

Fidelity® Variable Insurance Products:

Strategic Income Portfolio

Annual Report
December 31, 2021



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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.

Note to Shareholders:

Early in 2020, the outbreak and spread of COVID-19 emerged as a public health emergency that had a major influence on financial markets, primarily based on its impact on the global economy and corporate earnings. On March 11, 2020, the World Health Organization declared the COVID-19 outbreak a pandemic, citing sustained risk of further global spread. The pandemic prompted a number of measures to limit the spread of COVID-19, including travel and border restrictions, quarantines, and restrictions on large gatherings. In turn, these resulted in lower consumer activity, diminished demand for a wide range of products and services, disruption in manufacturing and supply chains, and — given the wide variability in outcomes regarding the outbreak — significant market uncertainty and volatility. To help stem the turmoil, the U.S. government took unprecedented action — in concert with the U.S. Federal Reserve and central banks around the world — to help support consumers, businesses, and the broader economy, and to limit disruption to the financial system.

In general, the overall impact of the pandemic lessened in 2021, amid a resilient economy and widespread distribution of three COVID-19 vaccines granted emergency use authorization from the U.S. Food and Drug Administration (FDA) early in the year. Still, the situation remains dynamic, and the extent and duration of its influence on financial markets and the economy is highly uncertain, due in part to a recent spike in cases based on highly contagious variants of the coronavirus.

Extreme events such as the COVID-19 crisis are exogenous shocks that can have significant adverse effects on mutual funds and their investments. Although multiple asset classes may be affected by market disruption, the duration and impact may not be the same for all types of assets. Fidelity is committed to helping you stay informed amid news about COVID-19 and during increased market volatility, and we continue to take extra steps to be responsive to customer needs. We encourage you to visit us online, where we offer ongoing updates, commentary, and analysis on the markets and our funds.

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

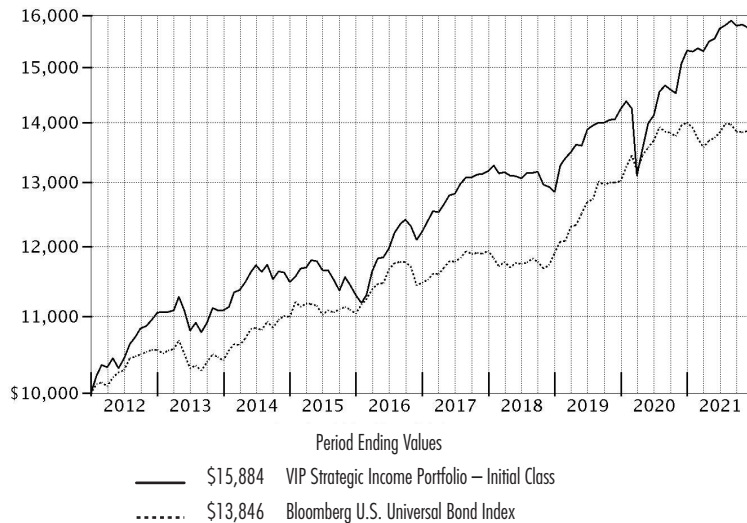
For the periods ended December 31, 2021

	Past 1 year	Past 5 years	Past 10 years
Initial Class	3.74%	5.37%	4.74%
Service Class	3.57%	5.29%	4.64%
Service Class 2	3.44%	5.11%	4.47%
Investor Class	3.72%	5.35%	4.71%

\$10,000 Over 10 Years

Let's say hypothetically that \$10,000 was invested in VIP Strategic Income Portfolio – Initial Class on December 31, 2011.

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



Effective August 24, 2021, all Bloomberg Barclays Indices were re-branded as Bloomberg Indices.

Management's Discussion of Fund Performance

Market Recap: Longer-term bond yields rose early in the year ending December 31, 2021, as a \$1.9 trillion COVID-relief bill offered hopes for a robust economic recovery, generating higher inflation expectations that persisted through early April. Many investors preferred the potential for higher returns in riskier assets as the worst economic fears related to the spread of COVID-19 retreated. Bond yields fell from May through early August amid weaker-than-expected economic data. Then in the fourth quarter, rising inflation and tighter monetary policy concerns increased short-term yields and decreased longer-term yields. By December, the Fed raised the prospects for three quarter-point interest-rate hikes in 2022. Against this economic backdrop, the Fidelity Strategic Income Composite IndexSM gained 1.25%. Within the index, high-yield bonds did best, with the ICE BofA[®] U.S. High Yield Constrained Index, a proxy for the high-yield bond market, gaining 5.35%. U.S. government debt, as reflected in the Bloomberg U.S. Government Bond Index, returned -2.28%, while non-U.S. developed-markets debt, as measured by the Bloomberg Global Aggregate Developed Markets GDP Weighted Ex USD Index (Hedged), returned -2.02%. Emerging markets debt returned -1.65%, reflecting the Bloomberg Emerging Markets Aggregate USD Bond Index, while floating-rate bonds, as measured by the S&P/LSTA[®] Leveraged Performing Loan Index, were up 5.42% this period.

Comments from Co-Lead Portfolio Manager Adam Kramer: For the year, the fund's share classes rose roughly 3% to 4%, significantly outperforming the 1.25% gain of the Fidelity Strategic Income Composite IndexSM. Security selection was positive within all the fund's subportfolios, while asset allocation added value across most of the categories we invest in. Investment choices in the high-yield bond subportfolio were especially strong, driven by picks in the energy industry. Credit selection in the emerging markets debt subportfolio added further value in 2021. The biggest benefits here included a large underweighting in China — a weak performer and large component of the emerging-markets asset class benchmark — along with security selection in Argentina, Ghana and Mexico. Also contributing was an underweighting in non-U.S. developed investment grade bonds, which trailed the Composite index. We found this asset class unattractive for its minimal yield, relatively high duration, degree of credit risk, and limited opportunity for capital appreciation. In addition, we maintained smaller-than-index exposure to the lagging U.S. government bonds category — also a positive relative performance factor this period — although during the year we were steadily adding exposure to this asset class to manage the fund's risk, finishing the period with a modest overweight. Additionally, the fund's outsized allocation to floating-rate loans added further value, since the category outperformed the Composite benchmark. There were no material negative influences on the fund's relative result this past year.

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.

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, 2021

(by issuer, excluding cash equivalents)	% of fund's net assets
U.S. Treasury Obligations	20.2
German Federal Republic	6.1
Freddie Mac	1.5
CCO Holdings LLC/CCO Holdings Capital Corp.	1.5
United Kingdom, Great Britain and Northern Ireland	1.2
	<u>30.5</u>

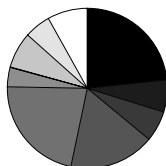
Top Five Market Sectors as of December 31, 2021

	% of fund's net assets
Energy	8.4
Communication Services	8.0
Financials	7.7
Consumer Discretionary	7.1
Industrials	5.8

Quality Diversification (% of fund's net assets)

As of December 31, 2021

■ U.S. Government and U.S. Government Agency Obligations	23.3%
■ AAA,AA,A	6.5%
■ BBB	6.2%
■ BB	17.3%
■ B	22.0%
■ CCC,CC,C	3.9%
■ D	0.1%
■ Not Rated	7.3%
■ Equities	5.3%
□ Short-Term Investments and Net Other Assets	8.1%

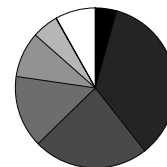


We have used ratings from Moody's Investors Service, Inc. Where Moody's® ratings are not available, we have used S&P® ratings. All ratings are as of the date indicated and do not reflect subsequent changes.

Asset Allocation (% of fund's net assets)

As of December 31, 2021*, **, ***

■ Preferred Securities	4.3%
■ Corporate Bonds	35.1%
■ U.S. Government and U.S. Government Agency Obligations	23.3%
■ Foreign Government & Government Agency Obligations	14.6%
■ Bank Loan Obligations	9.2%
■ Stocks	5.3%
■ Other Investments	0.1%
□ Short-Term Investments and Net Other Assets (Liabilities)	8.1%



* Foreign investments – 25.9%

** Foreign Currency Contracts – (8.2)%

*** Futures and Swaps – 6.6%

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 and/or institutional.fidelity.com, as applicable.

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

Schedule of Investments December 31, 2021

Showing Percentage of Net Assets

Corporate Bonds – 34.9%

	Principal Amount(a)	Value
Convertible Bonds – 0.1%		
ENERGY – 0.1%		
Oil, Gas & Consumable Fuels – 0.1%		
Mesquite Energy, Inc. 15% 7/15/23 (b) (c)	\$ 201,041	\$ 631,269
Mesquite Energy, Inc. 15% 7/15/23 (b) (c)	115,537	400,913
		<u>1,032,182</u>

Nonconvertible Bonds – 34.8%

COMMUNICATION SERVICES – 6.3%

Diversified Telecommunication Services – 2.4%

Alice France SA:		
5.125% 7/15/29 (d)	3,835,000	3,740,851
5.5% 1/15/28 (d)	1,190,000	1,179,611
5.5% 10/15/29 (d)	2,810,000	2,767,850
8.125% 2/1/27 (d)	370,000	394,226
Axtel S.A.B. de CV 6.375% 11/14/24 (d)	100,000	102,800
C&W Senior Financing Designated Activity Co. 6.875% 9/15/27 (d)	2,520,000	2,620,800
Cablevision Lightpath LLC:		
3.875% 9/15/27 (d)	325,000	315,250
5.625% 9/15/28 (d)	260,000	256,311
Colombia Telecomunicaciones SA 4.95% 7/17/30 (d)	210,000	209,252
Frontier Communications Holdings LLC:		
5% 5/1/28 (d)	1,165,000	1,199,950
5.875% 10/15/27 (d)	620,000	655,650
6% 1/15/30 (d)	555,000	557,775
6.75% 5/1/29 (d)	745,000	774,800
IHS Holding Ltd. 5.625% 11/29/26 (d)	595,000	599,463
Level 3 Financing, Inc. 3.75% 7/15/29 (d)	1,140,000	1,083,000
Liquid Telecommunications Financing PLC 5.5% 9/4/26 (d)	605,000	621,448
Lumen Technologies, Inc. 5.375% 6/15/29 (d)	715,000	715,000
Northwest Fiber LLC/Northwest Fiber Finance Sub, Inc.:		
4.75% 4/30/27 (d)	280,000	277,200
6% 2/15/28 (d)	235,000	230,300
10.75% 6/1/28 (d)	365,000	397,850
Qtel International Finance Ltd.:		
2.625% 4/8/31 (d)	460,000	461,006
3.25% 2/21/23 (d)	450,000	459,984
5% 10/19/25 (d)	230,000	258,578
Qwest Corp. 7.25% 9/15/25	35,000	40,862
Sable International Finance Ltd. 5.75% 9/7/27 (d)	1,352,000	1,384,110
Sprint Capital Corp.:		
6.875% 11/15/28	6,422,000	8,123,830
8.75% 3/15/32	3,506,000	5,259,000
Telefonica Celular del Paraguay SA 5.875% 4/15/27 (d)	455,000	471,153
Telenet Finance Luxembourg Notes SARL 5.5% 3/1/28 (d)	600,000	618,000
Virgin Media Finance PLC 5% 7/15/30 (d)	1,385,000	1,378,075
Windstream Escrow LLC 7.75% 8/15/28 (d)	2,470,000	2,619,336
Zayo Group Holdings, Inc. 4% 3/1/27 (d)	900,000	887,193
		<u>40,660,514</u>

Entertainment – 0.0%

Roblox Corp. 3.875% 5/1/30 (d)	410,000	415,884
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Interactive Media & Services – 0.1%

Baidu, Inc.:		
1.72% 4/9/26	\$ 460,000	\$ 453,017
2.375% 10/9/30	270,000	262,718
Tencent Holdings Ltd.:		
1.81% 1/26/26 (d)	240,000	239,070
2.39% 6/3/30 (d)	295,000	288,879
2.88% 4/22/31 (d)	200,000	203,520
3.975% 4/11/29 (d)	180,000	195,953
		<u>1,643,157</u>

Media – 3.3%

Alice Financing SA:		
5% 1/15/28 (d)	2,250,000	2,195,753
5.75% 8/15/29 (d)	1,125,000	1,113,750
Block Communications, Inc. 4.875% 3/1/28 (d)	410,000	410,000
Cable Onda SA 4.5% 1/30/30 (d)	740,000	761,645
CCO Holdings LLC/CCO Holdings Capital Corp.:		
4.25% 2/1/31 (d)	1,005,000	1,013,824
4.5% 8/15/30 (d)	4,690,000	4,798,761
4.5% 5/1/32	665,000	684,119
4.75% 3/1/30 (d)	4,810,000	5,002,400
5% 2/1/28 (d)	4,665,000	4,851,600
5.125% 5/1/27 (d)	1,840,000	1,895,200
5.375% 6/1/29 (d)	4,800,000	5,179,848
5.5% 5/1/26 (d)	1,225,000	1,262,010
Clear Channel International BV 6.625% 8/1/25 (d)	965,000	1,001,188
Clear Channel Outdoor Holdings, Inc. 7.5% 6/1/29 (d)	570,000	608,475
CSC Holdings LLC:		
3.375% 2/15/31 (d)	860,000	805,175
4.5% 11/15/31 (d)	1,435,000	1,417,063
5.375% 2/1/28 (d)	1,190,000	1,232,090
5.75% 1/15/30 (d)	680,000	677,450
6.5% 2/1/29 (d)	1,320,000	1,412,400
Diamond Sports Group LLC/Diamond Sports Finance Co.		
5.375% 8/15/26 (d)	2,455,000	1,227,500
DISH DBS Corp.:		
5.25% 12/1/26 (d)	685,000	695,813
5.75% 12/1/28 (d)	685,000	691,850
Gannett Holdings LLC 6% 11/1/26 (d)	400,000	408,500
Gray Escrow II, Inc. 5.375% 11/15/31 (d)	850,000	874,438
LCPR Senior Secured Financing DAC:		
5.125% 7/15/29 (d)	1,370,000	1,376,850
6.75% 10/15/27 (d)	544,000	571,200
Nexstar Broadcasting, Inc.:		
4.75% 11/1/28 (d)	1,335,000	1,360,031
5.625% 7/15/27 (d)	1,275,000	1,344,003
Quebecor Media, Inc. 5.75% 1/15/23	790,000	821,600
Radiate Holdco LLC/Radiate Financial Service Ltd.:		
4.5% 9/15/26 (d)	495,000	499,950
6.5% 9/15/28 (d)	1,325,000	1,331,009
Scripps Escrow II, Inc. 3.875% 1/15/29 (d)	165,000	164,794
Sirius XM Radio, Inc.:		
3.125% 9/1/26 (d)	425,000	425,123
3.875% 9/1/31 (d)	570,000	558,857
4% 7/15/28 (d)	1,125,000	1,131,289

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
Nonconvertible Bonds – continued					
COMMUNICATION SERVICES – continued					
Media – continued					
Sirius XM Radio, Inc.: – continued					
5% 8/1/27 (d)	\$ 800,000	\$ 831,472			
Townsquare Media, Inc. 6.875% 2/1/26 (d)	325,000	344,906			
TV Azteca SA de CV 8.25% 8/9/24 (Reg. S) (e)	1,500,000	1,019,531			
Univision Communications, Inc. 4.5% 5/1/29 (d)	570,000	575,700			
Videotron Ltd. 5.125% 4/15/27 (d)	615,000	633,450			
VTR Finance BV 6.375% 7/15/28 (d)	320,000	334,400			
Ziggo Bond Co. BV:					
5.125% 2/28/30 (d)	315,000	316,575			
6% 1/15/27 (d)	635,000	654,050			
Ziggo BV:					
4.875% 1/15/30 (d)	430,000	441,008			
5.5% 1/15/27 (d)	1,013,000	1,040,858			
		<u>55,997,508</u>			
Wireless Telecommunication Services – 0.5%					
Bharti Airtel International BV 5.35% 5/20/24 (d)	325,000	349,741			
Digicel Group Ltd. 6.75% 3/1/23 (d)	270,000	260,550			
Intelsat Jackson Holdings SA 8% 2/15/24 (d)	1,285,000	1,302,669			
Millicom International Cellular SA 4.5% 4/27/31 (d)	645,000	649,152			
MTN (Mauritius) Investments Ltd.:					
4.75% 11/11/24 (d)	170,000	177,629			
6.5% 10/13/26 (d)	315,000	351,678			
Silknet JSC 11% 4/2/24 (Reg. S)	200,000	213,000			
Sprint Corp. 7.625% 3/1/26	540,000	648,324			
T-Mobile U.S.A., Inc.:					
2.875% 2/15/31	1,465,000	1,446,834			
3.375% 4/15/29	590,000	601,175			
3.5% 4/15/31	590,000	613,824			
VimpelCom Holdings BV:					
3.375% 11/25/27 (d)	535,000	522,203			
7.25% 4/26/23 (d)	445,000	467,962			
VTR Comunicaciones SpA:					
4.375% 4/15/29 (d)	250,000	248,750			
5.125% 1/15/28 (d)	580,000	590,621			
		<u>8,444,112</u>			
TOTAL COMMUNICATION SERVICES		<u>107,161,175</u>			
CONSUMER DISCRETIONARY – 4.3%					
Auto Components – 0.2%					
Allison Transmission, Inc. 5.875% 6/1/29 (d)	420,000	456,750			
Dana, Inc. 4.5% 2/15/32	410,000	408,975			
Exide Technologies:					
11% 10/31/24 pay-in-kind (c) (d) (e) (f)	384,000	0			
11% 10/31/24 pay-in-kind (c) (d) (e) (f)	185,848	83,632			
Metalsa SA de CV 3.75% 5/4/31 (d)	455,000	438,876			
Nesco Holdings II, Inc. 5.5% 4/15/29 (d)	715,000	738,238			
PECF USS Intermediate Holding III Corp. 8% 11/15/29 (d)	250,000	258,875			
Tupy Overseas SA 4.5% 2/16/31 (d)	445,000	427,283			
		<u>2,812,629</u>			
Automobiles – 0.2%					
Ford Motor Co. 3.25% 2/12/32	\$ 1,335,000	\$ 1,367,040			
McLaren Finance PLC 7.5% 8/1/26 (d)	390,000	393,413			
Rivian Holdco & Rivian LLC & Rivian Automotive LLC 6 month					
U.S. LIBOR + 5.620% 6.625% 10/15/26 (c) (d) (f) (g)	1,395,000	1,454,288			
		<u>3,214,741</u>			
Distributors – 0.0%					
Ritchie Bros. Holdings, Inc. 4.75% 12/15/31 (d)	305,000	318,344			
Diversified Consumer Services – 0.2%					
GEMS MENASA Cayman Ltd. 7.125% 7/31/26 (d)	1,130,000	1,159,874			
Service Corp. International 4% 5/15/31	570,000	577,125			
Sotheby's 7.375% 10/15/27 (d)	295,000	314,175			
Sotheby's/Bidfair Holdings, Inc. 5.875% 6/1/29 (d)	430,000	438,600			
TKC Holdings, Inc.:					
6.875% 5/15/28 (d)	575,000	586,500			
10.5% 5/15/29 (d)	575,000	621,000			
WASH Multifamily Acquisition, Inc. 5.75% 4/15/26 (d)	475,000	499,201			
		<u>4,196,475</u>			
Hotels, Restaurants & Leisure – 2.2%					
1011778 BC Unlimited Liability Co./New Red Finance, Inc.:					
3.875% 1/15/28 (d)	570,000	577,273			
4% 10/15/30 (d)	2,320,000	2,279,400			
4.375% 1/15/28 (d)	560,000	571,200			
Affinity Gaming LLC 6.875% 12/15/27 (d)					
250,000	260,000				
Bloomin Brands, Inc. / OSI Restaurant Partners LLC 5.125%					
4/15/29 (d)	270,000	274,201			
Boyd Gaming Corp. 4.75% 6/15/31 (d)					
715,000	729,300				
Caesars Entertainment, Inc.:					
4.625% 10/15/29 (d)	835,000	835,000			
6.25% 7/1/25 (d)	2,520,000	2,645,055			
8.125% 7/1/27 (d)	3,360,000	3,720,998			
Caesars Resort Collection LLC 5.75% 7/1/25 (d)					
840,000	877,225				
Carnival Corp.:					
4% 8/1/28 (d)	855,000	848,588			
7.625% 3/1/26 (d)	500,000	524,125			
9.875% 8/1/27 (d)	1,000,000	1,142,715			
10.5% 2/1/26 (d)	730,000	833,291			
Choice Hotels International, Inc. 5.75% 7/1/22					
145,000	147,915				
GENM Capital Labuan Ltd. 3.882% 4/19/31 (d)					
595,000	581,352				
Hilton Domestic Operating Co., Inc.:					
3.75% 5/1/29 (d)	330,000	332,475			
4% 5/1/31 (d)	500,000	511,270			
4.875% 1/15/30	975,000	1,042,031			
Hilton Worldwide Finance LLC/Hilton Worldwide Finance Corp.					
4.875% 4/1/27	435,000	448,050			
Melco Resorts Finance Ltd.:					
4.875% 6/6/25 (d)	1,502,000	1,479,470			
5.25% 4/26/26 (d)	640,000	631,123			
5.375% 12/4/29 (d)	435,000	421,950			
5.75% 7/21/28 (d)	335,000	336,843			
Merlin Entertainments PLC 5.75% 6/15/26 (d)					
395,000	410,800				
MGM Resorts International:					
4.75% 10/15/28	665,000	684,950			
6.75% 5/1/25	1,485,000	1,551,825			
NagaCorp Ltd. 7.95% 7/6/24 (Reg. S)					
1,000,000	976,750				

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

Corporate Bonds – continued

	Principal Amount(a)	Value
Nonconvertible Bonds – continued		
CONSUMER DISCRETIONARY – continued		
Hotels, Restaurants & Leisure – continued		
NCL Corp. Ltd.:		
5.875% 3/15/26 (d)	\$ 695,000	\$ 691,921
12.25% 5/15/24 (d)	588,000	696,780
NCL Finance Ltd. 6.125% 3/15/28 (d)	270,000	265,950
Papa John's International, Inc. 3.875% 9/15/29 (d)	255,000	253,725
Peninsula Pacific Entertainment LLC 8.5% 11/15/27 (d)	665,000	718,200
Premier Entertainment Sub LLC:		
5.625% 9/1/29 (d)	1,285,000	1,274,964
5.875% 9/1/31 (d)	1,095,000	1,098,800
Royal Caribbean Cruises Ltd.:		
10.875% 6/1/23 (d)	845,000	923,163
11.5% 6/1/25 (d)	734,000	821,163
SeaWorld Parks & Entertainment, Inc. 5.25% 8/15/29 (d)	560,000	570,223
Station Casinos LLC 4.625% 12/1/31 (d)	410,000	413,362
Studio City Finance Ltd. 5% 1/15/29 (d)	320,000	287,460
Vail Resorts, Inc. 6.25% 5/15/25 (d)	380,000	395,200
Viking Cruises Ltd.:		
5.875% 9/15/27 (d)	595,000	566,559
13% 5/15/25 (d)	570,000	645,308
Voc Escrow Ltd. 5% 2/15/28 (d)	545,000	539,550
Wynn Macau Ltd. 5.125% 12/15/29 (d)	890,000	792,100
Yum! Brands, Inc. 4.625% 1/31/32	590,000	626,946
		<u>37,256,549</u>
Household Durables – 0.3%		
Ashton Woods U.S.A. LLC/Ashton Woods Finance Co. 4.625% 4/1/30 (d)	410,000	402,825
Brookfield Residential Properties, Inc./Brookfield Residential U.S. Corp. 4.875% 2/15/30 (d)	405,000	414,238
Century Communities, Inc. 3.875% 8/15/29 (d)	420,000	423,150
Taylor Morrison Communities, Inc./Monarch Communities, Inc. 5.625% 3/1/24 (d)	65,000	69,225
Tempur Sealy International, Inc.:		
3.875% 10/15/31 (d)	735,000	736,389
4% 4/15/29 (d)	790,000	803,825
TopBuild Corp. 3.625% 3/15/29 (d)	305,000	307,288
TRI Pointe Group, Inc./TRI Pointe Holdings, Inc. 5.875% 6/15/24	780,000	849,225
TRI Pointe Homes, Inc. 5.7% 6/15/28	865,000	951,500
		<u>4,957,665</u>
Internet & Direct Marketing Retail – 0.4%		
Alibaba Group Holding Ltd. 2.125% 2/9/31	300,000	289,845
Angi Group LLC 3.875% 8/15/28 (d)	335,000	327,463
B2W Digital Lux SARL 4.375% 12/20/30 (d)	895,000	804,549
JD.com, Inc. 3.375% 1/14/30	665,000	693,928
Meituan:		
2.125% 10/28/25 (d)	510,000	492,099
3.05% 10/28/30 (d)	335,000	310,147
Millennium Escrow Corp. 6.625% 8/1/26 (d)	570,000	571,425
Prosus NV:		
2.031% 8/3/32 (Reg. S)	EUR 210,000	236,096
3.68% 1/21/30 (d)	370,000	380,707

	Principal Amount(a)	Value
4.027% 8/3/50 (d)	\$ 595,000	\$ 566,552
Terrier Media Buyer, Inc. 8.875% 12/15/27 (d)	2,160,000	2,334,463
		<u>7,007,274</u>
Multiline Retail – 0.1%		
Nordstrom, Inc.:		
4.25% 8/1/31	1,160,000	1,139,706
4.375% 4/1/30	175,000	176,537
5% 1/15/44	80,000	74,600
6.95% 3/15/28	25,000	28,156
		<u>1,418,999</u>
Specialty Retail – 0.7%		
Arko Corp. 5.125% 11/15/29 (d)	415,000	400,994
Asbury Automotive Group, Inc.:		
4.5% 3/1/28	184,000	187,680
4.625% 11/15/29 (d)	450,000	458,438
4.75% 3/1/30	184,000	186,990
5% 2/15/32 (d)	485,000	503,285
At Home Group, Inc.:		
4.875% 7/15/28 (d)	285,000	280,725
7.125% 7/15/29 (d)	425,000	417,563
Bath & Body Works, Inc.:		
6.625% 10/1/30 (d)	330,000	373,725
6.75% 7/1/36	1,575,000	1,945,125
6.875% 11/1/35	430,000	534,275
7.5% 6/15/29	500,000	569,170
Carvana Co.:		
4.875% 9/1/29 (d)	980,000	933,450
5.5% 4/15/27 (d)	590,000	584,100
Foot Locker, Inc. 4% 10/1/29 (d)	280,000	280,469
Gap, Inc.:		
3.625% 10/1/29 (d)	560,000	553,896
3.875% 10/1/31 (d)	560,000	552,300
LCM Investments Holdings 4.875% 5/1/29 (d)	310,000	318,581
Michaels Companies, Inc.:		
5.25% 5/1/28 (d)	685,000	685,301
7.875% 5/1/29 (d)	395,000	389,075
Victoria's Secret & Co. 4.625% 7/15/29 (d)	1,065,000	1,088,963
		<u>11,244,105</u>
Textiles, Apparel & Luxury Goods – 0.0%		
Crocs, Inc.:		
4.125% 8/15/31 (d)	280,000	273,700
4.25% 3/15/29 (d)	435,000	429,563
Kontoor Brands, Inc. 4.125% 11/15/29 (d)	240,000	240,000
		<u>943,263</u>
TOTAL CONSUMER DISCRETIONARY		<u>73,370,044</u>
CONSUMER STAPLES – 1.8%		
Beverages – 0.0%		
Central American Bottling Corp. 5.75% 1/31/27 (d)	325,000	333,186
Triton Water Holdings, Inc. 6.25% 4/1/29 (d)	315,000	302,117
		<u>635,303</u>
Food & Staples Retailing – 0.7%		
Albertsons Companies LLC/Safeway, Inc./New Albertson's, Inc./Albertson's LLC:		
3.5% 3/15/29 (d)	525,000	526,029

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

Schedule of Investments – continued

Corporate Bonds – continued

	Principal Amount(a)	Value
Nonconvertible Bonds – continued		
CONSUMER STAPLES – continued		
Food & Staples Retailing – continued		
Albertsons Companies LLC/Safeway, Inc./New Albertson's, Inc./Albertson's LLC: – continued		
4.625% 1/15/27 (d)	\$ 1,310,000	\$ 1,374,766
4.875% 2/15/30 (d)	5,365,000	5,792,698
C&S Group Enterprises LLC 5% 12/15/28 (d)	510,000	482,588
KeHE Distributors LLC / KeHE Finance Corp. 8.625% 10/15/26 (d)	420,000	449,400
NBM U.S. Holdings, Inc. 6.625% 8/6/29 (d)	1,000,000	1,091,125
Performance Food Group, Inc.:		
4.25% 8/1/29 (d)	400,000	396,824
5.5% 10/15/27 (d)	475,000	495,781
SEG Holding LLC/SEG Finance Corp. 5.625% 10/15/28 (d)	665,000	696,588
United Natural Foods, Inc. 6.75% 10/15/28 (d)	465,000	497,922
		<u>11,803,721</u>
Food Products – 1.0%		
Adecoagro SA 6% 9/21/27 (d)	700,000	721,131
Camposol SA 6% 2/3/27 (d)	225,000	232,073
Chobani LLC/Finance Corp., Inc. 4.625% 11/15/28 (d)	375,000	385,296
Del Monte Foods, Inc. 11.875% 5/15/25 (d)	380,000	423,483
JBS Finance Luxembourg SARL 2.5% 1/15/27 (d)	250,000	247,190
JBS U.S.A. Food Co. 5.75% 1/15/28 (d)	1,155,000	1,204,099
JBS U.S.A. LLC/JBS U.S.A. Finance, Inc. 6.75% 2/15/28 (d)	925,000	997,853
JBS U.S.A. Lux SA / JBS Food Co.:		
5.5% 1/15/30 (d)	1,085,000	1,179,938
6.5% 4/15/29 (d)	1,835,000	2,018,500
Lamb Weston Holdings, Inc.:		
4.125% 1/31/30 (d)	555,000	569,535
4.375% 1/31/32 (d)	275,000	283,599
Pilgrim's Pride Corp. 4.25% 4/15/31 (d)	1,020,000	1,071,000
Post Holdings, Inc.:		
4.5% 9/15/31 (d)	1,215,000	1,205,888
4.625% 4/15/30 (d)	3,850,000	3,921,225
5.5% 12/15/29 (d)	1,085,000	1,139,934
5.75% 3/1/27 (d)	405,000	418,163
Simmons Foods, Inc. 4.625% 3/1/29 (d)	430,000	423,550
TreeHouse Foods, Inc. 4% 9/1/28	220,000	211,200
		<u>16,653,657</u>
Household Products – 0.1%		
Diamond BC BV 4.625% 10/1/29 (d)	335,000	332,310
Spectrum Brands Holdings, Inc. 3.875% 3/15/31 (d)	430,000	424,625
		<u>756,935</u>
Personal Products – 0.0%		
Natura Cosméticos SA 4.125% 5/3/28 (d)	670,000	654,004
TOTAL CONSUMER STAPLES		
		<u>30,503,620</u>
ENERGY – 6.4%		
Energy Equipment & Services – 0.5%		
CGG SA 8.75% 4/1/27 (d)	590,000	582,625
Exterran Energy Solutions LP 8.125% 5/1/25	575,000	534,750

	Principal Amount(a)	Value
Guara Norte SARL 5.198% 6/15/34 (d)	\$ 479,770	\$ 472,513
Nabors Industries Ltd.:		
7.25% 1/15/26 (d)	595,000	550,375
7.5% 1/15/28 (d)	510,000	461,550
Nine Energy Service, Inc. 8.75% 11/1/23 (d)	300,000	139,500
NuStar Logistics LP 6% 6/1/26	640,000	694,400
Oleoducto Central SA 4% 7/14/27 (d)	585,000	581,636
Southern Gas Corridor CJSC 6.875% 3/24/26 (d)	985,000	1,131,088
State Oil Co. of Azerbaijan Republic:		
4.75% 3/13/23 (Reg. S)	200,000	206,663
6.95% 3/18/30 (Reg. S)	400,000	481,700
Summit Midstream Holdings LLC:		
5.75% 4/15/25	285,000	256,500
8.5% (d) (h)	415,000	432,401
The Oil and Gas Holding Co.:		
7.5% 10/25/27 (d)	665,000	717,992
7.625% 11/7/24 (d)	855,000	920,995
8.375% 11/7/28 (d)	180,000	204,469
		<u>8,369,157</u>
Oil, Gas & Consumable Fuels – 5.9%		
Antero Midstream Partners LP/Antero Midstream Finance Corp.:		
5.375% 6/15/29 (d)	430,000	453,656
5.75% 1/15/28 (d)	955,000	1,001,442
Callon Petroleum Co. 6.125% 10/1/24	225,000	221,625
Canacol Energy Ltd. 5.75% 11/24/28 (d)	380,000	377,696
Cheniere Energy Partners LP:		
3.25% 1/31/32 (d)	420,000	424,200
4% 3/1/31	910,000	954,545
Cheniere Energy, Inc. 4.625% 10/15/28	1,325,000	1,409,429
Chesapeake Energy Corp.:		
5.875% 2/1/29 (d)	310,000	331,623
7% 10/1/24 (c) (e)	360,000	0
8% 1/15/25 (c) (e)	180,000	0
8% 6/15/27 (c) (e)	115,000	0
Citgo Holding, Inc. 9.25% 8/1/24 (d)	2,195,000	2,205,975
Citgo Petroleum Corp.:		
6.375% 6/15/26 (d)	470,000	477,050
7% 6/15/25 (d)	1,340,000	1,378,981
CNX Midstream Partners LP 4.75% 4/15/30 (d)	295,000	293,894
CNX Resources Corp. 6% 1/15/29 (d)	315,000	327,600
Colgate Energy Partners III LLC 5.875% 7/1/29 (d)	405,000	417,150
Comstock Resources, Inc.:		
5.875% 1/15/30 (d)	1,185,000	1,214,625
6.75% 3/1/29 (d)	1,030,000	1,117,138
7.5% 5/15/25 (d)	199,000	205,219
CQP Holdco LP / BIP-V Chinook Holdco LLC 5.5% 6/15/31 (d)		
	715,000	746,281
Crestwood Midstream Partners LP/Crestwood Midstream Finance Corp.:		
5.625% 5/1/27 (d)	960,000	978,000
5.75% 4/1/25	250,000	255,625
6% 2/1/29 (d)	1,685,000	1,750,285
CrownRock LP/CrownRock Finance, Inc. 5% 5/1/29 (d)	245,000	254,188

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

Corporate Bonds – continued

	Principal Amount(a)	Value		Principal Amount(a)	Value
Nonconvertible Bonds – continued					
ENERGY – continued					
Oil, Gas & Consumable Fuels – continued					
CVR Energy, Inc.:			Murphy Oil U.S.A., Inc.:		
5.25% 2/15/25 (d)	\$ 895,000	\$ 863,675	4.75% 9/15/29	\$ 370,000	\$ 389,425
5.75% 2/15/28 (d)	2,320,000	2,227,200	5.625% 5/1/27	305,000	317,200
DCP Midstream Operating LP 5.85% 5/21/43 (d) (f)	885,000	858,450	NAK Naftogaz Ukraine:		
Delek Overriding Royalty Levia 7.494% 12/30/23 (Reg. S) (d)	870,000	896,100	7.375% 7/19/22 (Reg. S)	655,000	639,976
DT Midstream, Inc.:			7.625% 11/8/26 (d)	230,000	201,149
4.125% 6/15/29 (d)	430,000	440,213	New Fortress Energy, Inc.:		
4.375% 6/15/31 (d)	430,000	447,200	6.5% 9/30/26 (d)	1,035,000	1,027,238
EG Global Finance PLC 8.5% 10/30/25 (d)	855,000	885,994	6.75% 9/15/25 (d)	2,765,000	2,792,650
Endeavor Energy Resources LP/EER Finance, Inc.:			NGL Energy Partners LP/NGL Energy Finance Corp.:		
5.75% 1/30/28 (d)	880,000	937,979	6.125% 3/1/25	630,000	538,650
6.625% 7/15/25 (d)	335,000	354,440	7.5% 4/15/26	860,000	737,450
Energiean Israel Finance Ltd. 4.875% 3/30/26 (Reg. S) (d)	570,000	565,013	NGPL PipeCo LLC 4.875% 8/15/27 (d)	150,000	166,898
Energiean PLC 6.5% 4/30/27 (d)	550,000	546,838	Nostrum Oil & Gas Finance BV 8% 7/25/22 (d) (e)	2,620,000	713,131
Energy Transfer LP 5.5% 6/1/27	860,000	980,547	Occidental Petroleum Corp.:		
EQT Corp.:			3.5% 8/15/29	370,000	380,101
3.125% 5/15/26 (d)	285,000	292,561	4.4% 4/15/46	575,000	589,375
3.625% 5/15/31 (d)	285,000	295,688	4.4% 8/15/49	1,455,000	1,473,188
3.9% 10/1/27	1,413,000	1,515,471	4.625% 6/15/45	475,000	492,813
FEL Energy VI SARL 5.75% 12/1/40 (d)	274,972	272,531	5.875% 9/1/25	670,000	738,675
Galaxy Pipeline Assets BidCo Ltd. 2.625% 3/31/36 (d)	585,000	570,923	6.2% 3/15/40	350,000	430,500
GeoPark Ltd. 6.5% 9/21/24 (d)	515,000	527,167	6.375% 9/1/28	670,000	795,518
Hess Midstream Partners LP:			6.45% 9/15/36	1,171,000	1,493,031
4.25% 2/15/30 (d)	460,000	456,550	6.6% 3/15/46	940,000	1,219,650
5.125% 6/15/28 (d)	595,000	619,544	6.625% 9/1/30	1,340,000	1,658,250
5.625% 2/15/26 (d)	795,000	818,850	7.2% 3/15/29	240,000	283,200
Hilcorp Energy I LP/Hilcorp Finance Co. 6.25% 11/1/28 (d)	590,000	620,238	7.5% 5/1/31	65,000	85,516
Holly Energy Partners LP/Holly Energy Finance Corp. 5% 2/1/28 (d)	400,000	398,500	Parkland Corp.:		
Indika Energy Capital IV Pte Ltd. 8.25% 10/22/25 (d)	345,000	358,800	4.5% 10/1/29 (d)	440,000	440,348
KazMunaiGaz National Co.:			4.625% 5/1/30 (d)	550,000	546,563
3.5% 4/14/33 (d)	335,000	347,730	PBF Holding Co. LLC/PBF Finance Corp.:		
4.75% 4/24/25 (d)	105,000	114,240	6% 2/15/28	1,445,000	928,413
5.75% 4/19/47 (d)	170,000	207,706	7.25% 6/15/25	1,145,000	815,813
Kosmos Energy Ltd.:			9.25% 5/15/25 (d)	1,490,000	1,415,500
7.125% 4/4/26 (d)	1,610,000	1,561,499	PBF Logistics LP/PBF Logistics Finance, Inc. 6.875% 5/15/23		
7.75% 5/1/27 (d)	265,000	252,413		435,000	423,038
Leviathan Bond Ltd.:			PDC Energy, Inc. 6.125% 9/15/24		
5.75% 6/30/23 (Reg. S) (d)	370,000	379,383		100,000	101,250
6.125% 6/30/25 (Reg. S) (d)	485,000	511,830	Petrobras Global Finance BV:		
Lukoil Capital DAC 2.8% 4/26/27 (d)	345,000	339,722	6.75% 6/3/50	430,000	447,818
Lukoil International Finance BV 4.75% 11/2/26 (d)	305,000	325,740	6.875% 1/20/40	569,000	622,450
Lukoil Securities BV 3.875% 5/6/30 (d)	210,000	215,292	8.75% 5/23/26	735,000	892,014
MC Brazil Downstream Trading SARL 7.25% 6/30/31 (d)	625,000	621,680	Petroleos de Venezuela SA:		
Medco Laurel Tree Pte Ltd. 6.95% 11/12/28 (d)	640,000	635,200	5.375% 4/12/27 (e)	480,000	18,000
Medco Oak Tree Pte Ltd. 7.375% 5/14/26 (d)	105,000	108,549	6% 5/16/24 (d) (e)	585,000	19,013
Medco Platinum Road Pte Ltd. 6.75% 1/30/25 (d)	405,000	413,176	6% 11/15/26 (d) (e)	930,000	34,875
MEG Energy Corp. 7.125% 2/1/27 (d)	595,000	633,627	12.75% 2/17/22 (d) (e)	110,000	3,575
Mesquite Energy, Inc. 7.25% 2/15/23 (c) (d) (e)	1,063,000	0	Petroleos Mexicanos:		
			3 month U.S. LIBOR + 3.650% 3.8509% 3/11/22 (f) (g)	410,000	408,847
			3.5% 1/30/23	750,000	754,828
			4.875% 1/24/22	760,000	759,430
			4.875% 1/18/24	1,750,000	1,811,031
			5.375% 3/13/22	290,000	291,631
			6.5% 3/13/27	240,000	255,151
			6.5% 6/2/41	170,000	151,955

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

Schedule of Investments – continued

Corporate Bonds – continued			FINANCIALS – 3.1%		
	Principal Amount(a)	Value		Principal Amount(a)	Value
Nonconvertible Bonds – continued			Uzbekneftegaz JSC 4.75% 11/16/28 (d)		
ENERGY – continued			\$	200,000	\$
Oil, Gas & Consumable Fuels – continued					
Petróleo Mexicanos: – continued					
6.625% 6/15/35	\$ 1,965,000	\$ 1,881,488			
6.7% 2/16/32 (d)	821,000	827,158	Venture Global Calcasieu Pass LLC:		
6.75% 9/21/47	798,000	704,235		355,000	368,313
6.875% 10/16/25 (d)	520,000	568,100		355,000	376,300
6.95% 1/28/60	145,000	127,963		440,000	477,400
7.69% 1/23/50	4,043,000	3,881,280	YPF SA:		
8.625% 2/1/22	140,000	140,394		8.5% 3/23/25 (d)	547,750
8.625% 12/1/23 (f)	250,000	272,422		8.75% 4/4/24 (d)	1,575,000
Petronas Capital Ltd. 3.5% 4/21/30 (d)	230,000	248,699	TOTAL ENERGY		
PT Adaro Indonesia 4.25% 10/31/24 (d)	790,000	804,714			<u>99,406,532</u>
Qatar Petroleum:					<u>107,775,689</u>
1.375% 9/12/26 (d)	655,000	641,695	FINANCIALS – 3.1%		
2.25% 7/12/31 (d)	930,000	919,247	Banks – 0.2%		
3.3% 7/12/51 (d)	625,000	642,188	Access Bank PLC 6.125% 9/21/26 (d)		
Renewable Energy Group, Inc. 5.875% 6/1/28 (d)	300,000	308,250		200,000	198,500
SA Global Sukuk Ltd. 1.602% 6/17/26 (d)	660,000	648,904	Banco de Reservas de La Republica Dominicana 7% 2/1/23 (d)		
Saudi Arabian Oil Co.:				90,000	93,966
1.625% 11/24/25 (d)	940,000	931,716	Bank of America Corp. 0.583% 8/24/28 (Reg. S) (f) EUR		
3.5% 4/16/29 (d)	2,130,000	2,273,109		270,000	306,636
4.25% 4/16/39 (d)	1,260,000	1,420,256	Banque Centrale de Tunisie 5.75% 1/30/25 (d)		
4.375% 4/16/49 (d)	355,000	411,689		45,000	34,191
Sibur Securities DAC 2.95% 7/8/25 (d)	225,000	226,193	BBVA Bancomer SA Texas Branch 6.75% 9/30/22 (d)		
Sinopec Group Overseas Development Ltd.:				305,000	316,342
1.45% 1/8/26 (d)	355,000	349,995	Biz Finance PLC 9.625% 4/27/22 (d)		
2.7% 5/13/30 (d)	220,000	224,642		84,167	84,209
SM Energy Co.:			Development Bank of Mongolia 7.25% 10/23/23 (d)		
5.625% 6/1/25	330,000	332,475		105,000	110,467
6.625% 1/15/27	1,125,000	1,158,750	Georgia Bank Joint Stock Co. 6% 7/26/23 (d)		
6.75% 9/15/26	250,000	256,875		825,000	870,375
Southwestern Energy Co.:			National Bank of Uzbekistan 4.85% 10/21/25 (Reg. S)		
5.375% 3/15/30	560,000	600,029		225,000	224,168
6.45% 1/23/25 (f)	14,000	15,386	Oschadbank Via SSB #1 PLC 9.375% 3/10/23 (d)		
7.75% 10/1/27	680,000	733,550		120,000	119,760
SUEK Securities DAC 3.375% 9/15/26 (d)	890,000	884,637	SB Capital SA 5.125% 10/29/22 (d)		
Sunoco LP/Sunoco Finance Corp.:				240,000	244,545
4.5% 5/15/29	605,000	614,393	Capital Markets – 0.3%		
4.5% 4/30/30 (d)	555,000	568,828	AssuredPartners, Inc.:		
Tallgrass Energy Partners LP / Tallgrass Energy Finance Corp.:				390,000	379,275
6% 9/1/31 (d)	420,000	415,617		5.625% 1/15/29 (d)	245,000
7.5% 10/1/25 (d)	495,000	535,838		7% 8/15/25 (d)	246,838
Targa Resources Partners LP/Targa Resources Partners Finance Corp. 4.875% 2/1/31	625,000	678,719	Broadstreet Partners, Inc. 5.875% 4/15/29 (d)		
Teine Energy Ltd. 6.875% 4/15/29 (d)	445,000	451,675		725,000	712,313
Tengizchevroil Finance Co. International Ltd. 3.25% 8/15/30 (d)	650,000	648,895	Coinbase Global, Inc.:		
Tennessee Gas Pipeline Co. 7.625% 4/1/37	50,000	71,064		3.375% 10/1/28 (d)	420,000
Tullow Oil PLC:				3.625% 10/1/31 (d)	420,000
7% 3/1/25 (d)	180,000	147,600	Hightower Holding LLC 6.75% 4/15/29 (d)		
10.25% 5/15/26 (d)	1,050,000	1,053,150		285,000	292,125
Ultra Resources, Inc. 11% 7/12/24 pay-in-kind (c) (e)	543,409	27,170	Jane Street Group LLC /JSG Finance, Inc. 4.5% 11/15/29 (d)		
				395,000	398,950
			Lions Gate Capital Holdings LLC 5.5% 4/15/29 (d)		
				445,000	452,788
			MSCI, Inc.:		
				3.25% 8/15/33 (d)	420,000
				4% 11/15/29 (d)	340,000
			Consumer Finance – 1.3%		
			Ally Financial, Inc.:		
				8% 11/1/31	823,000
				8% 11/1/31	5,273,000
			Ford Motor Credit Co. LLC:		
				3.375% 11/13/25	1,585,000
				3.625% 6/17/31	740,000
				4% 11/13/30	2,525,000
				5.113% 5/3/29	610,000
			OneMain Finance Corp.:		
				4% 9/15/30	330,000
				5.375% 11/15/29	500,000
				6.625% 1/15/28	385,000

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

Corporate Bonds – continued

	Principal Amount(a)	Value
Nonconvertible Bonds – continued		
FINANCIALS – continued		
Consumer Finance – continued		
OneMain Finance Corp.: – continued		
6.875% 3/15/25	\$ 2,580,000	\$ 2,870,250
7.125% 3/15/26	3,405,000	3,881,700
		<u>22,479,622</u>
Diversified Financial Services – 0.9%		
1MDB Global Investments Ltd. 4.4% 3/9/23	4,000,000	4,013,250
Cimpor Financial Operations BV 5.75% 7/17/24 (d)	425,000	377,719
Compass Group Diversified Holdings LLC 5% 1/15/32 (d)	275,000	281,875
Enviva Partners LP / Enviva Partners Finance Corp. 6.5% 1/15/26 (d)	595,000	614,338
Icahn Enterprises LP/Icahn Enterprises Finance Corp.:		
4.375% 2/1/29	630,000	614,250
5.25% 5/15/27	2,150,000	2,203,750
6.25% 5/15/26	1,305,000	1,358,831
6.375% 12/15/25	2,785,000	2,833,738
6.75% 2/1/24	535,000	536,338
James Hardie International Finance Ltd. 5% 1/15/28 (d)	455,000	473,200
MDGH GMTN RSC Ltd. 2.875% 11/7/29 (d)	530,000	551,200
OEC Finance Ltd.:		
4.375% 10/25/29 pay-in-kind (d)	355,368	11,336
5.25% 12/27/33 pay-in-kind (d)	323,918	9,718
7.125% 12/26/46 pay-in-kind (d)	167,031	5,145
PTT Treasury Center Co. Ltd. 3.7% 7/16/70 (d)	230,000	229,684
Shift4 Payments LLC / Shift4 Payments Finance Sub, Inc. 4.625% 11/1/26 (d)	225,000	233,102
Sparc Em Spc 0% 12/5/22 (d)	24,805	24,476
VMED O2 UK Financing I PLC 4.75% 7/15/31 (d)	995,000	1,007,438
		<u>15,379,388</u>
Insurance – 0.4%		
Acrisure LLC / Acrisure Finance, Inc.:		
6% 8/1/29 (d)	425,000	419,688
7% 11/15/25 (d)	1,805,000	1,803,682
10.125% 8/1/26 (d)	605,000	666,256
Alliant Holdings Intermediate LLC:		
4.25% 10/15/27 (d)	665,000	665,000
5.875% 11/1/29 (d)	415,000	422,221
6.75% 10/15/27 (d)	965,000	1,001,188
AmWINS Group, Inc. 4.875% 6/30/29 (d)	415,000	419,150
HUB International Ltd.:		
5.625% 12/1/29 (d)	595,000	612,981
7% 5/1/26 (d)	595,000	611,363
Sagicor Financial Co. Ltd. 5.3% 5/13/28 (d)	345,000	353,625
		<u>6,975,154</u>
Thriffs & Mortgage Finance – 0.0%		
MGIC Investment Corp. 5.25% 8/15/28	465,000	488,250
		<u>51,966,462</u>
HEALTH CARE – 2.0%		
Biotechnology – 0.0%		
Grifols Escrow Issuer SA 4.75% 10/15/28 (d)	280,000	285,662

	Principal Amount(a)	Value
Health Care Equipment & Supplies – 0.1%		
Avantor Funding, Inc. 3.875% 11/1/29 (d)	\$ 275,000	\$ 278,000
Hologic, Inc. 4.625% 2/1/28 (d)	215,000	225,750
Mozart Debt Merger Sub, Inc. 3.875% 4/1/29 (d)	835,000	832,052
		<u>1,335,802</u>
Health Care Providers & Services – 1.6%		
180 Medical, Inc. 3.875% 10/15/29 (d)	300,000	303,750
AMN Healthcare 4.625% 10/1/27 (d)	165,000	171,023
Cano Health, Inc. 6.25% 10/1/28 (d)	185,000	185,005
Centene Corp.:		
4.25% 12/15/27	615,000	641,138
4.625% 12/15/29	2,150,000	2,318,689
Community Health Systems, Inc.:		
4.75% 2/15/31 (d)	880,000	887,700
5.625% 3/15/27 (d)	330,000	349,249
6% 1/15/29 (d)	485,000	517,131
6.125% 4/1/30 (d)	1,145,000	1,132,771
6.625% 2/15/25 (d)	685,000	708,975
8% 3/15/26 (d)	3,270,000	3,437,588
DaVita HealthCare Partners, Inc.:		
3.75% 2/15/31 (d)	210,000	204,609
4.625% 6/1/30 (d)	1,590,000	1,627,763
Encompass Health Corp. 5.125% 3/15/23		
HealthEquity, Inc. 4.5% 10/1/29 (d)	110,000	110,000
Horizon Pharma U.S.A., Inc. 5.5% 8/1/27 (d)	295,000	292,050
Horizon Pharma U.S.A., Inc. 5.5% 8/1/27 (d)	650,000	682,988
ModivCare Escrow Issuer, Inc. 5% 10/1/29 (d)	325,000	331,910
Modivcare, Inc. 5.875% 11/15/25 (d)	485,000	509,250
Molina Healthcare, Inc.:		
3.875% 11/15/30 (d)	640,000	664,000
3.875% 5/15/32 (d)	550,000	553,438
4.375% 6/15/28 (d)	465,000	478,950
Option Care Health, Inc. 4.375% 10/31/29 (d)	300,000	300,750
Radiology Partners, Inc. 9.25% 2/1/28 (d)	2,690,000	2,824,823
RP Escrow Issuer LLC 5.25% 12/15/25 (d)	615,000	620,381
Tenet Healthcare Corp.:		
4.625% 7/15/24	126,000	127,575
4.625% 9/1/24 (d)	650,000	664,625
4.875% 1/1/26 (d)	1,625,000	1,669,086
5.125% 11/1/27 (d)	975,000	1,015,219
6.125% 10/1/28 (d)	1,140,000	1,204,079
6.25% 2/1/27 (d)	1,850,000	1,914,750
Vizient, Inc. 6.25% 5/15/27 (d)	145,000	151,344
		<u>26,600,609</u>
Health Care Technology – 0.0%		
IQVIA, Inc. 5% 5/15/27 (d)	640,000	662,592
Life Sciences Tools & Services – 0.1%		
Charles River Laboratories International, Inc.:		
3.75% 3/15/29 (d)	475,000	479,750
4% 3/15/31 (d)	605,000	619,889
4.25% 5/1/28 (d)	185,000	192,400
Syneos Health, Inc. 3.625% 1/15/29 (d)	500,000	493,750
		<u>1,785,789</u>
Pharmaceuticals – 0.2%		
Catalent Pharma Solutions:		
3.5% 4/1/30 (d)	280,000	277,446

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

Schedule of Investments – continued

Corporate Bonds – continued

	Principal Amount(a)	Value
Nonconvertible Bonds – continued		
HEALTH CARE – continued		
Pharmaceuticals – continued		
Catalent Pharma Solutions: – continued		
5% 7/15/27 (d)	\$ 205,000	\$ 212,995
Organon & Co. / Organon Foreign Debt Co-Issuer BV:		
4.125% 4/30/28 (d)	1,015,000	1,031,494
5.125% 4/30/31 (d)	885,000	924,542
Teva Pharmaceutical Finance Co. BV 2.95% 12/18/22	250,000	250,283
Teva Pharmaceutical Finance Netherlands III BV:		
4.75% 5/9/27	555,000	549,450
5.125% 5/9/29	275,000	269,585
		<u>3,515,795</u>
TOTAL HEALTH CARE		<u>34,186,249</u>
INDUSTRIALS – 4.0%		
Aerospace & Defense – 1.4%		
Bombardier, Inc.:		
6% 2/15/28 (d)	280,000	280,848
7.125% 6/15/26 (d)	570,000	591,324
7.5% 12/1/24 (d)	520,000	541,775
7.5% 3/15/25 (d)	895,000	911,781
7.875% 4/15/27 (d)	2,685,000	2,782,331
BWV Technologies, Inc. 4.125% 6/30/28 (d)	630,000	639,450
DAE Funding LLC 1.55% 8/1/24 (d)	460,000	450,800
Embraer Netherlands Finance BV 5.05% 6/15/25	715,000	737,925
Moog, Inc. 4.25% 12/15/27 (d)	185,000	186,388
Rolls-Royce PLC 5.75% 10/15/27 (d)	650,000	718,835
Spirit Aerosystems, Inc. 7.5% 4/15/25 (d)	905,000	949,119
TransDigm UK Holdings PLC 6.875% 5/15/26	1,805,000	1,886,225
TransDigm, Inc.:		
4.625% 1/15/29	930,000	926,912
5.5% 11/15/27	7,825,000	8,040,188
6.25% 3/15/26 (d)	955,000	992,603
6.375% 6/15/26	2,060,000	2,116,599
7.5% 3/15/27	960,000	1,003,200
		<u>23,756,303</u>
Air Freight & Logistics – 0.1%		
Aeropuerto Internacional de Tocumen SA:		
4% 8/11/41 (d)	280,000	285,828
5.125% 8/11/61 (d)	205,000	214,712
Cargo Aircraft Management, Inc. 4.75% 2/1/28 (d)	365,000	371,844
		<u>872,384</u>
Airlines – 0.6%		
Aerovias de Mexico SA de CV 7% 2/5/25 (d) (e)	135,000	129,752
Air Canada 3.875% 8/15/26 (d)	425,000	433,500
Azul Investments LLP:		
5.875% 10/26/24 (d)	765,000	710,876
7.25% 6/15/26 (d)	265,000	242,690
Delta Air Lines, Inc. 7% 5/1/25 (d)	164,000	187,519
Delta Air Lines, Inc. / SkyMiles IP Ltd. 4.75% 10/20/28 (d)	2,365,000	2,586,125
Hawaiian Airlines pass-thru certificates Series 2013-1 Class B,		
4.95% 7/15/23	102,760	102,774

	Principal Amount(a)	Value
Mileage Plus Holdings LLC 6.5% 6/20/27 (d)	\$ 2,045,000	\$ 2,183,038
Spirit Loyalty Cayman Ltd. / Spirit IP Cayman Ltd. 8% 9/20/25 (d)	462,000	510,087
United Airlines, Inc.:		
4.375% 4/15/26 (d)	1,450,000	1,511,966
4.625% 4/15/29 (d)	870,000	897,188
		<u>9,495,515</u>
Building Products – 0.1%		
Advanced Drain Systems, Inc. 5% 9/30/27 (d)	125,000	129,219
CP Atlas Buyer, Inc. 7% 12/1/28 (d)	325,000	323,375
Shea Homes Ltd. Partnership/Corp. 4.75% 4/1/29 (d)	475,000	484,025
Victors Merger Corp. 6.375% 5/15/29 (d)	570,000	535,800
		<u>1,472,419</u>
Commercial Services & Supplies – 0.6%		
Allied Universal Holdco LLC / Allied Universal Finance Corp.		
6% 6/1/29 (d)	815,000	792,588
Atlas Luxco 4 SARL / Allied Universal Holdco LLC / Allied Universal Finance Corp.:		
4.625% 6/1/28 (d)	1,032,000	1,031,360
4.625% 6/1/28 (d)	683,000	670,354
CoreCivic, Inc. 8.25% 4/15/26	1,495,000	1,562,275
Covanta Holding Corp.:		
5% 9/1/30	670,000	683,400
6% 1/1/27	585,000	604,013
GFL Environmental, Inc.:		
4% 8/1/28 (d)	420,000	411,600
4.75% 6/15/29 (d)	575,000	580,031
IAA, Inc. 5.5% 6/15/27 (d)	250,000	259,063
KAR Auction Services, Inc. 5.125% 6/1/25 (d)	525,000	532,875
Madison IAQ LLC:		
4.125% 6/30/28 (d)	535,000	536,338
5.875% 6/30/29 (d)	425,000	425,000
Nielsen Finance LLC/Nielsen Finance Co.:		
4.5% 7/15/29 (d)	285,000	280,366
4.75% 7/15/31 (d)	285,000	281,438
Pimey Bowes, Inc.:		
6.875% 3/15/27 (d)	295,000	306,358
7.25% 3/15/29 (d)	295,000	303,113
The Bidvest Group UK PLC 3.625% 9/23/26 (d)	335,000	332,488
The Brink's Co. 4.625% 10/15/27 (d)	620,000	638,600
		<u>10,231,260</u>
Construction & Engineering – 0.2%		
AECOM 5.125% 3/15/27	625,000	680,841
Arcosa, Inc. 4.375% 4/15/29 (d)	415,000	420,706
Indika Energy Capital III Pte. Ltd. 5.875% 11/9/24 (d)	256,000	258,208
Pike Corp. 5.5% 9/1/28 (d)	525,000	526,197
SRS Distribution, Inc.:		
4.625% 7/1/28 (d)	550,000	552,063
6% 12/1/29 (d)	505,000	507,525
6.125% 7/1/29 (d)	300,000	305,736
		<u>3,251,276</u>
Electrical Equipment – 0.0%		
Sensata Technologies BV 4% 4/15/29 (d)	590,000	602,538
Industrial Conglomerates – 0.0%		
Türk Sise ve Cam Fabrikalari A/S 6.95% 3/14/26 (d)	445,000	454,679

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

Corporate Bonds – continued

	Principal Amount(a)	Value
Nonconvertible Bonds – continued		
INDUSTRIALS – continued		
Machinery – 0.0%		
ATS Automation Tooling System, Inc. 4.125% 12/15/28 (d)	\$ 460,000	\$ 463,450
Stevens Holding Co., Inc. 6.125% 10/1/26 (d)	155,000	165,269
		<u>628,719</u>
Marine – 0.0%		
Navios South American Logistics, Inc./Navios Logistics Finance U.S., Inc. 10.75% 7/1/25 (d)	215,000	225,817
Seaspan Corp. 5.5% 8/1/29 (d)	425,000	429,250
		<u>655,067</u>
Professional Services – 0.1%		
ASGN, Inc. 4.625% 5/15/28 (d)	510,000	528,003
Booz Allen Hamilton, Inc.:		
3.875% 9/1/28 (d)	620,000	630,850
4% 7/1/29 (d)	280,000	289,208
TriNet Group, Inc. 3.5% 3/1/29 (d)	455,000	453,294
		<u>1,901,355</u>
Road & Rail – 0.7%		
Hertz Corp.:		
4.625% 12/1/26 (d)	230,000	231,438
5% 12/1/29 (d)	450,000	450,385
5.5% 10/15/24 (c) (d) (e)	650,000	813
6% 1/15/28 (c) (d) (e)	575,000	31,625
6.25% 10/15/22 (c) (e)	670,000	838
7.125% 8/1/26 (c) (d) (e)	620,000	34,100
Kazakhstan Temir Zholy Finance BV 6.95% 7/10/42 (d)	120,000	159,323
Uber Technologies, Inc.:		
4.5% 8/15/29 (d)	1,260,000	1,283,108
6.25% 1/15/28 (d)	545,000	585,058
7.5% 9/15/27 (d)	2,950,000	3,210,470
8% 11/1/26 (d)	4,260,000	4,536,900
XPO Logistics, Inc. 6.25% 5/1/25 (d)	1,140,000	1,192,725
		<u>11,716,783</u>
Trading Companies & Distributors – 0.1%		
Foundation Building Materials, Inc. 6% 3/1/29 (d)	310,000	304,575
H&E Equipment Services, Inc. 3.875% 12/15/28 (d)	995,000	987,538
		<u>1,292,113</u>
Transportation Infrastructure – 0.1%		
DP World Crescent Ltd.:		
3.7495% 1/30/30 (d)	765,000	806,836
3.875% 7/18/29 (Reg. S)	400,000	425,875
DP World Ltd. 5.625% 9/25/48 (d)	155,000	190,650
First Student Bidco, Inc./First Transit Parent, Inc. 4% 7/31/29 (d)	425,000	413,100
		<u>1,836,461</u>
		<u>68,166,872</u>
INFORMATION TECHNOLOGY – 1.1%		
Communications Equipment – 0.0%		
HTA Group Ltd. 7% 12/18/25 (d)	455,000	473,854

	Principal Amount(a)	Value
Electronic Equipment & Components – 0.0%		
II-VI, Inc. 5% 12/15/29 (d)	\$ 435,000	\$ 444,231
TTM Technologies, Inc. 4% 3/1/29 (d)	455,000	452,156
		<u>896,387</u>
IT Services – 0.4%		
Acuris Finance U.S. 5% 5/1/28 (d)	430,000	427,850
Block, Inc. 3.5% 6/1/31 (d)	570,000	584,250
CA Magnum Holdings 5.375% (d) (h)	955,000	987,279
Camelot Finance SA 4.5% 11/1/26 (d)	570,000	589,950
Gartner, Inc.:		
3.625% 6/15/29 (d)	405,000	409,475
3.75% 10/1/30 (d)	685,000	700,344
Go Daddy Operating Co. LLC / GD Finance Co., Inc.:		
3.5% 3/1/29 (d)	610,000	605,330
5.25% 12/1/27 (d)	500,000	516,875
Iron Mountain Information Management Services, Inc. 5% 7/15/32 (d)		
	415,000	424,740
Rackspace Hosting, Inc. 5.375% 12/1/28 (d)	380,000	370,500
Unisys Corp. 6.875% 11/1/27 (d)	365,000	395,113
		<u>6,011,706</u>
Semiconductors & Semiconductor Equipment – 0.1%		
ON Semiconductor Corp. 3.875% 9/1/28 (d)	690,000	707,250
Synaptics, Inc. 4% 6/15/29 (d)	350,000	355,250
		<u>1,062,500</u>
Software – 0.6%		
Black Knight InfoServ LLC 3.625% 9/1/28 (d)	690,000	689,096
Clarivate Science Holdings Corp.:		
3.875% 7/1/28 (d)	500,000	502,500
4.875% 7/1/29 (d)	475,000	481,707
Elastic NV 4.125% 7/15/29 (d)	810,000	801,398
Fair Isaac Corp. 4% 6/15/28 (d)	580,000	596,199
ION Trading Technologies Ltd. 5.75% 5/15/28 (d)	575,000	592,250
MicroStrategy, Inc. 6.125% 6/15/28 (d)	520,000	521,300
NCR Corp.:		
5% 10/1/28 (d)	335,000	345,050
5.25% 10/1/30 (d)	335,000	344,213
5.75% 9/1/27 (d)	485,000	506,825
6.125% 9/1/29 (d)	485,000	518,292
NortonLifeLock, Inc. 5% 4/15/25 (d)	530,000	534,041
Open Text Corp.:		
3.875% 2/15/28 (d)	300,000	305,775
3.875% 12/1/29 (d)	300,000	303,750
Open Text Holdings, Inc.:		
4.125% 2/15/30 (d)	300,000	309,000
4.125% 12/1/31 (d)	245,000	247,450
PTC, Inc.:		
3.625% 2/15/25 (d)	350,000	354,813
4% 2/15/28 (d)	345,000	351,038
Veritas U.S., Inc./Veritas Bermuda Ltd. 7.5% 9/1/25 (d)	1,165,000	1,205,775
		<u>9,510,472</u>

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

Schedule of Investments – continued

Corporate Bonds – continued

	Principal Amount(a)	Value
Nonconvertible Bonds – continued		
INFORMATION TECHNOLOGY – continued		
Technology Hardware, Storage & Peripherals – 0.0%		
Lenovo Group Ltd.:		
3.421% 11/2/30 (d)	\$ 485,000	\$ 490,244
5.875% 4/24/25 (Reg. S)	200,000	220,250
		<u>710,494</u>
TOTAL INFORMATION TECHNOLOGY		<u>18,665,413</u>
MATERIALS – 2.8%		
Chemicals – 0.9%		
Braskem Idesa SAPI 7.45% 11/15/29 (d)	125,000	129,867
ENN Clean Energy International Investment Ltd. 3.375% 5/12/26 (d)	620,000	616,900
Equate Petrochemical BV 2.625% 4/28/28 (d)	275,000	275,688
Gpd Companies, Inc. 10.125% 4/1/26 (d)	790,000	841,595
Ingevity Corp. 3.875% 11/1/28 (d)	665,000	647,544
Kraton Polymers LLC/Kraton Polymers Capital Corp. 4.25% 12/15/25 (d)	435,000	450,273
Kronos Acquisition Holdings, Inc. / KIK Custom Products, Inc. 5% 12/31/26 (d)	205,000	202,505
LSB Industries, Inc. 6.25% 10/15/28 (d)	680,000	707,200
MEGlobal Canada, Inc. 5% 5/18/25 (d)	105,000	114,503
OCP SA:		
3.75% 6/23/31 (d)	525,000	510,398
4.5% 10/22/25 (d)	115,000	121,167
6.875% 4/25/44 (d)	95,000	110,248
Olympus Water U.S. Holding Corp. 4.25% 10/1/28 (d)	560,000	556,853
Orbia Advance Corp. S.A.B. de CV 1.875% 5/11/26 (d)	275,000	270,531
Peikim Petrokimya Holding A/S 5.875% 1/26/23 (d)	725,000	724,773
SABIC Capital II BV 4% 10/10/23 (d)	560,000	587,125
Sasol Financing U.S.A. LLC:		
4.375% 9/18/26	635,000	639,001
5.875% 3/27/24	690,000	718,497
SCIH Salt Holdings, Inc. 4.875% 5/1/28 (d)	375,000	360,000
SCIL IV LLC / SCIL U.S.A. Holdings LLC 5.375% 11/1/26 (d)	640,000	656,800
The Chemours Co. LLC:		
5.375% 5/15/27	1,700,000	1,819,000
5.75% 11/15/28 (d)	995,000	1,041,138
The Scotts Miracle-Gro Co. 4% 4/1/31 (d)	595,000	587,563
Tronox, Inc. 6.5% 5/1/25 (d)	530,000	560,157
Valvoline, Inc. 4.25% 2/15/30 (d)	435,000	443,796
W.R. Grace Holding LLC 5.625% 8/15/29 (d)	695,000	711,506
		<u>14,404,628</u>
Construction Materials – 0.1%		
CEMEX S.A.B. de CV 3.875% 7/11/31 (d)	230,000	229,281
Summit Materials LLC/Summit Materials Finance Corp. 5.25% 1/15/29 (d)	645,000	675,573
		<u>904,854</u>
Containers & Packaging – 0.3%		
ARD Finance SA 6.5% 6/30/27 pay-in-kind (d) (f)	595,000	612,850

	Principal Amount(a)	Value
Ardagh Metal Packaging Finance U.S.A. LLC/Ardagh Metal Packaging Finance PLC:		
3.25% 9/1/28 (d)	\$ 300,000	\$ 296,633
4% 9/1/29 (d)	605,000	598,309
Cascades, Inc.:		
5.125% 1/15/26 (d)	300,000	312,000
5.375% 1/15/28 (d)	300,000	307,836
Crown Cork & Seal, Inc.:		
7.375% 12/15/26	1,210,000	1,459,563
7.5% 12/15/96	160,000	194,600
Graham Packaging Co., Inc. 7.125% 8/15/28 (d)	365,000	377,804
Graphic Packaging International, Inc. 3.75% 2/1/30 (d)	355,000	358,799
Intelligent Packaging Ltd. Finco, Inc. 6% 9/15/28 (d)	255,000	262,013
Intertape Polymer Group, Inc. 4.375% 6/15/29 (d)	430,000	430,000
Trivium Packaging Finance BV 5.5% 8/15/26 (d)	375,000	390,000
		<u>5,600,407</u>
Metals & Mining – 1.4%		
Alcoa Nederland Holding BV:		
4.125% 3/31/29 (d)	775,000	798,250
6.125% 5/15/28 (d)	200,000	215,250
Algoma Steel SCA 0% 12/31/23 (c)	102,200	0
Allegheny Technologies, Inc.:		
4.875% 10/1/29	280,000	280,280
5.125% 10/1/31	245,000	246,838
Alrosa Finance SA 3.1% 6/25/27 (d)	225,000	226,530
Antofagasta PLC 2.375% 10/14/30 (d)	685,000	650,878
Arconic Corp.:		
6% 5/15/25 (d)	400,000	418,000
6.125% 2/15/28 (d)	875,000	931,175
Celtic Resources Holdings DAC 4.125% 10/9/24 (d)	445,000	457,015
Cleveland-Cliffs, Inc.:		
4.625% 3/1/29 (d)	465,000	474,300
4.875% 3/1/31 (d)	465,000	483,077
5.875% 6/1/27	960,000	999,600
Compass Minerals International, Inc. 6.75% 12/1/27 (d)	1,305,000	1,381,773
Corporacion Nacional del Cobre de Chile (Codelco):		
3% 9/30/29 (d)	105,000	106,332
3.15% 1/14/30 (d)	280,000	285,040
3.7% 1/30/50 (d)	650,000	663,731
Eldorado Gold Corp. 6.25% 9/1/29 (d)	420,000	425,460
Endeavour Mining PLC 5% 10/14/26 (d)	350,000	346,500
First Quantum Minerals Ltd.:		
6.5% 3/1/24 (d)	610,000	618,769
6.875% 3/1/26 (d)	1,265,000	1,309,275
7.25% 4/1/23 (d)	1,392,000	1,408,095
7.5% 4/1/25 (d)	1,330,000	1,369,069
FMG Resources (August 2006) Pty Ltd.:		
4.375% 4/1/31 (d)	445,000	467,250
4.5% 9/15/27 (d)	485,000	516,525
5.125% 5/15/24 (d)	495,000	524,700
Fresnillo PLC 4.25% 10/2/50 (d)	360,000	376,943
Gcm Mining Corp. 6.875% 8/9/26 (d)	655,000	656,638
Gold Fields Orogen Holding BVI Ltd. 5.125% 5/15/24 (d)	160,000	170,430
HudBay Minerals, Inc. 4.5% 4/1/26 (d)	360,000	360,000
Indonesia Asahan Aluminium Tbk PT 5.45% 5/15/30 (d)	460,000	524,630

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

Corporate Bonds – continued

	Principal Amount(a)	Value
Nonconvertible Bonds – continued		
MATERIALS – continued		
Metals & Mining – continued		
Infrabuild Australia Pty Ltd. 12% 10/1/24 (d)	\$ 570,000	\$ 587,100
JSW Steel Ltd. 3.95% 4/5/27 (d)	460,000	454,250
Kaiser Aluminum Corp. 4.625% 3/1/28 (d)	595,000	600,950
Metinvest BV:		
7.75% 4/23/23 (d)	669,000	677,488
8.5% 4/23/26 (Reg. S)	200,000	208,225
Mineral Resources Ltd. 8.125% 5/1/27 (d)	960,000	1,035,053
Murray Energy Corp.:		
11.25% (c) (d) (e)	490,000	0
12% 4/15/24 pay-in-kind (c) (d) (e) (f)	548,100	0
Polyus Finance PLC 3.25% 10/14/28 (d)	255,000	248,013
Roller Bearing Co. of America, Inc. 4.375% 10/15/29 (d)	200,000	204,000
Stillwater Mining Co. 4% 11/16/26 (d)	415,000	406,202
TMK Capital SA 4.3% 2/12/27 (Reg. S)	400,000	399,700
Usiminas International SARL 5.875% 7/18/26 (d)	560,000	577,255
Vedanta Resources PLC 6.375% 7/30/22 (d)	665,000	656,189
VM Holding SA 6.5% 1/18/28 (d)	525,000	576,778
Volcan Compania Minera SAA 4.375% 2/11/26 (d)	185,000	178,502
		<u>24,502,058</u>
Paper & Forest Products – 0.1%		
Glauffelter Corp. 4.75% 11/15/29 (d)	415,000	427,969
LABL, Inc. 5.875% 11/1/28 (d)	665,000	685,366
		<u>1,113,335</u>
TOTAL MATERIALS		<u>46,525,282</u>
REAL ESTATE – 1.3%		
Equity Real Estate Investment Trusts (REITs) – 1.0%		
Iron Mountain, Inc.:		
4.875% 9/15/29 (d)	1,300,000	1,345,474
5% 7/15/28 (d)	630,000	647,325
5.25% 7/15/30 (d)	585,000	616,486
5.625% 7/15/32 (d)	585,000	626,058
MGM Growth Properties Operating Partnership LP 3.875% 2/15/29 (d)	665,000	698,250
MPT Operating Partnership LP/MPT Finance Corp.:		
3.5% 3/15/31	665,000	672,481
4.625% 8/1/29	970,000	1,023,350
5% 10/15/27	1,295,000	1,354,894
SBA Communications Corp. 3.875% 2/15/27	890,000	916,700
The GEO Group, Inc.:		
5.125% 4/1/23	695,000	661,988
5.875% 10/15/24	810,000	712,800
6% 4/15/26	521,000	420,343
Uniti Group LP / Uniti Group Finance, Inc.:		
4.75% 4/15/28 (d)	940,000	932,226
6.5% 2/15/29 (d)	1,965,000	1,958,250
Uniti Group, Inc.:		
6% 1/15/30 (d)	695,000	668,830
7.875% 2/15/25 (d)	920,000	960,250

	Principal Amount(a)	Value
VICI Properties, Inc.:		
4.25% 12/1/26 (d)	\$ 1,140,000	\$ 1,187,276
4.625% 12/1/29 (d)	650,000	691,746
		<u>16,094,727</u>
Real Estate Management & Development – 0.3%		
DTZ U.S. Borrower LLC 6.75% 5/15/28 (d)	650,000	695,500
Realogy Group LLC/Realogy Co-Issuer Corp.:		
5.75% 1/15/29 (d)	850,000	871,250
7.625% 6/15/25 (d)	2,000,000	2,120,000
Taylor Morrison Communities, Inc./Monarch Communities, Inc.:		
5.125% 8/1/30 (d)	635,000	698,500
5.875% 6/15/27 (d)	495,000	554,400
Weekley Homes LLC/Weekley Finance Corp. 4.875% 9/15/28 (d)	300,000	309,000
		<u>5,248,650</u>
TOTAL REAL ESTATE		<u>21,343,377</u>
UTILITIES – 1.7%		
Electric Utilities – 1.5%		
Adani Electricity Mumbai Ltd. 3.867% 7/22/31 (d)	325,000	316,202
Clearway Energy Operating LLC:		
3.75% 1/15/32 (d)	280,000	277,900
4.75% 3/15/28 (d)	365,000	383,706
Comision Federal de Electricidad 3.348% 2/9/31 (d)	130,000	127,465
Eskom Holdings SOC Ltd.:		
6.75% 8/6/23 (d)	1,840,000	1,886,920
7.125% 2/11/25 (d)	75,000	77,522
Lamar Funding Ltd. 3.958% 5/7/25 (d)	255,000	253,773
Mong Duong Finance Holdings BV 5.125% 5/7/29 (d)	655,000	635,882
NRG Energy, Inc.:		
3.375% 2/15/29 (d)	305,000	298,870
3.625% 2/15/31 (d)	605,000	589,875
3.875% 2/15/32 (d)	700,000	686,000
5.75% 1/15/28	1,740,000	1,839,371
6.625% 1/15/27	410,000	426,209
Pacific Gas & Electric Co.:		
3.75% 8/15/42	555,000	516,458
3.95% 12/1/47	2,880,000	2,773,953
4% 12/1/46	1,315,000	1,276,133
4.25% 3/15/46	125,000	124,732
4.3% 3/15/45	315,000	318,468
4.55% 7/1/30	5,339,000	5,772,511
PG&E Corp.:		
5% 7/1/28	1,345,000	1,414,698
5.25% 7/1/30	510,000	534,837
Vistra Operations Co. LLC:		
4.375% 5/1/29 (d)	1,105,000	1,106,801
5% 7/31/27 (d)	1,220,000	1,266,140
5.5% 9/1/26 (d)	820,000	846,765
5.625% 2/15/27 (d)	1,495,000	1,539,850
		<u>25,291,041</u>
Gas Utilities – 0.1%		
Promigas SA ESP/Gases del Pacifico SAC 3.75% 10/16/29 (d)	335,000	329,514

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

Schedule of Investments – continued

Corporate Bonds – continued

	Principal Amount(a)	Value
Nonconvertible Bonds – continued		
UTILITIES – continued		
Gas Utilities – continued		
Southern Natural Gas Co. LLC:		
7.35% 2/15/31	\$ 175,000	\$ 229,107
8% 3/1/32	335,000	465,858
Suburban Propane Partners LP/Suburban Energy Finance Corp.		
5% 6/1/31 (d)	570,000	576,413
		<u>1,600,892</u>
Independent Power and Renewable Electricity Producers – 0.1%		
Atlantica Sustainable Infrastructure PLC 4.125%		
6/15/28 (d)	370,000	372,775
Aydem Yenilenebilir Enerji A/S 7.75% 2/2/27 (d)	245,000	197,577
EntraGen Energia Sur SA 5.375% 12/30/30 (d)	605,000	552,063
Investment Energy Resources Ltd. 6.25% 4/26/29 (d)	485,000	520,769
Termocandelaria Power Ltd. 7.875% 1/30/29 (d)	531,875	531,709
		<u>2,174,893</u>
Multi-Utilities – 0.0%		
Abu Dhabi National Energy Co. PJSC:		
4% 10/3/49 (d)	143,000	163,181
4.875% 4/23/30 (d)	95,000	112,533
		<u>275,714</u>
TOTAL UTILITIES		<u>29,342,540</u>
TOTAL NONCONVERTIBLE BONDS		<u>589,006,723</u>
TOTAL CORPORATE BONDS		<u>590,038,905</u>
(Cost \$570,740,159)		

U.S. Government and Government Agency Obligations – 20.4%

U.S. Government Agency Obligations – 0.2%		
Fannie Mae 0.625% 4/22/25	210,000	207,099
Federal Farm Credit Bank 0.375% 4/8/22	2,900,000	2,902,173
Tennessee Valley Authority:		
5.25% 9/15/39	126,000	181,779
5.375% 4/1/56	302,000	498,584
		<u>3,789,635</u>
TOTAL U.S. GOVERNMENT AGENCY OBLIGATIONS		<u>3,789,635</u>
U.S. Treasury Obligations – 20.2%		
U.S. Treasury Bills, yield at date of purchase 0.05% 1/13/22 (i)	630,000	629,997
U.S. Treasury Bonds:		
1.875% 11/15/51	200,000	198,406
2% 11/15/41	5,645,000	5,709,388
2% 8/15/51	19,656,000	20,036,835
2.375% 5/15/51	5,630,000	6,218,511
2.5% 2/15/45 (i)	17,524,000	19,271,608
3% 5/15/45	1,800,000	2,152,898
3% 2/15/49	16,081,000	19,770,836
4.75% 2/15/37 (i)	8,126,000	11,526,223
6.25% 8/15/23 (i)	2,249,000	2,453,518

U.S. Treasury Notes:

0.125% 5/31/22	\$ 7,075,000	\$ 7,073,895
0.125% 6/30/22	575,000	574,775
0.125% 8/31/22	5,100,000	5,095,617
0.125% 11/30/22	4,000,000	3,990,938
0.125% 12/31/22	3,400,000	3,389,507
0.125% 2/28/23	7,200,000	7,170,469
0.125% 3/31/23	3,000,000	2,986,172
0.125% 5/31/23	3,800,000	3,776,398
0.125% 8/15/23	374,000	370,947
0.125% 10/15/23	280,000	277,200
0.25% 5/15/24	73,000	72,005
0.25% 7/31/25	1,221,000	1,184,370
0.25% 9/30/25	1,207,000	1,168,810
0.25% 10/31/25	1,700,000	1,643,090
0.375% 10/31/23	2,000,000	1,988,203
0.375% 12/31/25	8,019,000	7,772,792
0.375% 1/31/26	2,100,000	2,031,586
0.5% 11/30/23	12,900,000	12,850,617
0.625% 7/31/26	2,400,000	2,333,719
0.75% 3/31/26	4,704,000	4,614,697
0.75% 8/31/26	3,400,000	3,323,898
0.875% 9/30/26	16,300,000	16,009,020
1% 7/31/28	4,418,000	4,301,165
1.125% 10/31/26	1,700,000	1,688,711
1.125% 8/31/28	61,122,000	59,937,679
1.25% 12/31/26	2,667,000	2,664,083
1.25% 9/30/28	2,930,000	2,895,550
1.375% 8/31/23	500,000	505,918
1.375% 10/31/28	3,514,000	3,499,724
1.375% 12/31/28	625,000	622,168
1.375% 11/15/31	7,793,000	7,694,370
1.5% 9/30/24	1,995,000	2,026,484
1.5% 10/31/24	280,000	284,386
1.5% 1/31/27	5,095,000	5,151,324
1.5% 11/30/28	860,000	863,359
1.625% 11/15/22	3,584,000	3,622,360
1.625% 5/31/23	760,000	771,459
1.625% 9/30/26	4,153,000	4,223,569
2.125% 3/31/24	5,843,000	6,013,725
2.125% 7/31/24	9,671,000	9,978,130
2.25% 4/30/24	3,531,000	3,646,447
2.25% 3/31/26	3,329,000	3,471,393
2.5% 1/15/22	18,456,000	18,470,741
2.5% 1/31/24	630,000	652,542
2.5% 2/28/26	7,215,000	7,594,633
2.625% 12/31/23	7,427,000	7,703,482
2.875% 11/30/25	3,162,000	3,370,371
3.125% 11/15/28	1,580,000	1,756,207
TOTAL U.S. TREASURY OBLIGATIONS		<u>341,076,925</u>

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

U.S. Government and Government Agency Obligations – continued

	Principal Amount(a)	Value
Other Government Related – 0.0%		
Private Export Funding Corp. Secured 1.75% 11/15/24	\$ 1,030,000	\$ 1,048,797

TOTAL U.S. GOVERNMENT AND GOVERNMENT AGENCY OBLIGATIONS
(Cost \$336,715,156) **345,915,357**

U.S. Government Agency – Mortgage Securities – 1.6%

Fannie Mae – 0.3%		
2% 12/1/51	1,296,862	1,299,713
2.5% 9/1/51 to 12/1/51	2,494,608	2,563,638
3% 11/1/34	1,071,797	1,125,713
TOTAL FANNIE MAE		4,989,064

Freddie Mac – 0.1%		
2% 11/1/51	697,459	697,768
2.5% 12/1/51	550,148	564,138
3% 9/1/34	475,529	500,194
TOTAL FREDDIE MAC		1,762,100

Ginnie Mae – 1.1%		
3.5% 1/1/52 (j)	1,650,000	1,718,363
3.5% 1/1/52 (j)	1,600,000	1,666,291
3.5% 1/1/52 (j)	1,650,000	1,718,363
3.5% 1/1/52 (j)	2,050,000	2,134,936
3.5% 1/1/52 (j)	900,000	937,289
3.5% 1/1/52 (j)	800,000	833,146
3.5% 1/1/52 (j)	1,750,000	1,822,506
3.5% 1/1/52 (j)	2,150,000	2,239,079
3.5% 1/1/52 (j)	1,200,000	1,249,719
3.5% 1/1/52 (j)	450,000	468,644
3.5% 1/1/52 (j)	1,100,000	1,145,575
3.5% 1/1/52 (j)	1,100,000	1,145,575
3.5% 1/1/52 (j)	450,000	468,644
3.5% 1/1/52 (j)	700,000	729,002
TOTAL GINNIE MAE		18,277,132

Uniform Mortgage Backed Securities – 0.1%		
2.5% 1/1/52 (j)	50,000	51,055
2.5% 1/1/52 (j)	50,000	51,055
2.5% 1/1/52 (j)	50,000	51,055
2.5% 1/1/52 (j)	50,000	51,055
2.5% 1/1/52 (j)	50,000	51,055
2.5% 1/1/52 (j)	50,000	51,055
3.5% 1/1/52 (j)	700,000	737,188
3.5% 1/1/52 (j)	700,000	737,188
TOTAL UNIFORM MORTGAGE BACKED SECURITIES		1,780,706

TOTAL U.S. GOVERNMENT AGENCY – MORTGAGE SECURITIES
(Cost \$26,860,974) **26,809,002**

Commercial Mortgage Securities – 1.4%

	Principal Amount(a)	Value
Freddie Mac:		
floater:		
Series 2021-F108 Class A/S, U.S. 30-Day Avg. Secured Overnight Fin. Rate (SOFR) Indx + 0.250% 0.3% 2/25/31 (f) (g)	\$ 1,900,000	\$ 1,896,795
Series 2021-F109 Class A/S, U.S. 30-Day Avg. Secured Overnight Fin. Rate (SOFR) Indx + 0.240% 0.29% 3/25/31 (f) (g)	3,700,000	3,703,167
Series 2021-F110 Class A/S, U.S. 30-Day Avg. Secured Overnight Fin. Rate (SOFR) Indx + 0.240% 0.29% 3/25/31 (f) (g)	1,900,000	1,897,028
Series 2021-F111 Class A/S, U.S. 30-Day Avg. Secured Overnight Fin. Rate (SOFR) Indx + 0.240% 0.29% 3/25/31 (f) (g)	1,299,868	1,298,699
Series 2021-F112 Class A/S, U.S. 30-Day Avg. Secured Overnight Fin. Rate (SOFR) Indx + 0.230% 0.28% 4/25/31 (f) (g)	1,600,000	1,594,487
Series 2021-F113 Class A/S, U.S. 30-Day Avg. Secured Overnight Fin. Rate (SOFR) Indx + 0.230% 0.28% 5/25/28 (f) (g)	1,574,921	1,574,921
Series 2021-F114 Class A/S, 0.27% 5/25/31 (f)	600,000	599,469
Series 2021-F119 Class A/S, U.S. 30-Day Avg. Secured Overnight Fin. Rate (SOFR) Indx + 0.210% 0.26% 7/25/31 (f) (g)	3,576,964	3,573,823
Series 2021-F120 Class A/S, U.S. 30-Day Avg. Secured Overnight Fin. Rate (SOFR) Indx + 0.210% 0.25% 8/25/31 (f) (g)	3,388,000	3,383,925
Series 2021-F121 Class A/S, U.S. 30-Day Avg. Secured Overnight Fin. Rate (SOFR) Indx + 0.180% 0.23% 8/25/28 (f) (g)	2,515,000	2,510,098
sequential payer:		
Series 2021-K135 Class A2, 2.154% 10/25/31	1,400,000	1,441,908
Series 2021-K136 Class A2, 2.127% 11/25/31	500,000	514,218

TOTAL COMMERCIAL MORTGAGE SECURITIES
(Cost \$24,017,954) **23,988,538**

Foreign Government and Government Agency Obligations – 14.6%

Angola Republic:		
8.25% 5/9/28 (d)	380,000	380,665
9.375% 5/8/48 (d)	85,000	82,944
9.5% 11/12/25 (d)	1,105,000	1,181,867
Arab Republic of Egypt:		
yield at date of purchase 11.8507% to 12.5092% 1/18/22 to 4/12/22	EGP 11,275,000	703,466
5.8% 9/30/27 (d)	385,000	369,908
7.0529% 1/15/32 (d)	280,000	257,908
7.5% 1/31/27 (d)	2,850,000	2,962,860
7.6003% 3/1/29 (d)	500,000	494,700
7.903% 2/21/48 (d)	385,000	321,552
8.5% 1/31/47 (d)	580,000	512,836
8.7002% 3/1/49 (d)	200,000	176,900
Argentine Republic:		
0.5% 7/9/30 (k)	7,000,308	2,467,609

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
Argentine Republic: – continued		
1% 7/9/29	\$ 738,798	\$ 267,814
1.125% 7/9/35 (k)	1,857,241	598,960
2% 1/9/38 (k)	897,304	342,770
Australian Commonwealth 1.75% 6/21/51 (Reg. S)	AUD 2,500,000	1,576,862
Barbados Government 6.5% 10/1/29 (d)	859,000	858,356
Belarus Republic 6.875% 2/28/23 (d)	250,000	246,250
Bermuda Government:		
2.375% 8/20/30 (d)	55,000	54,753
3.375% 8/20/50 (d)	165,000	164,722
3.717% 1/25/27 (d)	645,000	688,658
4.75% 2/15/29 (d)	360,000	413,055
Brazilian Federative Republic:		
2.875% 6/6/25	1,165,000	1,179,781
3.875% 6/12/30	745,000	723,023
7.125% 1/20/37	565,000	679,872
8.25% 1/20/34	1,045,000	1,362,615
Buenos Aires Province 3.9% 9/1/37 (d) (k)	550,000	233,681
Cameroon Republic 5.95% 7/7/32 (d)	EUR 585,000	622,731
Canadian Government:		
1.5% 6/1/31	CAD 3,500,000	2,784,920
2% 12/1/51	CAD 1,300,000	1,104,581
Chilean Republic 2.45% 1/31/31	770,000	765,091
Colombian Republic:		
3% 1/30/30	490,000	447,370
3.125% 4/15/31	535,000	481,935
3.25% 4/22/32	600,000	540,000
4.125% 5/15/51	220,000	178,998
5% 6/15/45	855,000	769,660
6.125% 1/18/41	40,000	41,145
7.375% 9/18/37	140,000	162,470
Costa Rican Republic:		
5.625% 4/30/43 (d)	200,000	171,163
6.125% 2/19/31 (d)	150,000	151,622
7% 4/4/44 (d)	60,000	58,718
Democratic Socialist Republic of Sri Lanka:		
7.55% 3/28/30 (d)	155,000	78,256
7.85% 3/14/29 (d)	415,000	208,356
Dominican Republic:		
4.5% 1/30/30 (d)	225,000	229,050
4.875% 9/23/32 (d)	860,000	873,868
5.875% 1/30/60 (d)	270,000	259,335
5.95% 1/25/27 (d)	445,000	495,063
6% 7/19/28 (d)	360,000	401,355
6.4% 6/5/49 (d)	160,000	167,980
6.5% 2/15/48 (d)	65,000	69,014
6.5% 2/15/48 (Reg. S)	150,000	159,263
6.85% 1/27/45 (d)	300,000	330,244
6.875% 1/29/26 (d)	780,000	885,300
7.45% 4/30/44 (d)	335,000	395,886
Dutch Government 0% 7/15/31 (Reg. S) (d)	EUR 310,000	354,235
Ecuador Republic:		
1% 7/31/35 (d) (k)	705,000	459,924
5% 7/31/30 (d) (k)	1,320,000	1,087,185

	Principal Amount(a)	Value
El Salvador Republic:		
6.375% 1/18/27 (d)	\$ 75,000	\$ 44,522
7.1246% 1/20/50 (d)	290,000	157,923
7.625% 2/1/41 (d)	90,000	49,573
7.75% 1/24/23 (d)	730,000	574,556
Emirate of Abu Dhabi:		
1.7% 3/2/31 (d)	570,000	554,325
3.125% 4/16/30 (d)	715,000	773,988
3.125% 9/30/49 (d)	920,000	936,100
3.875% 4/16/50 (d)	620,000	723,075
Emirate of Dubai 3.9% 9/9/50 (Reg. S)	200,000	191,163
Gabonese Republic 7% 11/24/31 (d)	455,000	444,763
Georgia Republic 2.75% 4/22/26 (d)	480,000	476,250
German Federal Republic:		
0% 12/15/22 (Reg. S)	EUR 14,070,000	16,116,409
0% 10/9/26 (Reg. S)	EUR 10,000,000	11,636,893
0% 2/15/31 (Reg. S)	EUR 31,885,000	37,041,324
0% 8/15/31	EUR 31,480,000	36,484,756
Ghana Republic:		
7.75% 4/7/29 (d)	660,000	550,308
8.125% 1/18/26 (d)	220,000	203,236
10.75% 10/14/30 (d)	360,000	402,282
Guatemalan Republic:		
4.9% 6/1/30 (d)	40,000	43,008
5.375% 4/24/32 (d)	380,000	423,178
6.125% 6/1/50 (d)	225,000	258,019
Hungarian Republic 2.125% 9/22/31 (d)	205,000	200,969
Indonesian Republic:		
3.85% 10/15/30	330,000	370,178
4.1% 4/24/28	665,000	741,600
4.35% 1/11/48	300,000	342,375
5.125% 1/15/45 (d)	825,000	1,024,031
5.25% 1/17/42 (d)	305,000	382,260
5.95% 1/8/46 (d)	350,000	483,284
6.625% 2/17/37 (d)	220,000	306,666
6.75% 1/15/44 (d)	330,000	487,988
7.75% 1/17/38 (d)	730,000	1,111,106
8.5% 10/12/35 (Reg. S)	875,000	1,395,516
Islamic Republic of Pakistan:		
6% 4/8/26 (d)	1,110,000	1,108,613
6.875% 12/5/27 (d)	130,000	131,040
8.25% 4/15/24 (d)	95,000	100,837
Israeli State:		
(guaranteed by U.S. Government through Agency for International Development):		
5.5% 9/18/23	5,395,000	5,830,876
5.5% 12/4/23	1,628,000	1,773,453
3.375% 1/15/50	595,000	642,633
Ivory Coast:		
5.875% 10/17/31 (d)	EUR 500,000	584,122
6.125% 6/15/33 (d)	400,000	421,200
6.375% 3/3/28 (d)	490,000	530,670
Jamaican Government:		
6.75% 4/28/28	255,000	292,501
7.875% 7/28/45	160,000	221,880

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

Foreign Government and Government Agency Obligations – continued

		Principal Amount(a)	Value		Principal Amount(a)	Value
Japan Government:						
0.1% 12/20/30	JPY	850,200,000	\$ 7,444,775	6.375% 7/12/23 (d)	\$ 385,000	\$ 397,051
0.4% 3/20/56	JPY	418,450,000	3,297,508	6.5% 11/28/27 (d)	225,000	223,875
Jordanian Kingdom:				7.143% 2/23/30 (d)	360,000	353,268
4.95% 7/7/25 (d)	\$	575,000	592,070	7.625% 11/21/25 (d)	1,575,000	1,675,485
7.375% 10/10/47 (d)		110,000	111,121	Republic of Paraguay:		
Kazakhstan Republic 10.5% 8/4/26	KZT	267,560,000	618,383	2.739% 1/29/33 (d)	225,000	217,097
Kingdom of Saudi Arabia:				4.95% 4/28/31 (d)	480,000	539,340
2.25% 2/2/33 (d)		665,000	648,998	5.4% 3/30/50 (d)	445,000	507,244
2.9% 10/22/25 (d)		535,000	559,577	Republic of Serbia 2.125% 12/1/30 (d)	335,000	313,372
3.625% 3/4/28 (d)		315,000	342,858	Republic of Uzbekistan:		
3.75% 1/21/55 (d)		255,000	272,770	3.7% 11/25/30 (d)	270,000	259,116
4% 4/17/25 (d)		350,000	376,841	3.9% 10/19/31 (d)	395,000	378,213
4.5% 10/26/46 (d)		420,000	493,898	4.75% 2/20/24 (d)	215,000	223,600
4.5% 4/22/60 (d)		225,000	276,117	Republic of Zambia 8.97% 7/30/27 (d)	335,000	257,489
4.625% 10/4/47 (d)		330,000	395,072	Romanian Republic:		
Korean Republic 1% 9/16/30		590,000	558,131	3% 2/14/31 (d)	600,000	607,980
Lebanese Republic:				3.375% 1/28/50 (Reg. S)	EUR 170,000	182,803
5.8% 12/31/49 (e)		625,000	64,843	4.375% 8/22/23 (d)	210,000	220,563
6.375% 12/31/49 (e)		810,000	84,037	Rwanda Republic 5.5% 8/9/31 (d)	245,000	246,118
Ministry of Finance of the Russian Federation:				South African Republic 4.85% 9/30/29	235,000	242,682
4.25% 6/23/27 (Reg. S)		600,000	646,500	State of Qatar:		
4.375% 3/21/29 (Reg. S)		600,000	660,000	3.75% 4/16/30 (d)	1,875,000	2,103,750
5.1% 3/28/35 (Reg. S)		1,000,000	1,176,300	4% 3/14/29 (d)	580,000	652,899
5.25% 6/23/47 (Reg. S)		600,000	756,000	4.4% 4/16/50 (d)	520,000	643,500
5.625% 4/4/42 (d)		200,000	259,500	4.817% 3/14/49 (d)	1,060,000	1,384,625
Mongolia Government 5.125% 4/7/26 (d)		480,000	491,400	5.103% 4/23/48 (d)	70,000	94,588
Moroccan Kingdom:				9.75% 6/15/30 (d)	295,000	462,044
2.375% 12/15/27 (d)		520,000	506,188	Sultanate of Oman:		
4% 12/15/50 (d)		200,000	180,938	5.375% 3/8/27 (d)	120,000	125,448
5.5% 12/11/42 (d)		70,000	77,232	5.625% 1/17/28 (d)	1,080,000	1,143,180
Panamanian Republic:				6% 8/1/29 (d)	450,000	483,705
2.252% 9/29/32		315,000	299,900	6.25% 1/25/31 (d)	425,000	463,463
3.87% 7/23/60		235,000	234,457	6.75% 1/17/48 (d)	750,000	761,250
Peoples Republic of China 1.2% 10/21/30 (d)		430,000	416,154	Turkish Republic:		
Peruvian Republic:				3.25% 3/23/23	2,885,000	2,791,238
2.783% 1/23/31		1,775,000	1,762,575	4.25% 3/13/25	590,000	544,939
3% 1/15/34		440,000	437,800	4.25% 4/14/26	215,000	191,995
3.3% 3/11/41		360,000	359,438	4.75% 1/26/26	685,000	623,350
Province of Santa Fe 7% 3/23/23 (d)		735,000	690,441	4.875% 10/9/26	650,000	588,372
Provincia de Cordoba:				4.875% 4/16/43	715,000	547,869
5% 12/10/25 (d) (k)		1,051,837	789,075	5.125% 6/22/26 (d)	280,000	266,753
5% 6/1/27 (d) (k)		515,562	326,995	5.125% 2/17/28	520,000	462,800
Republic of Armenia 7.15% 3/26/25 (d)		245,000	273,068	5.75% 3/22/24	260,000	253,711
Republic of Benin:				5.75% 5/11/47	650,000	525,688
4.875% 1/19/32 (d)	EUR	510,000	566,772	6% 1/14/41	165,000	136,775
5.75% 3/26/26 (d)	EUR	245,000	299,643	6.125% 10/24/28	365,000	337,625
Republic of Honduras 5.625% 6/24/30 (d)		230,000	238,812	6.35% 8/10/24	270,000	265,663
Republic of Iraq 5.8% 1/15/28 (Reg. S)		243,750	233,284	6.375% 10/14/25	720,000	700,335
Republic of Kenya:				7.25% 12/23/23	560,000	564,655
6.875% 6/24/24 (d)		540,000	570,402	Ukraine Government:		
7% 5/22/27 (d)		620,000	654,100	1.258% 5/31/40 (d) (f)	370,000	335,382
Republic of Nigeria:				6.876% 5/21/29 (d)	170,000	150,663
6.125% 9/28/28 (d)		545,000	524,665	7.253% 3/15/33 (d)	585,000	513,338
				7.375% 9/25/32 (d)	285,000	254,006
				7.75% 9/1/22 (d)	586,000	578,675

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
Ukraine Government: – continued		
7.75% 9/1/23 (d)	\$ 1,380,000	\$ 1,345,500
7.75% 9/1/24 (d)	1,505,000	1,457,310
7.75% 9/1/26 (d)	200,000	189,500
7.75% 9/1/27 (d)	110,000	103,785
United Kingdom, Great Britain and Northern Ireland 0.375%		
10/22/26 (Reg. S)	GBP 15,600,000	20,674,634
United Mexican States:		
2.659% 5/24/31	510,000	497,027
3.25% 4/16/30	620,000	636,779
3.75% 1/11/28	590,000	634,545
4.5% 4/22/29	345,000	384,955
5.75% 10/12/2110	840,000	965,633
6.05% 1/11/40	670,000	832,391
Uruguay Republic 5.1% 6/18/50	675,000	893,869
Venezuelan Republic:		
9.25% 9/15/27 (e)	2,395,000	143,700
11.95% 8/5/31 (Reg. S) (e)	1,090,000	65,400
12.75% 8/23/22 (e)	190,000	11,400
Vietnamese Socialist Republic 5.5% 3/12/28	1,806,000	1,805,210

TOTAL FOREIGN GOVERNMENT AND GOVERNMENT AGENCY OBLIGATIONS

(Cost \$253,608,230)

246,616,410

Common Stocks – 5.2%

	Shares	Value
COMMUNICATION SERVICES – 0.4%		
Entertainment – 0.0%		
New Cotai LLC/New Cotai Capital Corp. (b) (c) (l)	247,076	348,377
Interactive Media & Services – 0.3%		
Alphabet, Inc. Class A (l)	500	1,448,520
Meta Platforms, Inc. Class A (l)	8,100	2,724,435
		4,172,955
Media – 0.1%		
iHeartMedia, Inc. (l)	5,655	118,981
Nexstar Broadcasting Group, Inc. Class A	10,600	1,600,388
		1,719,369
Wireless Telecommunication Services – 0.0%		
T-Mobile U.S., Inc. (l)	5,900	684,282
		6,924,983
CONSUMER DISCRETIONARY – 0.6%		
Auto Components – 0.0%		
Exide Technologies (c) (l)	2,115	2,115
Exide Technologies (c) (l)	124,905	1
Exide Technologies (c) (l)	84	54,600
UC Holdings, Inc. (c) (l)	33,750	196,088
		252,804
Hotels, Restaurants & Leisure – 0.3%		
Boyd Gaming Corp. (l)	22,300	1,462,211
Caesars Entertainment, Inc. (l)	32,600	3,049,078

	Shares	Value
Penn National Gaming, Inc. (l)	11,200	\$ 580,720
Studio City International Holdings Ltd. ADR (l)	11,100	59,163
		5,151,172
Household Durables – 0.2%		
Tempur Sealy International, Inc.	56,800	2,671,304
Internet & Direct Marketing Retail – 0.0%		
Amazon.com, Inc. (l)	100	333,434
Specialty Retail – 0.1%		
Lowe's Companies, Inc.	7,500	1,938,600
Williams-Sonoma, Inc.	3,700	625,781
		2,564,381
		10,973,095
CONSUMER STAPLES – 0.3%		
Food & Staples Retailing – 0.1%		
Southeastern Grocers, Inc. (b) (c) (l)	40,826	955,328
Food Products – 0.2%		
Darling Ingredients, Inc. (l)	21,200	1,468,948
JBS SA	388,000	2,643,555
Reddy Ice Holdings, Inc. (c) (l)	2,286	126
		4,112,629
		5,067,957
ENERGY – 1.1%		
Energy Equipment & Services – 0.1%		
Diamond Offshore Drilling, Inc. (c) (l)	5,989	30,598
Forbes Energy Services Ltd. (c) (l)	6,562	7
Jonah Energy Parent LLC (c)	15,708	1,009,239
Superior Energy Services, Inc. Class A (c)	5,560	142,340
		1,182,184
Oil, Gas & Consumable Fuels – 1.0%		
California Resources Corp.	123,420	5,271,268
California Resources Corp. warrants 10/27/24 (l)	3,099	38,428
Chaparral Energy, Inc.:		
Series A warrants 10/1/24 (c) (l)	13	22
Series B warrants 10/1/25 (c) (l)	13	22
Cheniere Energy, Inc.	8,900	902,638
Chesapeake Energy Corp.	45,974	2,966,242
Chesapeake Energy Corp. (b)	1,691	109,103
Chesapeake Energy Corp.:		
warrants 2/9/26 (l)	6,246	249,590
warrants 2/9/26 (l)	6,940	249,215
warrants 2/9/26 (l)	4,478	144,998
Civitas Resources, Inc.	3,070	150,338
Denbury, Inc. (l)	13,689	1,048,441
Denbury, Inc. warrants 9/18/25 (l)	22,930	1,043,315
EP Energy Corp. (c) (l)	52,316	4,587,590
Mesquite Energy, Inc. (c) (l)	15,322	551,270
Unit Corp. (l)	2,069	66,829
		17,379,309
		18,561,493

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

Common Stocks – continued

	Shares	Value
FINANCIALS – 0.2%		
Capital Markets – 0.0%		
Person Worldwide, Inc. Class A (c) (I)	314,563	\$ 3
Consumer Finance – 0.1%		
OneMain Holdings, Inc.	29,400	1,471,176
Diversified Financial Services – 0.0%		
Axis Energy Services, LLC Class A (c)	395	126
Insurance – 0.1%		
Arthur J. Gallagher & Co.	6,900	1,170,723
TOTAL FINANCIALS		<u>2,642,028</u>
HEALTH CARE – 0.6%		
Biotechnology – 0.0%		
Regeneron Pharmaceuticals, Inc. (I)	100	63,152
Health Care Providers & Services – 0.3%		
HCA Holdings, Inc.	8,900	2,286,588
Humana, Inc.	2,800	1,298,808
UnitedHealth Group, Inc.	3,600	1,807,704
		<u>5,393,100</u>
Life Sciences Tools & Services – 0.3%		
Charles River Laboratories International, Inc. (I)	1,800	678,204
IQVIA Holdings, Inc. (I)	7,700	2,172,478
Thermo Fisher Scientific, Inc.	3,000	2,001,720
		<u>4,852,402</u>
TOTAL HEALTH CARE		<u>10,308,654</u>
INDUSTRIALS – 0.4%		
Air Freight & Logistics – 0.1%		
GXO Logistics, Inc. (I)	8,600	781,138
Airlines – 0.0%		
Air Canada (I)	17,400	290,653
Building Products – 0.1%		
Builders FirstSource, Inc. (I)	13,400	1,148,514
Carrier Global Corp.	17,700	960,048
		<u>2,108,562</u>
Electrical Equipment – 0.0%		
Array Technologies, Inc. (I)	300	4,707
Machinery – 0.0%		
Allison Transmission Holdings, Inc.	10,800	392,580
Professional Services – 0.1%		
ASGN, Inc. (I)	8,000	987,200
Road & Rail – 0.0%		
XPO Logistics, Inc. (I)	8,600	665,898
Trading Companies & Distributors – 0.1%		
Penhall Acquisition Co.:		
Class A (c) (I)	321	44,394
Class B (c) (I)	107	14,798
United Rentals, Inc. (I)	3,363	1,117,491
		<u>1,176,683</u>
Transportation Infrastructure – 0.0%		
Tricer Holdco SCA:		
Class A1 (b) (c) (I)	16,755	19
Class A2 (b) (c) (I)	16,755	19
Class A3 (b) (c) (I)	16,755	19

	Shares	Value
Class A4 (b) (c) (I)	16,755	\$ 19
Class A5 (b) (c) (I)	16,755	19
Class A6 (b) (c) (I)	16,755	19
Class A7 (b) (c) (I)	16,755	19
Class A8 (b) (c) (I)	16,755	19
Class A9 (b) (c) (I)	16,755	19
		<u>171</u>
TOTAL INDUSTRIALS		<u>6,407,592</u>
INFORMATION TECHNOLOGY – 1.1%		
Electronic Equipment & Components – 0.2%		
CDW Corp.	5,000	1,023,900
Zebra Technologies Corp. Class A (I)	2,800	1,666,560
		<u>2,690,460</u>
IT Services – 0.2%		
Global Payments, Inc.	9,700	1,311,246
GTT Communications, Inc. rights (c) (I)	27,222	27,222
MasterCard, Inc. Class A	1,900	682,708
PayPal Holdings, Inc. (I)	4,200	792,036
Visa, Inc. Class A	3,000	650,130
		<u>3,463,342</u>
Semiconductors & Semiconductor Equipment – 0.3%		
Lam Research Corp.	3,200	2,301,280
Microchip Technology, Inc.	11,800	1,027,308
ON Semiconductor Corp. (I)	21,400	1,453,488
		<u>4,782,076</u>
Software – 0.4%		
Adobe, Inc. (I)	3,600	2,041,416
Microsoft Corp.	7,400	2,488,768
Palo Alto Networks, Inc. (I)	3,300	1,837,308
SS&C Technologies Holdings, Inc.	15,008	1,230,356
		<u>7,597,848</u>
TOTAL INFORMATION TECHNOLOGY		<u>18,533,726</u>
MATERIALS – 0.4%		
Chemicals – 0.2%		
CF Industries Holdings, Inc.	21,900	1,550,082
The Chemours Co. LLC	42,600	1,429,656
		<u>2,979,738</u>
Containers & Packaging – 0.1%		
Berry Global Group, Inc. (I)	21,000	1,549,380
WestRock Co.	23,900	1,060,204
		<u>2,609,584</u>
Metals & Mining – 0.1%		
Algoma Steel GP	21,960	213,649
Algoma Steel SCA (c) (I)	10,220	0
Elah Holdings, Inc. (I)	14	1,232
First Quantum Minerals Ltd.	54,800	1,311,353
		<u>1,526,234</u>
TOTAL MATERIALS		<u>7,115,556</u>
UTILITIES – 0.1%		
Electric Utilities – 0.1%		
NRG Energy, Inc.	24,200	1,042,536

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

Schedule of Investments – continued

Common Stocks – continued

	Shares	Value
UTILITIES – continued		
Electric Utilities – continued		
PG&E Corp. (l)	76,666	\$ 930,725
Portland General Electric Co.	140	7,409
		<u>1,980,670</u>
TOTAL COMMON STOCKS		88,515,754
(Cost \$46,014,904)		

Nonconvertible Preferred Stocks – 0.0%

CONSUMER DISCRETIONARY – 0.0%

Auto Components – 0.0%

Exide Technologies (c) (l)	187	<u>174,050</u>
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INDUSTRIALS – 0.0%

Transportation Infrastructure – 0.0%

Tricer Holdco SCA (b) (c) (l)	8,042,141	<u>2,716</u>
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TOTAL NONCONVERTIBLE PREFERRED STOCKS

(Cost \$460,804)

176,766

Bank Loan Obligations – 1.3%

	Principal Amount(a)	
COMMUNICATION SERVICES – 0.2%		
Diversified Telecommunication Services – 0.1%		
Connect U.S. Finco LLC Tranche B 1LN, term loan 3 month U.S. LIBOR + 3.500% 4.5% 12/12/26 (f) (g) (m)	\$ 476,513	476,255
Frontier Communications Holdings LLC Tranche B 1LN, term loan 3 month U.S. LIBOR + 3.750% 4.5% 10/8/27 (f) (g) (m)	263,539	263,012
Securus Technologies Holdings Tranche B, term loan 3 month U.S. LIBOR + 4.500% 5.5% 11/1/24 (f) (g) (m)	414,602	402,595
Zayo Group Holdings, Inc. 1LN, term loan 3 month U.S. LIBOR + 3.000% 3.1043% 3/9/27 (f) (g) (m)	409,763	403,957
		<u>1,545,819</u>
Media – 0.0%		
Nexstar Broadcasting, Inc. Tranche B, term loan 3 month U.S. LIBOR + 2.500% 2.5993% 9/19/26 (f) (g) (m)	207,059	206,465
Univision Communications, Inc. Tranche B 1LN, term loan 1 month U.S. LIBOR + 3.250% 5/21/28 (g) (m) (n)	355,000	354,113
		<u>560,578</u>
Wireless Telecommunication Services – 0.1%		
Intelsat Jackson Holdings SA Tranche DD 1LN, term loan 3 month U.S. LIBOR + 4.750% 5.3917% 7/13/22 (f) (g) (m) (o)	588,013	587,096
		<u>2,693,493</u>
CONSUMER DISCRETIONARY – 0.2%		
Auto Components – 0.0%		
Midas Intermediate Holdco II LLC Tranche B 1LN, term loan 3 month U.S. LIBOR + 6.750% 7.5% 12/16/25 (f) (g) (m)	50,641	48,067
PECF USS Intermediate Holding III Corp. Tranche B 1LN, term loan 1 month U.S. LIBOR + 4.250% 12/17/28 (g) (m) (n)	105,000	105,038
		<u>153,105</u>

	Principal Amount(a)	Value
Diversified Consumer Services – 0.1%		
KUEHG Corp. Tranche B 2LN, term loan 3 month U.S. LIBOR + 8.250% 9.25% 8/22/25 (f) (g) (m)	\$ 305,000	\$ 302,713
Sotheby's Tranche B 1LN, term loan 1 month U.S. LIBOR + 4.500% 5% 1/15/27 (f) (g) (m)	594,212	594,212
		<u>896,925</u>
Hotels, Restaurants & Leisure – 0.0%		
Bally's Corp. Tranche B 1LN, term loan 1 month U.S. LIBOR + 3.250% 3.75% 10/1/28 (f) (g) (m)	700,000	699,706
Specialty Retail – 0.1%		
Michaels Companies, Inc. 1LN, term loan 3 month U.S. LIBOR + 4.250% 5% 4/15/28 (f) (g) (m)	268,650	266,012
Wand NewCo 3, Inc. Tranche B 1LN, term loan 3 month U.S. LIBOR + 3.000% 3.1754% 2/5/26 (f) (g) (m)	960,621	945,616
		<u>1,211,628</u>
		<u>2,961,364</u>
ENERGY – 0.0%		
Energy Equipment & Services – 0.0%		
Forbes Energy Services LLC Tranche B, term loan 0% (c) (e) (f) (m)	61,482	0
Oil, Gas & Consumable Fuels – 0.0%		
Citgo Holding, Inc. Tranche B 1LN, term loan 3 month U.S. LIBOR + 7.000% 8% 8/1/23 (f) (g) (m)	73,313	72,176
Mesquite Energy, Inc.:		
1LN, term loan 3 month U.S. LIBOR + 8.000% 0% (c) (e) (g) (m)	283,417	0
term loan 3 month U.S. LIBOR + 0.000% 0% (c) (e) (g) (m)	122,000	0
		<u>72,176</u>
		<u>72,176</u>
FINANCIALS – 0.1%		
Capital Markets – 0.0%		
Citadel Securities LP Tranche B 1LN, term loan 3 month U.S. LIBOR + 2.500% 2.6043% 2/27/28 (f) (g) (m)	535,950	532,193
Diversified Financial Services – 0.0%		
New Cotai LLC 1LN, term loan 3 month U.S. LIBOR + 12.000% 14% 9/9/25 (c) (f) (g) (m)	77,212	77,212
Insurance – 0.1%		
Acrisure LLC Tranche B 1LN, term loan 1 month U.S. LIBOR + 4.250% 4.75% 2/15/27 (f) (g) (m)	65,000	64,891
Alliant Holdings Intermediate LLC Tranche B3 1LN, term loan 1 month U.S. LIBOR + 3.500% 4% 11/6/27 (f) (g) (m)	641,393	640,135
		<u>705,026</u>
		<u>1,314,431</u>
HEALTH CARE – 0.2%		
Health Care Equipment & Supplies – 0.0%		
Mozart Borrower LP Tranche B 1LN, term loan 1 month U.S. LIBOR + 3.250% 3.75% 9/30/28 (f) (g) (m)	595,000	594,738
Health Care Providers & Services – 0.2%		
Gainwell Acquisition Corp. Tranche B 1LN, term loan 3 month U.S. LIBOR + 4.000% 4.75% 10/1/27 (f) (g) (m)	976,676	978,141

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

Bank Loan Obligations – continued

	Principal Amount(a)	Value
HEALTH CARE – continued		
Health Care Providers & Services – continued		
Phoenix Newco, Inc. Tranche B 1LN, term loan 1 month U.S. LIBOR + 3.500% 4% 11/15/28 (f) (g) (m)	\$ 330,000	\$ 329,852
U.S. Renal Care, Inc. Tranche B 1LN, term loan 3 month U.S. LIBOR + 5.000% 5.1043% 6/13/26 (f) (g) (m)	2,306,900	<u>2,238,570</u>
		<u>3,546,563</u>
Pharmaceuticals – 0.0%		
Valeant Pharmaceuticals International, Inc. Tranche B, term loan 3 month U.S. LIBOR + 3.000% 3.1043% 6/1/25 (f) (g) (m)	74,175	<u>73,786</u>
TOTAL HEALTH CARE		<u>4,215,087</u>
INDUSTRIALS – 0.2%		
Air Freight & Logistics – 0.0%		
Dynasty Acquisition Co., Inc.:		
Tranche B 1LN, term loan 3 month U.S. LIBOR + 3.500% 3.7238% 4/8/26 (f) (g) (m)	136,862	132,954
Tranche B2 1LN, term loan 3 month U.S. LIBOR + 3.500% 3.7238% 4/4/26 (f) (g) (m)	73,582	<u>71,480</u>
		<u>204,434</u>
Airlines – 0.0%		
Air Canada Tranche B 1LN, term loan 1 month U.S. LIBOR + 3.500% 4.25% 8/11/28 (f) (g) (m)	425,000	423,253
SkyMiles IP Ltd. Tranche B 1LN, term loan 3 month U.S. LIBOR + 3.750% 4.75% 10/20/27 (f) (g) (m)	205,000	<u>216,531</u>
		<u>639,784</u>
Building Products – 0.1%		
Acproducts Holdings, Inc. Tranche B 1LN, term loan 1 month U.S. LIBOR + 4.250% 4.75% 5/17/28 (f) (g) (m)	1,134,300	<u>1,117,286</u>
Commercial Services & Supplies – 0.1%		
ABG Intermediate Holdings 2 LLC:		
Tranche B 2LN, term loan 3 month U.S. LIBOR + 6.000% 6.5% 12/10/29 (f) (g) (m)	50,000	50,000
Tranche B1 1LN, term loan U.S. Secured Overnight Fin. Rate (SOFR) Indx + 3.500% 12/21/28 (g) (m) (n)	29,851	29,702
Tranche B2 1LN, term loan U.S. Secured Overnight Fin. Rate (SOFR) Indx + 3.500% 1/31/29 (g) (m) (n)	190,299	189,347
Tranche B3 1LN, term loan U.S. Secured Overnight Fin. Rate (SOFR) Indx + 3.500% 12/21/28 (g) (m) (n)	29,851	29,702
Madison IAQ LLC Tranche B 1LN, term loan 1 month U.S. LIBOR + 3.250% 3.75% 6/21/28 (f) (g) (m)	139,300	139,087
Sabert Corp. Tranche B 1LN, term loan 3 month U.S. LIBOR + 4.500% 5.5% 12/10/26 (f) (g) (m)	411,323	<u>410,554</u>
		<u>848,392</u>
Construction & Engineering – 0.0%		
SRS Distribution, Inc. Tranche B 1LN, term loan 1 month U.S. LIBOR + 3.750% 4.25% 6/4/28 (f) (g) (m)	304,238	<u>303,267</u>
TOTAL INDUSTRIALS		<u>3,113,163</u>
INFORMATION TECHNOLOGY – 0.3%		
Electronic Equipment & Components – 0.0%		
DG Investment Intermediate Holdings, Inc. Tranche B 1LN, term loan 3 month U.S. LIBOR + 3.500% 4.25% 3/31/28 (f) (g) (m)	99,503	<u>99,379</u>

	Principal Amount(a)	Value
IT Services – 0.1%		
Acuris Finance U.S., Inc. 1LN, term loan 3 month U.S. LIBOR + 4.000% 4.5% 2/16/28 (f) (g) (m)	\$ 60,938	\$ 61,068
Camelot Finance SA Tranche B, term loan 3 month U.S. LIBOR + 3.000% 3.1043% 10/31/26 (f) (g) (m)	58,800	58,347
GTT Communications, Inc. Tranche B, term loan 3 month U.S. LIBOR + 4.750% 7% 5/31/25 (f) (g) (m)	745,026	663,229
Hunter U.S. Bidco, Inc. Tranche B 1LN, term loan 1 month U.S. LIBOR + 4.250% 4.75% 8/19/28 (f) (g) (m)	530,775	<u>530,446</u>
		<u>1,313,090</u>
Software – 0.2%		
Boxer Parent Co., Inc. Tranche B 1LN, term loan 3 month U.S. LIBOR + 3.750% 3.9738% 10/2/25 (f) (g) (m)	1,624,206	1,612,837
McAfee LLC Tranche B, term loan 3 month U.S. LIBOR + 3.750% 3.8519% 9/29/24 (f) (g) (m)	195,695	195,805
Polaris Newco LLC Tranche B 1LN, term loan 1 month U.S. LIBOR + 4.000% 4.5% 6/2/28 (f) (g) (m)	319,200	318,900
Proofpoint, Inc. Tranche B 1LN, term loan 1 month U.S. LIBOR + 3.250% 3.75% 8/31/28 (f) (g) (m)	310,000	308,475
RealPage, Inc. Tranche B 1LN, term loan 3 month U.S. LIBOR + 3.250% 3.75% 4/22/28 (f) (g) (m)	309,225	308,115
Ultimate Software Group, Inc. 1LN, term loan 1 month U.S. LIBOR + 3.250% 3.75% 5/3/26 (f) (g) (m)	663,313	659,372
VS Buyer LLC Tranche B 1LN, term loan 3 month U.S. LIBOR + 3.000% 3.1043% 2/28/27 (f) (g) (m)	122,813	<u>122,147</u>
		<u>3,525,651</u>
TOTAL INFORMATION TECHNOLOGY		<u>4,938,120</u>
MATERIALS – 0.0%		
Chemicals – 0.0%		
Olympus Water U.S. Holding Corp. Tranche B 1LN, term loan 1 month U.S. LIBOR + 3.750% 4.25% 11/9/28 (f) (g) (m)	170,000	169,291
W.R. Grace Holding LLC Tranche B 1LN, term loan 1 month U.S. LIBOR + 3.750% 4.25% 9/22/28 (f) (g) (m)	130,000	<u>130,098</u>
		<u>299,389</u>
Containers & Packaging – 0.0%		
Kloeckner Pentaplast of America, Inc. Tranche B 1LN, term loan 3 month U.S. LIBOR + 4.750% 5.25% 2/9/26 (f) (g) (m)	79,400	<u>77,093</u>
TOTAL MATERIALS		<u>376,482</u>
UTILITIES – 0.1%		
Electric Utilities – 0.1%		
PG&E Corp. Tranche B 1LN, term loan 3 month U.S. LIBOR + 3.000% 3.5% 6/23/25 (f) (g) (m)	1,654,800	<u>1,634,942</u>
TOTAL BANK LOAN OBLIGATIONS		<u>21,319,258</u>
(Cost \$21,569,147)		

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

Schedule of Investments – continued

Fixed-Income Funds – 8.8%

	Shares	Value
Fidelity Floating Rate Central Fund (p)	1,472,698	\$ 148,227,047
Fidelity Mortgage Backed Securities Central Fund (p)	18	<u>1,965</u>

TOTAL FIXED-INCOME FUNDS

(Cost \$150,689,292)

148,229,012

Preferred Securities – 4.3%

	Principal Amount	
COMMUNICATION SERVICES – 0.1%		
Diversified Telecommunication Services – 0.1%		
CAS Capital No 1 Ltd. 4% (Reg. S) (f) (h)	\$ 800,000	<u>816,979</u>

CONSUMER STAPLES – 0.1%

Food Products – 0.1%

Cosan Overseas Ltd. 8.25% (h)	1,685,000	<u>1,736,837</u>
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ENERGY – 0.5%

Oil, Gas & Consumable Fuels – 0.5%

DCP Midstream Partners LP 7.375% (f) (h)	775,000	767,982
Energy Transfer LP:		
6.25% (f) (h)	4,050,000	3,614,290
6.625% (f) (h)	1,515,000	1,473,252
7.125% (f)	410,000	419,943
Gazprom PJSC Via Gaz Finance PLC 4.5985% (d) (f) (h)	550,000	571,598
MPLX LP 6.875% (f) (h)	1,550,000	1,593,831
Summit Midstream Partners LP 9.5% (f) (h)	148,000	<u>109,437</u>
		<u>8,550,333</u>

FINANCIALS – 3.6%

Banks – 3.3%

Alfa Bond Issuance PLC 6.95% (Reg. S) (f) (h)	200,000	203,804
Banco Do Brasil SA 6.25% (d) (f) (h)	560,000	563,406
Banco Mercantil del Norte SA:		
6.75% (d) (f) (h)	350,000	362,753
6.875% (d) (f) (h)	960,000	985,683
7.625% (d) (f) (h)	210,000	228,000
Bank of America Corp.:		
5.2% (f) (h)	3,717,000	3,854,264
5.875% (f) (h)	5,125,000	5,791,392
6.25% (f) (h)	1,410,000	1,545,751
BBVA Bancomer SA Texas Branch:		
5.125% 1/18/33 (d) (f)	340,000	357,050
5.35% 11/12/29 (d) (f)	180,000	188,226
Citigroup, Inc.:		
4.7% (f) (h)	3,805,000	3,918,728
5% (f) (h)	3,245,000	3,391,654
5.9% (f) (h)	1,455,000	1,530,838
5.95% (f) (h)	2,675,000	2,821,926
6.3% (f) (h)	270,000	285,204
Emirates NBD Bank PJSC 6.125% (Reg. S) (f) (h)	625,000	664,603
Georgia Bank Joint Stock Co. 11.125% (Reg. S) (f) (h)	200,000	219,745
Huntington Bancshares, Inc. 5.7% (f) (h)	650,000	667,609
Itau Unibanco Holding SA 6.125% (d) (f) (h)	785,000	791,582
JPMorgan Chase & Co.:		
3 month U.S. LIBOR + 3.320% 3.4509% (f) (g) (h)	2,145,000	2,171,880

	Principal Amount	Value
3 month U.S. LIBOR + 3.800% 3.9316% (f) (g) (h)	\$ 865,000	\$ 870,754
4% (f) (h)	4,805,000	4,877,603
4.6% (f) (h)	1,225,000	1,280,428
5% (f) (h)	1,660,000	1,739,930
6% (f) (h)	6,524,000	6,962,932
6.125% (f) (h)	850,000	912,279
6.75% (f) (h)	400,000	444,701
NBK Tier 1 Financing 2 Ltd. 4.5% (d) (f) (h)	455,000	464,345
NBK Tier 1 Ltd. 3.625% (d) (f) (h)	230,000	229,855
Tinkoff Credit Systems:		
6% (d) (f) (h)	275,000	265,925
9.25% (Reg. S) (f) (h)	1,005,000	1,043,183
Wells Fargo & Co.:		
5.875% (f) (h)	2,600,000	2,847,634
5.9% (f) (h)	3,065,000	<u>3,242,450</u>
		<u>55,726,117</u>

Capital Markets – 0.3%

Goldman Sachs Group, Inc.:

4.4% (f) (h)	420,000	429,961
4.95% (f) (h)	710,000	750,377
5% (f) (h)	2,951,000	<u>2,979,573</u>
		<u>4,159,911</u>

Diversified Financial Services – 0.0%

OEC Finance Ltd. 7.5% pay-in-kind (d) (h)	92,219	<u>3,546</u>
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TOTAL FINANCIALS

59,889,574

INDUSTRIALS – 0.0%

Marine – 0.0%

DP World Salaam 6% (Reg. S) (f) (h)	400,000	<u>444,628</u>
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INFORMATION TECHNOLOGY – 0.0%

IT Services – 0.0%

Network i2i Ltd.:		
3.975% (d) (f) (h)	315,000	316,352
5.65% (d) (f) (h)	255,000	<u>271,045</u>
		<u>587,397</u>

MATERIALS – 0.0%

Construction Materials – 0.0%

CEMEX S.A.B. de CV 5.125% (d) (f) (h)	595,000	<u>625,512</u>
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REAL ESTATE – 0.0%

Real Estate Management & Development – 0.0%

MAF Global Securities Ltd. 5.5% (Reg. S) (f) (h)	400,000	<u>411,250</u>
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TOTAL PREFERRED SECURITIES

(Cost \$70,952,541)

73,062,510

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

Money Market Funds – 7.3%

	Shares	Value
Fidelity Cash Central Fund 0.08% (q) (Cost \$122,855,739)	122,839,724	<u>\$122,864,292</u>

TOTAL INVESTMENT IN SECURITIES – 99.8%

(Cost \$1,624,484,900) 1,687,535,804

NET OTHER ASSETS (LIABILITIES) – 0.2%

3,478,385

NET ASSETS – 100%

\$1,691,014,189

TBA Sale Commitments

	Principal Amount	Value
Uniform Mortgage Backed Securities		
2.5% 1/1/52	\$(150,000)	\$ (153,164)
2.5% 1/1/52	(50,000)	(51,055)
2.5% 1/1/52	(50,000)	(51,055)
2.5% 1/1/52	(50,000)	(51,055)
3.5% 1/1/52	(700,000)	(737,188)
3.5% 1/1/52	(700,000)	<u>(737,187)</u>

TOTAL TBA SALE COMMITMENTS

(Proceeds \$1,779,945) \$(1,780,704)

Futures Contracts

	Number of contracts	Expiration Date	Notional Amount	Value	Unrealized Appreciation/ (Depreciation)
Purchased					
Treasury Contracts					
CBOT 10-Year U.S. Treasury Note Contracts (United States)	263	March 2022	\$34,313,281	\$ 174,024	\$ 174,024
CBOT 2-Year U.S. Treasury Note Contracts (United States)	290	March 2022	63,269,844	(125,028)	(125,028)
CBOT 5-Year U.S. Treasury Note Contracts (United States)	2	March 2022	241,953	466	466
CBOT Long Term U.S. Treasury Bond Contracts (United States)	1	March 2022	160,438	1,205	1,205
CBOT Ultra Long Term U.S. Treasury Bond Contracts (United States)	65	March 2022	12,813,125	179,622	<u>179,622</u>

TOTAL FUTURES CONTRACTS

\$230,289

The notional amount of futures purchased as a percentage of Net Assets is 6.6%

Forward Foreign Currency Contracts

Currency Purchased	Currency Sold	Counterparty	Settlement Date	Unrealized Appreciation/ (Depreciation)
EUR 5,426,000	USD 6,160,060	Barclays Bank PLC	2/18/22	\$ 23,014
EUR 2,573,000	USD 2,899,843	JPMorgan Chase Bank, N.A.	2/18/22	32,160
EUR 406,000	USD 465,814	National Australia Bank	2/18/22	(3,166)
EUR 876,000	USD 984,550	National Australia Bank	2/18/22	13,676
EUR 451,000	USD 511,256	National Australia Bank	2/18/22	2,670
EUR 470,000	USD 530,995	National Australia Bank	2/18/22	4,583
EUR 380,000	USD 431,591	National Australia Bank	2/18/22	1,429
EUR 425,000	USD 481,709	National Australia Bank	2/18/22	2,590
USD 1,696,935	AUD 2,304,000	BNP Paribas	2/18/22	20,464
USD 3,865,047	CAD 4,803,000	State Street Bank	2/18/22	68,297

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

Schedule of Investments – continued

Forward Foreign Currency Contracts – continued

Currency Purchased	Currency Sold	Counterparty	Settlement Date	Unrealized Appreciation/ (Depreciation)
USD 591,391	EUR 523,000	BNP Paribas	2/18/22	\$ (4,581)
USD 5,597,823	EUR 4,945,000	HSBC Bank PLC	2/18/22	(37,138)
USD 550,851	EUR 486,000	HSBC Bank PLC	2/18/22	(2,959)
USD 392,863	EUR 347,000	JPMorgan Chase Bank, N.A.	2/18/22	(2,553)
USD 663,896	EUR 584,000	JPMorgan Chase Bank, N.A.	2/18/22	(1,588)
USD 392,455	EUR 347,000	Royal Bank Of Canada	2/18/22	(2,961)
USD 3,336,587	EUR 2,957,000	Royal Bank Of Canada	2/18/22	(32,994)
USD 104,195,080	EUR 89,982,000	State Street Bank	2/18/22	1,658,161
USD 437,733	EUR 387,000	State Street Bank	2/18/22	(3,264)
USD 20,601,828	GBP 15,246,000	State Street Bank	2/18/22	(30,995)
USD 10,923,184	JPY 1,234,964,000	State Street Bank	2/18/22	183,434

TOTAL FORWARD FOREIGN CURRENCY CONTRACTS

Unrealized Appreciation	2,010,478
Unrealized Depreciation	(122,199)
	\$1,888,279

For the period, the average contract value for forward foreign currency contracts was \$183,483,903. Contract value represents contract amount in United States dollars plus or minus unrealized appreciation or depreciation, respectively

Currency Abbreviations

AUD	–	Australian dollar
CAD	–	Canadian dollar
EGP	–	Egyptian pound
EUR	–	European Monetary Unit
GBP	–	British pound
JPY	–	Japanese yen
KZT	–	Kazakhstan tenge

Legend

- (a) Amount is stated in United States dollars unless otherwise noted.
- (b) Restricted securities (including private placements) – 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 \$2,447,877 or 0.1% of net assets.
- (c) Level 3 security
- (d) 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 \$493,506,103 or 29.2% of net assets.
- (e) Non-income producing – Security is in default.
- (f) Coupon rates for floating and adjustable rate securities reflect the rates in effect at period end.
- (g) Coupon is indexed to a floating interest rate which may be multiplied by a specified factor and/or subject to caps or floors.
- (h) Security is perpetual in nature with no stated maturity date.
- (i) 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 \$1,039,725.
- (j) Security or a portion of the security purchased on a delayed delivery or when-issued basis.
- (k) 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.
- (l) Non-income producing

- (m) 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.
- (n) The coupon rate will be determined upon settlement of the loan after period end.
- (o) 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 \$98,002 and \$97,850, respectively.
- (p) 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. 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 and/or 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.
- (q) 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.

Additional information on each restricted holding is as follows:

Security	Acquisition Date	Acquisition Cost
Chesapeake Energy Corp.	2/10/21	\$ 16,014
Mesquite Energy, Inc. 15% 7/15/23	11/5/20 – 10/15/21	\$ 201,041
Mesquite Energy, Inc. 15% 7/15/23	7/10/20 – 10/15/21	\$ 115,537
New Cotai LLC/New Cotai Capital Corp.	9/11/20	\$ 1,223,948
Southeastern Grocers, Inc.	6/1/18	\$ 287,174
Tricer Holdco SCA	10/16/09 – 12/30/17	\$ 286,754
Tricer Holdco SCA Class A1	10/16/09 – 10/29/09	\$ 45,666

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

Security	Acquisition Date	Acquisition Cost	Security	Acquisition Date	Acquisition Cost
Tricer Holdco SCA Class A2	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 A3	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 A4	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 A5	10/16/09 – 10/29/09	\$ 45,666	Tricer Holdco SCA Class A9	10/16/09 – 10/29/09	\$ 45,706

Affiliated Central Funds

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

Fund	Value, beginning of period	Purchases	Sales Proceeds	Dividend Income	Realized Gain/Loss	Change in Unrealized appreciation (depreciation)	Value, end of period	% ownership, end of period
Fidelity Cash Central Fund 0.08%	\$ 91,912,557	\$498,875,361	\$467,923,468	\$ 76,329	\$ (158)	\$ —	\$122,864,292	0.2%
Fidelity Floating Rate Central Fund	132,269,326	17,003,784	3,249,797	5,755,764	(948)	2,204,682	148,227,047	4.6%
Fidelity Mortgage Backed Securities Central Fund	7,573	4,362,532	4,357,631	2,531	(10,485)	(24)	1,965	0.0%
Fidelity Securities Lending Cash Central Fund 0.08%	—	628,883	628,883	8	—	—	—	0.0%
Total	<u>\$224,189,456</u>	<u>\$520,870,560</u>	<u>\$476,159,779</u>	<u>\$5,834,632</u>	<u>\$ (11,591)</u>	<u>\$2,204,658</u>	<u>\$271,093,304</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.

Investment Valuation

The following is a summary of the inputs used, as of December 31, 2021, 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
Investments in Securities:				
Equities:				
Communication Services	\$ 6,924,983	\$ 6,576,606	\$ —	\$ 348,377
Consumer Discretionary	11,147,145	10,720,291	—	426,854
Consumer Staples	5,067,957	4,112,503	—	955,454
Energy	18,561,493	12,240,405	—	6,321,088
Financials	2,642,028	2,641,899	—	129
Health Care	10,308,654	10,308,654	—	—
Industrials	6,410,308	6,348,229	—	62,079
Information Technology	18,533,726	18,506,504	—	27,222
Materials	7,115,556	6,901,907	213,649	—
Utilities	1,980,670	1,980,670	—	—
Corporate Bonds	590,038,905	—	587,374,257	2,664,648
U.S. Government and Government Agency Obligations	345,915,357	—	345,915,357	—
U.S. Government Agency — Mortgage Securities	26,809,002	—	26,809,002	—
Commercial Mortgage Securities	23,988,538	—	23,988,538	—
Foreign Government and Government Agency Obligations	246,616,410	—	246,616,410	—
Bank Loan Obligations	21,319,258	—	21,242,046	77,212
Fixed Income Funds	148,229,012	148,229,012	—	—
Preferred Securities	73,062,510	—	73,062,510	—

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

Schedule of Investments – continued

Valuation Inputs at Reporting Date:

Description	Total	Level 1	Level 2	Level 3
Money Market Funds	\$ 122,864,292	\$122,864,292	\$ —	\$ —
Total Investments in Securities:	\$1,687,535,804	\$351,430,972	\$1,325,221,769	\$10,883,063
Derivative Instruments:				
Assets				
Futures Contracts	\$ 355,317	\$ 355,317	\$ —	\$ —
Forward Foreign Currency Contracts	2,010,478	—	2,010,478	—
Total Assets	\$ 2,365,795	\$ 355,317	\$ 2,010,478	\$ —
Liabilities				
Futures Contracts	\$ (125,028)	\$ (125,028)	\$ —	\$ —
Forward Foreign Currency Contracts	(122,199)	—	(122,199)	—
Total Liabilities	\$ (247,227)	\$ (125,028)	\$ (122,199)	\$ —
Total Derivative Instruments:	\$ 2,118,568	\$ 230,289	\$ 1,888,279	\$ —
Other Financial Instruments:				
TBA Sale Commitments	\$ (1,780,704)	\$ —	\$ (1,780,704)	\$ —
Total Other Financial Instruments:	\$ (1,780,704)	\$ —	\$ (1,780,704)	\$ —

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, 2021. 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
Foreign Exchange Risk		
Forward Foreign Currency Contracts (a)	\$2,010,478	\$ (122,199)
Total Foreign Exchange Risk	2,010,478	(122,199)
Interest Rate Risk		
Futures Contracts (b)	355,317	(125,028)
Total Interest Rate Risk	355,317	(125,028)
Total Value of Derivatives	\$2,365,795	\$ (247,227)

(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).

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	74.1%
Germany	6.1%
United Kingdom	2.1%
Luxembourg	1.6%
Canada	1.4%
Mexico	1.3%
Cayman Islands	1.2%
Others (Individually Less Than 1%)	12.2%
	<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, 2021

Assets

Investment in securities, at value — See accompanying schedule:

Unaffiliated issuers (cost \$1,350,939,869)	\$ 1,416,442,500	
Fidelity Central Funds (cost \$273,545,031)	<u>271,093,304</u>	
Total Investment in Securities (cost \$1,624,484,900)		\$ 1,687,535,804
Cash		11,523,618
Foreign currency held at value (cost \$24,155)		24,481
Receivable for investments sold		507,977
Receivable for TBA sale commitments		1,779,945
Unrealized appreciation on forward foreign currency contracts		2,010,478
Receivable for fund shares sold		1,028,681
Dividends receivable		13,294
Interest receivable		11,957,417
Distributions receivable from Fidelity Central Funds		7,945
Receivable for daily variation margin on futures contracts		132,255
Prepaid expenses		<u>1,613</u>
Total assets		1,716,523,508

Liabilities

Payable for investments purchased		
Regular delivery	\$ 2,131,861	
Delayed delivery	20,093,109	
TBA sale commitments, at value	1,780,704	
Unrealized depreciation on forward foreign currency contracts	122,199	
Payable for fund shares redeemed	204,731	
Accrued management fee	764,662	
Distribution and service plan fees payable	127,915	
Other affiliated payables	169,902	
Other payables and accrued expenses	<u>114,236</u>	
Total liabilities		25,509,319

Net Assets \$ 1,691,014,189

Net Assets consist of:

Paid in capital	\$ 1,618,964,390
Total accumulated earnings (loss)	72,049,799
Net Assets	<u>\$ 1,691,014,189</u>

Net Asset Value and Maximum Offering Price

Initial Class:
Net Asset Value, offering price and redemption price per share ($\$84,604,907 \div 7,204,906$ shares) \$ 11.74

Service Class:
Net Asset Value, offering price and redemption price per share ($\$502,493 \div 42,829$ shares) \$ 11.73

Service Class 2:
Net Asset Value, offering price and redemption price per share ($\$619,208,065 \div 53,340,414$ shares) \$ 11.61

Investor Class:
Net Asset Value, offering price and redemption price per share ($\$986,698,724 \div 84,357,638$ shares) \$ 11.70

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

Financial Statements – continued

Statement of Operations

	Year ended December 31, 2021
Investment Income	
Dividends	\$ 4,919,551
Interest	44,377,720
Income from Fidelity Central Funds (including \$8 from security lending)	<u>5,834,617</u>
Total income	<u>55,131,888</u>
Expenses	
Management fee	\$ 8,924,134
Transfer agent fees	1,438,390
Distribution and service plan fees	1,451,569
Accounting fees	547,988
Custodian fees and expenses	45,335
Independent trustees' fees and expenses	4,834
Registration fees	90
Audit	112,297
Legal	7,408
Miscellaneous	<u>7,655</u>
Total expenses before reductions	12,539,700
Expense reductions	<u>(20,941)</u>
Total expenses after reductions	<u>12,518,759</u>
Net investment income (loss)	<u>42,613,129</u>
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) on:	
Investment securities:	
Unaffiliated issuers	27,435,092
Fidelity Central Funds	(11,591)
Forward foreign currency contracts	1,977,736
Foreign currency transactions	(1,003,562)
Futures contracts	(792,100)
Swaps	94,400
Written options	(62,718)
Capital gain distributions from Fidelity Central Funds	<u>15</u>
Total net realized gain (loss)	<u>27,637,272</u>
Change in net unrealized appreciation (depreciation) on:	
Investment securities:	
Unaffiliated issuers	(22,154,462)
Fidelity Central Funds	2,204,658
Forward foreign currency contracts	7,032,706
Assets and liabilities in foreign currencies	(17,985)
Futures contracts	179,503
Swaps	(32,104)
Written options	8,640
Delayed delivery commitments	<u>(759)</u>
Total change in net unrealized appreciation (depreciation)	<u>(12,779,803)</u>
Net gain (loss)	<u>14,857,469</u>
Net increase (decrease) in net assets resulting from operations	<u>\$ 57,470,598</u>

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

Statement of Changes in Net Assets

	Year ended December 31, 2021	Year ended December 31, 2020
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	\$ 42,613,129	\$ 47,893,441
Net realized gain (loss)	27,637,272	15,282,144
Change in net unrealized appreciation (depreciation)	(12,779,803)	37,855,363
Net increase (decrease) in net assets resulting from operations	<u>57,470,598</u>	<u>101,030,948</u>
Distributions to shareholders	(68,953,706)	(61,920,679)
Share transactions — net increase (decrease)	144,097,619	(39,226,740)
Total increase (decrease) in net assets	132,614,511	(116,471)
Net Assets		
Beginning of period	<u>1,558,399,678</u>	<u>1,558,516,149</u>
End of period	<u>\$ 1,691,014,189</u>	<u>\$ 1,558,399,678</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, Selected Per-Share Data	2021	2020	2019	2018	2017
Net asset value, beginning of period	\$ 11.81	\$ 11.45	\$ 10.75	\$ 11.50	\$ 11.07
Income from Investment Operations					
Net investment income (loss) ^A	.327	.380	.421	.418 ^B	.399
Net realized and unrealized gain (loss)	.113	.477	.749	(.716) ^B	.462
Total from investment operations	.440	.857	1.170	(.298)	.861
Distributions from net investment income	(.320)	(.385)	(.385)	(.444)	(.371)
Distributions from net realized gain	(.190)	(.112)	(.085)	(.008)	(.060)
Total distributions	(.510)	(.497)	(.470)	(.452)	(.431)
Net asset value, end of period	\$ 11.74	\$ 11.81	\$ 11.45	\$ 10.75	\$ 11.50
Total Return ^{C,D}	3.74%	7.52%	10.89%	(2.57)%	7.79%
Ratios to Average Net Assets ^{E,F}					
Expenses before reductions	.66%	.67%	.67%	.66%	.67%
Expenses net of fee waivers, if any	.66%	.67%	.67%	.66%	.67%
Expenses net of all reductions	.66%	.66%	.66%	.66%	.67%
Net investment income (loss)	2.72%	3.32%	3.67%	3.66%	3.45%
Supplemental Data					
Net assets, end of period (000 omitted)	\$ 84,605	\$ 79,320	\$ 83,769	\$ 82,529	\$ 96,952
Portfolio turnover rate ^G	103%	116%	144%	118%	124%

^A Calculated based on average shares outstanding during the period.

^B The amount shown reflects reclassifications related to book to tax differences that were made in the year shown.

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

^D Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

^E Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.

^F Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.

^G Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).

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

VIP Strategic Income Portfolio Service Class

Years ended December 31, Selected Per-Share Data	2021	2020	2019	2018	2017
Net asset value, beginning of period	\$ 11.81	\$ 11.42	\$ 10.72	\$ 11.47	\$ 11.05
Income from Investment Operations					
Net investment income (loss) ^A	.315	.371	.409	.406 ^B	.389
Net realized and unrealized gain (loss)	.105	.489	.750	(.715) ^B	.461
Total from investment operations	.420	.860	1.159	(.309)	.850
Distributions from net investment income	(.310)	(.358)	(.374)	(.433)	(.370)
Distributions from net realized gain	(.190)	(.112)	(.085)	(.008)	(.060)
Total distributions	(.500)	(.470)	(.459)	(.441)	(.430)
Net asset value, end of period	\$ 11.73	\$ 11.81	\$ 11.42	\$ 10.72	\$ 11.47
Total Return ^{C,D}	3.57%	7.56%	10.82%	(2.68)%	7.71%
Ratios to Average Net Assets ^{E,F}					
Expenses before reductions	.76%	.77%	.77%	.76%	.77%
Expenses net of fee waivers, if any	.76%	.77%	.77%	.76%	.77%
Expenses net of all reductions	.76%	.77%	.76%	.76%	.77%
Net investment income (loss)	2.62%	3.21%	3.57%	3.56%	3.35%
Supplemental Data					
Net assets, end of period (000 omitted)	\$ 502	\$ 426	\$ 1,945	\$ 1,745	\$ 1,899
Portfolio turnover rate ^G	103%	116%	144%	118%	124%

^A Calculated based on average shares outstanding during the period.

^B The amount shown reflects reclassifications related to book to tax differences that were made in the year shown.

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

^D Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

^E Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.

^F Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.

^G Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).

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

Financial Highlights – continued

VIP Strategic Income Portfolio Service Class 2

Years ended December 31, Selected Per-Share Data	2021	2020	2019	2018	2017
Net asset value, beginning of period	\$ 11.69	\$ 11.34	\$ 10.65	\$ 11.40	\$ 10.98
Income from Investment Operations					
Net investment income (loss) ^A	.293	.348	.389	.385 ^B	.368
Net realized and unrealized gain (loss)	.108	.471	.745	(.709) ^B	.459
Total from investment operations	.401	.819	1.134	(.324)	.827
Distributions from net investment income	(.292)	(.357)	(.359)	(.418)	(.347)
Distributions from net realized gain	(.189)	(.112)	(.085)	(.008)	(.060)
Total distributions	(.481)	(.469)	(.444)	(.426)	(.407)
Net asset value, end of period	\$ 11.61	\$ 11.69	\$ 11.34	\$ 10.65	\$ 11.40
Total Return ^{C,D}	3.44%	7.25%	10.66%	(2.82)%	7.54%
Ratios to Average Net Assets ^{E,F}					
Expenses before reductions	.91%	.92%	.92%	.91%	.92%
Expenses net of fee waivers, if any	.91%	.92%	.92%	.91%	.92%
Expenses net of all reductions	.91%	.91%	.91%	.91%	.92%
Net investment income (loss)	2.47%	3.07%	3.42%	3.41%	3.20%
Supplemental Data					
Net assets, end of period (000 omitted)	\$ 619,208	\$ 534,029	\$ 502,859	\$ 397,785	\$ 374,227
Portfolio turnover rate ^G	103%	116%	144%	118%	124%

^A Calculated based on average shares outstanding during the period.

^B The amount shown reflects reclassifications related to book to tax differences that were made in the year shown.

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

^D Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

^E Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.

^F Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.

^G Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).

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

VIP Strategic Income Portfolio Investor Class

Years ended December 31, Selected Per-Share Data	2021	2020	2019	2018	2017
Net asset value, beginning of period	\$ 11.77	\$ 11.41	\$ 10.71	\$ 11.46	\$ 11.03
Income from Investment Operations					
Net investment income (loss) ^A	.322	.375	.416	.413 ^B	.394
Net realized and unrealized gain (loss)	.114	.478	.750	(.715) ^B	.463
Total from investment operations	.436	.853	1.166	(.302)	.857
Distributions from net investment income	(.316)	(.381)	(.381)	(.440)	(.367)
Distributions from net realized gain	(.190)	(.112)	(.085)	(.008)	(.060)
Total distributions	(.506)	(.493)	(.466)	(.448)	(.427)
Net asset value, end of period	\$ 11.70	\$ 11.77	\$ 11.41	\$ 10.71	\$ 11.46
Total Return ^{C,D}	3.72%	7.51%	10.89%	(2.62)%	7.78%
Ratios to Average Net Assets ^{E,F}					
Expenses before reductions	.69%	.70%	.70%	.70%	.71%
Expenses net of fee waivers, if any	.69%	.70%	.70%	.70%	.71%
Expenses net of all reductions	.69%	.70%	.70%	.70%	.71%
Net investment income (loss)	2.69%	3.28%	3.63%	3.63%	3.41%
Supplemental Data					
Net assets, end of period (000 omitted)	\$ 986,699	\$ 944,625	\$ 969,943	\$ 907,456	\$ 1,072,701
Portfolio turnover rate ^G	103%	116%	144%	118%	124%

^A Calculated based on average shares outstanding during the period.

^B The amount shown reflects reclassifications related to book to tax differences that were made in the year shown.

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

^D Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.

^E Fees and expenses of any underlying mutual funds or exchange-traded funds (ETFs) are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of these expenses. For additional expense information related to investments in Fidelity Central Funds, please refer to the "Investments in Fidelity Central Funds" note found in the Notes to Financial Statements section of the most recent Annual or Semi-Annual report.

^F Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed, waived, or reduced through arrangements with the investment adviser, brokerage services, or other offset arrangements, if applicable, and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur.

^G Amount does not include the portfolio activity of any underlying mutual funds or exchange-traded funds (ETFs).

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

Notes to Financial Statements

For the period ended December 31, 2021

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.

Funds may invest 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 Schedule of Investments lists any Fidelity Central Funds held as an investment as of period end, but does not include the underlying holdings of each Fidelity Central Fund. An investing 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 investing fund. These strategies are consistent with the investment objectives of the investing 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 investing fund.

Fidelity Central Fund	Investment Manager	Investment Objective	Investment Practices	Expense Ratio ^(a)
Fidelity Floating Rate Central Fund	Fidelity Management & Research Company LLC (FMR)	Seeks a high level of income by normally investing in floating rate loans and other floating rate securities.	Foreign Securities Loans & Direct Debt Instruments Restricted Securities	Less than .005%
Fidelity Mortgage Backed Securities Central Fund	Fidelity Management & Research Company LLC (FMR)	Seeks a high level of income by normally investing in investment-grade mortgage-related securities and repurchase agreements for those securities.	Delayed Delivery & When Issued Securities Futures Restricted Securities Swaps	.01%
Fidelity Money Market Central Funds	Fidelity Management & Research Company LLC (FMR)	Each fund seeks to obtain a high level of current income consistent with the preservation of capital and liquidity.	Short-term Investments	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 investing 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 and/or institutional.fidelity.com, as applicable. A complete unaudited list of holdings for each Fidelity Central Fund is available upon request or at the Securities and Exchange Commission website at 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, and are not covered by the Report of Independent Registered Public Accounting Firm, are available on the Securities and Exchange Commission 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 – Investment 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 Fund's Schedule of Investments lists any underlying mutual funds or exchange-traded funds (ETFs) but does not include the underlying holdings of these funds. 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 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. 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. When independent prices are unavailable or unreliable, debt securities 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 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, 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. 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, 2021 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. Commissions paid to certain brokers with whom the investment adviser, or its affiliates, places trades on behalf of a fund include an amount in addition to trade execution, which may be rebated back to a fund. Any such rebates are included in net realized gain (loss) on investments in the Statement of Operations. 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. Funds may file withholding tax reclaims in certain jurisdictions to recover a portion of amounts previously withheld. Any withholding tax reclaims income is included in the Statement of Operations in dividends. Any receivables for withholding tax reclaims are included in the Statement of Assets and Liabilities in dividends receivable.

Class Allocations and Expenses. Investment income, realized and unrealized capital gains and losses, common expenses of a 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 a fund. Each class differs with respect to transfer agent and distribution and service plan fees incurred, as applicable. Certain expense reductions may also differ by class, if applicable. 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. Expenses included in the accompanying financial statements reflect the expenses of that fund and do not include any expenses associated with any underlying mutual funds or exchange-traded funds. Although not included in a fund's expenses, a fund indirectly bears its proportionate share of these expenses through the net asset value of each underlying mutual fund or exchange-traded fund. Expense estimates are accrued in the period to which they relate and adjustments are made when actual amounts are known.

Notes to Financial Statements – continued

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, 2021, 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 the short-term gain distributions from the Fidelity Central Funds, futures contracts, swaps, foreign currency transactions, defaulted bonds, market discount, partnerships and losses deferred due to wash sales and futures transactions.

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	\$ 104,196,480
Gross unrealized depreciation	<u>(33,288,201)</u>
Net unrealized appreciation (depreciation)	<u>\$ 70,908,279</u>
Tax Cost	<u>\$1,619,468,346</u>

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

Undistributed ordinary income	\$ —
Undistributed long-term capital gain	<u>\$ 1,344,934</u>
Net unrealized appreciation (depreciation) on securities and other investments	<u>\$70,704,868</u>

At period end, the Fund was required to defer approximately \$201,427 of losses on futures contracts.

The tax character of distributions paid was as follows:

	December 31, 2021	December 31, 2020
Ordinary Income	\$52,461,963	\$55,710,999
Long-term Capital Gains	16,491,743	6,209,680
Total	<u>\$68,953,706</u>	<u>\$61,920,679</u>

Delayed Delivery Transactions and When-Issued Securities. During the period, certain Funds 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. Securities purchased on a delayed delivery or when-issued basis are identified as such in the Schedule of Investments. Compensation for interest forgone in the purchase of a delayed delivery or when-issued debt security may be received. With respect to purchase commitments, each applicable Fund identifies securities as segregated in its records with a value at least equal to the amount of the commitment. Payables and receivables associated with the purchases and sales of delayed delivery securities having the same coupon, settlement date and broker are offset. Delayed delivery or when-issued securities that have been purchased from and sold to different brokers are reflected as both payables and receivables in the Statement of Assets and Liabilities under the caption "Delayed delivery", as applicable. 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. TBA securities involve 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. Funds may enter into a TBA transaction with the intent to take possession of or deliver the underlying MBS, or a 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 a 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, a 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 Schedule of Investments under the caption “TBA Sale Commitments.” The proceeds and value of these commitments are reflected in the Statement of Assets and Liabilities as “Receivable for TBA sale commitments” and “TBA sale commitments, at value,” respectively.

Restricted Securities (including Private Placements). Funds 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 held at period end is included at the end of the Schedule of Investments, if applicable.

Loans and Other Direct Debt Instruments. Direct debt instruments 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 a fund to supply additional cash to the borrower on demand. Loans may be acquired through assignment, participation, or may be made directly to a borrower. Such instruments are presented in the Bank Loan Obligations section in the Schedule of Investments. Certain funds may also invest in unfunded loan commitments, which are contractual obligations for future funding. Information regarding unfunded commitments is included at the end of the Schedule of Investments, if applicable.

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.

Notes to Financial Statements – continued

Primary Risk Exposure / Derivative Type	Net Realized Gain (Loss)	Change in Net Unrealized Appreciation (Depreciation)
Foreign Exchange Risk		
Forward Foreign Currency Contracts	\$1,977,736	\$7,032,706
Total Foreign Exchange Risk	<u>1,977,736</u>	<u>7,032,706</u>
Interest Rate Risk		
Futures Contracts	(792,100)	179,503
Purchased Options	(85,076)	78,912
Swaps	94,400	(32,104)
Written Options	(62,718)	8,640
Total Interest Rate Risk	<u>(845,494)</u>	<u>234,951</u>
Totals	<u>\$1,132,242</u>	<u>\$7,267,657</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.

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.

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. 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".

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.

5. Purchases and Sales of Investments.

Purchases and sales of securities, other than short-term securities, U.S. government securities and in-kind transactions, as applicable, are noted in the table below.

	Purchases (\$)	Sales (\$)
VIP Strategic Income Portfolio	718,159,978	751,778,385

6. Fees and Other Transactions with Affiliates.

Management Fee. Fidelity Management & Research Company LLC (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 monthly average net assets of a group of registered investment companies with which the investment adviser has management contracts. 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 Company LLC (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	\$ 447
Service Class 2	1,451,122
	<u>\$1,451,569</u>

Transfer Agent Fees. Fidelity Investments Institutional Operations Company LLC (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. For the period, transfer agent fees for each class were as follows:

	Amount	% of Class-Level Average Net Assets
Initial Class	\$ 55,838	.07
Service Class	304	.07
Service Class 2	394,705	.07
Investor Class	987,543	.10
	<u>\$1,438,390</u>	

Accounting 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. For the period, the fees were equivalent to the following annual rates:

VIP Strategic Income Portfolio	% of Average Net Assets .03
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Notes to Financial Statements – continued

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 \$722
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Interfund Trades. Funds 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. Any interfund trades are included within the respective purchases and sales amounts shown in the Purchases and Sales of Investments note. Interfund trades during the period are noted in the table below.

	Purchases (\$)	Sales (\$)	Realized Gain (Loss) (\$)
VIP Strategic Income Portfolio	16,263	4,519,011	2,845,838

Prior Fiscal Year Affiliated Exchanges In-Kind. During the prior period, the Fund completed an exchange in-kind with Fidelity Mortgage Backed Securities Central Fund. The Fund delivered investments, including accrued interest, and cash valued at \$33,308,914 in exchange for 294,144 shares of the Central Fund. The Fund had a net realized gain of \$823,366 on investments delivered through in-kind redemptions. The Fund recognized net gains for federal income tax purposes.

7. Committed Line of Credit.

Certain Funds participate 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 participating funds have agreed to pay commitment fees on their pro-rata portion of the line of credit, which are reflected in Miscellaneous expenses on the Statement of Operations, and are listed below. During the period, there were no borrowings on this line of credit.

VIP Strategic Income Portfolio	Amount \$2,895
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8. Security Lending.

Funds lend portfolio securities from time to time in order to earn additional income. Lending agents are used, including National Financial Services (NFS), an affiliate of the investment adviser. Pursuant to a securities lending agreement, NFS will receive a fee, which is capped at 9.9% of a fund’s daily lending revenue, for its services as lending agent. A fund may lend securities to certain qualified borrowers, including NFS. On the settlement date of the loan, a 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 a fund and any additional required collateral is delivered to a fund on the next business day. A 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, a fund may apply collateral received from the borrower against the obligation. A 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. Any loaned securities are identified as such in the Schedule of Investments, and the value of loaned securities and cash collateral at period end, as applicable, are presented in the Statement of Assets and Liabilities. 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. Affiliated security lending activity, if any, was as follows:

	Total Security Lending Fees Paid to NFS	Security Lending Income From Securities Loaned to NFS	Value of Securities Loaned to NFS at Period End
VIP Strategic Income Portfolio	\$1	\$—	\$—

9. Expense Reductions.

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 \$6,240.

In addition, during the period the investment adviser or an affiliate reimbursed and/or waived a portion of fund-level operating expenses in the amount of \$14,701.

10. Distributions to Shareholders.

Distributions to shareholders of each class were as follows:

	Year ended December 31, 2021	Year ended December 31, 2020
VIP Strategic Income Portfolio		
Distributions to shareholders		
Initial Class	\$ 3,507,252	\$ 3,223,768
Service Class	20,980	18,054
Service Class 2	24,471,364	20,586,910
Investor Class	40,954,110	38,091,947
Total	<u>\$68,953,706</u>	<u>\$61,920,679</u>

11. Share Transactions.

Transactions for each class of shares were as follows and may contain in-kind transactions:

	Shares Year ended December 31, 2021	Shares Year ended December 31, 2020	Dollars Year ended December 31, 2021	Dollars Year ended December 31, 2020
VIP Strategic Income Portfolio				
Initial Class				
Shares sold	886,557	621,919	\$ 10,638,576	\$ 7,201,199
Reinvestment of distributions	299,350	274,674	3,507,252	3,223,768
Shares redeemed	(695,312)	(1,495,726)	(8,347,425)	(16,896,208)
Net increase (decrease)	<u>490,595</u>	<u>(599,133)</u>	<u>\$ 5,798,403</u>	<u>\$ (6,471,241)</u>
Service Class				
Shares sold	6,908	11,015	\$ 83,589	\$ 121,592
Reinvestment of distributions	628	448	7,345	5,237
Shares redeemed	(815)	(145,627)	(9,769)	(1,451,012)
Net increase (decrease)	<u>6,721</u>	<u>(134,164)</u>	<u>\$ 81,165</u>	<u>\$ (1,324,183)</u>
Service Class 2				
Shares sold	9,835,013	6,290,432	\$ 116,858,955	\$ 71,388,158
Reinvestment of distributions	2,112,196	1,772,164	24,471,364	20,586,910
Shares redeemed	(4,306,582)	(6,717,654)	(51,228,532)	(74,651,617)
Net increase (decrease)	<u>7,640,627</u>	<u>1,344,942</u>	<u>\$ 90,101,787</u>	<u>\$ 17,323,451</u>
Investor Class				
Shares sold	4,444,658	3,035,320	\$ 53,219,559	\$ 34,858,018
Reinvestment of distributions	3,510,351	3,256,630	40,954,110	38,091,947
Shares redeemed	(3,858,381)	(11,014,938)	(46,057,405)	(121,704,732)
Net increase (decrease)	<u>4,096,628</u>	<u>(4,722,988)</u>	<u>\$ 48,116,264</u>	<u>\$ (48,754,767)</u>

12. Other.

A 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, a fund may also enter into contracts that provide general indemnifications. A fund's maximum exposure under these arrangements is unknown as this would be dependent on future claims that may be made against a fund. The risk of material loss from such claims is considered remote.

At the end of the period, the investment adviser or its affiliates and certain otherwise unaffiliated shareholders were owners of record of more than 10% of the outstanding shares as follows:

Fund	Affiliated %	Number of Unaffiliated Shareholders	Unaffiliated Shareholders %
VIP: Strategic Income Portfolio	62%	2	22%

Notes to Financial Statements – continued

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. Coronavirus (COVID-19) Pandemic.

An outbreak of COVID-19 first detected in China during December 2019 has since spread globally and was declared a pandemic by the World Health Organization during March 2020. Developments that disrupt global economies and financial markets, such as the COVID-19 pandemic, may magnify factors that affect the Fund's performance.

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, 2021, the related statement of operations for the year ended December 31, 2021, the statement of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2021 (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, 2021, 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, 2021 and the financial highlights for each of the five years in the period ended December 31, 2021 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, 2021 by correspondence with the custodian, issuers of privately offered securities, agent banks and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
Boston, Massachusetts
February 17, 2022

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 286 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 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 and as Trustee of Fidelity Charitable (2020-present). Previously, Ms. McAuliffe served as Co-Head of Fixed Income of Fidelity Investments Limited (now known as FIL Limited (FIL)) (diversified financial services company), Director of Research for FIL's credit and quantitative teams in London, Hong Kong and Tokyo and Director of Research for taxable and municipal bonds at Fidelity Investments Money Management, Inc. Ms. McAuliffe previously served as a member of the Advisory Board of certain Fidelity® funds (2016). Ms. McAuliffe was previously a lawyer at Ropes & Gray LLP and currently serves as 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, Ms. Acton served as 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 and Audit and Finance Committees of Beazer Homes USA, Inc. (homebuilding, 2012-present). Ms. Acton previously 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). General Dunwoody currently serves as President of First to Four LLC (leadership and mentoring services, 2012-present), a member of the Board and Nomination and Corporate Governance Committees of Kforce Inc. (professional staffing services, 2016-present) and a member of the Board of Automatic Inc. (software engineering, 2018-present). Previously, General Dunwoody served as a member of the Advisory Board and Nominating and Corporate Governance Committee of L3 Technologies, Inc. (communication, electronic, sensor and aerospace systems, 2013-2019) and a member of the Board 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, Chair of the Nomination and Governance Committee and a member of the Audit Committee of Logistics Management Institute (consulting non-profit, 2012-present), a member of the Council of Trustees for the Association of the United States Army (advocacy non-profit, 2013-present), a member of the Board of Florida Institute of Technology (2015-present) and a member of the Board of ThanksUSA (military family education non-profit, 2014-present). General Dunwoody previously served as a member of the Advisory Board of certain Fidelity® funds (2018).

Trustees and Officers – continued

John Engler (1948)

Year of Election or Appointment: 2014

Trustee

Mr. Engler also serves as Trustee of other Fidelity® funds. Previously, Mr. Engler served as Governor of Michigan (1991-2003), President of the Business Roundtable (2011-2017) and interim President of Michigan State University (2018-2019). Mr. Engler currently serves as a member of the Board of Stride, Inc. (formerly K12 Inc.) (technology-based education company, 2012-present). Previously, Mr. Engler served as a member of the Board of Universal Forest Products (manufacturer and distributor of wood and wood-alternative products, 2003-2019) and Trustee of The Munder Funds (2003-2014). Mr. Engler previously served as a member of the Advisory Board of certain Fidelity® funds (2014-2016).

Robert F. Gartland (1951)

Year of Election or Appointment: 2010

Trustee

Mr. Gartland also serves as Trustee of other Fidelity® funds. 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). Mr. Gartland previously served as Chairman and an investor in Gartland & Mellina Group Corp. (consulting, 2009-2019), as a member of the Board of National Securities Clearing Corporation (1993-1996) and as Chairman of TradeWeb (2003-2004).

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. 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 currently serves as a member of the Board of Booz Allen Hamilton (management consulting, 2011-present). Mr. Johnson previously served as a member of the Board of Eaton Corporation plc (diversified power management, 2009-2019) and a member of the Board of AGL Resources, Inc. (holding company, 2002-2016). Mr. Johnson previously served as Vice Chairman (2015-2018) of the Independent Trustees of certain Fidelity® funds. Mr. Arthur E. Johnson is not related to Ms. Abigail P. Johnson.

Michael E. Kennelly (1954)

Year of Election or Appointment: 2009

Trustee

Vice Chairman of the Independent Trustees

Mr. Kennelly also serves as Trustee of other Fidelity® funds. Prior to retirement, he was Chairman and Global Chief Executive Officer of Credit Suisse Asset Management. Previously, Mr. Kennelly was an Executive Vice President and the Chief Investment Officer for Bank of America. In this role, he was responsible for the investment management, strategy and products delivered to the bank's institutional, high-net-worth and retail clients. Earlier, Mr. Kennelly directed the organization's equity and quantitative research groups. He began his career in 1983 as a research analyst and then spent more than a dozen years as a portfolio manager for endowments, pension plans and mutual funds. He earned 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 her retirement, Ms. Knowles held several positions at Atlantic Richfield Company (diversified energy), including Executive Vice President and Chief Financial Officer (1996-2000), Senior Vice President (1993-1996) and President of ARCO Transportation Company (pipeline and tanker operations, 1993-1996). Ms. Knowles currently serves as a member of the Board of McKesson Corporation (healthcare service, since 2002), a member of the Board of the Santa Catalina Island Company (real estate, 2009-present), a member of the Investment Company Institute Board of Governors and a member of the Governing Council of the Independent Directors Council (2014-present). Ms. Knowles also serves as a member of the Advisory Board for the School of Engineering of the University of Southern California. 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. Previously, Mr. Murray served as Co-Chief Executive Officer (2013-2016), President (2006-2013) and Vice Chairman (2013-2020) of Meijer, Inc. Mr. Murray serves as a member of the Board (2009-present) and Public Policy and Responsibility Committee (2009-present) and Chair of the Nuclear Review Committee (2019-present) of DTE Energy Company (diversified energy company). Mr. Murray previously served as a member of the Board of Spectrum Health (not-for-profit health system, 2015-2019) and as a member of the Board 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 also serves as a member of the Board of many community and professional organizations. Mr. Murray previously served as a member of the Advisory Board of certain Fidelity® funds (2016).

+ 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

Robert W. Helm (1957)

Year of Election or Appointment: 2021
Member of the Advisory Board

Mr. Helm also serves as a Member of the Advisory Board of other Fidelity® funds. Mr. Helm was formerly Deputy Chairman (2003-2020), partner (1991-2020) and an associate (1984-1991) of Dechert LLP (formerly Dechert Price & Rhoads). Mr. Helm currently serves on boards and committees of several not-for-profit organizations.

Craig S. Brown (1977)

Year of Election or Appointment: 2019
Assistant Treasurer

Mr. Brown also serves as an officer of other funds. Mr. Brown serves as Assistant Treasurer of FIMM, LLC (2021-present) and 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).

David J. Carter (1973)

Year of Election or Appointment: 2020
Assistant Secretary

Mr. Carter also serves as Assistant Secretary of other funds. Mr. Carter serves as Vice President, Associate General Counsel (2010-present) and is an employee of Fidelity Investments (2005-present).

Jonathan Davis (1968)

Year of Election or Appointment: 2010
Assistant Treasurer

Mr. Davis also serves as an officer of other funds. Mr. Davis serves as Assistant Treasurer of FIMM, LLC (2021-present), FMR Capital, Inc. (2017-present), FD Funds GP LLC (2021-present), FD Funds Holding LLC (2021-present), and FD Funds Management LLC (2021-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 serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2017-present). Previously, Ms. Del Prato served as President and Treasurer of The North Carolina Capital Management Trust: Cash Portfolio and Term Portfolio (2018-2020). 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 FIMM, LLC (2021-present) and 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); CLO of Fidelity Management & Research (Hong Kong) Limited, FMR Investment Management (UK) Limited, and Fidelity Management & Research (Japan) Limited (investment adviser firms, 2019-present); Secretary of FD Funds GP LLC (2021-present), FD Funds Holding LLC (2021-present), and FD Funds Management LLC (2021-present); and Assistant Secretary of FIMM, LLC (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 FIMM, LLC (2021-present) and 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).

Kenneth B. Robins (1969)

Year of Election or Appointment: 2020

Chief Compliance Officer

Mr. Robins also serves as an officer of other funds. Mr. Robins serves as Compliance Officer of Fidelity Management & Research Company LLC (investment adviser firm, 2016-present) and is an employee of Fidelity Investments (2004-present). Previously, Mr. Robins served as Compliance Officer of FMR Co., Inc. (investment adviser firm, 2016-2019), as Executive Vice President of Fidelity Investments Money Management, Inc. (investment adviser firm, 2013-2016) and served in other fund officer roles.

Brett Segaloff (1972)

Year of Election or Appointment: 2021

Anti-Money Laundering (AML) Officer

Mr. Segaloff also serves as an AML Officer of other funds and other related entities. He is Director, Anti-Money Laundering (2007-present) of FMR LLC (diversified financial services company) and is an employee of Fidelity Investments (1996-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 FIMM, LLC (2021-present) and 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.

Jim Wegmann (1979)

Year of Election or Appointment: 2021

Deputy Treasurer

Mr. Wegmann also serves as an officer of other funds. Mr. Wegmann serves as Assistant Treasurer of FIMM, LLC (2021-present) and is an employee of Fidelity Investments (2011-present). Previously, Mr. Wegmann served as Assistant Treasurer of certain Fidelity® funds (2019-2021).

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 of FIAM (Fidelity Institutional Asset Management) and is an employee of Fidelity Investments (2018-present). Previously, Mr. Zlotnikov served as President and Chief Investment Officer of Global Asset Allocation (2018-2020). 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, 2002-2018).

Shareholder Expense Example

As a shareholder, you incur two types of costs: (1) transaction costs, which may include sales charges (loads) on purchase payments or redemption proceeds, as applicable and (2) ongoing costs, which generally include 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 a 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, 2021 to December 31, 2021).

Actual Expenses

The first line of the accompanying table 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/Fund under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period. If any fund is a shareholder of any underlying mutual funds or exchange-traded funds (ETFs) (the Underlying Funds), such fund indirectly bears its proportional share of the expenses of the Underlying Funds in addition to the direct expenses incurred presented in the table. These fees and expenses are not included in the annualized expense ratio used to calculate the expense estimate in the table below. 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.

Hypothetical Example for Comparison Purposes

The second line of the accompanying table provides information about hypothetical account values and hypothetical expenses based on the actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the 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. If any fund is a shareholder of any Underlying Funds, such fund indirectly bears its proportional share of the expenses of the Underlying Funds in addition to the direct expenses as presented in the table. These fees and expenses are not included in the annualized expense ratio used to calculate the expense estimate in the table below. 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.

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. In addition, if these transactional costs were included, your costs would have been higher.

	Annualized Expense Ratio- ^A	Beginning Account Value July 1, 2021	Ending Account Value December 31, 2021	Expenses Paid During Period- ^B July 1, 2021 to December 31, 2021
VIP Strategic Income Portfolio				
Initial Class	.65%			
Actual		\$1,000.00	\$1,008.80	\$3.29
Hypothetical- ^C		\$1,000.00	\$1,021.93	\$3.31
Service Class	.75%			
Actual		\$1,000.00	\$1,007.90	\$3.80
Hypothetical- ^C		\$1,000.00	\$1,021.42	\$3.82
Service Class 2	.90%			
Actual		\$1,000.00	\$1,007.40	\$4.55
Hypothetical- ^C		\$1,000.00	\$1,020.67	\$4.58
Investor Class	.69%			
Actual		\$1,000.00	\$1,008.50	\$3.49
Hypothetical- ^C		\$1,000.00	\$1,021.73	\$3.52

^A Annualized expense ratio reflects expenses net of applicable fee waivers.

^B Expenses are equal to the 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 any Underlying Funds are not included in each annualized expense ratio.

^C 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:

	Pay Date	Record Date	Capital Gains
VIP Strategic Income Portfolio			
Initial Class	02/04/22	02/04/22	\$0.011
Service Class	02/04/22	02/04/22	\$0.011
Service Class 2	02/04/22	02/04/22	\$0.011
Investor Class	02/04/22	02/04/22	\$0.011

The fund hereby designates as a capital gain dividend with respect to the taxable year ended December 31, 2021, \$17,706,930, or, if subsequently determined to be different, the net capital gain of such year.

A total of 7.49% 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.

The fund designates \$91,921,657 of distributions paid in the calendar year 2020 as qualifying to be taxed as section 163(j) interest dividends.

Initial Class, Service Class, Service Class 2, and Investor Class designate 2% of the dividend distributed in December 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 LLC (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 2021 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 relative to peer funds of the fund's management fee and total expense ratio of a representative class (Initial Class); (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.

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. The Board also considered the steps Fidelity had taken to ensure the continued provision of high-quality services to the Fidelity funds during the COVID-19 pandemic, including the expansion of staff in client facing positions to maintain service levels in periods of high volumes and volatility.

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, training, and compensating investment personnel. The Board noted the resources devoted to Fidelity's global investment organization, and 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, cybersecurity, 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. The Board also considered that it reviews customer service metrics such as telephone response times, continuity of services on the website and metrics addressing services at Fidelity Investor Centers.

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 to the Board 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; (ii) continuing efforts to enhance Fidelity's global research capabilities; (iii) launching new funds and ETFs 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 the holding period for the conversion of Class C shares to Class A shares; (vii) reducing management fees and total expenses for certain target date funds and classes and index funds; (viii) lowering expenses for certain existing funds and classes by implementing or lowering expense

Board Approval of Investment Advisory Contracts and Management Fees – continued

caps; (ix) rationalizing product lines and gaining increased efficiencies from fund mergers, liquidations, and share class consolidations; (x) continuing to develop, acquire and implement systems and technology to improve services to the funds and shareholders, strengthen information security, and increase efficiency; and (xi) continuing to implement enhancements to further strengthen Fidelity's product line to increase investors' probability of success in achieving their investment goals, including their 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 was a portfolio management change for the fund in September 2020.

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 an appropriate peer group of funds with similar objectives (peer group). The Board also reviews and considers information about performance attribution. 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 appropriate 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. The Independent Trustees generally give greater weight to fund performance over longer time periods than over shorter time periods. 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.

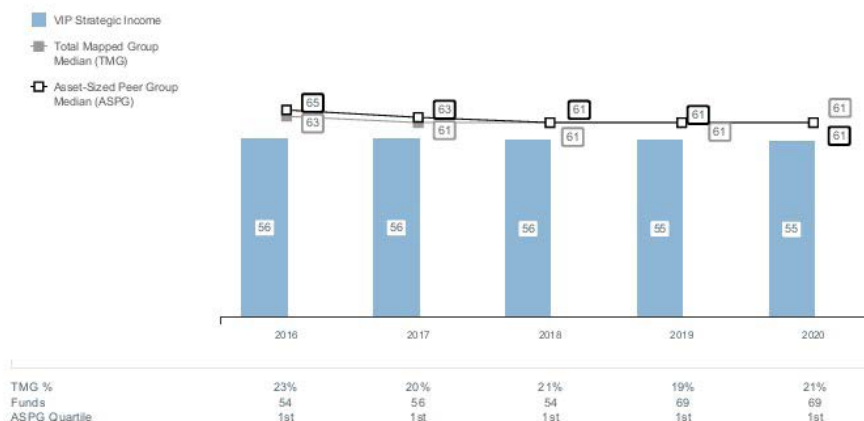
The Independent Trustees recognize that shareholders evaluate performance on a net basis over their own holding periods, for which one-, three-, and five-year periods are often used as a proxy. For this reason, the performance information reviewed by the Board also included net cumulative calendar year total return information for the fund and an appropriate benchmark index and peer group for the most recent one-, three-, and five-year periods. The Independent Trustees recognize that shareholders who are not investing through a tax-advantaged retirement account also consider tax consequences in evaluating performance.

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-Sized 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.

Historical Management Fees (BP) vs. Competitive Medians (BP):



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 2020.

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 the total expense ratio of the representative class (Initial Class) of the fund, 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. The fund’s representative class 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 also considered a total expense ASPG comparison, which focuses on the total expenses of the representative class relative to a subset of non-Fidelity funds within the similar sales load structure group. The total expense ASPG is limited to 15 larger and 15 smaller classes of different funds, where possible. The total expense ASPG comparison excludes performance adjustments and fund-paid 12b-1 fees to eliminate variability in expenses relating to these items.

The Board noted that the total expense ratio of Initial Class ranked below the similar sales load structure group competitive median for 2020 and above the ASPG competitive median for 2020. The Board considered that when compared to an ASPG of classes with a multi-sector income objective, Initial Class was below 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.

A public accounting firm has been engaged annually by the Board as part of the Board’s assessment of Fidelity’s profitability analysis. The 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 certain fund profitability information and its conformity to established allocation methodologies. After considering the reports 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 funds’ business. The Board considered areas where potential indirect benefits to the Fidelity funds from their relationships with Fidelity may exist. The Board’s consideration of these matters was informed by the findings of a joint ad hoc committee created by it and the boards of other Fidelity funds to evaluate potential fall-out benefits.

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.

Board Approval of Investment Advisory Contracts and Management Fees – continued

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 also considered that Fidelity agreed to impose a temporary fee waiver in the form of additional breakpoints to the current breakpoint schedule. 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) the extent to which current market conditions have affected retention and recruitment of personnel; (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 terms of the funds' various management fee structures, including the basic group fee and the terms of Fidelity's voluntary expense limitation arrangements; (vi) Fidelity's transfer agent fee, expense, and service structures for different funds and classes relative to competitive trends; (vii) the impact on fund profitability of recent industry trends, such as the growth in passively managed funds and the continued waiver of money market fund fees; (viii) the types of management fee and total expense comparisons provided, and the challenges and limitations associated with such information; and (ix) explanations regarding the relative total expense ratios of certain funds and classes, total expense competitive trends and methodologies for total expense competitive comparisons. In addition, the Board considered its discussions with Fidelity regarding Fidelity's efforts to maintain the continuous investment and shareholder services necessary for the funds during the current pandemic and economic circumstances.

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.

