1/24 (b)	255,000	274,763
7.0529% 1/15/32 (b)	200,000	209,688
7.5% 1/31/27 (b)	2,850,000	3,173,297
7.6003% 3/1/29 (b)	1,180,000	1,290,256
7.903% 2/21/48 (b)	335,000	350,913
8.5% 1/31/47 (b)	580,000	643,981
8.7002% 3/1/49 (b)	100,000	111,656
Argentine Republic:		
5.625% 1/26/22	2,540,000	1,320,006
6.875% 4/22/21	4,595,000	2,462,633
7.5% 4/22/26	4,995,000	2,580,230
8.75% 5/7/24	187,515	72,065
Australian Commonwealth:		
1.75% 11/21/20	AUD 6,935,000	4,901,371
2.75% 11/21/29 REGS	AUD 3,100,000	2,450,693
3% 3/21/47	AUD 1,250,000	1,062,646
Azerbaijan Republic 4.75% 3/18/24 (b)	320,000	342,400
Bahamian Republic 6% 11/21/28 (b)	180,000	200,250
Bahrain Kingdom 5.5% 3/31/20 (b)	175,000	175,875
Barbados Government:		
6.5% 2/1/21 (b)	55,000	53,144
6.5% 10/1/29 (b)	25,000	24,430
Belarus Republic:		
6.875% 2/28/23 (b)	955,000	1,019,761
7.625% 6/29/27 (b)	105,000	119,175
Bermuda Government:		
3.717% 1/25/27 (b)	265,000	279,078
4.75% 2/15/29 (b)	550,000	623,219
Brazilian Federative Republic:		
4.75% 1/14/50	855,000	849,389
5.625% 1/7/41	170,000	190,400
5.625% 2/21/47	300,000	339,563
8.25% 1/20/34	1,295,000	1,788,314
10% 1/1/23	BRL 1,665,000	460,192
Buenos Aires Province:		
10.875% 1/26/21 (b)	833,333	575,000
10.875% 1/26/21 (Reg. S)	1,043,333	719,900

	Principal Amount(a)	Value
Buoni del Tesoro Poliennali:		
3% 8/1/29	EUR 3,800,000	\$ 4,909,075
3.85% 9/1/49 (b)	EUR 1,400,000	2,032,238
Cameron Republic 9.5% 11/19/25 (b)	\$ 1,265,000	1,417,591
Canadian Government:		
1.5% 9/1/24	CAD 12,110,000	9,248,289
2.75% 12/1/48	CAD 1,100,000	1,035,739
City of Buenos Aires:		
7.5% 6/1/27 (Reg. S)	400,000	386,000
8.95% 2/19/21 (b)	469,000	471,345
Costa Rican Republic 4.25% 1/26/23 (b)	420,000	423,544
Danish Kingdom 1.75% 11/15/25	DKK 9,800,000	1,658,487
Democratic Socialist Republic of Sri Lanka:		
5.75% 4/18/23 (b)	30,000	29,680
6.25% 10/4/20 (b)	550,000	557,219
6.25% 7/27/21 (b)	120,000	121,913
6.85% 3/14/24 (b)	120,000	121,679
Dominican Republic:		
5.95% 1/25/27 (b)	200,000	220,688
6% 7/19/28 (b)	290,000	322,353
6.4% 6/5/49 (b)	170,000	186,150
6.85% 1/27/45 (b)	190,000	216,838
6.875% 1/29/26 (b)	295,000	337,683
7.45% 4/30/44 (b)	590,000	712,241
Dutch Government:		
0% 1/15/24 (Reg. S) (b)	EUR 5,750,000	6,571,469
0.25% 7/15/29 (Reg. S) (b)	EUR 6,400,000	7,387,688
El Salvador Republic:		
5.875% 1/30/25 (Reg.S)	775,000	817,867
6.375% 1/18/27 (b)	650,000	694,484
7.1246% 1/20/50 (b)	220,000	234,644
7.625% 9/21/34 (b)	160,000	177,000
7.65% 6/15/35 (Reg. S)	100,000	113,969
7.75% 1/24/23 (b)	160,000	175,750
Emirate of Abu Dhabi 3.125% 9/30/49 (b)	595,000	580,311
Export Credit Bank of Turkey 5.375% 2/8/21 (b)	385,000	390,534
French Government 0% 2/25/20	EUR 1,650,000	1,852,286
German Federal Republic:		
0% 6/12/20	EUR 563,433	633,798
0% 4/5/24	EUR 16,630,000	19,065,189
0.25% 2/15/29	EUR 15,854,575	18,563,482
1.25% 8/15/48	EUR 580,000	816,668
Ghana Republic:		
7.875% 3/26/27 (b)	275,000	287,375
8.125% 1/18/26 (b)	330,000	355,884
Guatemalan Republic 4.9% 6/1/30 (b)	110,000	118,044
Indonesian Republic:		
4.35% 1/11/48	400,000	441,125
5.125% 1/15/45 (b)	585,000	698,527
5.25% 1/17/42 (b)	355,000	427,331
5.95% 1/8/46 (b)	265,000	352,284
6.75% 1/15/44 (b)	250,000	359,063
7.75% 1/17/38 (b)	690,000	1,036,725
8.5% 10/12/35 (Reg. S)	700,000	1,101,248
Islamic Republic of Pakistan 8.25% 4/15/24 (b)	95,000	105,688

See accompanying notes which are an integral part of the financial statements.

## Schedule of Investments – continued

### Foreign Government and Government Agency Obligations – continued

	Principal Amount(a)	Value		Principal Amount(a)	Value
Israeli State (guaranteed by U.S. Government through Agency for International Development):					
5.5% 9/18/23	\$ 5,659,000	\$ 6,392,611		\$ 90,000	\$ 93,403
5.5% 12/4/23	1,628,000	1,853,302		930,000	1,027,650
Ivory Coast 5.75% 12/31/32	1,055,925	1,055,595		60,000	68,963
Jamaican Government:				SGD 4,750,000	3,570,225
6.75% 4/28/28	130,000	154,294		260,000	298,350
7.875% 7/28/45	160,000	216,400		445,000	475,316
Japan Government:				65,000	67,681
0.1% 9/20/24	JPY 1,073,300,000	9,981,379			
0.1% 9/20/29	JPY 2,220,500,000	20,666,560			
0.4% 3/20/56	JPY 56,350,000	512,359			
0.9% 6/20/22	JPY 507,000,000	4,784,759			
Jordanian Kingdom:					
3% 6/30/25	1,179,000	1,237,089			
6.125% 1/29/26 (b)	200,000	214,500			
Kazakhstan Republic 6.5% 7/21/45 (b)	75,000	110,438			
Kingdom of Norway 3.75% 5/25/21 (b)	NOK 5,500,000	647,273			
Kingdom of Saudi Arabia:					
4.5% 10/26/46 (b)	310,000	343,325			
4.625% 10/4/47 (b)	290,000	326,395			
5.25% 1/16/50 (b)	435,000	541,303			
Lebanese Republic:					
5.8% 4/14/20	660,000	537,075			
6.15% 6/19/20	80,000	62,725			
6.375% 3/9/20	1,895,000	1,641,544			
Mendoza Province 8.375% 5/19/24 (b)	80,000	54,400			
Ministry of Finance of the Russian Federation:					
5.1% 3/28/35 (b)	2,200,000	2,629,000			
5.1% 3/28/35 (Reg. S)	800,000	956,000			
5.25% 6/23/47 (b)	2,000,000	2,500,000			
5.25% 6/23/47 (Reg. S)	400,000	500,000			
5.625% 4/4/42 (b)	400,000	524,500			
7.25% 5/10/34	RUB 36,725,000	636,611			
7.6% 7/20/22	RUB 33,970,000	572,391			
8.15% 2/3/27	RUB 36,570,000	658,765			
Mongolian People's Republic 8.75% 3/9/24 (b)	95,000	108,122			
Moroccan Kingdom:					
4.25% 12/11/22 (b)	540,000	569,363			
5.5% 12/11/42 (b)	70,000	85,641			
New Zealand Government 6% 5/15/21	NZD 1,050,000	753,080			
Papua New Guinea 8.375% 10/4/28 (b)	300,000	317,250			
Peruvian Republic 4% 3/7/27 (e) (m)	570,000	570,870			
Plurinational State of Bolivia 5.95% 8/22/23 (b)	100,000	107,281			
Portuguese Republic 2.25% 4/18/34 (b)	EUR 1,260,000	1,687,954			
Province of Santa Fe 7% 3/23/23 (b)	1,220,000	976,000			
Provincia de Cordoba:					
7.125% 6/10/21 (b)	1,860,000	1,408,950			
7.45% 9/1/24 (b)	775,000	534,169			
Republic of Iraq 5.8% 1/15/28 (Reg. S)	2,550,000	2,502,188			
Republic of Kenya 6.875% 6/24/24 (b)	300,000	324,094			
Republic of Nigeria:					
6.375% 7/12/23 (b)	200,000	213,438			
6.5% 11/28/27 (b)	430,000	439,272			
6.75% 1/28/21 (b)				\$ 90,000	\$ 93,403
7.625% 11/21/25 (b)				930,000	1,027,650
Republic of Paraguay 5.4% 3/30/50 (b)				60,000	68,963
Republic of Singapore 3.25% 9/1/20				SGD 4,750,000	3,570,225
Romanian Republic 5.125% 6/15/48 (b)				260,000	298,350
Rwanda Republic 6.625% 5/2/23 (b)				445,000	475,316
South African Republic 4.875% 4/14/26				65,000	67,681
State of Qatar:					
4% 3/14/29 (b)				350,000	391,234
4.817% 3/14/49 (b)				955,000	1,181,216
5.103% 4/23/48 (b)				920,000	1,182,200
9.75% 6/15/30 (b)				375,000	616,172
Sultanate of Oman:					
3.875% 3/8/22 (b)				440,000	446,050
4.75% 6/15/26 (b)				350,000	355,359
5.375% 3/8/27 (b)				100,000	103,219
5.625% 1/17/28 (b)				50,000	51,750
6.75% 1/17/48 (b)				245,000	246,761
Sweden Kingdom 5% 12/1/20				SEK 25,900,000	2,899,581
Switzerland Confederation 2.25% 7/6/20 (Reg. S)				CHF 3,400,000	3,567,154
The Third Pakistan International Sukuk Co. Ltd.:					
5.5% 10/13/21 (b)				230,000	234,600
5.625% 12/5/22 (b)				160,000	163,800
Turkish Republic:					
3.25% 3/23/23				405,000	389,306
5.125% 3/25/22				3,960,000	4,052,813
5.625% 3/30/21				740,000	761,506
5.75% 5/11/47				635,000	561,578
6.25% 9/26/22				3,855,000	4,027,270
6.35% 8/10/24				270,000	282,234
7.25% 12/23/23				610,000	658,991
7.375% 2/5/25				330,000	360,628
Ukraine Government:					
1.471% 9/29/21				1,600,000	1,593,711
7.375% 9/25/32 (b)				355,000	378,630
7.75% 9/1/20 (b)				2,870,000	2,948,925
7.75% 9/1/21 (b)				5,108,000	5,401,710
7.75% 9/1/22 (b)				661,000	710,575
7.75% 9/1/23 (b)				310,000	335,963
7.75% 9/1/24 (b)				605,000	658,543
7.75% 9/1/26 (b)				255,000	277,950
7.75% 9/1/27 (b)				210,000	229,425
United Kingdom, Great Britain and Northern Ireland 4.75% 3/7/20				GBP 4,850,000	6,471,065
United Kingdom, Great Britain and Northern Ireland Treasury GILT 2.5% 7/22/65 (Reg. S)				GBP 3,529,282	6,728,288
United Mexican States:					
5.75% 10/12/2110				715,000	845,488
6.05% 1/11/40				1,895,000	2,464,092
6.5% 6/9/22				MXN 14,560,000	766,214
Venezuelan Republic:					
oil recovery warrants 4/15/20 (e) (n)				1,251	1,251
9.25% 9/15/27 (d)				2,395,000	275,425
11.95% 8/5/31 (Reg. S) (d)				1,090,000	125,350
12.75% 8/23/22 (d)				190,000	21,850

See accompanying notes which are an integral part of the financial statements.

## Foreign Government and Government Agency Obligations – continued

	Principal Amount(a)	Value
Vietnamese Socialist Republic:		
6 month U.S. LIBOR + 0.813% 2.8476%		
3/13/28 (c) (f)	\$ 75,000	\$ 75,480
5.5% 3/12/28	1,978,000	<u>1,955,748</u>
<b>TOTAL FOREIGN GOVERNMENT AND GOVERNMENT AGENCY OBLIGATIONS</b>		<b>249,580,277</b>
(Cost \$249,772,058)		

## Supranational Obligations – 0.3%

European Bank for Reconstruction & Development 6% 5/4/20 (Reg. S)	INR 35,500,000	495,687
European Financial Stability Facility 0.875% 4/10/35 (Reg. S)	EUR 1,447,000	1,725,732
European Investment Bank 0.05% 10/13/34 (Reg. S)	EUR 2,734,000	<u>2,928,204</u>
<b>TOTAL SUPRANATIONAL OBLIGATIONS</b>		<b>5,149,623</b>
(Cost \$5,303,338)		

## Common Stocks – 5.2%

	Shares	Value
<b>COMMUNICATION SERVICES – 0.6%</b>		
<b>Interactive Media &amp; Services – 0.2%</b>		
Alphabet, Inc. Class A (o)	1,600	2,143,024
Facebook, Inc. Class A (o)	7,800	<u>1,600,950</u>
		<u>3,743,974</u>
<b>Media – 0.2%</b>		
Alice U.S.A., Inc. Class A (o)	56,000	1,531,040
iHeartMedia, Inc. warrants 5/1/39 (o)	5,655	95,572
Nexstar Broadcasting Group, Inc. Class A	12,200	<u>1,430,450</u>
		<u>3,057,062</u>
<b>Wireless Telecommunication Services – 0.2%</b>		
T-Mobile U.S., Inc. (o)	30,200	<u>2,368,284</u>
<b>TOTAL COMMUNICATION SERVICES</b>		<u>9,169,320</u>
<b>CONSUMER DISCRETIONARY – 0.6%</b>		
<b>Auto Components – 0.1%</b>		
Chassis Holdings, Inc. warrants 7/29/20 (e) (o)	1,921	18,595
Exide Technologies (e) (p)	31,463	280,335
Exide Technologies (e) (o)	2,115	2,115
Exide Technologies (e) (o)	7,052	0
UC Holdings, Inc. (e) (o)	33,750	<u>822,150</u>
		<u>1,123,195</u>
<b>Hotels, Restaurants &amp; Leisure – 0.4%</b>		
Boyd Gaming Corp.	41,400	1,239,516
Eldorado Resorts, Inc. (o)	7,600	453,264
Melco Crown Entertainment Ltd. sponsored ADR	56,087	1,355,623
MGM Mirage, Inc.	21,600	718,632
Penn National Gaming, Inc. (o)	44,100	1,127,196
Restaurant Brands International, Inc.	14,300	911,597
Royal Caribbean Cruises Ltd.	6,000	801,060
Studio City International Holdings Ltd. ADR (o)	11,100	<u>219,225</u>
		<u>6,826,113</u>

See accompanying notes which are an integral part of the financial statements.

	Shares	Value
<b>Internet &amp; Direct Marketing Retail – 0.1%</b>		
Amazon.com, Inc. (o)	400	\$ 739,136
<b>TOTAL CONSUMER DISCRETIONARY</b>		<u>8,688,444</u>
<b>CONSUMER STAPLES – 0.2%</b>		
<b>Food &amp; Staples Retailing – 0.0%</b>		
Performance Food Group Co. (o)	300	15,444
Southeastern Grocers, Inc. (e) (a)	9,431	<u>356,775</u>
		<u>372,219</u>
<b>Food Products – 0.2%</b>		
Darling International, Inc. (o)	40,100	1,126,008
JBS SA	288,600	1,850,966
Reddy Ice Holdings, Inc. (e) (o)	5,683	0
Reddy Ice Holdings, Inc. (e)	2,286	<u>365</u>
		<u>2,977,339</u>
<b>TOTAL CONSUMER STAPLES</b>		<u>3,349,558</u>
<b>ENERGY – 0.0%</b>		
<b>Energy Equipment &amp; Services – 0.0%</b>		
Forbes Energy Services Ltd. (o)	6,562	<u>1,641</u>
<b>Oil, Gas &amp; Consumable Fuels – 0.0%</b>		
Chaparral Energy, Inc. Class A (o) (q)	5,029	8,851
Goodrich Petroleum Corp. (o)	4,211	42,278
Harvest Oil & Gas Corp.	13,350	85,440
MEG Energy Corp. (o)	77,100	438,773
Ultra Petroleum Corp. warrants 7/14/25 (o)	10,710	0
VNR Finance Corp. (e) (a)	4,091	0
VNR Finance Corp. (b) (e) (o)	19,701	<u>0</u>
		<u>575,342</u>
<b>TOTAL ENERGY</b>		<u>576,983</u>
<b>FINANCIALS – 0.2%</b>		
<b>Banks – 0.2%</b>		
Bank of America Corp.	36,200	1,274,964
JPMorgan Chase & Co.	10,000	<u>1,394,000</u>
		<u>2,668,964</u>
<b>Capital Markets – 0.0%</b>		
Motors Liquidation Co. GUC Trust (o)	137	1,212
Person Worldwide, Inc. Class A (e) (o)	314,563	<u>3</u>
		<u>1,215</u>
<b>Consumer Finance – 0.0%</b>		
OneMain Holdings, Inc.	21,400	<u>902,010</u>
<b>TOTAL FINANCIALS</b>		<u>3,572,189</u>
<b>HEALTH CARE – 0.7%</b>		
<b>Biotechnology – 0.1%</b>		
Alexion Pharmaceuticals, Inc. (o)	5,800	<u>627,270</u>
<b>Health Care Providers &amp; Services – 0.2%</b>		
Cigna Corp.	5,300	1,083,797
Humana, Inc.	3,200	1,172,864
Rotech Healthcare, Inc. (e) (o)	6,069	62,875
UnitedHealth Group, Inc.	4,100	<u>1,205,318</u>
		<u>3,524,854</u>

## Schedule of Investments – continued

### Common Stocks – continued

	Shares	Value
<b>HEALTH CARE – continued</b>		
<b>Life Sciences Tools &amp; Services – 0.3%</b>		
Charles River Laboratories International, Inc. (o)	6,000	\$ 916,560
IQVIA Holdings, Inc. (o)	13,900	2,147,689
Thermo Fisher Scientific, Inc.	3,500	1,137,045
		<u>4,201,294</u>
<b>Pharmaceuticals – 0.1%</b>		
Bausch Health Cos., Inc. (Canada) (o)	23,200	694,455
Jazz Pharmaceuticals PLC (o)	6,500	970,320
		<u>1,664,775</u>
<b>TOTAL HEALTH CARE</b>		<u>10,018,193</u>
<b>INDUSTRIALS – 0.7%</b>		
<b>Airlines – 0.3%</b>		
Air Canada (o)	106,500	3,978,526
<b>Commercial Services &amp; Supplies – 0.0%</b>		
Novus Holdings Ltd.	3,285	593
<b>Machinery – 0.1%</b>		
Allison Transmission Holdings, Inc.	12,900	623,328
Fortive Corp.	9,700	740,983
		<u>1,364,311</u>
<b>Marine – 0.0%</b>		
U.S. Shipping Partners Corp. (e) (o)	644	0
U.S. Shipping Partners Corp. warrants 12/31/29 (e) (o)	6,028	0
		<u>0</u>
<b>Professional Services – 0.0%</b>		
ASGN, Inc. (o)	9,200	652,924
<b>Trading Companies &amp; Distributors – 0.3%</b>		
Air Lease Corp. Class A	18,300	869,616
HD Supply Holdings, Inc. (o)	31,600	1,270,952
Penhall Acquisition Co.:		
Class A (e) (o)	321	21,062
Class B (e) (o)	107	7,021
United Rentals, Inc. (o)	14,763	2,462,026
		<u>4,630,677</u>
<b>Transportation Infrastructure – 0.0%</b>		
Tricer Holdco SCA:		
Class A1 (e) (o) (p)	16,755	19
Class A2 (e) (o) (p)	16,755	19
Class A3 (e) (o) (p)	16,755	19
Class A4 (e) (o) (p)	16,755	19
Class A5 (e) (o) (p)	16,755	19
Class A6 (e) (o) (p)	16,755	19
Class A7 (e) (o) (p)	16,755	19
Class A8 (e) (o) (p)	16,755	19
Class A9 (e) (o) (p)	16,755	19
		<u>171</u>
<b>TOTAL INDUSTRIALS</b>		<u>10,627,202</u>
<b>INFORMATION TECHNOLOGY – 1.9%</b>		
<b>Electronic Equipment &amp; Components – 0.1%</b>		
CDW Corp.	8,600	1,228,424
Zebra Technologies Corp. Class A (o)	3,800	970,672
		<u>2,199,096</u>

	Shares	Value
<b>IT Services – 0.8%</b>		
EPAM Systems, Inc. (o)	8,700	\$ 1,845,792
Fiserv, Inc. (o)	9,726	1,124,617
Global Payments, Inc.	11,200	2,044,672
GoDaddy, Inc. (o)	10,100	685,992
MasterCard, Inc. Class A	10,100	3,015,759
PayPal Holdings, Inc. (o)	16,100	1,741,537
Verra Mobility Corp. (o)	21,100	295,189
Visa, Inc. Class A	9,800	1,841,420
		<u>12,594,978</u>
<b>Semiconductors &amp; Semiconductor Equipment – 0.5%</b>		
Advanced Micro Devices, Inc. (o)	25,900	1,187,774
Broadcom, Inc.	2,100	663,642
Lam Research Corp.	5,500	1,608,200
Microchip Technology, Inc. (q)	6,800	712,096
Micron Technology, Inc. (o)	18,500	994,930
ON Semiconductor Corp. (o)	40,500	987,390
Skyworks Solutions, Inc.	6,500	785,720
		<u>6,939,752</u>
<b>Software – 0.5%</b>		
Adobe, Inc. (o)	7,700	2,539,537
Microsoft Corp.	16,900	2,665,130
Palo Alto Networks, Inc. (o)	3,800	878,750
Salesforce.com, Inc. (o)	5,000	813,200
SS&C Technologies Holdings, Inc.	9,308	571,511
VMware, Inc. Class A	3,800	576,802
		<u>8,044,930</u>
<b>TOTAL INFORMATION TECHNOLOGY</b>		<u>29,778,756</u>
<b>MATERIALS – 0.1%</b>		
<b>Chemicals – 0.1%</b>		
CF Industries Holdings, Inc.	12,700	606,298
The Chemours Co. LLC	21,000	379,890
		<u>986,188</u>
<b>Metals &amp; Mining – 0.0%</b>		
Aleris Corp. (e) (o)	2,037	0
Algoma Steel GP (e)	10,220	204
Algoma Steel SCA (e)	10,220	1,840
Elah Holdings, Inc. (o)	14	858
First Quantum Minerals Ltd.	63,200	640,980
		<u>643,882</u>
<b>TOTAL MATERIALS</b>		<u>1,630,070</u>
<b>REAL ESTATE – 0.0%</b>		
<b>Equity Real Estate Investment Trusts (REITs) – 0.0%</b>		
Crown Castle International Corp.	4,600	653,890
<b>UTILITIES – 0.2%</b>		
<b>Electric Utilities – 0.0%</b>		
Portland General Electric Co.	140	7,811

See accompanying notes which are an integral part of the financial statements.

## Common Stocks – continued

	Shares	Value
<b>UTILITIES – continued</b>		
<b>Independent Power and Renewable Electricity Producers – 0.2%</b>		
NRG Energy, Inc.	27,900	\$ 1,109,025
Vistra Energy Corp.	82,200	1,889,778
		<u>2,998,803</u>
TOTAL UTILITIES		<u>3,006,614</u>
<b>TOTAL COMMON STOCKS</b> (Cost \$59,857,494)		<b><u>81,071,219</u></b>

## Nonconvertible Preferred Stocks – 0.0%

<b>INDUSTRIALS – 0.0%</b>		
<b>Transportation Infrastructure – 0.0%</b>		
Tricer Holdco SCA (e) (a) (p) (Cost \$286,754)	8,042,141	<u>2,716</u>

## Bank Loan Obligations – 1.9%

	Principal Amount(a)	
<b>COMMUNICATION SERVICES – 0.0%</b>		
<b>Diversified Telecommunication Services – 0.0%</b>		
Connect Finco Sarl Tranche B 1LN, term loan 3 month U.S. LIBOR + 4.500% 2.5723% 12/11/26 (c) (f) (r)	\$ 485,000	<u>486,969</u>
<b>Media – 0.0%</b>		
LCPR Loan Financing LLC Tranche B 1LN, term loan 3 month U.S. LIBOR + 5.000% 6.7398% 10/22/26 (c) (f) (r)	115,000	116,294
Nexstar Broadcasting, Inc. Tranche B, term loan 3 month U.S. LIBOR + 2.750% 4.4516% 9/19/26 (c) (f) (r)	240,000	241,118
		<u>357,412</u>
TOTAL COMMUNICATION SERVICES		<u>844,381</u>
<b>CONSUMER DISCRETIONARY – 0.2%</b>		
<b>Diversified Consumer Services – 0.1%</b>		
KUEHG Corp. Tranche B 2LN, term loan 3 month U.S. LIBOR + 8.250% 10.1946% 8/22/25 (c) (f) (r)	305,000	304,430
Sotheby's 1LN, term loan 1 month U.S. LIBOR + 5.500% 7.2398% 1/3/27 (c) (f) (r)	606,820	599,993
		<u>904,423</u>
<b>Hotels, Restaurants &amp; Leisure – 0.0%</b>		
Travelport Finance Luxembourg SARL Tranche B 2LN, term loan 3 month U.S. LIBOR + 9.000% 10.9446% 5/28/27 (c) (f) (r)	1,000,000	<u>835,000</u>
<b>Specialty Retail – 0.1%</b>		
Wand NewCo 3, Inc. Tranche B 1LN, term loan 3 month U.S. LIBOR + 3.500% 5.2994% 2/5/26 (c) (f) (r)	950,225	<u>957,057</u>
TOTAL CONSUMER DISCRETIONARY		<u>2,696,480</u>
<b>ENERGY – 1.0%</b>		
<b>Energy Equipment &amp; Services – 0.0%</b>		
BCP Raptor II LLC Tranche B, term loan 3 month U.S. LIBOR + 4.750% 6.5494% 11/3/25 (c) (f) (r)	288,550	265,466
Forbes Energy Services LLC Tranche B, term loan 16% 4/13/21 (c) (e) (r)	63,812	64,290
		<u>329,756</u>

	Principal Amount(a)	Value
<b>Oil, Gas &amp; Consumable Fuels – 1.0%</b>		
BCP Raptor LLC Tranche B, term loan 3 month U.S. LIBOR + 4.250% 6.0494% 6/24/24 (c) (f) (r)	\$ 448,500	\$ 412,620
California Resources Corp.:		
Tranche 1LN, term loan 3 month U.S. LIBOR + 10.375% 12.1798% 12/31/21 (c) (f) (r)	5,365,000	3,979,060
Tranche B, term loan 3 month U.S. LIBOR + 4.750% 6.5548% 12/31/22 (c) (f) (r)	6,280,000	5,597,050
Chesapeake Energy Corp. term loan 1 month U.S. LIBOR + 8.000% 9.9278% 6/9/24 (c) (f) (r)	2,325,000	2,390,867
Citgo Holding, Inc. Tranche B 1LN, term loan 3 month U.S. LIBOR + 7.000% 8.7994% 8/1/23 (c) (f) (r)	74,813	76,090
Epic Crude Services LP Tranche B 1LN, term loan 3 month U.S. LIBOR + 5.000% 7.04% 3/1/26 (c) (f) (r)	1,900,000	1,819,250
Sanchez Energy Corp. 1LN, term loan 3 month U.S. LIBOR + 8.000% 2.8571% 5/11/20 (c) (e) (f) (r) (s)	521,300	521,300
		<u>14,796,237</u>
TOTAL ENERGY		<u>15,125,993</u>
<b>FINANCIALS – 0.0%</b>		
<b>Capital Markets – 0.0%</b>		
Citadel Securities LP Tranche B, term loan 3 month U.S. LIBOR + 3.500% 5.2994% 2/27/26 (c) (f) (r)	158,800	<u>159,099</u>
<b>HEALTH CARE – 0.2%</b>		
<b>Health Care Providers &amp; Services – 0.2%</b>		
U.S. Renal Care, Inc. Tranche B 1LN, term loan 3 month U.S. LIBOR + 5.000% 6.8125% 6/13/26 (c) (f) (r)	2,354,100	<u>2,330,559</u>
<b>Pharmaceuticals – 0.0%</b>		
Valeant Pharmaceuticals International, Inc. Tranche B, term loan 3 month U.S. LIBOR + 3.000% 4.7398% 6/1/25 (c) (f) (r)	101,714	<u>102,223</u>
TOTAL HEALTH CARE		<u>2,432,782</u>
<b>INDUSTRIALS – 0.0%</b>		
<b>Air Freight &amp; Logistics – 0.0%</b>		
Dynasty Acquisition Co., Inc.:		
Tranche B 1LN, term loan 3 month U.S. LIBOR + 4.000% 5.9446% 4/4/26 (c) (f) (r)	64,872	65,267
Tranche B 2LN, term loan 3 month U.S. LIBOR + 4.000% 5.9446% 4/4/26 (c) (f) (r)	34,878	35,090
		<u>100,357</u>
<b>Commercial Services &amp; Supplies – 0.0%</b>		
Sabert Corp. Tranche B 1LN, term loan 1 month U.S. LIBOR + 4.500% 6.25% 11/25/26 (c) (f) (r)	440,000	<u>443,485</u>
<b>Construction &amp; Engineering – 0.0%</b>		
Traverse Midstream Partners II Tranche B, term loan 3 month U.S. LIBOR + 4.000% 5.8% 9/27/24 (c) (f) (r)	153,063	<u>137,450</u>
TOTAL INDUSTRIALS		<u>681,292</u>
<b>INFORMATION TECHNOLOGY – 0.5%</b>		
<b>Electronic Equipment &amp; Components – 0.0%</b>		
Curie Merger Sub LLC 1LN, term loan 3 month U.S. LIBOR + 4.250% 6.1946% 10/28/26 (c) (f) (r)	30,000	<u>30,075</u>

See accompanying notes which are an integral part of the financial statements.

## Schedule of Investments – continued

### Bank Loan Obligations – continued

	Principal Amount(a)	Value
<b>INFORMATION TECHNOLOGY – continued</b>		
<b>IT Services – 0.1%</b>		
Camelot Finance SA Tranche B, term loan 3 month U.S. LIBOR + 3.250% 5.0494% 10/31/26 (c) (f) (r)	\$ 60,000	\$ 60,330
GTT Communications, Inc. Tranche B, term loan 3 month U.S. LIBOR + 2.750% 4.55% 5/31/25 (c) (f) (r)	84,785	70,576
Web.com Group, Inc.:		
2LN, term loan 3 month U.S. LIBOR + 7.750% 9.4949% 10/11/26 (c) (f) (r)	1,142,513	1,096,104
Tranche B 1LN, term loan 3 month U.S. LIBOR + 3.750% 5.4949% 10/11/25 (c) (f) (r)	545,205	544,398
		<u>1,771,408</u>
<b>Semiconductors &amp; Semiconductor Equipment – 0.0%</b>		
ON Semiconductor Corp. Tranche B 1LN, term loan 3 month U.S. LIBOR + 2.000% 3.7994% 9/19/26 (c) (f) (r)	418,950	421,623
<b>Software – 0.4%</b>		
Boxer Parent Co., Inc. Tranche B, term loan 3 month U.S. LIBOR + 4.250% 6.0494% 10/2/25 (c) (f) (r)	1,861,200	1,838,233
Kronos, Inc. 2LN, term loan 3 month U.S. LIBOR + 8.250% 10.1591% 11/1/24 (c) (f) (r)	1,090,000	1,109,980
Landesk Group, Inc. term loan:		
3 month U.S. LIBOR + 4.250% 5.97% 1/20/24 (c) (f) (r)	165,580	165,373
3 month U.S. LIBOR + 9.000% 10.72% 1/20/25 (c) (f) (r)	535,000	524,969
McAfee LLC Tranche B, term loan:		
3 month U.S. LIBOR + 3.750% 5.5548% 9/29/24 (c) (f) (r)	236,835	237,723
3 month U.S. LIBOR + 8.500% 10.3048% 9/29/25 (c) (f) (r)	1,264,375	1,269,445
		<u>5,145,723</u>
TOTAL INFORMATION TECHNOLOGY		<u>7,368,829</u>
<b>MATERIALS – 0.0%</b>		
<b>Metals &amp; Mining – 0.0%</b>		
Murray Energy Corp.:		
term loan 3 month U.S. LIBOR + 11.000% 13% 7/29/20 (c) (f) (r)	250,338	249,713
Tranche B 2LN, term loan 3 month U.S. LIBOR + 7.250% 0% 10/17/22 (d) (f) (r)	1,217,407	247,876
		<u>497,589</u>
<b>TOTAL BANK LOAN OBLIGATIONS</b>		<b>29,806,445</b>
(Cost \$32,466,160)		

### Fixed-Income Funds – 8.8%

	Shares	
Fidelity Floating Rate Central Fund (f) (Cost \$140,587,696)	1,354,205	<u>137,478,893</u>

### Preferred Securities – 4.1%

	Principal Amount	Value
<b>COMMUNICATION SERVICES – 0.0%</b>		
<b>Diversified Telecommunication Services – 0.0%</b>		
Colombia Telecomunicaciones SA 8.5% (b) (c) (u)	\$ 445,000	\$ 459,392
<b>CONSUMER STAPLES – 0.1%</b>		
<b>Food Products – 0.1%</b>		
Cosan Overseas Ltd. 8.25% (u)	1,785,000	1,871,958
<b>ENERGY – 0.5%</b>		
<b>Oil, Gas &amp; Consumable Fuels – 0.5%</b>		
DCP Midstream Partners LP 7.375% (c) (u)	775,000	731,155
Energy Transfer Partners LP:		
6.25% (c) (u)	3,540,000	3,411,170
6.625% (c) (u)	1,370,000	1,328,933
MPLX LP 6.875% (c) (u)	1,550,000	1,601,876
Summit Midstream Partners LP 9.5% (c) (u)	775,000	398,669
		<u>7,471,803</u>
<b>FINANCIALS – 3.4%</b>		
<b>Banks – 2.9%</b>		
Alfa Bond Issuance PLC 8% (Reg. S) (c) (u)	675,000	692,726
Banco Do Brasil SA:		
6.25% (b) (c) (u)	475,000	488,897
9% (b) (c) (u)	265,000	303,012
Banco Mercantil del Norte SA 7.625% (b) (c) (u)	210,000	228,616
Bank of America Corp.:		
5.125% (c) (u)	1,950,000	2,065,987
5.2% (c) (u)	3,067,000	3,218,523
5.875% (c) (u)	5,125,000	5,771,941
6.25% (c) (u)	1,410,000	1,595,431
Citigroup, Inc.:		
5% (c) (u)	3,245,000	3,448,615
5.9% (c) (u)	1,455,000	1,578,363
5.95% (c) (u)	2,675,000	2,899,329
6.3% (c) (u)	270,000	294,760
Georgia Bank Joint Stock Co. 11.125% (Reg. S) (c) (u)	200,000	208,243
Huntington Bancshares, Inc. 5.7% (c) (u)	650,000	682,228
Itau Unibanco Holding SA:		
5.5% 8/6/22 (b)	490,000	528,707
6.125% (b) (c) (u)	110,000	115,284
JPMorgan Chase & Co.:		
3 month U.S. LIBOR + 3.320% 5.4186% (c) (f) (u)	2,145,000	2,190,145
5% (c) (u)	1,660,000	1,761,134
5.3% (c) (u)	865,000	879,257
6% (c) (u)	6,524,000	7,167,890
6.125% (c) (u)	850,000	937,587
6.75% (c) (u)	400,000	462,926
NBK Tier 1 Financing 2 Ltd. 4.5% (b) (c) (u)	230,000	230,133
Tinkoff Credit Systems 9.25% (Reg. S) (c) (u)	1,005,000	1,050,543
Wells Fargo & Co.:		
5.875% (c) (u)	2,600,000	2,899,594
5.9% (c) (u)	3,065,000	3,345,633
		<u>45,045,504</u>

See accompanying notes which are an integral part of the financial statements.



## Preferred Securities – continued

	Principal Amount	Value
<b>FINANCIALS – continued</b>		
<b>Capital Markets – 0.5%</b>		
Goldman Sachs Group, Inc.:		
3 month U.S. LIBOR + 3.880% 5.7846% (c) (f) (u)	\$ 458,000	\$ 463,888
4.95% (c) (u)	710,000	740,080
5% (c) (u)	4,331,000	4,394,420
5.375% (c) (u)	1,665,000	1,698,382
		<u>7,296,770</u>
TOTAL FINANCIALS		<u>52,342,274</u>
<b>INDUSTRIALS – 0.1%</b>		
<b>Construction &amp; Engineering – 0.0%</b>		
Odebrecht Finance Ltd.:		
7.5% (b) (d) (u)	1,875,000	56,109
7.5% (Reg. S) (d) (u)	100,000	2,993
		<u>59,102</u>
<b>Trading Companies &amp; Distributors – 0.1%</b>		
AerCap Holdings NV 5.875% 10/10/79 (c)	1,795,000	1,945,588
TOTAL INDUSTRIALS		<u>2,004,690</u>
<b>TOTAL PREFERRED SECURITIES</b>		<b>64,150,117</b>
(Cost \$62,290,460)		

## Money Market Funds – 8.4%

	Shares	
Fidelity Cash Central Fund 1.58% (v)	131,443,839	131,470,128
Fidelity Securities Lending Cash Central Fund 1.58% (v) (w)	14,049	14,050
<b>TOTAL MONEY MARKET FUNDS</b>		<b>131,484,178</b>
(Cost \$131,475,624)		

## Purchased Swaptions – 0.1%

	Expiration Date	Notional Amount	
<b>Put Options – 0.0%</b>			
Option on an interest rate swap with Bank of America N.A. to pay semi-annually a fixed rate of 1.7375% and receive quarterly a floating rate based on 3-month LIBOR, expiring September 2029	9/20/24	\$4,400,000	150,363
Option on an interest rate swap with Bank of America N.A. to pay semi-annually a fixed rate of 1.785% and receive quarterly a floating rate based on 3-month LIBOR, expiring October 2029	10/24/24	1,500,000	49,942
Option on an interest rate swap with Bank of America N.A. to pay semi-annually a fixed rate of 1.82% and receive quarterly a floating rate based on 3-month LIBOR, expiring October 2029	10/18/24	900,000	29,133
Option on an interest rate swap with Bank of America N.A. to pay semi-annually a fixed rate of 2.215% and receive quarterly a floating rate based on 3-month LIBOR, expiring July 2029	7/10/24	2,000,000	44,553

	Expiration Date	Notional Amount	Value
Option on an interest rate swap with Bank of America, N.A. to pay semi-annually a fixed rate of 2.3275% and receive quarterly a floating rate based on 3-month LIBOR, expiring June 2029	6/11/24	\$1,700,000	\$ 33,874
Option on an interest rate swap with Bank of America, N.A. to pay semi-annually a fixed rate of 2.58% and receive quarterly a floating rate based on 3-month LIBOR, expiring April 2029	4/25/22	1,400,000	14,907
Option on an interest rate swap with Citibank, N.A. to pay semi-annually a fixed rate of 2.54% and receive quarterly a floating rate based on 3-month LIBOR, expiring April 2029	4/5/22	8,000,000	87,512
Option on an interest rate swap with Goldman Sachs Bank U.S.A. to pay semi-annually a fixed rate of 1.905% and receive quarterly a floating rate based on 3-month LIBOR, expiring October 2029	10/28/24	2,500,000	75,756
Option on an interest rate swap with Goldman Sachs Bank U.S.A. to pay semi-annually a fixed rate of 2.495% and receive quarterly a floating rate based on 3-month LIBOR, expiring October 2027	10/5/20	3,300,000	9,081
Option on an interest rate swap with Goldman Sachs Bank U.S.A. to pay semi-annually a fixed rate of 2.815% and receive quarterly a floating rate based on 3-month LIBOR, expiring March 2029	3/7/22	6,000,000	41,284
Option on an interest rate swap with JPMorgan Chase Bank N.A. to pay semi-annually a fixed rate of 1.57125% and receive quarterly a floating rate based on 3-month LIBOR, expiring September 2029	9/5/24	2,600,000	100,418
Option on an interest rate swap with JPMorgan Chase Bank, N.A. to pay semi-annually a fixed rate of 2.5575% and receive quarterly a floating rate based on 3-month LIBOR, expiring October 2027	10/6/20	1,100,000	2,626
TOTAL PUT OPTIONS			<u>639,449</u>

## Call Options – 0.1%

Option on an interest rate swap with Bank of America N.A. to receive semi-annually a fixed rate of 1.7375% and pay quarterly a floating rate based on 3-month LIBOR, expiring September 2029	9/20/24	4,400,000	88,587
Option on an interest rate swap with Bank of America N.A. to receive semi-annually a fixed rate of 1.785% and pay quarterly a floating rate based on 3-month LIBOR, expiring October 2029	10/24/24	1,500,000	31,650
Option on an interest rate swap with Bank of America N.A. to receive semi-annually a fixed rate of 1.82% and pay quarterly a floating rate based on 3-month LIBOR, expiring October 2029	10/18/24	900,000	19,601
Option on an interest rate swap with Bank of America N.A. to receive semi-annually a fixed rate of 2.215% and pay quarterly a floating rate based on 3-month LIBOR, expiring July 2029	7/10/24	2,000,000	60,054
Option on an interest rate swap with Bank of America, N.A. to receive semi-annually a fixed rate of 2.3275% and pay quarterly a floating rate based on 3-month LIBOR, expiring June 2029	6/11/24	1,700,000	55,995

See accompanying notes which are an integral part of the financial statements.

## Schedule of Investments – continued

### Purchased Swaptions – continued

	Expiration Date	Notional Amount	Value
<b>Call Options – continued</b>			
Option on an interest rate swap with Bank of America, N.A. to receive semi-annually a fixed rate of 2.58% and pay quarterly a floating rate based on 3-month LIBOR, expiring April 2029	4/25/22	\$1,400,000	\$ 71,690
Option on an interest rate swap with Citibank, N.A. to receive semi-annually a fixed rate of 2.54% and pay quarterly a floating rate based on 3-month LIBOR, expiring April 2029	4/5/22	8,000,000	394,301
Option on an interest rate swap with Goldman Sachs Bank U.S.A. to receive semi-annually a fixed rate of 1.905% and pay quarterly a floating rate based on 3-month LIBOR, expiring October 2029	10/28/24	2,500,000	58,534
Option on an interest rate swap with Goldman Sachs Bank U.S.A. to receive semi-annually a fixed rate of 2.495% and pay quarterly a floating rate based on 3-month LIBOR, expiring October 2027	10/5/20	3,300,000	153,653
Option on an interest rate swap with Goldman Sachs Bank U.S.A. to receive semi-annually a fixed rate of 2.815% and pay quarterly a floating rate based on 3-month LIBOR, expiring March 2029	3/7/22	6,000,000	379,366
Option on an interest rate swap with JPMorgan Chase Bank N.A. to receive semi-annually a fixed rate of 1.57125% and pay quarterly a floating rate based on 3-month LIBOR, expiring September 2029	9/5/24	2,600,000	44,975
Option on an interest rate swap with JPMorgan Chase Bank, N.A. to receive semi-annually a fixed rate of 2.5575% and pay quarterly a floating rate based on 3-month LIBOR, expiring October 2027	10/6/20	1,100,000	55,297
TOTAL CALL OPTIONS			<u>1,413,703</u>
<b>TOTAL PURCHASED SWAPTIONS</b> (Cost \$2,031,006)			<b><u>2,053,152</u></b>
<b>TOTAL INVESTMENT IN SECURITIES – 99.8%</b> (Cost \$1,514,592,136)			<b>1,555,859,758</b>
<b>NET OTHER ASSETS (LIABILITIES) – 0.2%</b>			<b><u>2,656,391</u></b>
<b>NET ASSETS – 100%</b>			<b><u>\$1,558,516,149</u></b>

### TBA Sale Commitments

	Principal Amount	Value
<b>Ginnie Mae</b>		
3.5% 1/1/50	\$ (3,600,000)	\$ <u>(3,710,204)</u>
<b>Uniform Mortgage Backed Securities</b>		
3% 1/1/50	(11,200,000)	(11,357,582)
3% 1/1/50	(2,700,000)	(2,737,988)

	Principal Amount	Value
3% 1/1/50	\$ (2,500,000)	\$ (2,535,175)
3.5% 1/1/50	(1,700,000)	<u>(1,748,807)</u>
TOTAL UNIFORM MORTGAGE BACKED SECURITIES		<u>(18,379,552)</u>
<b>TOTAL TBA SALE COMMITMENTS</b> (Proceeds \$22,062,408)		<b><u>\$(22,089,756)</u></b>

See accompanying notes which are an integral part of the financial statements.

## Written Swaptions

	Expiration Date	Notional Amount	Value
<b>Put Swaptions</b>			
Option on an interest rate swap with Bank of America N.A. to pay semi-annually a fixed rate of 1.45% and receive quarterly a floating rate based on 3-month LIBOR, expiring September 2029	9/4/24	\$2,100,000	\$ (88,559)
Option on an interest rate swap with Bank of America N.A. to pay semi-annually a fixed rate of 1.9% and receive quarterly a floating rate based on 3-month LIBOR, expiring December 2029	12/10/24	2,200,000	(68,082)
Option on an interest rate swap with Goldman Sachs Bank U.S.A. to pay semi-annually a fixed rate of 1.487% and receive quarterly a floating rate based on 3-month LIBOR, expiring October 2030	10/2/20	2,800,000	(133,264)
<b>TOTAL PUT SWAPTIONS</b>			<u>(289,905)</u>
<b>Call Swaptions</b>			
Option on an interest rate swap with Bank of America N.A. to receive semi-annually a fixed rate of 1.45% and pay quarterly a floating rate based on 3-month LIBOR, expiring September 2029	9/4/24	2,100,000	(32,549)
Option on an interest rate swap with Bank of America N.A. to receive semi-annually a fixed rate of 1.9% and pay quarterly a floating rate based on 3-month LIBOR, expiring December 2029	12/10/24	2,200,000	(51,719)
Option on an interest rate swap with Goldman Sachs Bank U.S.A. to receive semi-annually a fixed rate of 1.487% and pay quarterly a floating rate based on 3-month LIBOR, expiring October 2030	10/2/20	2,800,000	(21,063)
<b>TOTAL CALL SWAPTIONS</b>			<u>(105,331)</u>
<b>TOTAL WRITTEN SWAPTIONS</b>			<u><b>\$(395,236)</b></u>

## Futures Contracts

	Number of contracts	Expiration Date	Notional Amount	Value	Unrealized Appreciation/ (Depreciation)
<b>Purchased</b>					
<b>Treasury Contracts</b>					
CBOT 10-Year U.S. Treasury Note Contracts (United States)	213	March 2020	\$27,353,859	\$(170,383)	\$ (170,383)
CBOT 2-Year U.S. Treasury Note Contracts (United States)	75	March 2020	16,162,500	(11,610)	(11,610)
CBOT 5-Year U.S. Treasury Note Contracts (United States)	6	March 2020	711,656	1,139	1,139
CBOT Long Term U.S. Treasury Bond Contracts (United States)	18	March 2020	2,806,313	(45,788)	(45,788)
CBOT Ultra Long Term U.S. Treasury Bond Contracts (United States)	29	March 2020	5,268,031	(120,801)	(120,801)
<b>TOTAL FUTURES CONTRACTS</b>					<u><b>\$(347,443)</b></u>

The notional amount of futures purchased as a percentage of Net Assets is 3.4%

See accompanying notes which are an integral part of the financial statements.

## Schedule of Investments – continued

Forward Foreign Currency Contracts					
Currency Purchased	Currency Sold		Counterparty	Settlement Date	Unrealized Appreciation/ (Depreciation)
USD 10,213,708	CAD 13,425,000		Royal Bank Of Canada	2/12/20	\$ (126,631)
GBP 3,535,000	USD 4,626,226		JPMorgan Chase Bank, N.A.	2/13/20	61,728
HKD 1,711,000	USD 219,514		Societe Generale SA	2/13/20	(27)
USD 8,398,201	AUD 12,176,000		BNP Paribas SA	2/13/20	(155,153)
USD 3,562,319	CHF 3,490,000		BNP Paribas SA	2/13/20	(54,391)
USD 1,665,053	DKK 11,119,000		Royal Bank Of Canada	2/13/20	(4,003)
USD 1,299,469	EUR 1,164,000		BNP Paribas SA	2/13/20	(9,573)
USD 30,192,480	EUR 27,000,000		Bank Of America NA	2/13/20	(171,886)
USD 31,203,710	EUR 27,879,000		Citibank NA	2/13/20	(149,185)
USD 31,320,800	EUR 28,000,000		Morgan Stanley	2/13/20	(168,173)
USD 18,374,840	GBP 13,757,000		Royal Bank Of Canada	2/13/20	130,939
USD 219,351	HKD 1,711,000		BNP Paribas SA	2/13/20	(136)
USD 16,031,807	JPY 1,750,000,000		Canadian Imperial Bank of Commerce	2/13/20	(111,637)
USD 16,531,181	JPY 1,803,375,000		JPMorgan Chase Bank, N.A.	2/13/20	(104,637)
USD 3,426,179	JPY 374,037,000		JPMorgan Chase Bank, N.A.	2/13/20	(24,247)
USD 643,962	NOK 5,803,000		Canadian Imperial Bank of Commerce	2/13/20	(17,134)
USD 744,763	NZD 1,128,000		National Australia Bank	2/13/20	(15,066)
USD 2,920,277	SEK 27,264,000		Morgan Stanley	2/13/20	3,576
USD 3,579,921	SGD 4,848,000		National Australia Bank	2/13/20	(25,886)
<b>TOTAL FORWARD FOREIGN CURRENCY CONTRACTS</b>					<b>\$ (941,522)</b>
Unrealized Appreciation					196,243
Unrealized Depreciation					(1,137,765)

Swaps									
Payment Received	Payment Frequency	Payment Paid	Payment Frequency	Clearinghouse / Counterparty <sup>(1)</sup>	Maturity Date	Notional Amount	Value	Upfront Premium Received/ (Paid) <sup>(2)</sup>	Unrealized Appreciation/ (Depreciation)
Interest Rate Swaps									
1.75%	Semi - annual	3-month LIBOR <sup>(3)</sup>	Quarterly	LCH	Mar. 2022	\$17,939,000	\$ (12,028)	\$0	\$ (12,028)
1.75%	Semi - annual	3-month LIBOR <sup>(3)</sup>	Quarterly	LCH	Mar. 2025	\$ 699,000	(3,393)	0	(3,393)
3-month LIBOR <sup>(3)</sup>	Quarterly	2%	Semi - annual	LCH	Mar. 2027	\$ 105,000	929	0	929
3-month LIBOR <sup>(3)</sup>	Quarterly	2%	Semi - annual	LCH	Mar. 2030	\$ 9,350,000	137,380	0	137,380
<b>TOTAL INTEREST RATE SWAPS</b>							<b>\$ 122,888</b>	<b>\$0</b>	<b>\$ 122,888</b>

(1) Swaps with LCH Clearnet Group (LCH) are centrally cleared over-the-counter (OTC) swaps.

(2) Any premiums for centrally cleared over-the-counter (OTC) swaps are recorded periodically throughout the term of the swap to variation margin and included in unrealized appreciation (depreciation).

(3) Represents floating rate.

### Currency Abbreviations

AUD	—	Australian dollar
BRL	—	Brazilian real
CAD	—	Canadian dollar
CHF	—	Swiss franc
DKK	—	Danish krone
EUR	—	European Monetary Unit
GBP	—	British pound
INR	—	Indian rupee
JPY	—	Japanese yen

MXN	—	Mexican peso
NOK	—	Norwegian krone
NZD	—	New Zealand dollar
PEN	—	Peruvian new sol
RUB	—	Russian ruble
SEK	—	Swedish krona
SGD	—	Singapore dollar

### Legend

(a) Amount is stated in United States dollars unless otherwise noted.

See accompanying notes which are an integral part of the financial statements.

- (b) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At the end of the period, the value of these securities amounted to \$393,187,937 or 25.2% of net assets.
- (c) Coupon rates for floating and adjustable rate securities reflect the rates in effect at period end.
- (d) Non-income producing – Security is in default.
- (e) Level 3 security
- (f) Coupon is indexed to a floating interest rate which may be multiplied by a specified factor and/or subject to caps or floors.
- (g) Security or a portion of the security was pledged to cover margin requirements for futures contracts. At period end, the value of securities pledged amounted to \$482,008.
- (h) Security or a portion of the security was pledged to cover margin requirements for centrally cleared OTC swaps. At period end, the value of securities pledged amounted to \$394,493.
- (i) Represents an investment in an underlying pool of reverse mortgages which typically do not require regular principal and interest payments as repayment is deferred until a maturity event.
- (j) Security or a portion of the security purchased on a delayed delivery or when-issued basis.
- (k) Security represents right to receive monthly interest payments on an underlying pool of mortgages or assets. Principal shown is the outstanding par amount of the pool as of the end of the period.
- (l) Coupon is inversely indexed to a floating interest rate multiplied by a specified factor. The price may be considerably more volatile than the price of a comparable fixed rate security.
- (m) Security initially issued at one coupon which converts to a higher coupon at a specified date. The rate shown is the rate at period end.
- (n) Quantity represents share amount.
- (o) Non-income producing
- (p) Restricted securities – Investment in securities not registered under the Securities Act of 1933 (excluding 144A issues). At the end of the period, the value of restricted securities (excluding 144A issues) amounted to \$283,222 or 0.0% of net assets.
- (q) Security or a portion of the security is on loan at period end.
- (r) Remaining maturities of bank loan obligations may be less than the stated maturities shown as a result of contractual or optional prepayments by the borrower. Such prepayments cannot be predicted with certainty.
- (s) Position or a portion of the position represents an unfunded loan commitment. At period end, the total principal amount and market value of unfunded commitments totaled \$372,357 and \$372,357, respectively.
- (t) Affiliated fund that is generally available only to investment companies and other accounts managed by Fidelity Investments. A complete unaudited schedule of portfolio holdings for each Fidelity Central Fund is filed with the SEC for the first and third quarters of each fiscal year on Form N-PORT and is available upon request or at the SEC's website at [www.sec.gov](http://www.sec.gov). An unaudited holdings listing for the Fund, which presents direct holdings as well as the pro-rata share of securities and other investments held indirectly through

its investment in underlying non-money market Fidelity Central Funds, is available at [fidelity.com](http://fidelity.com) and/or [institutional.fidelity.com](http://institutional.fidelity.com), as applicable. In addition, each Fidelity Central Fund's financial statements, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC's website or upon request.

- (u) Security is perpetual in nature with no stated maturity date.
- (v) Affiliated fund that is generally available only to investment companies and other accounts managed by Fidelity Investments. The rate quoted is the annualized seven-day yield of the fund at period end. A complete unaudited listing of the fund's holdings as of its most recent quarter end is available upon request. In addition, each Fidelity Central Fund's financial statements, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC's website or upon request.
- (w) Investment made with cash collateral received from securities on loan.

Additional information on each restricted holding is as follows:

Security	Acquisition Date	Acquisition Cost
Exide Technologies	4/30/15 – 6/1/19	\$ 509,540
Tricer Holdco SCA	10/16/09 – 12/30/17	\$ 286,754
Tricer Holdco SCA Class A1	10/16/09 – 10/29/09	\$ 45,666
Tricer Holdco SCA Class A2	10/16/09 – 10/29/09	\$ 45,666
Tricer Holdco SCA Class A3	10/16/09 – 10/29/09	\$ 45,666
Tricer Holdco SCA Class A4	10/16/09 – 10/29/09	\$ 45,666
Tricer Holdco SCA Class A5	10/16/09 – 10/29/09	\$ 45,666
Tricer Holdco SCA Class A6	10/16/09 – 10/29/09	\$ 45,666
Tricer Holdco SCA Class A7	10/16/09 – 10/29/09	\$ 45,666
Tricer Holdco SCA Class A8	10/16/09 – 10/29/09	\$ 45,666
Tricer Holdco SCA Class A9	10/16/09 – 10/29/09	\$ 45,706

## Affiliated Central Funds

Information regarding fiscal year to date income earned by the Fund from investments in Fidelity Central Funds is as follows:

Fund	Income earned
Fidelity Cash Central Fund	\$ 2,635,855
Fidelity Floating Rate Central Fund	7,871,829
Fidelity Securities Lending Cash Central Fund	944
Total	<u>\$ 10,508,628</u>

Amounts in the income column in the above table include any capital gain distributions from underlying funds, which are presented in the corresponding line-item in the Statement of Operations, if applicable. Amount for Fidelity Securities Lending Cash Central Fund represents the income earned on investing cash collateral, less rebates paid to borrowers and any lending agent fees associated with the loan, plus any premium payments received for lending certain types of securities.

Fiscal year to date information regarding the Fund's investments in non-Money Market Central Funds, including the ownership percentage, is presented below.

See accompanying notes which are an integral part of the financial statements.

## Schedule of Investments – continued

Fund	Value, beginning of period	Purchases	Sales Proceeds	Realized Gain/Loss	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Floating Rate Central Fund	\$121,211,148	\$12,458,065	\$—	\$—	\$3,809,680	\$137,478,893	6.9%
Total	\$121,211,148	\$12,458,065	\$—	\$—	\$3,809,680	\$137,478,893	

### Investment Valuation

The following is a summary of the inputs used, as of December 31, 2019, involving the Fund's assets and liabilities carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used below, please refer to the Investment Valuation section in the accompanying Notes to Financial Statements.

#### Valuation Inputs at Reporting Date:

Description	Total	Level 1	Level 2	Level 3
<b>Investments in Securities:</b>				
<b>Equities:</b>				
Communication Services	\$ 9,169,320	\$ 9,073,748	\$ 95,572	\$ —
Consumer Discretionary	8,688,444	7,565,249	—	1,123,195
Consumer Staples	3,349,558	2,992,418	—	357,140
Energy	576,983	576,983	—	—
Financials	3,572,189	3,572,186	—	3
Health Care	10,018,193	9,955,318	—	62,875
Industrials	10,629,918	10,598,948	—	30,970
Information Technology	29,778,756	29,778,756	—	—
Materials	1,630,070	1,628,026	—	2,044
Real Estate	653,890	653,890	—	—
Utilities	3,006,614	3,006,614	—	—
Corporate Bonds	523,593,201	—	522,955,734	637,467
U.S. Government and Government Agency Obligations	271,986,612	—	271,986,612	—
U.S. Government Agency — Mortgage Securities	26,390,392	—	26,390,392	—
Asset-Backed Securities	866,885	—	866,885	—
Collateralized Mortgage Obligations	29,058,376	—	29,058,376	—
Commercial Mortgage Securities	3,187,672	—	3,187,672	—
Foreign Government and Government Agency Obligations	249,580,277	—	249,008,156	572,121
Supranational Obligations	5,149,623	—	5,149,623	—
Bank Loan Obligations	29,806,445	—	29,220,855	585,590
Fixed-Income Funds	137,478,893	137,478,893	—	—
Preferred Securities	64,150,117	—	64,150,117	—
Money Market Funds	131,484,178	131,484,178	—	—
Purchased Swaptions	2,053,152	—	2,053,152	—
<b>Total Investments in Securities:</b>	<b>\$1,555,859,758</b>	<b>\$348,365,207</b>	<b>\$1,204,123,146</b>	<b>\$3,371,405</b>
<b>Derivative Instruments:</b>				
<b>Assets</b>				
Futures Contracts	\$ 1,139	\$ 1,139	\$ —	\$ —
Forward Foreign Currency Contracts	196,243	—	196,243	—
Swaps	138,309	—	138,309	—
<b>Total Assets</b>	<b>\$ 335,691</b>	<b>\$ 1,139</b>	<b>\$ 334,552</b>	<b>\$ —</b>
<b>Liabilities</b>				
Futures Contracts	\$ (348,582)	\$ (348,582)	\$ —	\$ —
Forward Foreign Currency Contracts	(1,137,765)	—	(1,137,765)	—
Swaps	(15,421)	—	(15,421)	—
Written Swaptions	(395,236)	—	(395,236)	—
<b>Total Liabilities</b>	<b>\$ (1,897,004)</b>	<b>\$ (348,582)</b>	<b>\$ (1,548,422)</b>	<b>\$ —</b>
<b>Total Derivative Instruments:</b>	<b>\$ (1,561,313)</b>	<b>\$ (347,443)</b>	<b>\$ (1,213,870)</b>	<b>\$ —</b>
<b>Other Financial Instruments:</b>				
TBA Sale Commitments	\$ (22,089,756)	\$ —	\$ (22,089,756)	\$ —
<b>Total Other Financial Instruments:</b>	<b>\$ (22,089,756)</b>	<b>\$ —</b>	<b>\$ (22,089,756)</b>	<b>\$ —</b>

See accompanying notes which are an integral part of the financial statements.

## Value of Derivative Instruments

The following table is a summary of the Fund's value of derivative instruments by primary risk exposure as of December 31, 2019. For additional information on derivative instruments, please refer to the Derivative Instruments section in the accompanying Notes to Financial Statements.

Primary Risk Exposure / Derivative Type	Value	
	Asset	Liability
<b>Foreign Exchange Risk</b>		
Forward Foreign Currency Contracts (a)	\$ 196,243	\$ (1,137,764)
<b>Total Foreign Exchange Risk</b>	<u>196,243</u>	<u>(1,137,764)</u>
<b>Interest Rate Risk</b>		
Futures Contracts (b)	1,139	(348,582)
Purchased Swaptions (c)	2,053,152	0
Swaps (d)	138,309	(15,421)
Written Swaptions (e)	0	(395,236)
<b>Total Interest Rate Risk</b>	<u>2,192,600</u>	<u>(759,239)</u>
<b>Total Value of Derivatives</b>	<u>\$2,388,843</u>	<u>\$ (1,897,003)</u>

(a) Gross value is presented in the Statement of Assets and Liabilities in the unrealized appreciation/depreciation on forward foreign currency contracts line-items.

(b) Reflects gross cumulative appreciation (depreciation) on futures contracts as presented in the Schedule of Investments. In the Statement of Assets and Liabilities, the period end daily variation margin is included in receivable or payable for daily variation margin on futures contracts, and the net cumulative appreciation (depreciation) is included in Total accumulated earnings (loss).

(c) Gross value is included in the Statement of Assets and Liabilities in the investments, at value line-item.

(d) For centrally cleared over-the-counter (OTC) swaps, reflects gross cumulative appreciation (depreciation) as presented in the Schedule of Investments. In the Statement of Assets and Liabilities, the period end daily variation margin for centrally cleared OTC swaps is included in receivable or payable for daily variation margin on centrally cleared OTC swaps, and the net cumulative appreciation (depreciation) for centrally cleared OTC swaps is included in Total accumulated earnings (loss).

(e) Gross value is presented in the Statement of Assets and Liabilities in the written options, at value line-item.

## Other Information

Distribution of investments by country or territory of incorporation, as a percentage of Total Net Assets, is as follows (Unaudited):

United States of America	70.3%
Netherlands	2.9%
Germany	2.8%
Canada	2.7%
Japan	2.3%
Luxembourg	1.8%
United Kingdom	1.7%
Mexico	1.5%
Argentina	1.1%
Turkey	1.1%
Cayman Islands	1.0%
Others (Individually Less Than 1%)	10.8%
	<u>100.0%</u>

The information in the above tables is based on the combined investments of the fund and its pro-rata share of the investments of Fidelity's Fixed-Income Central Funds

See accompanying notes which are an integral part of the financial statements.

# Financial Statements

## Statement of Assets and Liabilities

December 31, 2019

### Assets

Investment in securities, at value (including securities loaned of \$13,816) — See accompanying schedule:

Unaffiliated issuers (cost \$1,242,528,816)	\$ 1,286,896,687	
Fidelity Central Funds (cost \$272,063,320)	<u>268,963,071</u>	
Total Investment in Securities (cost \$1,514,592,136)		\$ 1,555,859,758
Cash		270,465
Foreign currency held at value (cost \$146,289)		149,048
Receivable for investments sold		106,666
Receivable for premium on written options		397,300
Receivable for TBA sale commitments		22,062,408
Unrealized appreciation on forward foreign currency contracts		196,244
Receivable for fund shares sold		1,223,044
Dividends receivable		35,406
Interest receivable		12,674,465
Distributions receivable from Fidelity Central Funds		182,120
Receivable for daily variation margin on centrally cleared OTC swaps		24,880
Prepaid expenses		1,966
Other receivables		<u>1,271</u>
<b>Total assets</b>		<u>1,593,185,041</u>

### Liabilities

Payable for investments purchased		
Regular delivery	\$ 4,788,611	
Delayed delivery	5,062,500	
TBA sale commitments, at value	22,089,756	
Unrealized depreciation on forward foreign currency contracts	1,137,765	
Payable for fund shares redeemed	45,660	
Accrued management fee	710,023	
Distribution and service plan fees payable	103,422	
Payable for daily variation margin on futures contracts	58,943	
Written options, at value (premium receivable \$397,300)	395,236	
Other affiliated payables	158,274	
Other payables and accrued expenses	104,652	
Collateral on securities loaned	<u>14,050</u>	
<b>Total liabilities</b>		<u>34,668,892</u>

**Net Assets** \$ 1,558,516,149

Net Assets consist of:

Paid in capital	\$ 1,514,094,991
Total accumulated earnings (loss)	44,421,158

**Net Assets** \$ 1,558,516,149

### Net Asset Value and Maximum Offering Price

#### Initial Class:

**Net Asset Value**, offering price and redemption price per share (\$83,769,089 ÷ 7,313,444 shares) \$ 11.45

#### Service Class:

**Net Asset Value**, offering price and redemption price per share (\$1,944,642 ÷ 170,272 shares) \$ 11.42

#### Service Class 2:

**Net Asset Value**, offering price and redemption price per share (\$502,859,171 ÷ 44,354,845 shares) \$ 11.34

#### Investor Class:

**Net Asset Value**, offering price and redemption price per share (\$969,943,247 ÷ 84,983,998 shares) \$ 11.41

See accompanying notes which are an integral part of the financial statements.



## Statement of Operations

	Year ended December 31, 2019
<b>Investment Income</b>	
Dividends	\$ 4,691,379
Interest	49,288,547
Income from Fidelity Central Funds (including \$944 from security lending)	<u>10,508,628</u>
<b>Total income</b>	<u>64,488,554</u>
<b>Expenses</b>	
Management fee	\$ 8,233,206
Transfer agent fees	1,335,038
Distribution and service plan fees	1,128,241
Accounting and security lending fees	504,880
Custodian fees and expenses	61,942
Independent trustees' fees and expenses	5,862
Audit	113,229
Legal	(14,927)
Miscellaneous	<u>12,058</u>
Total expenses before reductions	11,379,529
Expense reductions	<u>(31,443)</u>
Total expenses after reductions	<u>11,348,086</u>
<b>Net investment income (loss)</b>	<u>53,140,468</u>
<b>Realized and Unrealized Gain (Loss)</b>	
Net realized gain (loss) on:	
Investment securities:	
Unaffiliated issuers	8,931,399
Fidelity Central Funds	(4)
Forward foreign currency contracts	(136,436)
Foreign currency transactions	161,004
Futures contracts	4,378,337
Swaps	(78,405)
Written options	<u>(145,927)</u>
Total net realized gain (loss)	13,109,968
Change in net unrealized appreciation (depreciation) on:	
Investment securities:	
Unaffiliated issuers	82,944,169
Fidelity Central Funds	3,809,681
Forward foreign currency contracts	(941,521)
Assets and liabilities in foreign currencies	22,747
Futures contracts	(1,864,359)
Swaps	94,800
Written options	2,064
Delayed delivery commitments	<u>23,546</u>
Total change in net unrealized appreciation (depreciation)	<u>84,091,127</u>
<b>Net gain (loss)</b>	<u>97,201,095</u>
<b>Net increase (decrease) in net assets resulting from operations</b>	<u>\$ 150,341,563</u>

See accompanying notes which are an integral part of the financial statements.

## Financial Statements – continued

### Statement of Changes in Net Assets

	Year ended December 31, 2019	Year ended December 31, 2018
<b>Increase (Decrease) in Net Assets</b>		
Operations		
Net investment income (loss)	\$ 53,140,468	\$ 53,344,149
Net realized gain (loss)	13,109,968	(4,106,558)
Change in net unrealized appreciation (depreciation)	<u>84,091,127</u>	<u>(88,720,311)</u>
<b>Net increase (decrease) in net assets resulting from operations</b>	<u>150,341,563</u>	<u>(39,482,720)</u>
Distributions to shareholders	<u>(60,335,625)</u>	<u>(55,455,091)</u>
Share transactions – net increase (decrease)	<u>78,995,652</u>	<u>(61,326,077)</u>
<b>Total increase (decrease) in net assets</b>	<u>169,001,590</u>	<u>(156,263,888)</u>
<b>Net Assets</b>		
Beginning of period	<u>1,389,514,559</u>	<u>1,545,778,447</u>
End of period	<u>\$ 1,558,516,149</u>	<u>\$ 1,389,514,559</u>

See accompanying notes which are an integral part of the financial statements.

# Financial Highlights

## VIP Strategic Income Portfolio Initial Class

Years ended December 31,	2019	2018	2017	2016	2015
<b>Selected Per-Share Data</b>					
Net asset value, beginning of period	\$ 10.75	\$ 11.50	\$ 11.07	\$ 10.60	\$ 11.12
<b>Income from Investment Operations</b>					
Net investment income (loss) <sup>A</sup>	.421	.418	.399	.429	.413
Net realized and unrealized gain (loss)	.749	(.716)	.462	.446	(.593)
Total from investment operations	1.170	(.298)	.861	.875	(.180)
Distributions from net investment income	(.385)	(.444) <sup>B</sup>	(.371)	(.405)	(.306)
Distributions from net realized gain	(.085)	(.008) <sup>B</sup>	(.060)	—	—
Tax return of capital	—	—	—	—	(.034)
Total distributions	(.470)	(.452)	(.431)	(.405)	(.340)
Net asset value, end of period	\$ 11.45	\$ 10.75	\$ 11.50	\$ 11.07	\$ 10.60
<b>Total Return<sup>C,D</sup></b>	10.89%	(2.57)%	7.79%	8.27%	(1.63)%
<b>Ratios to Average Net Assets<sup>E,F</sup></b>					
Expenses before reductions	.67%	.66%	.67%	.68%	.69%
Expenses net of fee waivers, if any	.67%	.66%	.67%	.68%	.69%
Expenses net of all reductions	.66%	.66%	.67%	.68%	.69%
Net investment income (loss)	3.67%	3.66%	3.45%	3.84%	3.69%
<b>Supplemental Data</b>					
Net assets, end of period (000 omitted)	\$ 83,769	\$ 82,529	\$ 96,952	\$ 91,630	\$ 91,714
Portfolio turnover rate <sup>G</sup>	144%	118%	124%	81%	92%

<sup>A</sup> Calculated based on average shares outstanding during the period.

<sup>B</sup> The amounts shown reflect certain reclassifications related to book to tax differences that were made in the year shown.

<sup>C</sup> Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.

<sup>D</sup> Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

<sup>E</sup> Fees and expenses of any underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds. Based on their most recent shareholder report date, the expenses of any underlying non-money market Fidelity Central Funds were less than .005%.

<sup>F</sup> Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.

<sup>G</sup> Amount does not include the portfolio activity of any underlying Fidelity Central Funds.

See accompanying notes which are an integral part of the financial statements.

## Financial Highlights – continued

### VIP Strategic Income Portfolio Service Class

Years ended December 31,	2019	2018	2017	2016	2015
<b>Selected Per-Share Data</b>					
Net asset value, beginning of period	\$ 10.72	\$ 11.47	\$ 11.05	\$ 10.59	\$ 11.11
Income from Investment Operations					
Net investment income (loss) <sup>A</sup>	.409	.406	.389	.417	.401
Net realized and unrealized gain (loss)	.750	(.715)	.461	.444	(.592)
Total from investment operations	1.159	(.309)	.850	.861	(.191)
Distributions from net investment income	(.374)	(.433) <sup>B</sup>	(.370)	(.401)	(.295)
Distributions from net realized gain	(.085)	(.008) <sup>B</sup>	(.060)	—	—
Tax return of capital	—	—	—	—	(.034)
Total distributions	(.459)	(.441)	(.430)	(.401)	(.329)
Net asset value, end of period	\$ 11.42	\$ 10.72	\$ 11.47	\$ 11.05	\$ 10.59
<b>Total Return<sup>C,D</sup></b>	10.82%	(2.68)%	7.71%	8.14%	(1.73)%
<b>Ratios to Average Net Assets<sup>E,F</sup></b>					
Expenses before reductions	.77%	.76%	.77%	.78%	.79%
Expenses net of fee waivers, if any	.77%	.76%	.77%	.78%	.79%
Expenses net of all reductions	.76%	.76%	.77%	.78%	.79%
Net investment income (loss)	3.57%	3.56%	3.35%	3.75%	3.59%
<b>Supplemental Data</b>					
Net assets, end of period (000 omitted)	\$ 1,945	\$ 1,745	\$ 1,899	\$ 526	\$ 753
Portfolio turnover rate <sup>G</sup>	144%	118%	124%	81%	92%

<sup>A</sup> Calculated based on average shares outstanding during the period.

<sup>B</sup> The amounts shown reflect certain reclassifications related to book to tax differences that were made in the year shown.

<sup>C</sup> Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.

<sup>D</sup> Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

<sup>E</sup> Fees and expenses of any underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds. Based on their most recent shareholder report date, the expenses of any underlying non-money market Fidelity Central Funds were less than .005%.

<sup>F</sup> Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.

<sup>G</sup> Amount does not include the portfolio activity of any underlying Fidelity Central Funds.

See accompanying notes which are an integral part of the financial statements.

## VIP Strategic Income Portfolio Service Class 2

Years ended December 31,	2019	2018	2017	2016	2015
<b>Selected Per-Share Data</b>					
Net asset value, beginning of period	\$ 10.65	\$ 11.40	\$ 10.98	\$ 10.52	\$ 11.05
<b>Income from Investment Operations</b>					
Net investment income (loss) <sup>A</sup>	.389	.385	.368	.398	.380
Net realized and unrealized gain (loss)	.745	(.709)	.459	.444	(.593)
Total from investment operations	1.134	(.324)	.827	.842	(.213)
Distributions from net investment income	(.359)	(.418) <sup>B</sup>	(.347)	(.382)	(.283)
Distributions from net realized gain	(.085)	(.008) <sup>B</sup>	(.060)	—	—
Tax return of capital	—	—	—	—	(.034)
Total distributions	(.444)	(.426)	(.407)	(.382)	(.317)
Net asset value, end of period	\$ 11.34	\$ 10.65	\$ 11.40	\$ 10.98	\$ 10.52
<b>Total Return</b> <sup>C,D</sup>	10.66%	(2.82)%	7.54%	8.02%	(1.94)%
<b>Ratios to Average Net Assets</b> <sup>E,F</sup>					
Expenses before reductions	.92%	.91%	.92%	.93%	.94%
Expenses net of fee waivers, if any	.92%	.91%	.92%	.93%	.94%
Expenses net of all reductions	.91%	.91%	.92%	.93%	.94%
Net investment income (loss)	3.42%	3.41%	3.20%	3.59%	3.44%
<b>Supplemental Data</b>					
Net assets, end of period (000 omitted)	\$ 502,859	\$ 397,785	\$ 374,227	\$ 260,789	\$ 185,925
Portfolio turnover rate <sup>G</sup>	144%	118%	124%	81%	92%

<sup>A</sup> Calculated based on average shares outstanding during the period.

<sup>B</sup> The amounts shown reflect certain reclassifications related to book to tax differences that were made in the year shown.

<sup>C</sup> Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.

<sup>D</sup> Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

<sup>E</sup> Fees and expenses of any underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds. Based on their most recent shareholder report date, the expenses of any underlying non-money market Fidelity Central Funds were less than .005%.

<sup>F</sup> Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.

<sup>G</sup> Amount does not include the portfolio activity of any underlying Fidelity Central Funds.

See accompanying notes which are an integral part of the financial statements.

## Financial Highlights – continued

<b>VIP Strategic Income Portfolio Investor Class</b>					
Years ended December 31,	2019	2018	2017	2016	2015
<b>Selected Per-Share Data</b>					
Net asset value, beginning of period	\$ 10.71	\$ 11.46	\$ 11.03	\$ 10.57	\$ 11.09
<b>Income from Investment Operations</b>					
Net investment income (loss) <sup>A</sup>	.416	.413	.394	.424	.408
Net realized and unrealized gain (loss)	.750	(.715)	.463	.438	(.591)
Total from investment operations	1.166	(.302)	.857	.862	(.183)
Distributions from net investment income	(.381)	(.440) <sup>B</sup>	(.367)	(.402)	(.303)
Distributions from net realized gain	(.085)	(.008) <sup>B</sup>	(.060)	—	—
Tax return of capital	—	—	—	—	(.034)
Total distributions	(.466)	(.448)	(.427)	(.402)	(.337)
Net asset value, end of period	\$ 11.41	\$ 10.71	\$ 11.46	\$ 11.03	\$ 10.57
<b>Total Return<sup>C,D</sup></b>	10.89%	(2.62)%	7.78%	8.17%	(1.66)%
<b>Ratios to Average Net Assets<sup>E,F</sup></b>					
Expenses before reductions	.70%	.70%	.71%	.72%	.72%
Expenses net of fee waivers, if any	.70%	.70%	.71%	.72%	.72%
Expenses net of all reductions	.70%	.70%	.71%	.72%	.72%
Net investment income (loss)	3.63%	3.63%	3.41%	3.81%	3.65%
<b>Supplemental Data</b>					
Net assets, end of period (000 omitted)	\$ 969,943	\$ 907,456	\$ 1,072,701	\$ 945,087	\$ 907,266
Portfolio turnover rate <sup>G</sup>	144%	118%	124%	81%	92%

<sup>A</sup> Calculated based on average shares outstanding during the period.

<sup>B</sup> The amounts shown reflect certain reclassifications related to book to tax differences that were made in the year shown.

<sup>C</sup> Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.

<sup>D</sup> Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

<sup>E</sup> Fees and expenses of any underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds. Based on their most recent shareholder report date, the expenses of any underlying non-money market Fidelity Central Funds were less than .005%.

<sup>F</sup> Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.

<sup>G</sup> Amount does not include the portfolio activity of any underlying Fidelity Central Funds.

See accompanying notes which are an integral part of the financial statements.

# Notes to Financial Statements

For the period ended December 31, 2019

## 1. Organization.

VIP Strategic Income Portfolio (the Fund) is a fund of Variable Insurance Products Fund V (the Trust) and is authorized to issue an unlimited number of shares. The Trust is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company organized as a Massachusetts business trust. Shares of the Fund may only be purchased by insurance companies for the purpose of funding variable annuity or variable life insurance contracts. The Fund offers the following classes of shares: Initial Class shares, Service Class shares, Service Class 2 shares and Investor Class shares. All classes have equal rights and voting privileges, except for matters affecting a single class.

## 2. Investments in Fidelity Central Funds.

The Fund invests in Fidelity Central Funds, which are open-end investment companies generally available only to other investment companies and accounts managed by the investment adviser and its affiliates. The Fund's Schedule of Investments lists each of the Fidelity Central Funds held as of period end, if any, as an investment of the Fund, but does not include the underlying holdings of each Fidelity Central Fund. As an Investing Fund, the Fund indirectly bears its proportionate share of the expenses of the underlying Fidelity Central Funds.

Based on its investment objective, each Fidelity Central Fund may invest or participate in various investment vehicles or strategies that are similar to those of the Fund. These strategies are consistent with the investment objectives of the Fund and may involve certain economic risks which may cause a decline in value of each of the Fidelity Central Funds and thus a decline in the value of the Fund. The Money Market Central Funds seek preservation of capital and current income and are managed by Fidelity Investments Money Management, Inc. (FIMM), an affiliate of the investment adviser. Annualized expenses of the Money Market Central Funds as of their most recent shareholder report date ranged from less than .005% to .01%. The following summarizes the Fund's investment in each non-money market Fidelity Central Fund.

Fidelity Central Fund	Investment Manager	Investment Objective	Investment Practices	Expense Ratio <sup>(a)</sup>
Fidelity Floating Rate Central Fund	FMR Co., Inc. (FMRC)	Seeks a high level of income by normally investing in floating rate loans and other floating rate securities.	Loans & Direct Debt Instruments Restricted Securities	Less than .005%

(a) Expenses expressed as a percentage of average net assets and are as of each underlying Central Fund's most recent annual or semi-annual shareholder report.

An unaudited holdings listing for the Fund, which presents direct holdings as well as the pro-rata share of any securities and other investments held indirectly through its investment in underlying non-money market Fidelity Central Funds, is available at [institutional.fidelity.com](http://institutional.fidelity.com). A complete unaudited list of holdings for each Fidelity Central Fund is available upon request or at the Securities and Exchange Commission (the SEC) website at [www.sec.gov](http://www.sec.gov). In addition, the financial statements of the Fidelity Central Funds which contain the significant accounting policies (including investment valuation policies) of those funds, which are not covered by the Fund's Report of Independent Registered Public Accounting Firm, are available on the SEC website or upon request.

## 3. Significant Accounting Policies.

The Fund is an investment company and applies the accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946 Financial Services – Investments Companies. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), which require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. Subsequent events, if any, through the date that the financial statements were issued have been evaluated in the preparation of the financial statements. The following summarizes the significant accounting policies of the Fund:

**Investment Valuation.** Investments are valued as of 4:00 p.m. Eastern time on the last calendar day of the period. The Board of Trustees (the Board) has delegated the day to day responsibility for the valuation of the Fund's investments to the Fair Value Committee (the Committee) established by the Fund's investment adviser. In accordance with valuation policies and procedures approved by the Board, the Fund attempts to obtain prices from one or more third party pricing vendors or brokers to value its investments. When current market prices, quotations or currency exchange rates are not readily available or reliable, investments will be fair valued in good faith by the Committee, in accordance with procedures adopted by the Board. Factors used in determining fair value vary by investment type and may include market or investment specific events, changes in interest rates and credit quality. The frequency with which these procedures are used cannot be predicted and they may be utilized to a significant extent. The Committee oversees the Fund's valuation policies and procedures and reports to the Board on the Committee's activities and fair value determinations. The Board monitors the appropriateness of the procedures used in valuing the Fund's investments and ratifies the fair value determinations of the Committee.

The Fund categorizes the inputs to valuation techniques used to value its investments into a disclosure hierarchy consisting of three levels as shown below:

- Level 1 – quoted prices in active markets for identical investments
- Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, etc.)
- Level 3 – unobservable inputs (including the Fund's own assumptions based on the best information available)

Valuation techniques used to value the Fund's investments by major category are as follows:

Debt securities, including restricted securities, are valued based on evaluated prices received from third party pricing vendors or from brokers who make markets in such securities. Corporate bonds, bank loan obligations, foreign government and government agency obligations, preferred securities, supranational obligations and U.S. government and government agency obligations are valued by pricing vendors who utilize matrix pricing which considers yield or price of bonds of comparable quality, coupon, maturity and type or by broker-supplied prices. Asset backed securities, collateralized mortgage obligations, commercial mortgage securities and U.S. government agency mortgage securities are valued by pricing vendors who utilize matrix pricing which considers prepayment speed assumptions, attributes of the collateral, yield or price of bonds of comparable quality, coupon, maturity and type or by broker-supplied prices. Swaps are marked-to-market daily based on valuations from third party pricing vendors, registered derivatives clearing organizations (clearinghouses) or broker-supplied valuations. These pricing sources may utilize inputs such as interest rate

## Notes to Financial Statements – continued

curves, credit spread curves, default possibilities and recovery rates. When independent prices are unavailable or unreliable, debt securities and swaps may be valued utilizing pricing methodologies which consider similar factors that would be used by third party pricing vendors. For foreign debt securities, when significant market or security specific events arise, valuations may be determined in good faith in accordance with procedures adopted by the Board. Debt securities and swaps are generally categorized as Level 2 in the hierarchy but may be Level 3 depending on the circumstances. The Fund invests a significant portion of its assets in below investment grade securities. The value of these securities can be more volatile due to changes in the credit quality of the issuer and is sensitive to changes in economic, market and regulatory conditions.

Equity securities, including restricted securities, for which market quotations are readily available, are valued at the last reported sale price or official closing price as reported by a third party pricing vendor on the primary market or exchange on which they are traded and are categorized as Level 1 in the hierarchy. In the event there were no sales during the day or closing prices are not available, securities are valued at the last quoted bid price or may be valued using the last available price and are generally categorized as Level 2 in the hierarchy. For foreign equity securities, when market or security specific events arise, comparisons to the valuation of American Depositary Receipts (ADRs), futures contracts, Exchange-Traded Funds (ETFs) and certain indexes as well as quoted prices for similar securities may be used and would be categorized as Level 2 in the hierarchy. For equity securities, including restricted securities, where observable inputs are limited, assumptions about market activity and risk are used and these securities may be categorized as Level 3 in the hierarchy.

The U.S. dollar value of foreign currency contracts is determined using currency exchange rates supplied by a pricing service and are categorized as Level 2 in the hierarchy. Futures contracts are valued at the settlement price established each day by the board of trade or exchange on which they are traded and are categorized as Level 1 in the hierarchy. Options traded over-the-counter are valued using vendor or broker-supplied valuations and are categorized as Level 2 in the hierarchy. Investments in open-end mutual funds, including the Fidelity Central Funds, are valued at their closing net asset value (NAV) each business day and are categorized as Level 1 in the hierarchy.

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. The aggregate value of investments by input level as of December 31, 2019 is included at the end of the Fund's Schedule of Investments.

**Foreign Currency.** Foreign-denominated assets, including investment securities, and liabilities are translated into U.S. dollars at the exchange rates at period end. Purchases and sales of investment securities, income and dividends received and expenses denominated in foreign currencies are translated into U.S. dollars at the exchange rate in effect on the transaction date.

The effects of exchange rate fluctuations on investments are included with the net realized and unrealized gain (loss) on investment securities. Other foreign currency transactions resulting in realized and unrealized gain (loss) are disclosed separately.

Realized gains and losses on foreign currency transactions arise from the disposition of foreign currency, realized changes in the value of foreign currency between the trade and settlement dates on security transactions, and the difference between the amounts of dividends, interest and foreign withholding taxes recorded on transaction date and the U.S. dollar equivalent of the amounts actually received or paid. Unrealized gains and losses on assets and liabilities in foreign currencies arise from changes in the value of foreign currency, and from assets and liabilities denominated in foreign currencies, other than investments, which are held at period end.

**Investment Transactions and Income.** For financial reporting purposes, the Fund's investment holdings and NAV include trades executed through the end of the last business day of the period. The NAV per share for processing shareholder transactions is calculated as of the close of business of the New York Stock Exchange (NYSE), normally 4:00 p.m. Eastern time and includes trades executed through the end of the prior business day. Gains and losses on securities sold are determined on the basis of identified cost and include proceeds received from litigation. Dividend income is recorded on the ex-dividend date, except for certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Fund is informed of the ex-dividend date. Non-cash dividends included in dividend income, if any, are recorded at the fair market value of the securities received. Income and capital gain distributions from Fidelity Central Funds, if any, are recorded on the ex-dividend date. Certain distributions received by the Fund represent a return of capital or capital gain. The Fund determines the components of these distributions subsequent to the ex-dividend date, based upon receipt of tax filings or other correspondence relating to the underlying investment. These distributions are recorded as a reduction of cost of investments and/or as a realized gain. Interest income is accrued as earned and includes coupon interest and amortization of premium and accretion of discount on debt securities as applicable. Paid in Kind (PIK) income is recorded at the fair market value of the securities received. Investment income is recorded net of foreign taxes withheld where recovery of such taxes is uncertain. Debt obligations may be placed on non-accrual status and related interest income may be reduced by ceasing current accruals and writing off interest receivables when the collection of all or a portion of interest has become doubtful based on consistently applied procedures. A debt obligation is removed from non-accrual status when the issuer resumes interest payments or when collectability of interest is reasonably assured.

**Class Allocations and Expenses.** Investment income, realized and unrealized capital gains and losses, common expenses of the Fund, and certain fund-level expense reductions, if any, are allocated daily on a pro-rata basis to each class based on the relative net assets of each class to the total net assets of the Fund. Each class differs with respect to transfer agent and distribution and service plan fees incurred. Certain expense reductions may also differ by class. For the reporting period, the allocated portion of income and expenses to each class as a percent of its average net assets may vary due to the timing of recording these transactions in relation to fluctuating net assets of the classes. Expenses directly attributable to a fund are charged to that fund. Expenses attributable to more than one fund are allocated among the respective funds on the basis of relative net assets or other appropriate methods. Expense estimates are accrued in the period to which they relate and adjustments are made when actual amounts are known.

**Income Tax Information and Distributions to Shareholders.** Each year, the Fund intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code, including distributing substantially all of its taxable income and realized gains. As a result, no provision for U.S. Federal income taxes is required. As of December 31, 2019, the Fund did not have any unrecognized tax benefits in the financial statements; nor is the Fund aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. The Fund files a U.S. federal tax return, in addition to state and local tax returns as required. The Fund's federal income tax returns are subject to examination by the Internal Revenue Service (IRS) for a period of three fiscal years after they are filed. State and local tax returns may be subject to examination for an additional fiscal year depending on the jurisdiction. Foreign taxes are provided for based on the Fund's understanding of the tax rules and rates that exist in the foreign markets in which it invests.

Distributions are declared and recorded on the ex-dividend date. Income and capital gain distributions are declared separately for each class. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP.



Capital accounts within the financial statements are adjusted for permanent book-tax differences. These adjustments have no impact on net assets or the results of operations. Capital accounts are not adjusted for temporary book-tax differences which will reverse in a subsequent period.

Book-tax differences are primarily due to futures contracts, swaps, foreign currency transactions, defaulted bonds, market discount, partnerships, capital loss carryforwards, losses deferred due to wash sales and excise tax regulations.

As of period end, the cost and unrealized appreciation (depreciation) in securities, and derivatives if applicable, for federal income tax purposes were as follows:

Gross unrealized appreciation	\$ 78,307,161
Gross unrealized depreciation	(34,621,186)
Net unrealized appreciation (depreciation)	<u>\$ 43,685,975</u>
Tax Cost	<u>\$1,509,687,038</u>

The tax-based components of distributable earnings as of period end were as follows:

Undistributed ordinary income	\$ 1,053
Undistributed long-term capital gain	<u>\$ 1,097,137</u>
Net unrealized appreciation (depreciation) on securities and other investments	<u>\$42,759,361</u>

The Fund intends to elect to defer to its next fiscal year \$346,808 of capital losses recognized during the period November 1, 2019 to December 31, 2019.

The tax character of distributions paid was as follows:

	December 31, 2019	December 31, 2018
Ordinary Income	\$53,895,816	\$55,455,091
Long-term Capital Gains	<u>6,439,809</u>	—
Total	<u>\$60,335,625</u>	<u>\$55,455,091</u>

**Delayed Delivery Transactions and When-Issued Securities.** During the period, the Fund transacted in securities on a delayed delivery or when-issued basis. Payment and delivery may take place after the customary settlement period for that security. The price of the underlying securities and the date when the securities will be delivered and paid for are fixed at the time the transaction is negotiated. The securities purchased on a delayed delivery or when-issued basis are identified as such in the Fund's Schedule of Investments. The Fund may receive compensation for interest forgone in the purchase of a delayed delivery or when-issued security. With respect to purchase commitments, the Fund identifies securities as segregated in its records with a value at least equal to the amount of the commitment. Losses may arise due to changes in the value of the underlying securities or if the counterparty does not perform under the contract's terms, or if the issuer does not issue the securities due to political, economic, or other factors.

**To-Be-Announced (TBA) Securities and Mortgage Dollar Rolls.** During the period, the Fund transacted in TBA securities that involved buying or selling mortgage-backed securities (MBS) on a forward commitment basis. A TBA transaction typically does not designate the actual security to be delivered and only includes an approximate principal amount; however delivered securities must meet specified terms defined by industry guidelines, including issuer, rate and current principal amount outstanding on underlying mortgage pools. The Fund may enter into a TBA transaction with the intent to take possession of or deliver the underlying MBS, or the Fund may elect to extend the settlement by entering into either a mortgage or reverse mortgage dollar roll. Mortgage dollar rolls are transactions where a fund sells TBA securities and simultaneously agrees to repurchase MBS on a later date at a lower price and with the same counterparty. Reverse mortgage dollar rolls involve the purchase and simultaneous agreement to sell TBA securities on a later date at a lower price. Transactions in mortgage dollar rolls and reverse mortgage dollar rolls are accounted for as purchases and sales and may result in an increase to the Fund's portfolio turnover rate.

Purchases and sales of TBA securities involve risks similar to those discussed above for delayed delivery and when-issued securities. Also, if the counterparty in a mortgage dollar roll or a reverse mortgage dollar roll transaction files for bankruptcy or becomes insolvent, the Fund's right to repurchase or sell securities may be limited. Additionally, when a fund sells TBA securities without already owning or having the right to obtain the deliverable securities (an uncovered forward commitment to sell), it incurs a risk of loss because it could have to purchase the securities at a price that is higher than the price at which it sold them. A fund may be unable to purchase the deliverable securities if the corresponding market is illiquid.

TBA securities subject to a forward commitment to sell at period end are included at the end of the Fund's Schedule of Investments under the caption "TBA Sale Commitments." The proceeds and value of these commitments are reflected in the Fund's Statement of Assets and Liabilities as Receivable for TBA sale commitments and TBA sale commitments, at value, respectively.

**Restricted Securities.** The Fund may invest in securities that are subject to legal or contractual restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the securities are registered. Disposal of these securities may involve time-consuming negotiations and expense, and prompt sale at an acceptable price may be difficult. Information regarding restricted securities is included at the end of the Fund's Schedule of Investments.

**Loans and Other Direct Debt Instruments.** The Fund invests in direct debt instruments which are interests in amounts owed to lenders by corporate or other borrowers. These instruments may be in the form of loans, trade claims or other receivables and may include standby financing commitments such as revolving credit facilities that obligate the Fund to supply additional cash to the borrower on demand. Loans may be acquired through assignment or participation. The Fund also invests in unfunded loan commitments, which are contractual obligations for future funding. Information regarding unfunded commitments is included at the end of the Fund's Schedule of Investments.

## Notes to Financial Statements – continued

### 4. Derivative Instruments.

**Risk Exposures and the Use of Derivative Instruments.** The Fund's investment objective allows the Fund to enter into various types of derivative contracts, including futures contracts, forward foreign currency contracts, options and swaps. Derivatives are investments whose value is primarily derived from underlying assets, indices or reference rates and may be transacted on an exchange or over-the-counter (OTC). Derivatives may involve a future commitment to buy or sell a specified asset based on specified terms, to exchange future cash flows at periodic intervals based on a notional principal amount, or for one party to make one or more payments upon the occurrence of specified events in exchange for periodic payments from the other party.

The Fund used derivatives to increase returns, to gain exposure to certain types of assets, to facilitate transactions in foreign-denominated securities and to manage exposure to certain risks as defined below. The success of any strategy involving derivatives depends on analysis of numerous economic factors, and if the strategies for investment do not work as intended, the Fund may not achieve its objectives.

The Fund's use of derivatives increased or decreased its exposure to the following risks:

Foreign Exchange Risk

Foreign exchange rate risk relates to fluctuations in the value of an asset or liability due to changes in currency exchange rates.

Interest Rate Risk

Interest rate risk relates to the fluctuations in the value of interest-bearing securities due to changes in the prevailing levels of market interest rates.

The Fund is also exposed to additional risks from investing in derivatives, such as liquidity risk and counterparty credit risk. Liquidity risk is the risk that the Fund will be unable to close out the derivative in the open market in a timely manner. Counterparty credit risk is the risk that the counterparty will not be able to fulfill its obligation to the Fund. Derivative counterparty credit risk is managed through formal evaluation of the creditworthiness of all potential counterparties. On certain OTC derivatives such as forward foreign currency contracts and options, the Fund attempts to reduce its exposure to counterparty credit risk by entering into an International Swaps and Derivatives Association, Inc. (ISDA) Master Agreement with each of its counterparties. The ISDA Master Agreement gives the Fund the right to terminate all transactions traded under such agreement upon the deterioration in the credit quality of the counterparty beyond specified levels. The ISDA Master Agreement gives each party the right, upon an event of default by the other party or a termination of the agreement, to close out all transactions traded under such agreement and to net amounts owed under each transaction to one net payable by one party to the other. To mitigate counterparty credit risk on bi-lateral OTC derivatives, the Fund receives collateral in the form of cash or securities once the Fund's net unrealized appreciation on outstanding derivative contracts under an ISDA Master Agreement exceeds certain applicable thresholds, subject to certain minimum transfer provisions. The collateral received is held in segregated accounts with the Fund's custodian bank in accordance with the collateral agreements entered into between the Fund, the counterparty and the Fund's custodian bank. The Fund could experience delays and costs in gaining access to the collateral even though it is held by the Fund's custodian bank. The Fund's maximum risk of loss from counterparty credit risk related to bi-lateral OTC derivatives is generally the aggregate unrealized appreciation and unpaid counterparty payments in excess of any collateral pledged by the counterparty to the Fund. For OTC written options with upfront premiums received, the Fund is obligated to perform and therefore does not have counterparty risk. For OTC written options with premiums to be received at a future date, the maximum risk of loss from counterparty credit risk is the amount of the premium in excess of any collateral pledged by the counterparty. The Fund may be required to pledge collateral for the benefit of the counterparties on bi-lateral OTC derivatives in an amount not less than each counterparty's unrealized appreciation on outstanding derivative contracts, subject to certain minimum transfer provisions, and any such pledged collateral is identified in the Schedule of Investments. Exchange-traded futures contracts are not covered by the ISDA Master Agreement; however counterparty credit risk related to exchange-traded futures contracts may be mitigated by the protection provided by the exchange on which they trade. Counterparty credit risk related to centrally cleared OTC swaps may be mitigated by the protection provided by the clearinghouse.

Investing in derivatives may involve greater risks than investing in the underlying assets directly and, to varying degrees, may involve risk of loss in excess of any initial investment and collateral received and amounts recognized in the Statement of Assets and Liabilities. In addition, there may be the risk that the change in value of the derivative contract does not correspond to the change in value of the underlying instrument.

**Net Realized Gain (Loss) and Change in Net Unrealized Appreciation (Depreciation) on Derivatives.** The table below, which reflects the impacts of derivatives on the financial performance of the Fund, summarizes the net realized gain (loss) and change in net unrealized appreciation (depreciation) for derivatives during the period as presented in the Statement of Operations.

Primary Risk Exposure / Derivative Type	Net Realized Gain (Loss)	Change in Net Unrealized Appreciation (Depreciation)
<b>Foreign Exchange Risk</b>		
Forward Foreign Currency Contracts	\$ (136,436)	\$ (941,521)
<b>Total Foreign Exchange Risk</b>	<u>(136,436)</u>	<u>(941,521)</u>
<b>Interest Rate Risk</b>		
Futures Contracts	4,378,337	(1,864,359)
Purchased Options	275,640	109,482
Swaps	(78,405)	94,800
Written Options	(145,927)	2,064
<b>Total Interest Rate Risk</b>	<u>4,429,645</u>	<u>(1,658,013)</u>
<b>Totals</b>	<u>\$4,293,209</u>	<u>\$ (2,599,534)</u>

A summary of the value of derivatives by primary risk exposure as of period end, if any, is included at the end of the Schedule of Investments.

**Forward Foreign Currency Contracts.** Forward foreign currency contracts represent obligations to purchase or sell foreign currency on a specified future date at a price fixed at the time the contracts are entered into. The Fund used forward foreign currency contracts to facilitate transactions in foreign-denominated securities and to manage exposure to certain foreign currencies.

Forward foreign currency contracts are valued daily and fluctuations in exchange rates on open contracts are recorded as unrealized appreciation or (depreciation) and reflected in the Statement of Assets and Liabilities. When the contract is closed, the Fund realizes a gain or loss equal to the difference between the closing value and the value at the time it was opened. Non-deliverable forward foreign currency exchange contracts are settled with the counterparty in cash without the delivery of foreign currency. The net realized gain (loss) and change in net unrealized appreciation (depreciation) on forward foreign currency contracts during the period is presented in the Statement of Operations.

Any open forward foreign currency contracts at period end are presented in the Schedule of Investments under the caption "Forward Foreign Currency Contracts." The contract amount and unrealized appreciation (depreciation) reflects each contract's exposure to the underlying currency at period end and is representative of volume of activity during the period.

**Futures Contracts.** A futures contract is an agreement between two parties to buy or sell a specified underlying instrument for a fixed price at a specified future date. The Fund used futures contracts to manage its exposure to the bond market and fluctuations in interest rates.

Upon entering into a futures contract, a fund is required to deposit either cash or securities (initial margin) with a clearing broker in an amount equal to a certain percentage of the face value of the contract. Futures contracts are marked-to-market daily and subsequent daily payments (variation margin) are made or received by a fund depending on the daily fluctuations in the value of the futures contracts and are recorded as unrealized appreciation or (depreciation). This receivable and/or payable, if any, is included in daily variation margin on futures contracts in the Statement of Assets and Liabilities. Realized gain or (loss) is recorded upon the expiration or closing of a futures contract. The net realized gain (loss) and change in net unrealized appreciation (depreciation) on futures contracts during the period is presented in the Statement of Operations.

Any open futures contracts at period end are presented in the Schedule of Investments under the caption "Futures Contracts". The notional amount at value reflects each contract's exposure to the underlying instrument or index at period end and is representative of volume of activity during the period. Securities deposited to meet initial margin requirements are identified in the Schedule of Investments.

**Options.** Options give the purchaser the right, but not the obligation, to buy (call) or sell (put) an underlying security or financial instrument at an agreed exercise or strike price between or on certain dates. Options obligate the seller (writer) to buy (put) or sell (call) an underlying instrument at the exercise or strike price or cash settle an underlying derivative instrument if the holder exercises the option on or before the expiration date. The Fund uses OTC options, such as swaptions, which are options where the underlying instrument is a swap, to manage its exposure to fluctuations in interest rates.

Upon entering into an options contract, a fund will pay or receive a premium. Premiums paid on purchased options are reflected as cost of investments and premiums received on written options are reflected as a liability on the Statement of Assets and Liabilities. Certain options may be purchased or written with premiums to be paid or received on a future date. Options are valued daily and any unrealized appreciation (depreciation) is reflected on the Statement of Assets and Liabilities. When an option is exercised, the cost or proceeds of the underlying instrument purchased or sold is adjusted by the amount of the premium. When an option is closed the Fund will realize a gain or loss depending on whether the proceeds or amount paid for the closing sale transaction is greater or less than the premium received or paid. When an option expires, gains and losses are realized to the extent of premiums received and paid, respectively. The net realized and unrealized gains (losses) on purchased options are included in the Statement of Operations in net realized gain (loss) and change in net unrealized appreciation (depreciation) on investment securities. The net realized gain (loss) and change in net unrealized appreciation (depreciation) on written options are presented in the Statement of Operations.

Any open options at period end are presented in the Schedule of Investments under the captions "Purchased Options," "Purchased Swaptions," "Written Options" and "Written Swaptions," as applicable, and are representative of volume of activity during the period.

Writing puts and buying calls tend to increase exposure to the underlying instrument while buying puts and writing calls tend to decrease exposure to the underlying instrument. For purchased options, risk of loss is limited to the premium paid, and for written options, risk of loss is the change in value in excess of the premium received.

**Swaps.** A swap is a contract between two parties to exchange future cash flows at periodic intervals based on a notional principal amount. A centrally cleared OTC swap is a transaction executed between a fund and a dealer counterparty, then cleared by a futures commission merchant (FCM) through a clearinghouse. Once cleared, the clearinghouse serves as a central counterparty, with whom a fund exchanges cash flows for the life of the transaction, similar to transactions in futures contracts.

Centrally cleared OTC swaps require a fund to deposit either cash or securities (initial margin) with the FCM, at the instruction of and for the benefit of the clearinghouse. Securities deposited to meet initial margin requirements are identified in the Schedule of Investments. Centrally cleared OTC swaps are marked-to-market daily and subsequent payments (variation margin) are made or received depending on the daily fluctuations in the value of the swaps and are recorded as unrealized appreciation or (depreciation). These daily payments, if any, are included in receivable or payable for daily variation margin on centrally cleared OTC swaps in the Statement of Assets and Liabilities. Any premiums for centrally cleared OTC swaps are recorded periodically throughout the term of the swap to variation margin and included in unrealized appreciation (depreciation) in the Statement of Assets and Liabilities. Any premiums are recognized as realized gain (loss) upon termination or maturity of the swap.

Payments are exchanged at specified intervals, accrued daily commencing with the effective date of the contract and recorded as realized gain or (loss). Some swaps may be terminated prior to the effective date and realize a gain or loss upon termination. The net realized gain (loss) and change in net unrealized appreciation (depreciation) on swaps during the period is presented in the Statement of Operations.

Any open swaps at period end are included in the Schedule of Investments under the caption "Swaps" and are representative of volume of activity during the period.

**Interest Rate Swaps.** Interest rate swaps are agreements between counterparties to exchange cash flows, one based on a fixed rate, and the other on a floating rate. The Fund entered into interest rate swaps to manage its exposure to interest rate changes. Changes in interest rates can have an effect on both the value of bond holdings as well as the amount of interest income earned. In general, the value of bonds can fall when interest rates rise and can rise when interest rates fall.

## Notes to Financial Statements – continued

### 5. Purchases and Sales of Investments.

Purchases and sales of securities (including the Fixed-Income Central Funds), other than short-term securities and U.S. government securities, aggregated \$967,743,974 and \$954,096,074, respectively.

### 6. Fees and Other Transactions with Affiliates.

**Management Fee.** Fidelity Management & Research Company (the investment adviser) and its affiliates provide the Fund with investment management related services for which the Fund pays a monthly management fee. The management fee is the sum of an individual fund fee rate that is based on an annual rate of .45% of the Fund's average net assets and an annualized group fee rate that averaged .10% during the period. The group fee rate is based upon the average net assets of all the mutual funds advised by the investment adviser, including any mutual funds previously advised by the investment adviser that are currently advised by Fidelity SelectCo, LLC, an affiliate of the investment adviser. The group fee rate decreases as assets under management increase and increases as assets under management decrease. For the reporting period, the total annual management fee rate was .55% of the Fund's average net assets.

**Distribution and Service Plan Fees.** In accordance with Rule 12b-1 of the 1940 Act, the Fund has adopted separate 12b-1 Plans for each Service Class of shares. Each Service Class pays Fidelity Distributors Corporation (FDC), an affiliate of the investment adviser, a service fee. For the period, the service fee is based on an annual rate of .10% of Service Class' average net assets and .25% of Service Class 2's average net assets.

For the period, total fees, all of which were re-allowed to insurance companies for the distribution of shares and providing shareholder support services, were as follows:

Service Class	\$ 1,857
Service Class 2	<u>1,126,384</u>
	<u>\$1,128,241</u>

**Transfer Agent Fees.** Fidelity Investments Institutional Operations Company, Inc. (FIIOC), an affiliate of the investment adviser, is the Fund's transfer, dividend disbursing, and shareholder servicing agent. FIIOC receives an asset-based fee with respect to each class. Each class pays a fee for transfer agent services, typesetting and printing and mailing of shareholder reports, excluding mailing of proxy statements, equal to an annual rate of class-level average net assets. The annual rate for Investor Class is .10% and the annual rate for all other classes is .07%. For the period, transfer agent fees for each class were as follows:

Initial Class	\$ 57,245
Service Class	1,263
Service Class 2	306,376
Investor Class	<u>970,154</u>
	<u>\$1,335,038</u>

**Accounting and Security Lending Fees.** Fidelity Service Company, Inc. (FSC), an affiliate of the investment adviser, maintains the Fund's accounting records. The accounting fee is based on the level of average net assets for each month. Prior to April 1, 2019, FSC had a separate agreement with the Fund for administration of the security lending program, based on the number and duration of lending transactions. For the period, the total fees paid for accounting and administration of securities lending were equivalent to the following annual rates:

VIP Strategic Income Portfolio	% of Average Net Assets .03
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**Brokerage Commissions.** A portion of portfolio transactions were placed with brokerage firms which are affiliates of the investment adviser. Brokerage commissions are included in net realized gain (loss) and change in net unrealized appreciation (depreciation) in the Statement of Operations. The commissions paid to these affiliated firms were as follows:

VIP Strategic Income Portfolio	Amount \$1,027
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**Interfund Trades.** The Fund may purchase from or sell securities to other Fidelity Funds under procedures adopted by the Board. The procedures have been designed to ensure these interfund trades are executed in accordance with Rule 17a-7 of the 1940 Act. Interfund trades are included within the respective purchases and sales amounts shown in the Purchases and Sales of Investments note.

**Other.** During the period, the investment adviser reimbursed the Fund for certain losses in the amount of \$15,681.

### 7. Committed Line of Credit.

The Fund participates with other funds managed by the investment adviser or an affiliate in a \$4.25 billion credit facility (the "line of credit") to be utilized for temporary or emergency purposes to fund shareholder redemptions or for other short-term liquidity purposes. The Fund has agreed to pay commitment fees on its pro-rata portion of the line of credit, which amounted to \$3,867 and is reflected in Miscellaneous expenses on the Statement of Operations. During the period, the Fund did not borrow on this line of credit.

## 8. Security Lending.

The Fund lends portfolio securities from time to time in order to earn additional income. For equity securities, lending agents are used, including National Financial Services (NFS), an affiliate of the Fund. Pursuant to a securities lending agreement, NFS will receive a fee, which is capped at 9.9% of daily lending revenue, for its services as lending agent. The Fund may lend securities to certain qualified borrowers, including NFS. On the settlement date of the loan, the Fund receives collateral (in the form of U.S. Treasury obligations, letters of credit and/or cash) against the loaned securities and maintains collateral in an amount not less than 100% of the market value of the loaned securities during the period of the loan. The market value of the loaned securities is determined at the close of business of the Fund and any additional required collateral is delivered to the Fund on the next business day. The Fund or borrower may terminate the loan at any time, and if the borrower defaults on its obligation to return the securities loaned because of insolvency or other reasons, the Fund may apply collateral received from the borrower against the obligation. The Fund may experience delays and costs in recovering the securities loaned. Any cash collateral received is invested in the Fidelity Securities Lending Cash Central Fund. The value of loaned securities and cash collateral at period end are disclosed on the Fund's Statement of Assets and Liabilities. Total fees paid by the Fund to NFS, as lending agent, amounted to \$23. Security lending income represents the income earned on investing cash collateral, less rebates paid to borrowers and any lending agent fees associated with the loan, plus any premium payments received for lending certain types of securities. Security lending income is presented in the Statement of Operations as a component of income from Fidelity Central Funds. During the period, there were no securities loaned to NFS.

## 9. Expense Reductions.

Commissions paid to certain brokers with whom the investment adviser, or its affiliates, places trades on behalf of the Fund include an amount in addition to trade execution, which may be rebated back to the Fund to offset certain expenses. This amount totaled \$4,787 for the period. In addition, through arrangements with the Fund's custodian credits realized as a result of certain uninvested cash balances were used to reduce the Fund's expenses. During the period, custodian credits reduced the Fund's expenses by \$19,661.

In addition, during the period the investment adviser reimbursed and/or waived a portion of fund-level operating expenses in the amount of \$6,995.

## 10. Distributions to Shareholders.

Distributions to shareholders of each class were as follows:

	Year ended December 31, 2019	Year ended December 31, 2018
<b>Distributions to shareholders</b>		
Initial Class	\$ 3,300,863	\$ 3,356,613
Service Class	75,615	69,600
Service Class 2	18,874,089	15,340,307
Investor Class	38,085,058	36,688,571
Total	<u>\$60,335,625</u>	<u>\$55,455,091</u>

## 11. Share Transactions.

Transactions for each class of shares were as follows:

	Shares Year ended December 31, 2019	Shares Year ended December 31, 2018	Dollars Year ended December 31, 2019	Dollars Year ended December 31, 2018
<b>Initial Class</b>				
Shares sold	646,742	592,997	\$ 7,430,356	\$ 6,794,755
Reinvestment of distributions	288,789	313,672	3,300,863	3,356,613
Shares redeemed	(1,299,251)	(1,659,111)	(14,908,838)	(18,937,825)
Net increase (decrease)	<u>(363,720)</u>	<u>(752,442)</u>	<u>\$ (4,177,619)</u>	<u>\$ (8,786,457)</u>
<b>Service Class</b>				
Shares sold	13,557	17,757	\$ 154,777	\$ 202,094
Reinvestment of distributions	5,535	5,053	63,098	53,967
Shares redeemed	(11,610)	(25,591)	(131,118)	(291,279)
Net increase (decrease)	<u>7,482</u>	<u>(2,781)</u>	<u>\$ 86,757</u>	<u>\$ (35,218)</u>
<b>Service Class 2</b>				
Shares sold	8,160,489	7,905,416	\$ 92,979,352	\$ 89,561,267
Reinvestment of distributions	1,667,322	1,447,286	18,874,089	15,340,307
Shares redeemed	(2,834,317)	(4,825,862)	(31,977,779)	(54,454,958)
Net increase (decrease)	<u>6,993,494</u>	<u>4,526,840</u>	<u>\$ 79,875,662</u>	<u>\$ 50,446,616</u>

## Notes to Financial Statements – continued

Investor Class	Shares Year ended December 31, 2019	Shares Year ended December 31, 2018	Dollars Year ended December 31, 2019	Dollars Year ended December 31, 2018
Shares sold	3,055,170	3,166,574	\$ 35,020,378	\$ 36,185,576
Reinvestment of distributions	3,343,728	3,438,162	38,085,058	36,688,571
Shares redeemed	(6,123,366)	(15,476,914)	(69,894,584)	(175,825,165)
Net increase (decrease)	<u>275,532</u>	<u>(8,872,178)</u>	<u>\$ 3,210,852</u>	<u>\$ (102,951,018)</u>

### 12. Other.

The Fund's organizational documents provide former and current trustees and officers with a limited indemnification against liabilities arising in connection with the performance of their duties to the Fund. In the normal course of business, the Fund may also enter into contracts that provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown as this would be dependent on future claims that may be made against the Fund. The risk of material loss from such claims is considered remote.

Effective January 1, 2020, following any required regulatory notices and approvals:

Investment advisers Fidelity Investments Money Management, Inc., FMR Co., Inc., and Fidelity SelectCo, LLC, merged with and into Fidelity Management & Research Company. In connection with the merger transactions, the resulting, merged investment adviser was then redomiciled from Massachusetts to Delaware, changed its corporate structure from a corporation to a limited liability company, and changed its name to "Fidelity Management & Research Company LLC".

Broker-dealer Fidelity Distributors Corporation merged with and into Fidelity Investments Institutional Services Company, Inc. ("FIISC"). FIISC was then redomiciled from Massachusetts to Delaware, changed its corporate structure from a corporation to a limited liability company, and changed its name to "Fidelity Distributors Company LLC".

Fidelity Investments Institutional Operations Company, Inc. (FIIOC) converted from a Massachusetts corporation to a Massachusetts LLC, and changed its name to "Fidelity Investments Institutional Operations Company LLC".

At the end of the period, the investment adviser or its affiliates were the owners of record of 66% of the total outstanding shares of the Fund and one otherwise unaffiliated shareholder was the owner of record of 10% of the total outstanding shares of the Fund.

### 13. Credit Risk.

The Fund's relatively large investment in countries with limited or developing capital markets may involve greater risks than investments in more developed markets and the prices of such investments may be volatile. The yields of emerging market debt obligations reflect, among other things, perceived credit risk. The consequences of political, social or economic changes in these markets may have disruptive effects on the market prices of the Fund's investments and the income they generate, as well as the Fund's ability to repatriate such amounts.

### 14. Litigation.

The Fund and other entities managed by FMR or its affiliates were named as defendants in a lawsuit filed in the United States Bankruptcy Court for the Southern District of New York in 2009. The lawsuit was brought by creditors of Motors Liquidation Company (f/k/a General Motors), which went through Chapter 11 bankruptcy proceedings in 2009, and is captioned Official Committee of Unsecured Creditors of Motors Liquidation Company v. JPMorgan Chase Bank, N.A., et al., Adversary No. 09-00504 (REG). The plaintiffs sought an order that the Fund and other defendants return proceeds received in 2009 in full payment of the principal and interest on General Motors secured debt. The plaintiffs contended that the Fund and the other defendants were not secured creditors at the time of the 2009 payments and, thus, were not entitled to payment in full. In May 2019, the parties reached a settlement that has been approved by the Bankruptcy Court. Under the terms of the settlement, the Fund will not be required to return any of the proceeds received in 2009, and will be entitled to recover a portion of the legal costs incurred in defending the case.

# Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Variable Insurance Products Fund V and Shareholders of VIP Strategic Income Portfolio:

## **Opinion on the Financial Statements**

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of VIP Strategic Income Portfolio (one of the funds constituting Variable Insurance Products Fund V, referred to hereafter as the "Fund") as of December 31, 2019, the related statement of operations for the year ended December 31, 2019, the statement of changes in net assets for each of the two years in the period ended December 31, 2019, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2019 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2019, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2019 and the financial highlights for each of the five years in the period ended December 31, 2019 in conformity with accounting principles generally accepted in the United States of America.

## **Basis for Opinion**

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2019 by correspondence with the custodian, issuers of privately offered securities, agent banks and brokers; when replies were not received from agent banks or brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP  
Boston, Massachusetts  
February 13, 2020

We have served as the auditor of one or more investment companies in the Fidelity group of funds since 1932.

# Trustees and Officers

The Trustees, Members of the Advisory Board (if any), and officers of the trust and fund, as applicable, are listed below. The Board of Trustees governs the fund and is responsible for protecting the interests of shareholders. The Trustees are experienced executives who meet periodically throughout the year to oversee the fund's activities, review contractual arrangements with companies that provide services to the fund, oversee management of the risks associated with such activities and contractual arrangements, and review the fund's performance. Each of the Trustees oversees 277 funds.

The Trustees hold office without limit in time except that (a) any Trustee may resign; (b) any Trustee may be removed by written instrument, signed by at least two-thirds of the number of Trustees prior to such removal; (c) any Trustee who requests to be retired or who has become incapacitated by illness or injury may be retired by written instrument signed by a majority of the other Trustees; and (d) any Trustee may be removed at any special meeting of shareholders by a two-thirds vote of the outstanding voting securities of the trust. Each Trustee who is not an interested person (as defined in the Investment Company Act of 1940 (1940 Act)) of the trust and the fund is referred to herein as an Independent Trustee. Each Independent Trustee shall retire not later than the last day of the calendar year in which his or her 75th birthday occurs. The Independent Trustees may waive this mandatory retirement age policy with respect to individual Trustees. Officers and Advisory Board Members hold office without limit in time, except that any officer or Advisory Board Member may resign or may be removed by a vote of a majority of the Trustees at any regular meeting or any special meeting of the Trustees. Except as indicated, each individual has held the office shown or other offices in the same company for the past five years.

The fund's Statement of Additional Information (SAI) includes more information about the Trustees. To request a free copy, call Fidelity at 1-877-208-0098.

**Experience, Skills, Attributes, and Qualifications of the Trustees.** The Governance and Nominating Committee has adopted a statement of policy that describes the experience, qualifications, attributes, and skills that are necessary and desirable for potential Independent Trustee candidates (Statement of Policy). The Board believes that each Trustee satisfied at the time he or she was initially elected or appointed a Trustee, and continues to satisfy, the standards contemplated by the Statement of Policy. The Governance and Nominating Committee also engages professional search firms to help identify potential Independent Trustee candidates who have the experience, qualifications, attributes, and skills consistent with the Statement of Policy. From time to time, additional criteria based on the composition and skills of the current Independent Trustees, as well as experience or skills that may be appropriate in light of future changes to board composition, business conditions, and regulatory or other developments, have also been considered by the professional search firms and the Governance and Nominating Committee. In addition, the Board takes into account the Trustees' commitment and participation in Board and committee meetings, as well as their leadership of standing and ad hoc committees throughout their tenure.

In determining that a particular Trustee was and continues to be qualified to serve as a Trustee, the Board has considered a variety of criteria, none of which, in isolation, was controlling. The Board believes that, collectively, the Trustees have balanced and diverse experience, qualifications, attributes, and skills, which allow the Board to operate effectively in governing the fund and protecting the interests of shareholders. Information about the specific experience, skills, attributes, and qualifications of each Trustee, which in each case led to the Board's conclusion that the Trustee should serve (or continue to serve) as a trustee of the fund, is provided below.

**Board Structure and Oversight Function.** Abigail P. Johnson is an interested person and currently serves as Chairman. The Trustees have determined that an interested Chairman is appropriate and benefits shareholders because an interested Chairman has a personal and professional stake in the quality and continuity of services provided to the fund. Independent Trustees exercise their informed business judgment to appoint an individual of their choosing to serve as Chairman, regardless of whether the Trustee happens to be independent or a member of management. The Independent Trustees have determined that they can act independently and effectively without having an Independent Trustee serve as Chairman and that a key structural component for assuring that they are in a position to do so is for the Independent Trustees to constitute a substantial majority for the Board. The Independent Trustees also regularly meet in executive session. Arthur E. Johnson serves as Chairman of the Independent Trustees and as such (i) acts as a liaison between the Independent Trustees and management with respect to matters important to the Independent Trustees and (ii) with management prepares agendas for Board meetings.

Fidelity® funds are overseen by different Boards of Trustees. The fund's Board oversees Fidelity's investment-grade bond, money market, asset allocation and certain equity funds, and other Boards oversee Fidelity's high income and other equity funds. The asset allocation funds may invest in Fidelity® funds that are overseen by such other Boards. The use of separate Boards, each with its own committee structure, allows the Trustees of each group of Fidelity® funds to focus on the unique issues of the funds they oversee, including common research, investment, and operational issues. On occasion, the separate Boards establish joint committees to address issues of overlapping consequences for the Fidelity® funds overseen by each Board.

The Trustees operate using a system of committees to facilitate the timely and efficient consideration of all matters of importance to the Trustees, the fund, and fund shareholders and to facilitate compliance with legal and regulatory requirements and oversight of the fund's activities and associated risks. The Board, acting through its committees, has charged FMR and its affiliates with (i) identifying events or circumstances the occurrence of which could have demonstrably adverse effects on the fund's business and/or reputation; (ii) implementing processes and controls to lessen the possibility that such events or circumstances occur or to mitigate the effects of such events or circumstances if they do occur; and (iii) creating and maintaining a system designed to evaluate continuously business and market conditions in order to facilitate the identification and implementation processes described in (i) and (ii) above. Because the day-to-day operations and activities of the fund are carried out by or through FMR, its affiliates, and other service providers, the fund's exposure to risks is mitigated but not eliminated by the processes overseen by the Trustees. While each of the Board's committees has responsibility for overseeing different aspects of the fund's activities, oversight is exercised primarily through the Operations and Audit Committees. In addition, an ad hoc Board committee of Independent Trustees has worked with FMR to enhance the Board's oversight of investment and financial risks, legal and regulatory risks, technology risks, and operational risks, including the development of additional risk reporting to the Board. Appropriate personnel, including but not limited to the fund's Chief Compliance Officer (CCO), FMR's internal auditor, the independent accountants, the fund's Treasurer and portfolio management personnel, make periodic reports to the Board's committees, as appropriate, including an annual review of Fidelity's risk management program for the Fidelity® funds. The responsibilities of each standing committee, including their oversight responsibilities, are described further under "Standing Committees of the Trustees."

## Interested Trustees\*:

Correspondence intended for a Trustee who is an interested person may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210.



Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Abigail P. Johnson (1961)

Year of Election or Appointment: 2009

Trustee

Chairman of the Board of Trustees

Ms. Johnson also serves as Trustee of other Fidelity® funds. Ms. Johnson serves as Chairman (2016-present), Chief Executive Officer (2014-present), and Director (2007-present) of FMR LLC (diversified financial services company), President of Fidelity Financial Services (2012-present) and President of Personal, Workplace and Institutional Services (2005-present). Ms. Johnson is Chairman and Director of Fidelity Management & Research Company LLC (investment adviser firm, 2011-present). Previously, Ms. Johnson served as Chairman and Director of FMR Co., Inc. (investment adviser firm, 2011-2019), Vice Chairman (2007-2016) and President (2013-2016) of FMR LLC, President and a Director of Fidelity Management & Research Company (2001-2005), a Trustee of other investment companies advised by Fidelity Management & Research Company, Fidelity Investments Money Management, Inc. (investment adviser firm), and FMR Co., Inc. (2001-2005), Senior Vice President of the Fidelity® funds (2001-2005), and managed a number of Fidelity® funds. Ms. Abigail P. Johnson and Mr. Arthur E. Johnson are not related.

Jennifer Toolin McAuliffe (1959)

Year of Election or Appointment: 2016

Trustee

Ms. McAuliffe also serves as Trustee of other Fidelity® funds. Ms. McAuliffe previously served as a Member of the Advisory Board of certain Fidelity® funds (2016) and as Co-Head of Fixed Income of Fidelity Investments Limited (now known as FIL Limited (FIL)) (diversified financial services company). Earlier roles at FIL included Director of Research for FIL's credit and quantitative teams in London, Hong Kong and Tokyo. Ms. McAuliffe also was the Director of Research for taxable and municipal bonds at Fidelity Investments Money Management, Inc. Ms. McAuliffe is also a director or trustee of several not-for-profit entities.

\* Determined to be an "Interested Trustee" by virtue of, among other things, his or her affiliation with the trust or various entities under common control with FMR.

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for the fund.

Independent Trustees:

Correspondence intended for an Independent Trustee may be sent to Fidelity Investments, P.O. Box 55235, Boston, Massachusetts 02205-5235.

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Elizabeth S. Acton (1951)

Year of Election or Appointment: 2013

Trustee

Ms. Acton also serves as Trustee of other Fidelity® funds. Prior to her retirement in April 2012, Ms. Acton was Executive Vice President, Finance (2011-2012), Executive Vice President, Chief Financial Officer (2002-2011), and Treasurer (2004-2005) of Comerica Incorporated (financial services). Prior to joining Comerica, Ms. Acton held a variety of positions at Ford Motor Company (1983-2002), including Vice President and Treasurer (2000-2002) and Executive Vice President and Chief Financial Officer of Ford Motor Credit Company (1998-2000). Ms. Acton currently serves as a member of the Board of Directors and Audit and Finance Committees of Beazer Homes USA, Inc. (homebuilding, 2012-present). Previously, Ms. Acton served as a Member of the Advisory Board of certain Fidelity® funds (2013-2016).

Ann E. Dunwoody (1953)

Year of Election or Appointment: 2018

Trustee

General Dunwoody also serves as Trustee of other Fidelity® funds. General Dunwoody (United States Army, Retired) was the first woman in U.S. military history to achieve the rank of four-star general and prior to her retirement in 2012 held a variety of positions within the U.S. Army, including Commanding General, U.S. Army Material Command (2008-2012). She is the President of First to Four LLC (leadership and mentoring services, 2012-present). She also serves as a member of the Board of Directors and Nominating and Corporate Governance Committee of L3 Technologies, Inc. (communication, electronic, sensor, and aerospace systems, 2013-present), Board of Directors and Nomination and Corporate Governance Committees of Kforce Inc. (professional staffing services, 2016-present) and Board of Directors of Automattic Inc. (software engineering, 2018-present). Previously, General Dunwoody served as a Member of the Advisory Board of certain Fidelity® funds (2018), a member of the Board of Directors and Audit and Sustainability and Corporate Responsibility Committees of Republic Services, Inc. (waste collection, disposal and recycling, 2013-2016). Ms. Dunwoody also serves on several boards for non-profit organizations, including as a member of the Board of Directors, Chair of the Nomination and Governance Committee and member of the Audit Committee of Logistics Management Institute (consulting non-profit, 2012-present), a member of the Board of Directors of the Army Historical Foundation (2015-present), a member of the Council of Trustees for the Association of the United States Army (advocacy non-profit, 2013-present) and a member of the Board of Trustees of Florida Institute of Technology (2015-present) and ThanksUSA (military family education non-profit, 2014-present).

## Trustees and Officers – continued

John Engler (1948)

Year of Election or Appointment: 2014  
Trustee

Mr. Engler also serves as Trustee of other Fidelity® funds. He serves on the board of directors for Universal Forest Products (manufacturer and distributor of wood and wood-alternative products, 2003-present) and K12 Inc. (technology-based education company, 2012-present). Previously, Mr. Engler served as interim president of Michigan State University (2018-2019), a Member of the Advisory Board of certain Fidelity® funds (2014-2016), president of the Business Roundtable (2011-2017), a trustee of The Munder Funds (2003-2014), president and CEO of the National Association of Manufacturers (2004-2011), member of the Board of Trustees of the Annie E. Casey Foundation (2004-2015), and as governor of Michigan (1991-2003). He is a past chairman of the National Governors Association.

Robert F. Gartland (1951)

Year of Election or Appointment: 2010  
Trustee

Mr. Gartland also serves as Trustee of other Fidelity® funds. Mr. Gartland is Chairman and an investor in Gartland & Mellina Group Corp. (consulting, 2009-present). Previously, Mr. Gartland served as a partner and investor of Vietnam Partners LLC (investments and consulting, 2008-2011). Prior to his retirement, Mr. Gartland held a variety of positions at Morgan Stanley (financial services, 1979-2007), including Managing Director (1987-2007), and Chase Manhattan Bank (1975-1978).

Arthur E. Johnson (1947)

Year of Election or Appointment: 2008  
Trustee  
Chairman of the Independent Trustees

Mr. Johnson also serves as Trustee of other Fidelity® funds. Mr. Johnson serves as a member of the Board of Directors of Eaton Corporation plc (diversified power management, 2009-present) and Booz Allen Hamilton (management consulting, 2011-present). Prior to his retirement, Mr. Johnson served as Senior Vice President of Corporate Strategic Development of Lockheed Martin Corporation (defense contractor, 1999-2009). Mr. Johnson previously served as Vice Chairman (2015-2018) of the Independent Trustees of certain Fidelity® funds and on the Board of Directors of IKON Office Solutions, Inc. (1999-2008), AGL Resources, Inc. (holding company, 2002-2016), and Delta Airlines (2005-2007). Mr. Arthur E. Johnson is not related to Ms. Abigail P. Johnson.

Michael E. Kenneally (1954)

Year of Election or Appointment: 2009  
Trustee  
Vice Chairman of the Independent Trustees

Mr. Kenneally also serves as Trustee of other Fidelity® funds. Prior to his retirement, Mr. Kenneally served as Chairman and Global Chief Executive Officer of Credit Suisse Asset Management. Before joining Credit Suisse, he was an Executive Vice President and Chief Investment Officer for Bank of America Corporation. Earlier roles at Bank of America included Director of Research, Senior Portfolio Manager and Research Analyst, and Mr. Kenneally was awarded the Chartered Financial Analyst (CFA) designation in 1991.

Marie L. Knowles (1946)

Year of Election or Appointment: 2001  
Trustee

Ms. Knowles also serves as Trustee of other Fidelity® funds. Prior to Ms. Knowles' retirement in June 2000, she served as Executive Vice President and Chief Financial Officer of Atlantic Richfield Company (ARCO) (diversified energy, 1996-2000). From 1993 to 1996, she was a Senior Vice President of ARCO and President of ARCO Transportation Company (pipeline and tanker operations). Ms. Knowles currently serves as a Director and Chairman of the Audit Committee of McKesson Corporation (healthcare service, since 2002). Ms. Knowles is a member of the Board of the Santa Catalina Island Company (real estate, 2009-present). Ms. Knowles is a Member of the Investment Company Institute Board of Governors and a Member of the Governing Council of the Independent Directors Council (2014-present). She also serves as a member of the Advisory Board for the School of Engineering of the University of Southern California. Previously, Ms. Knowles served as a Director of Phelps Dodge Corporation (copper mining and manufacturing, 1994-2007), URS Corporation (engineering and construction, 2000-2003) and America West (airline, 1999-2002). Ms. Knowles previously served as Chairman (2015-2018) and Vice Chairman (2012-2015) of the Independent Trustees of certain Fidelity® funds.

Mark A. Murray (1954)

Year of Election or Appointment: 2016  
Trustee

Mr. Murray also serves as Trustee of other Fidelity® funds. Mr. Murray is Vice Chairman (2013-present) of Meijer, Inc. (regional retail chain). Previously, Mr. Murray served as a Member of the Advisory Board of certain Fidelity® funds (2016) and as Co-Chief Executive Officer (2013-2016) and President (2006-2013) of Meijer, Inc. Mr. Murray serves as a member of the Board of Directors and Nuclear Review and Public Policy and Responsibility Committees of DTE Energy Company (diversified energy company, 2009-present). Mr. Murray also serves as a member of the Board of Directors of Spectrum Health (not-for-profit health system, 2015-present). Mr. Murray previously served as President of Grand Valley State University (2001-2006), Treasurer for the State of Michigan (1999-2001), Vice President of Finance and Administration for Michigan State University (1998-1999), and a member of the Board of Directors and Audit Committee and Chairman of the Nominating and Corporate Governance Committee of Universal Forest Products, Inc. (manufacturer and distributor of wood and wood-alternative products, 2004-2016). Mr. Murray is also a director or trustee of many community and professional organizations.

+ The information includes the Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to the Trustee's qualifications to serve as a Trustee, which led to the conclusion that the Trustee should serve as a Trustee for the fund.

## Advisory Board Members and Officers:

Correspondence intended for an officer may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210. Officers appear below in alphabetical order.

### Name, Year of Birth; Principal Occupation

Elizabeth Paige Baumann (1968)

Year of Election or Appointment: 2017  
Anti-Money Laundering (AML) Officer

Ms. Baumann also serves as AML Officer of other funds. She is Chief AML Officer (2012-present) and Senior Vice President (2014-present) of FMR LLC (diversified financial services company) and is an employee of Fidelity Investments. Previously, Ms. Baumann served as AML Officer of the funds (2012-2016), and Vice President (2007-2014) and Deputy Anti-Money Laundering Officer (2007-2012) of FMR LLC.

Craig S. Brown (1977)

Year of Election or Appointment: 2019  
Assistant Treasurer

Mr. Brown also serves as Assistant Treasurer of other funds. Mr. Brown is an employee of Fidelity Investments (2013-present).

John J. Burke III (1964)

Year of Election or Appointment: 2018  
Chief Financial Officer

Mr. Burke also serves as Chief Financial Officer of other funds. Mr. Burke serves as Head of Investment Operations for Fidelity Fund and Investment Operations (2018-present) and is an employee of Fidelity Investments (1998-present). Previously Mr. Burke served as head of Asset Management Investment Operations (2012-2018).

Jonathan Davis (1968)

Year of Election or Appointment: 2010  
Assistant Treasurer

Mr. Davis also serves as Assistant Treasurer of other funds. Mr. Davis serves as Assistant Treasurer of FMR Capital, Inc. (2017-present) and is an employee of Fidelity Investments. Previously, Mr. Davis served as Vice President and Associate General Counsel of FMR LLC (diversified financial services company, 2003-2010).

Laura M. Del Prato (1964)

Year of Election or Appointment: 2018  
President and Treasurer

Ms. Del Prato also serves as an officer of other funds. Ms. Del Prato is an employee of Fidelity Investments (2017-present). Prior to joining Fidelity Investments, Ms. Del Prato served as a Managing Director and Treasurer of the JPMorgan Mutual Funds (2014-2017). Prior to JPMorgan, Ms. Del Prato served as a partner at Cohen Fund Audit Services (accounting firm, 2012-2013) and KPMG LLP (accounting firm, 2004-2012).

Colm A. Hogan (1973)

Year of Election or Appointment: 2016  
Assistant Treasurer

Mr. Hogan also serves as an officer of other funds. Mr. Hogan serves as Assistant Treasurer of FMR Capital, Inc. (2017-present) and is an employee of Fidelity Investments (2005-present). Previously, Mr. Hogan served as Deputy Treasurer of certain Fidelity® funds (2016-2020) and Assistant Treasurer of certain Fidelity® funds (2016-2018).

Cynthia Lo Bessette (1969)

Year of Election or Appointment: 2019  
Secretary and Chief Legal Officer (CLO)

Ms. Lo Bessette also serves as an officer of other funds. Ms. Lo Bessette serves as CLO, Secretary, and Senior Vice President of Fidelity Management & Research Company LLC (investment adviser firm, 2019-present); and CLO of Fidelity Management & Research (Hong Kong) Limited, FMR Investment Management (UK) Limited, and Fidelity Management & Research (Japan) Limited (investment adviser firms, 2019-present). She is a Senior Vice President and Deputy General Counsel of FMR LLC (diversified financial services company, 2019-present), and is an employee of Fidelity Investments. Previously, Ms. Lo Bessette served as CLO, Secretary, and Senior Vice President of FMR Co., Inc. (investment adviser firm, 2019); Secretary of Fidelity SelectCo, LLC and Fidelity Investments Money Management, Inc. (investment adviser firms, 2019). Prior to joining Fidelity Investments, Ms. Lo Bessette was Executive Vice President, General Counsel (2016-2019) and Senior Vice President, Deputy General Counsel (2015-2016) of OppenheimerFunds (investment management company) and Deputy Chief Legal Officer (2013-2015) of Jennison Associates LLC (investment adviser firm).

## Trustees and Officers – continued

Chris Maher (1972)

Year of Election or Appointment: 2013

Assistant Treasurer

Mr. Maher also serves as an officer of other funds. Mr. Maher serves as Assistant Treasurer of FMR Capital, Inc. (2017-present), and is an employee of Fidelity Investments (2008-present). Previously, Mr. Maher served as Assistant Treasurer of certain funds (2013-2020); Vice President of Asset Management Compliance (2013), Vice President of the Program Management Group of FMR (investment adviser firm, 2010-2013), and Vice President of Valuation Oversight (2008-2010).

John B. McGinty, Jr. (1962)

Year of Election or Appointment: 2016

Chief Compliance Officer

Mr. McGinty also serves as Chief Compliance Officer of other funds. Mr. McGinty is Senior Vice President of Asset Management Compliance for Fidelity Investments and is an employee of Fidelity Investments (2016-present). Mr. McGinty previously served as Vice President, Senior Attorney at Eaton Vance Management (investment management firm, 2015-2016), and prior to Eaton Vance as global CCO for all firm operations and registered investment companies at GMO LLC (investment management firm, 2009-2015). Before joining GMO LLC, Mr. McGinty served as Senior Vice President, Deputy General Counsel for Fidelity Investments (2007-2009).

Jason P. Pogorelec (1975)

Year of Election or Appointment: 2015

Assistant Secretary

Mr. Pogorelec also serves as Assistant Secretary of other funds. Mr. Pogorelec serves as Vice President, Associate General Counsel (2010-present) and is an employee of Fidelity Investments (2006-present).

Stacie M. Smith (1974)

Year of Election or Appointment: 2013

Assistant Treasurer

Ms. Smith also serves as an officer of other funds. Ms. Smith serves as Assistant Treasurer of FMR Capital, Inc. (2017-present), is an employee of Fidelity Investments (2009-present), and has served in other fund officer roles. Prior to joining Fidelity Investments, Ms. Smith served as Senior Audit Manager of Ernst & Young LLP (accounting firm, 1996-2009). Previously, Ms. Smith served as Assistant Treasurer (2013-2019) and Deputy Treasurer (2013-2016) of certain Fidelity® funds.

Marc L. Spector (1972)

Year of Election or Appointment: 2016

Deputy Treasurer

Mr. Spector also serves as an officer of other funds. Mr. Spector serves as Assistant Treasurer of FMR Capital, Inc. (2017-present) and is an employee of Fidelity Investments (2016-present). Prior to joining Fidelity Investments, Mr. Spector served as Director at the Siegfried Group (accounting firm, 2013-2016), and prior to Siegfried Group as audit senior manager at Deloitte & Touche (accounting firm, 2005-2013).

Jim Wegmann (1979)

Year of Election or Appointment: 2019

Assistant Treasurer

Mr. Wegmann also serves as Assistant Treasurer of other funds. Mr. Wegmann is an employee of Fidelity Investments (2011-present).

Vadim Zlotnikov (1962)

Year of Election or Appointment: 2019

Vice President

Mr. Zlotnikov also serves as Vice President of other funds. Mr. Zlotnikov serves as President and Chief Investment Officer of Global Asset Allocation and is an employee of Fidelity Investments (2018-present). Prior to joining Fidelity Investments, Mr. Zlotnikov served as Co-Head of Multi-Asset Solutions, Chief Market Strategist, and CIO of Systematic Strategies with AllianceBernstein (investment adviser firm, 2013-2018).

# Shareholder Expense Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including management fees, distribution and/or service (12b-1) fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (July 1, 2019 to December 31, 2019).

## Actual Expenses

The first line of the accompanying table for each class of the Fund provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000.00 (for example, an \$8,600 account value divided by \$1,000.00 = 8.6), then multiply the result by the number in the first line for a class of the Fund under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower. In addition, the Fund, as a shareholder in the underlying Fidelity Central Funds, will indirectly bear its pro-rata share of the fees and expenses incurred by the underlying Fidelity Central Funds. These fees and expenses are not included in the Fund's annualized expense ratio used to calculate the expense estimate in the table below.

## Hypothetical Example for Comparison Purposes

The second line of the accompanying table for each class of the Fund provides information about hypothetical account values and hypothetical expenses based on a Class' actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Class' actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower. In addition, the Fund, as a shareholder in the underlying Fidelity Central Funds, will indirectly bear its pro-rata share of the fees and expenses incurred by the underlying Fidelity Central Funds. These fees and expenses are not included in the Fund's annualized expense ratio used to calculate the expense estimate in the table below.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds.

	Annualized Expense Ratio <sup>A</sup>	Beginning Account Value July 1, 2019	Ending Account Value December 31, 2019	Expenses Paid During Period <sup>B</sup> July 1, 2019 to December 31, 2019
<b>Initial Class</b>	.66%			
Actual		\$1,000.00	\$1,025.90	\$3.37
Hypothetical <sup>C</sup>		\$1,000.00	\$1,021.88	\$3.36
<b>Service Class</b>	.76%			
Actual		\$1,000.00	\$1,025.00	\$3.88
Hypothetical <sup>C</sup>		\$1,000.00	\$1,021.37	\$3.87
<b>Service Class 2</b>	.91%			
Actual		\$1,000.00	\$1,024.80	\$4.64
Hypothetical <sup>C</sup>		\$1,000.00	\$1,020.62	\$4.63
<b>Investor Class</b>	.69%			
Actual		\$1,000.00	\$1,025.60	\$3.52
Hypothetical <sup>C</sup>		\$1,000.00	\$1,021.73	\$3.52

<sup>A</sup> Annualized expense ratio reflects expenses net of applicable fee waivers.

<sup>B</sup> Expenses are equal to each Class' annualized expense ratio, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period). The fees and expenses of the underlying Fidelity Central Funds in which the Fund invests are not included in each Class' annualized expense ratio. In addition to the expenses noted above, the Fund also indirectly bears its proportional share of the expenses of the underlying Fidelity Central Funds. Annualized expenses of the underlying non-money market Fidelity Central Funds as of their most recent fiscal half year were less than .005%.

<sup>C</sup> 5% return per year before expenses

## Distributions (Unaudited)

The Board of Trustees of VIP Strategic Income Portfolio voted to pay to shareholders of record at the opening of business on record date, the following distributions per share derived from capital gains realized from sales of portfolio securities:

Insert Fund Name	Pay Date	Record Date	Capital Gains
Initial Class	02/07/20	02/07/20	\$0.009
Service Class	02/07/20	02/07/20	\$0.009
Service Class 2	02/07/20	02/07/20	\$0.009
Investor Class	02/07/20	02/07/20	\$0.009

The fund hereby designates as a capital gain dividend with respect to the taxable year ended December 31 2019, \$7,775,433, or, if subsequently determined to be different, the net capital gain of such year.

A total of 9.60% of the dividends distributed during the fiscal year was derived from interest on U.S. Government securities which is generally exempt from state income tax.

Initial Class, Service Class, Service Class 2, and Investor Class designate 1% of the dividend distributed during the fiscal year as qualifying for the dividends—received deduction for corporate shareholders.

# Board Approval of Investment Advisory Contracts and Management Fees

## VIP Strategic Income Portfolio

Each year, the Board of Trustees, including the Independent Trustees (together, the Board), votes on the renewal of the management contract with Fidelity Management & Research Company (FMR) and the sub-advisory agreements (together, the Advisory Contracts) for the fund. FMR and the sub-advisers are referred to herein as the Investment Advisers. The Board, assisted by the advice of fund counsel and Independent Trustees' counsel, requests and considers a broad range of information relevant to the renewal of the Advisory Contracts throughout the year.

The Board meets regularly and, at each of its meetings, covers an extensive agenda of topics and materials and considers factors that are relevant to its annual consideration of the renewal of the fund's Advisory Contracts, including the services and support provided to the fund and its shareholders. The Board has established four standing committees (Committees) — Operations, Audit, Fair Valuation, and Governance and Nominating — each composed of and chaired by Independent Trustees with varying backgrounds, to which the Board has assigned specific subject matter responsibilities in order to enhance effective decision-making by the Board. The Operations Committee, of which all of the Independent Trustees are members, meets regularly throughout the year and considers, among other matters, information specifically related to the annual consideration of the renewal of the fund's Advisory Contracts. The Board, acting directly and through its Committees, requests and receives information concerning the annual consideration of the renewal of the fund's Advisory Contracts. The Board also meets as needed to review matters specifically related to the Board's annual consideration of the renewal of the Advisory Contracts. Members of the Board may also meet with trustees of other Fidelity funds through joint ad hoc committees to discuss certain matters relevant to all of the Fidelity funds.

At its September 2019 meeting, the Board unanimously determined to renew the fund's Advisory Contracts. In reaching its determination, the Board considered all factors it believed relevant, including (i) the nature, extent, and quality of the services provided to the fund and its shareholders (including the investment performance of the fund); (ii) the competitiveness of the fund's management fee and total expense ratio relative to peer funds; (iii) the total costs of the services provided by and the profits realized by Fidelity from its relationships with the fund; and (iv) the extent to which, if any, economies of scale exist and are realized as the fund grows, and whether any economies of scale are appropriately shared with fund shareholders.

In considering whether to renew the Advisory Contracts for the fund, the Board reached a determination, with the assistance of fund counsel and Independent Trustees' counsel and through the exercise of its business judgment, that the renewal of the Advisory Contracts was in the best interests of the fund and its shareholders and that the compensation payable under the Advisory Contracts was fair and reasonable. The Board's decision to renew the Advisory Contracts was not based on any single factor, but rather was based on a comprehensive consideration of all the information provided to the Board at its meetings throughout the year. The Board, in reaching its determination to renew the Advisory Contracts, was aware that shareholders of the fund have a broad range of investment choices available to them, including a wide choice among funds offered by Fidelity's competitors, and that the fund's shareholders, who have the opportunity to review and weigh the disclosure provided by the fund in its prospectus and other public disclosures, have chosen to invest in this fund, which is part of the Fidelity family of funds.

Approval of Amended and Restated Advisory Contracts. At its September 2019 meeting, the Board also unanimously determined to approve an amended and restated management contract and sub-advisory agreements (Amended and Restated Contracts) in connection with an upcoming consolidation of certain of Fidelity's advisory businesses. The Board considered that, on or about January 1, 2020, Fidelity Investments Money Management, Inc. (FIMM) and FMR Co., Inc. (FMRC) expect to merge with and into FMR and, after the merger, FMR expects to redomicile as a Delaware limited liability company. The Board also approved the termination of the sub-advisory agreements with FIMM and FMRC upon the completion of the merger. The Board noted that references to FMR in the Amended and Restated Contracts would be updated to reflect FMR's new form of organization and domicile and considered that the definition of "group assets" for purposes of the fund's group fee would be modified to avoid double-counting assets once the reorganization is complete. The Board also noted Fidelity's assurance that neither the planned consolidation nor the Amended and Restated Contracts will change the investment processes, the level or nature of services provided, the resources and personnel allocated, trading and compliance operations, or any fees or expenses paid by the fund.

Nature, Extent, and Quality of Services Provided. The Board considered Fidelity's staffing as it relates to the fund, including the backgrounds of investment personnel of Fidelity, and also considered the fund's investment objective, strategies, and related investment philosophy. The Independent Trustees also had discussions with senior management of Fidelity's investment operations and investment groups. The Board considered the structure of the investment personnel compensation program and whether this structure provides appropriate incentives to act in the best interests of the fund. Additionally, the Board considered the portfolio managers' investments, if any, in the funds that they manage.

Resources Dedicated to Investment Management and Support Services. The Board reviewed the general qualifications and capabilities of Fidelity's investment staff, including its size, education, experience, and resources, as well as Fidelity's approach to recruiting, managing, and compensating investment personnel. The Board noted that Fidelity has continued to increase the resources devoted to non-U.S. offices, including expansion of Fidelity's global investment organization. The Board also noted that Fidelity's analysts have extensive resources, tools and capabilities that allow them to conduct sophisticated quantitative and fundamental analysis, as well as credit analysis of issuers, counterparties and guarantors. Further, the Board considered that Fidelity's investment professionals have sufficient access to global information and data so as to provide competitive investment results over time, and that those professionals also have access to sophisticated tools that permit them to assess portfolio construction and risk and performance attribution characteristics continuously, as well as to transmit new information and research conclusions rapidly around the world. Additionally, in its deliberations, the Board considered Fidelity's trading, risk management, compliance, and technology and operations capabilities and resources, which are integral parts of the investment management process.

Shareholder and Administrative Services. The Board considered (i) the nature, extent, quality, and cost of advisory, administrative, and shareholder services performed by the Investment Advisers and their affiliates under the Advisory Contracts and under separate agreements covering transfer agency, pricing and bookkeeping, and securities lending services for the fund; (ii) the nature and extent of the supervision of third party service providers, principally custodians, subcustodians, and pricing vendors; and (iii) the resources devoted to, and the record of compliance with, the fund's compliance policies and procedures. The Board also reviewed the allocation of fund brokerage, including allocations to brokers affiliated with the Investment Advisers, the use of brokerage commissions to pay fund expenses, and the use of "soft" commission dollars to pay for research services.

The Board noted that the growth of fund assets over time across the complex allows Fidelity to reinvest in the development of services designed to enhance the value and convenience of the Fidelity funds as investment vehicles. These services include 24-hour access to account information and market information over the Internet and through telephone representatives, investor education materials and asset allocation tools, and the expanded availability of Fidelity Investor Centers.

## Board Approval of Investment Advisory Contracts and Management Fees – continued

Investment in a Large Fund Family. The Board considered the benefits to shareholders of investing in a Fidelity fund, including the benefits of investing in a fund that is part of a large family of funds offering a variety of investment disciplines and providing a large variety of mutual fund investor services. The Board noted that Fidelity had taken, or had made recommendations that resulted in the Fidelity funds taking, a number of actions over the previous year that benefited particular funds, including: (i) continuing to dedicate additional resources to Fidelity's investment research process, which includes meetings with management of issuers of securities in which the funds invest, and to the support of the senior management team that oversees asset management; (ii) continuing efforts to enhance Fidelity's global research capabilities; (iii) launching new funds with innovative structures, strategies and pricing and making other enhancements to meet client needs; (iv) launching new share classes of existing funds; (v) eliminating purchase minimums and broadening eligibility requirements for certain funds and share classes; (vi) reducing management fees and total expenses for certain target date funds and index funds; (vii) lowering expense caps for certain existing funds and classes, and converting certain voluntary expense caps to contractual caps, to reduce expenses borne by shareholders; (viii) rationalizing product lines and gaining increased efficiencies from fund mergers, liquidations, and share class consolidations; (ix) continuing to develop, acquire and implement systems and technology to improve services to the funds and shareholders, strengthen information security, and increase efficiency; and (x) continuing to implement enhancements to further strengthen Fidelity's product line to increase investors' probability of success in achieving their investment goals, including retirement income goals.

Investment Performance. The Board considered whether the fund has operated in accordance with its investment objective, as well as its record of compliance with its investment restrictions and its performance history. The Board noted that there were portfolio management changes for the fund in November 2018 and March 2019.

The Board took into account discussions that occur at Board meetings throughout the year with representatives of the Investment Advisers about fund investment performance. In this regard the Board noted that as part of regularly scheduled fund reviews and other reports to the Board on fund performance, the Board considers annualized return information for the fund for different time periods, measured against one or more appropriate securities market indices, including a customized blended index that reflects the respective weights of the fund's asset classes (each a benchmark index) and a peer group of funds with similar objectives (peer group), if any. In its evaluation of fund investment performance at meetings throughout the year, the Board gave particular attention to information indicating underperformance of certain Fidelity funds for specific time periods and discussed with the Investment Advisers the reasons for such underperformance.

In addition to reviewing absolute and relative fund performance, the Independent Trustees periodically consider the appropriateness of fund performance metrics in evaluating the results achieved. In general, the Independent Trustees believe that fund performance should be evaluated based on gross performance (before fees and expenses but after transaction costs) compared to appropriate benchmark indices, over appropriate time periods that may include full market cycles, and on net performance (after fees and expenses) compared to peer groups, as applicable, over the same periods, taking into account relevant factors including the following: general market conditions; expectations for interest rate levels and credit conditions; issuer-specific information including credit quality; and fund cash flows and other factors. Depending on the circumstances, the Independent Trustees may be satisfied with a fund's performance notwithstanding that it lags its benchmark index or peer group for certain periods.

The Independent Trustees recognize that shareholders evaluate performance on a net basis over their own holding periods, for which one-, three-, and five-year periods are often used as a proxy. For this reason, the performance information reviewed by the Board also included net cumulative calendar year total return information for the fund and an appropriate benchmark index and peer group for the most recent one-, three-, and five-year periods.

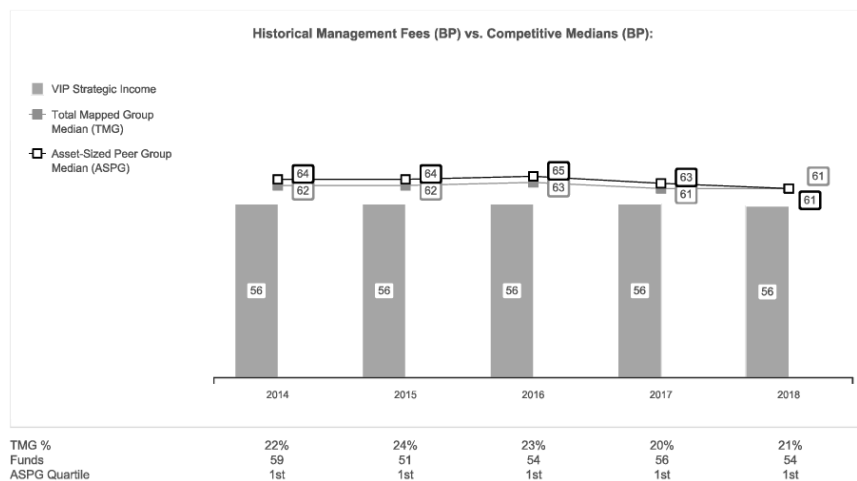
Based on its review, the Board concluded that the nature, extent, and quality of services provided to the fund under the Advisory Contracts should continue to benefit the shareholders of the fund.

**Competitiveness of Management Fee and Total Expense Ratio.** The Board considered the fund's management fee and total expense ratio compared to "mapped groups" of competitive funds and classes created for the purpose of facilitating the Trustees' competitive analysis of management fees and total expenses. Fidelity creates "mapped groups" by combining similar Lipper investment objective categories that have comparable investment mandates. Combining Lipper investment objective categories aids the Board's management fee and total expense ratio comparisons by broadening the competitive group used for comparison.

Management Fee. The Board considered two proprietary management fee comparisons for the 12-month periods shown in basis points (BP) in the chart below. The group of Lipper funds used by the Board for management fee comparisons is referred to below as the "Total Mapped Group." The Total Mapped Group comparison focuses on a fund's standing in terms of gross management fees before expense reimbursements or caps relative to the total universe of funds with comparable investment mandates, regardless of whether their management fee structures also are comparable. Funds with comparable investment mandates offer exposure to similar types of securities. Funds with comparable management fee structures have similar management fee contractual arrangements (*e.g.*, flat rate charged for advisory services, all-inclusive fee rate, *etc.*). "TMG %" represents the percentage of funds in the Total Mapped Group that had management fees that were lower than the fund's. For example, a hypothetical TMG % of 20% would mean that 80% of the funds in the Total Mapped Group had higher, and 20% had lower, management fees than the fund. The fund's actual TMG %s and the number of funds in the Total Mapped Group are in the chart below. The "Asset-Size Peer Group" (ASPG) comparison focuses on a fund's standing relative to a subset of non-Fidelity funds within the Total Mapped Group that are similar in size and management fee structure. For example, if a fund is in the first quartile of the ASPG, the fund's management fee ranks in the least expensive or lowest 25% of funds in the ASPG. The ASPG represents at least 15% of the funds in the Total Mapped Group with comparable asset size and management fee structures, subject to a minimum of 50 funds (or all funds in the Total Mapped Group if fewer than 50). Additional information, such as the ASPG quartile in which the fund's management fee rate ranked, is also included in the chart and was considered by the Board.



## VIP Strategic Income Portfolio



The Board noted that the fund's management fee rate ranked below the median of its Total Mapped Group and below the median of its ASPG for 2018.

The Board noted that it and the boards of other Fidelity funds formed an ad hoc Committee on Group Fee, which meets periodically, to conduct an in-depth review of the "group fee" component of the management fee of funds with such management fee structures. The Committee's focus included the mechanics of the group fee, the competitive landscape of group fee structures, Fidelity funds with no group fee component and investment products not included in group fee assets. The Board also considered that, for funds subject to the group fee, FMR agreed to voluntarily waive fees over a specified period of time in amounts designed to account for assets converted from certain funds to certain collective investment trusts.

Based on its review, the Board concluded that the fund's management fee is fair and reasonable in light of the services that the fund receives and the other factors considered.

**Total Expense Ratio.** In its review of each class's total expense ratio, the Board considered the fund's management fee rate as well as other fund or class expenses, as applicable, such as transfer agent fees, pricing and bookkeeping fees, fund-paid 12b-1 fees, and custodial, legal, and audit fees. The Board also noted that Fidelity may agree to waive fees or reimburse expenses from time to time, and the extent to which, if any, it has done so for the fund. As part of its review, the Board also considered the current and historical total expense ratios of each class of the fund compared to competitive fund median expenses. Each class of the fund is compared to those funds and classes in the Total Mapped Group (used by the Board for management fee comparisons) that have a similar sales load structure.

The Board noted that the total expense ratio of each of Initial Class, Investor Class, and Service Class ranked below the competitive median for 2018 and the total expense ratio of Service Class 2 ranked above the competitive median for 2018. The Board considered that, in general, various factors can affect total expense ratios. The Board noted that the total expense ratio of Service Class 2 was above the competitive median because of its 12b-1 fees and that excluding 12b-1 fees of both the class and competitor classes, the total expense ratio of Service Class 2 ranked below the median. The Board noted that the fund offers multiple classes, each of which has a different 12b-1 fee structure, and that the multiple structures are intended to offer a range of pricing options for the intermediary market. The Board also noted that the total expense ratios of the classes vary primarily by the level of their 12b-1 fees, although differences in transfer agent fees may also cause expenses to vary from class to class.

**Fees Charged to Other Fidelity Clients.** The Board also considered Fidelity fee structures and other information with respect to clients of Fidelity, such as other funds advised or subadvised by Fidelity, pension plan clients, and other institutional clients with similar mandates. The Board noted that a joint ad hoc committee created by it and the boards of other Fidelity funds periodically reviews and compares Fidelity's institutional investment advisory business with its business of providing services to the Fidelity funds and also noted the most recent findings of the committee. The Board noted that the committee's review included a consideration of the differences in services provided, fees charged, and costs incurred, as well as competition in the markets serving the different categories of clients.

Based on its review of total expense ratios and fees charged to other Fidelity clients, the Board concluded that the total expense ratio of each class of the fund was reasonable in light of the services that the fund and its shareholders receive and the other factors considered.

**Costs of the Services and Profitability.** The Board considered the revenues earned and the expenses incurred by Fidelity in conducting the business of developing, marketing, distributing, managing, administering and servicing the fund and servicing the fund's shareholders. The Board also considered the level of Fidelity's profits in respect of all the Fidelity funds.

On an annual basis, Fidelity presents to the Board information about the profitability of its relationships with the fund. Fidelity calculates profitability information for each fund, as well as aggregate profitability information for groups of Fidelity funds and all Fidelity funds, using a series of detailed revenue and cost allocation methodologies which originate with the books and records of Fidelity on which Fidelity's audited financial statements are based. The Audit Committee of the Board reviews any significant changes from the prior year's methodologies and the full Board approves such changes.

PricewaterhouseCoopers LLP (PwC), auditor to Fidelity and certain Fidelity funds, has been engaged annually by the Board as part of the Board's assessment of Fidelity's profitability analysis. PwC's engagement includes the review and assessment of the methodologies used by Fidelity in determining the revenues and expenses attributable to Fidelity's mutual fund business, and completion of agreed-upon procedures in respect of the mathematical accuracy of the fund profitability information and its conformity to established allocation methodologies. After considering PwC's reports

## Board Approval of Investment Advisory Contracts and Management Fees – continued

issued under the engagement and information provided by Fidelity, the Board concluded that while other allocation methods may also be reasonable, Fidelity's profitability methodologies are reasonable in all material respects.

The Board also reviewed Fidelity's non-fund businesses and potential indirect benefits such businesses may have received as a result of their association with Fidelity's mutual fund business (i.e., fall-out benefits) as well as cases where Fidelity's affiliates may benefit from the fund's business. The Board noted that changes to fall-out benefits year-over-year reflect business developments at Fidelity's various businesses. The Board considered that a joint ad hoc committee created by it and the boards of other Fidelity funds had recently been established, and meets periodically, to evaluate potential fall-out benefits. The Board noted that the committee was expected to, among other things: (i) discuss the legal framework surrounding potential fall-out benefits; (ii) review the Board's responsibilities and approach to potential fall-out benefits; and (iii) review practices employed by competitor funds regarding the review of potential fall-out benefits. The Board noted that it would consider the committee's findings in connection with future consideration of contract renewals.

The Board considered the costs of the services provided by and the profits realized by Fidelity in connection with the operation of the fund and was satisfied that the profitability was not excessive.

**Economies of Scale.** The Board considered whether there have been economies of scale in respect of the management of the Fidelity funds, whether the Fidelity funds (including the fund) have appropriately benefited from any such economies of scale, and whether there is potential for realization of any further economies of scale. The Board considered the extent to which the fund will benefit from economies of scale as assets grow through increased services to the fund, through waivers or reimbursements, or through fee or expense ratio reductions. The Board also noted that a committee (the Economies of Scale Committee) created by it and the boards of other Fidelity funds periodically analyzes whether Fidelity attains economies of scale in respect of the management and servicing of the Fidelity funds, whether the Fidelity funds have appropriately benefited from such economies of scale, and whether there is potential for realization of any further economies of scale.

The Board recognized that the fund's management contract incorporates a "group fee" structure, which provides for lower group fee rates as total "group assets" increase, and for higher group fee rates as total "group assets" decrease ("group assets" as defined in the management contract). FMR calculates the group fee rates based on a tiered asset "breakpoint" schedule that varies based on asset class. The Board considered that the group fee is designed to deliver the benefits of economies of scale to fund shareholders when total Fidelity fund assets increase, even if assets of any particular fund are unchanged or have declined, because some portion of Fidelity's costs are attributable to services provided to all Fidelity funds, and all funds benefit if those costs can be allocated among more assets. The Board concluded that, given the group fee structure, fund shareholders will benefit from lower management fees as "group assets" increase at the fund complex level, regardless of whether Fidelity achieves any such economies of scale.

The Board concluded, taking into account the analysis of the Economies of Scale Committee, that economies of scale, if any, are being appropriately shared between fund shareholders and Fidelity.

**Additional Information Requested by the Board.** In order to develop fully the factual basis for consideration of the Fidelity funds' advisory contracts, the Board requested and received additional information on certain topics, including: (i) Fidelity's fund profitability methodology, profitability trends for certain funds, the allocation of various costs to different funds, and the impact of certain factors on fund profitability results; (ii) portfolio manager changes that have occurred during the past year and the amount of the investment that each portfolio manager has made in the Fidelity fund(s) that he or she manages; (iii) Fidelity's compensation structure for portfolio managers, research analysts, and other key personnel, including its effects on fund profitability, the rationale for the compensation structure, and the extent to which current market conditions have affected retention and recruitment; (iv) the arrangements with and compensation paid to certain fund sub-advisers on behalf of the Fidelity funds and the treatment of such compensation within Fidelity's fund profitability methodology; (v) the practices of certain sub-advisers regarding their receipt of research from broker-dealers that execute the funds' portfolio transactions; (vi) the terms of Fidelity's voluntary expense limitation agreements; (vii) the methodology with respect to competitive fund data and peer group classifications; (viii) Fidelity's transfer agent fee, expense, and service structures for different funds and classes relative to competitive trends, and the impact of the increased use of omnibus accounts; (ix) new developments in the retail and institutional marketplaces and the competitive positioning of the funds relative to other investment products and services; (x) the impact on fund profitability of recent changes in total net assets for Fidelity's money market funds, anticipated changes to the competitive landscape for money market funds, and the level of investor comfort with gates, fees, and floating NAVs; (xi) the funds' share class structures and distribution channels; and (xii) explanations regarding the relative total expense ratios of certain funds and classes, total expense competitive trends and methodologies for total expense competitive comparisons, and actions that might be taken by Fidelity to reduce total expense ratios for certain classes. In addition, the Board considered its discussions with Fidelity throughout the year regarding enhanced information security initiatives and the funds' fair valuation policies.

Based on its evaluation of all of the conclusions noted above, and after considering all factors it believed relevant, the Board concluded that the advisory fee arrangements are fair and reasonable, and that the fund's Advisory Contracts should be renewed and the fund's Amended and Restated Contracts should be approved.



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**Variable Product Funds**

70100 Ameriprise Financial Center  
Minneapolis, MN 55474

PRSRT STD  
U.S. POSTAGE  
**PAID**  
RIVERSOURCE  
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COMPANY