

Release Date: 03-31-2019

# Fidelity® VIP Strategic Income — Service Class 2

## Investment Strategy from investment's prospectus

The investment seeks a high level of current income and may also seek capital appreciation. The fund invests primarily in debt securities, including lower-quality debt securities (those of less than investment-grade quality, also referred to as high yield debt securities or junk bonds). It uses a neutral mix of approximately 45% high yield, 25% U.S. government and investment-grade, 15% emerging markets, and 15% foreign developed markets.

## Category Description: Multisector Bond

Multisector-bond portfolios seek income by diversifying their assets among several fixed-income sectors, usually U.S. government obligations, U.S. corporate bonds, foreign bonds, and high-yield U.S. debt securities. These portfolios typically hold 35% to 65% of bond assets in securities that are not rated or are rated by a major agency such as Standard & Poor's or Moody's at the level of BB (considered speculative for taxable bonds) and below.

## Operations

Fund Inception Date	12-23-03
Initial Share Class Inception Date	12-23-03
Advisor	Fidelity Management & Research Company
Subadvisor	FIL Investment Advisors (UK) Ltd FIL Investments (Japan) Limited FMR Co., Inc. (FMRC) FMR Investment Management (U.K.) Limited Fidelity Inv Money Mgmt Inc Fidelity Management & Research (HK) Ltd Fidelity Management & Research (Japan) Limited FIL Investment Advisors

## Fees and Expenses as of 04-30-18

Gross Prospectus Expense Ratio	0.93%
Net Prospectus Expense Ratio	0.93%

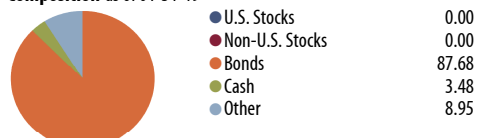
Waiver Data	Type	Exp.Date	%

## Portfolio Manager(s)

Jonathan Kelly. Master, Rensselaer Polytechnic Institute. Bachelor, Carnegie Mellon University. Since 2003.  
David Simner. B.S., Imperial College. Since 2007.

## Portfolio Analysis as of 01-31-19

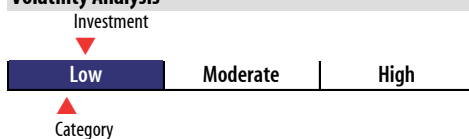
### Composition as of 01-31-19



### Top 20 Holdings as of 01-31-19

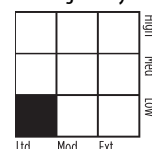
Top 20 Holdings as of 01-31-19	% Assets
High Yield Debt Sub-Portfolio Positions	41.07
Fidelity Cent Invt Portfolios	8.82
Japan (Government Of) 0.9% 06-20-22	1.87
United States Treasury Notes 2.5% 12-31-20	1.08
United States Treasury Notes 2.5% 01-15-22	1.03
US Long Bond(Cbt) Mar19 Ush9	0.93
United States Treasury Notes 2.12% 07-31-24	0.85
United States Treasury Notes 2.62% 12-31-23	0.83
United States Treasury Bonds 2.75% 08-15-47	0.83
United States Treasury Bonds 3.62% 02-15-44	0.73
United States Treasury Notes 2.88% 11-15-21	0.73
Germany (Federal Republic Of) 0% 06-12-20	0.73
United States Treasury Notes 2.75% 09-30-20	0.67
United States Treasury Notes 2.38% 04-15-21	0.63
United States Treasury Bonds 4.75% 02-15-37	0.60
United States Treasury Notes 2.25% 12-31-24	0.58
United Kingdom of Great Britain and Northern Ireland 1.75% 07-22-19	0.49
United States Treasury Notes 1.88% 07-31-22	0.47
Australia (Commonwealth of) 2.25% 11-21-22	0.46
United Kingdom of Great Britain and Northern Ireland 4.25% 12-07-27	0.45
Total Number of Stock Holdings	—
Total Number of Bond Holdings	584
Annual Turnover Ratio %	118.00
Total Fund Assets (\$mil)	1,449.18

## Volatility Analysis



In the past, this investment has shown a relatively small range of fluctuations relative to other investments. Based on this measure, currently more than two thirds of all investments have shown higher levels of risk. Consequently, this investment may appeal to investors looking for a conservative investment strategy.

## Morningstar Style Box™ as of 01-31-19



Average Effective Duration 4.12  
Average Effective Maturity —

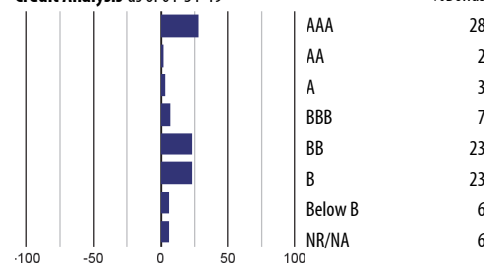
## Risk Measures as of 03-31-19

Risk Measures as of 03-31-19	Port Avg	BC Aggr	Category
3 Yr Std Dev	3.37	2.97	2.99
3 Yr Sharpe Ratio	1.02	0.26	1.13
3 Yr Alpha	3.02	—	2.86
3 Yr Beta	0.63	—	0.50
3 Yr R-squared	29.06	—	29.32

## Morningstar Sectors as of 01-31-19

Morningstar Sectors as of 01-31-19	%Fund	%Category
Government	62.55	24.56
Corporate	16.79	29.18
Securitized	13.72	29.54
Municipal	0.00	0.72
Cash and Equivalents	6.49	10.98
Other	0.44	5.03

## Credit Analysis as of 01-31-19



## Notes

This material is authorized for client use only when preceded or accompanied by a Disclosure Statement, a product prospectus, a fund prospectus and/or informational brochure containing more complete information. These can be obtained from your investment professional and should be read carefully before investing or sending money.

NOT A DEPOSIT — NOT FDIC INSURED — NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY — NOT GUARANTEED BY THE INSTITUTION — MAY GO DOWN IN VALUE