

BOND LEGEND

1 Basic Information This section describes important basic premises of the fund, including its inception date (Life), objective, strategy, fiscal year end, tax identification number, Wall Street Journal abbreviation, and legal organization name. **Fund Number** can be used to access information through Fidelity's automated telephone lines. **Trading Symbol** is an abbreviation for fund names for use with Fidelity's automated brokerage trading and quote services. Can also be used by Quotron and other electronic information systems for access to fund performance data. **CUSIP** is an identification number assigned to each fund by the Committee on Uniform Security Identification Procedures. © Copyright 2010, American Bankers Association, CUSIP Database provided by the Standard & Poor's CUSIP Service Bureau, a division of the McGraw-Hill Companies, Inc. All rights reserved. **MAPS:** The letters that follow "MAPS" represent the Fidelity abbreviation for the fund's name. It is used for internal purposes.

2 Manager The name and tenure of the fund's manager. If the fund has multiple managers, this section lists the lead.

3 Available Account Features Retirement Account or Brokerage indicates whether or not the fund's shares can be bought or sold through Fidelity's retirement or brokerage accounts. **Excessive Trading Policy** — Excessive trading activity is measured by the number of roundtrip transactions in a shareholder's account. A roundtrip transaction occurs when a shareholder buys and then sells shares of a fund within 30 days. A shareholder account is limited to two roundtrip transactions per fund within a rolling 90-day period and four roundtrip transactions across all Fidelity funds within a rolling 12-month period. Accounts that reach these limits will be subject to certain purchase restrictions. These restrictions may also affect other accounts under the shareholder's control. See the Fund's prospectus for more details. Other listings are services that may be available to buy and sell fund shares. Months in which the fund may declare dividends and capital gains are also shown.

4 Chart Each bond fund has a chart showing three views of its recent performance. The **NAV Last 3 months** and **NAV High, Low, Close** charts show the fund's high, low and closing prices through the last Friday of the most recent month without taking in to account reinvestment of dividends or capital gains. The **NAV Adj Close** chart tracks the closing price adjusted for reinvestment of capital gains and dividends. None of the charts are adjusted for sales charges, if any.

5 Fees & Minimums Minimum investment amounts and fees applicable to the fund.

6 Expenses & Turnover Expense Ratio is the total annual fund operating expense ratio from the fund's most recent prospectus. **Expense Cap** is a limit that Fidelity has placed on the level of the expenses borne by the fund. The cap may be voluntary or contractual, may expire at a specific date, and indicates the maximum level of expenses (with certain exceptions) that the fund would be paying at that time. Subject to the terms of the cap, the Expense Cap may be terminated or revised, which may lower the fund's yield and return. The fund's **turnover rate** and **management fee** are updated as the fund's annual or semiannual information is available. The fund's data is compared to the most recently available turnover or expense ratio for the applicable Lipper fund objective category. Management Fee is the historical fee paid by the fund to Fidelity for managing its investment and business affairs.

7 Risk & Return Measures See the Relative Volatility Tables at the beginning of this book and the Glossary for more information on each of these elements.

TAX-FREE BOND

BASIC INFORMATION

Inception: 4/10/01 **Fiscal Year End:** 1/31
Fund Number: 090 **Trading Symbol:** TFXB
CUSIP: 316128503 **Tax ID #:** 04-3544167
MAPS: SFB **WSJ Abbreviation:** TaxFrB

Legal Org: Fidelity Fixed-Income Trust

Objective: Seeks to provide a high current yield exempt from federal income tax.

Strategy:

- Normally invests at least 80% of assets in investment-grade municipal debt securities whose interest is exempt from federal income tax.
- Managed to have similar overall interest rate risk to an index, the Barclays Capital 5 Plus Year Non-AMT Municipal Bond Index.

The fund will normally not invest in municipal securities whose interest is subject to federal income tax or in municipal securities whose interest is subject to the federal alternative minimum tax.

Risk: The municipal market is volatile and can be affected by adverse tax, legislative, or political changes and the financial condition of the issuers of municipal securities. Interest rate increases can cause the price of a debt security to decrease. The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole.

FUND MANAGER

Lead Manager: Jamie Pagliocco
Tenure on Fund: 2/2009
Co-Manager: Christine Thompson
Tenure on Fund: 4/2001
See Manager Biographies section for additional information.

FEATURES

Retirement Accounts: No
Brokerage: Yes
Checkwriting: No
Money Line Redemption: Yes
Automatic Account Builder: Yes
Wire Redemption: Yes
Excessive Trading Policy: Yes
Direct Deposit: \$50 min
Directed Dividends:
 Send: Yes Receive: Yes
Automatic Exchange Service:
 Send: No Receive: Yes
Automatic Contribution Service: No
Personal Withdrawal Service: Yes
Dividends: Declared daily, paid monthly
Capital Gains (if any): March and December

FEES & MINIMUMS

Sales Charge: None
Short-Term Trading Fee: 0.5% on shares held less than 30 days
Minimum Initial: \$25,000
Additional: \$0
Balance: \$10,000
Small Balance Fee: \$12.00 if balance < \$2,000
Waived if account was opened after September 30 for current calendar year or if account was opened after January 1 of current calendar year and uses automatic account builder.

EXPENSES & TURNOVER

Fund (%)	Gen Muni Average (%)
Turnover Rate (1/10): 14%	47%
Expense Ratio (4/10): 0.47%	1.03%
Expense Cap: 0.25%	n/a
Management Fee (1/10): 0.37%	n/a

**YTD total return does not include the effect of the fund's short-term trading fee.*

**Expense Cap is a limit that Fidelity has placed on the level of the expenses borne by the fund. The cap is voluntary and indicates the maximum level of expenses (with certain exceptions) that the fund would be paying at that time. The Expense Cap may be terminated or revised at any time, which may lower the fund's yield and return.*

**Data for Lipper Objective Average as of 4/30/10.*

RELATIVE VOLATILITY 3/31/10
Relative Volatility vs. BC Municipal Bond Index: Middle: 1.07
See pages 41-43 for details.

OTHER

Subject to AMT: Yes
Max Allow: 0.00%
As of 4/30/10: 0.00%

PRICE (NAV) HISTORY 5/31/10

12-Month Low-High:	Monthly Low-High:
\$10.20-\$11.00	\$10.88-\$10.95
5/3/10:	\$10.88
5/31/10:	\$10.92

YIELD 5/31/10

30-Day SEC Yield:	WOR:	Taxable Equivalent:
3.69%	4.83	5.03
	5.40	5.57

DISTRIBUTION RATES 5/31/10

Monthly Annualized:	Actual 12 Month:
4.13%	4.09

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all numbers are unaudited JUNE 2010

BOND LEGEND

8 Portfolio Data Subject to AMT (for tax-free funds only) is the percent of a fund's income which is subject to the Federal Alternative Minimum Tax (AMT). This is a daily percentage, not a year-to-date percentage, and it should not be used for tax reporting purposes. **Percent out-of-state** (for state tax-free funds only) is the percent of a fund's net assets that is invested in municipalities outside the fund's primary focus. The income from out-of-state securities may be subject to state and local taxes.

9 Price (NAV) History NAV is the closing Net Asset Value as of the most recent month end. For more information on the **13-Week MA** (moving average) and **39-Week MA** turn to the Glossary at the end of this book. **Monthly Low-High** is the fund's lowest and highest price recorded during the most recent full month.

10 Yield 30-Day Yield is based on yield to maturity of a fund's investments and not on the dividends paid by the fund, which may differ. If the fund's income may be subject to the alternate minimum tax, it will include the code "AMT." Tax-equivalent yields for the state tax-free funds are based on highest combined federal and state tax rates. The NY funds are based on federal, state and New York City rates. The code "WOR" indicates a fund's estimated 30-day yield without reimbursement, whenever that fund is in reimbursement. This means Fidelity is temporarily paying for all or a portion of fund expenses. If Fidelity had not, the fund's 30-day yield would have been lower. The expense limitation (cap) may be terminated or revised at any time, at which time fund expenses will go up and yield and return will go down.

11 Distribution Rates are based on the actual dividends paid by the fund.

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all numbers are unaudited

JULY 2010

TAX-FREE BOND

TOTAL RETURNS												
AVERAGE ANNUAL CURRENT PERFORMANCE		MONTHLY AS OF 5/31/10					QUARTERLY AS OF 3/31/10					
		1 YR.	3 YR.	5 YR.	10 YR.	LIFE	1 YR.	3 YR.	5 YR.	10 YR.	LIFE	
Total Return %	8.83	5.09	4.38	n/a	5.00	12.36	10.29	4.37	4.53	n/a	5.35	
BC 3+ Year Non-AMT Muni %**	n/a	9.11	5.50	4.65	n/a	10.46	10.46	4.67	4.72	n/a	n/a	
LA Gen Muni % ¹	n/a	n/a	n/a	n/a	n/a	12.86	2.51	3.18	n/a	n/a	n/a	

PERFORMANCE HISTORY AS OF 5/31/10												
	2001*	2002	2003	2004	2005	2006	2007	2008	2009	YTD		
Total Return %	4.00	10.69	6.18	4.84	3.79	4.83	3.22	-3.38	13.26	3.34		
BC 3+ Year Non-AMT Muni %**	n/a	10.26	5.68	4.85	3.73	5.03	3.29	-2.80	13.81	3.52		
LA Gen Muni % ¹	n/a	8.38	4.75	3.70	3.00	4.50	1.15	-0.09	16.85	n/a		
Net Assets \$M	150.0	256.7	219.5	252.9	384.7	503.9	866.7	1129.9	1791.8	1960.3		
\$10,000 Inv. 4/1/01 ¹	10400.46	11512.1	1294.33	12815.48	13300.65	13942.62	14390.99	13904.13	15747.75	16273.93		

*Partial-year figures calculated from fund's commencement through year-end.
 **See glossary for index definitions for BC 3+ Year Non-AMT Muni. ¹Lipper averages are only updated at quarter end.
 The performance data featured represents past performance, which is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore you may have a gain or loss when you sell your shares. Current performance may be higher or lower than the performance data quoted. Please visit Fidelity.com/performance or call Fidelity for most recent month-end performance figures.

QUALITY RATINGS*		4/30/10
U.S. Government	0.00%	14
AAA	10.84	
AA	50.49	
A	27.71	
BBB	6.16	
BB	0.09	
B	0.00	
CCC & Below	0.00	
Short-Term Rated	0.00	
Not Rated/Not Available	2.08	
Cash & Net Other Assets	2.53	
TOTAL	100.00%	

*A bond rated N/R (Not Rated) or N/A (Not Available) is not a judgment as to the credit quality of that bond or issuer. Bonds rated N/R and N/A are frequently rated by one of the other nationally recognized rating agencies.

DISTRIBUTIONS				
Long-Term	Short-Term	Cap. Gains	Cap. Gains	Dividends
NAV				
5/1/10	\$0.038279182	\$10.92		
4/30/10	\$0.037644110	\$10.88		
3/1/10	\$0.037842244	\$10.79		
2/28/10	\$0.034603500	\$10.82		

LIPPER RANKING AND % BEATEN				
Rank	1 YR.	3 YR.	5 YR.	10 YR.
Rank	173	21	16	n/a
% Beaten	28%	90%	92%	n/a

As of 4/30/10, the number of funds within the General Municipal Funds Peer Group tracked by Lipper was 240, 208, 196, and n/a on a 1-, 3-, 5-, and 10-year basis, respectively.

Lipper, Inc. is a nationally recognized organization that ranks the performance of mutual funds based on total return which includes reinvestment dividends, capital gains, if any, and excludes sales charges. ¹It is ranked within a universe of funds with a similar investment objective.

PORTFOLIO COMPOSITION				
	10/31/09	10/31/09	4/30/09	4/30/09
Revenue Bonds	100%	92%	92.14%	93.91%
General Obligation Bonds	4.42	45.07	46.45	46.45
Cash & Net Other Assets	2.55	2.79	4.71	4.71
TOTAL	100.00%	100.00%	100.00%	100.00%
Futures, Options & Swaps	0.00	0.00	0.00	0.00

PORTFOLIO DATA			
	10/31/09	10/31/09	4/30/09
Weighted Average Maturity (Years)	17.1	8.5	10.5
Duration (Years)	17.1	8.2	8.0

MORNINGSTAR				
Tax-Free Bond				
Morningstar Category: Muni National Long				
★★★★★	★★★★	★★★	★★	★
3-Year	Out of 251	Out of 233	n/a	Overall
5-Year	Out of 233	Out of 233	n/a	Overall
10-Year	Out of 233	Out of 233	n/a	Overall

The Overall Morningstar Rating for a fund is based on a weighted average of the performance figures associated with its 3-, 5-, and 10-year (if applicable) Morningstar Rating metrics, which are based on a risk-adjusted return.

13 History This table presents the historical summary of the calendar year and year-to-date (YTD) cumulative **Total Return** performance since commencement of operations versus its benchmark index (if any) and the average of the fund's peer group as represented by an appropriate Lipper Objective Average. Also presented is its year-end or year-to-date **Net Assets**. **\$10,000 Invested** represents the value of a hypothetical \$10,000 investment on 12/31/99 or on commencement of operations (whichever is later). *The fund's total returns are historical and include change in share price and reinvestment of dividends and capital gains, but do not include the effect of any applicable sales charges (ranging from 0-3%) which would lower these returns. Past performance is no guarantee of future results. The fund's share price and return will vary and you may have a gain or a loss when you sell your shares. An asterisk appearing after a year indicates that partial year figures for the fund are calculated from fund's commencement of operations through year-end.*

14 Quality Ratings are derived using Moody's as the primary ratings source. If Moody's provides no rating for a security, then the S&P rating is used as a secondary source. Moody's and S&P are widely recognized rating services that rate the credit worthiness of various fixed income instruments. 'U.S. Governments' consists of securities that are issued by the U.S. Treasury or U.S. Government Agencies. N/R means no rating is available. Other contains municipal bond securities with the years to maturity not greater than 1, or a non-standard rating. N/A contains cash, currency contracts and non-debt instruments. In addition to fund receivables and payables, "Net Other Assets", "Cash & Other" and "Cash & Net Other Assets" may include notional assets/liabilities of certain derivative instruments.

15 Portfolio Composition is the diversification of fund's assets by type of securities for the 1-month periods ending on the dates shown. In addition to fund receivables and payables, "Net Other Assets", "Cash & Other" and "Cash & Net Other Assets" may include notional assets/liabilities of certain derivative instruments.

16 Distributions Record dates, amounts of capital gains and dividends with the reinvestment price (NAV).

17 Portfolio Data Duration shows how much a bond's price fluctuates with changes in comparable interest rates. Other factors also can influence a bond fund's performance and share price. A bond fund's actual performance may differ. The **Weighted Average Maturity** is based on the dollar-weighted average length of time until principal payments are expected or until securities reach maturity, taking into account any maturity shortening feature such as a call, refunding or redemption provision.

18 Lipper Rank and Count Lipper, Inc. is a nationally recognized organization that reports on mutual fund total return performance and calculates fund rankings. Each fund is ranked within a universe of funds similar in objective. See the Lipper Rankings at the beginning of this book for 1-, 5-, and 10-year rankings and for other Lipper Classification rankings and methodology. Lipper peer group averages include reinvestment of dividends and capital gains, if any, and exclude sales charges.

19 Morningstar For each fund with at least a 3-year history, Morningstar calculates a Morningstar Rating (based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance including the effects of sales charges, loads and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars; the next 22.5% receive 4 stars; the next 35% receive 3 stars; the next 22.5% receive 2 stars; and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.)

12 Average Annual Total Returns The performance data featured represents past performance, which is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your shares. Current performance may be higher or lower than the performance data quoted. Please visit Fidelity.com/performance or call Fidelity for most recent month-end performance figures. Average annual total return assumes a steady compounded rate of return and are not the fund's year-by-year results, which fluctuated over the period(s) shown. Average annual total returns are historical and include change in share price and reinvestment of dividends and capital gains and the effect of any applicable sales charges and non-reoccurring fee. Average Annual Total Returns are not calculated for funds with less than 1 year's worth of performance data; life of fund (Life) performance data is as of the fund's inception date. Performance of the benchmark indices averages is not illustrative of any particular investment; investment cannot be made in any index. Lipper, Inc. is a nationally recognized organization that reports on mutual fund total return performance and calculates fund rankings.

STRATEGIC INCOME

BASIC INFORMATION

Inception: 5/01/98 **Fiscal Year End:** 12/31
Fund Number: 368 **Trading Symbol:** FSICX
CUSIP: 31638R303 **Tax ID #:** 04-3409707
MAPS: FSN **WSJ Abbreviation:** StratInc
Legal Org: Fidelity School Street Trust

Objective: High current income and may also seek capital appreciation.

Strategy:

- Invests primarily in debt securities, including lower-quality debt securities, allocated among four general investment categories: high yield securities, U.S. Government and investment-grade securities, emerging market securities, and foreign developed market securities.
- Uses a neutral mix of approximately 40% high yield securities, 30% U.S. Government securities and investment grade, 15% emerging markets securities, and 15% foreign developed markets securities.

Risk: Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Foreign investments involve greater risk than U.S. investments, including political and economic risks and the risk of currency fluctuations, all of which may be magnified in emerging markets. Lower-quality debt securities generally offer higher yields, but carry more risk.

FUND MANAGER

Co-Manager: Joanna Bewick

Tenure on Fund: 4/2008

Co-Manager: Chris Sharpe

Tenure on Fund: 6/2009

See Manager Biographies section for additional information

FEATURES

Retirement Accounts: Yes

Brokerage: Yes

Checkwriting: No

Money Line Redemption: Yes

Automatic Account Builder: Yes

Wire Redemption: Yes

Excessive Trading Policy: Yes

Direct Deposit: Yes

Directed Dividends

Send: Yes Receive: Yes

Automatic Exchange Service

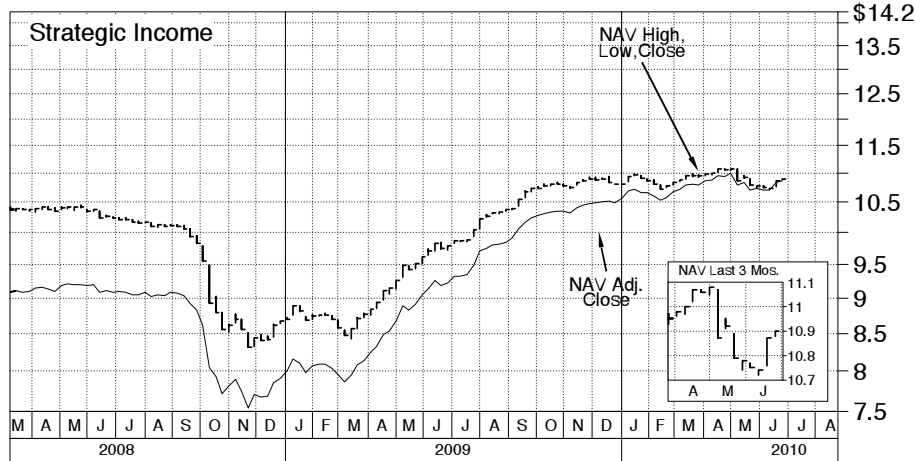
Send: No Receive: Yes

Automatic Contribution Service: Yes

Personal Withdrawal Service: Yes

Dividends: Declared daily, paid monthly

Capital Gains (if any): February and December



FEES & MINIMUMS

Sales Charge: None

Short-Term Trading Fee: None

Minimum Initial: \$2,500

Retirement: \$2,500+

Additional: \$0

Balance: \$2,000

Small Balance Fee: \$12.00 if balance < \$2,000. Waived if account was opened after September 30 for current calendar year or if account was opened after January 1 of current calendar year and uses automatic account builder.

♦ *Minimum investment for SEP-IRAs or Keoghs is \$500. Some exceptions apply. See prospectus for details.*

EXPENSES & TURNOVER

	Fund (%)	Multi-Sector Income Average* (%)
Turnover Rate (12/09):	202%	133%
Expense Ratio (3/10):	0.74	1.27
Management Fee (12/09):	0.57	n/a

*Data for Lipper Objective Average as of 6/30/10.

RELATIVE VOLATILITY

6/30/10

Relative Volatility vs. BC US Aggregate Bond: Higher 1.83

See pages 41-43 for details.

PRICE (NAV) HISTORY

6/30/10

12-Month Low-High: \$9.85–11.08

Monthly Low-High: \$10.72–10.90

6/1/10: \$10.77

6/30/10: \$10.87

YIELD

6/30/10

30-Day SEC Yield: 5.00%

DISTRIBUTION RATES

6/30/10

Monthly Annualized: 4.48%

Actual 12 Month: 4.75

STRATEGIC INCOME

TOTAL RETURNS

AVERAGE ANNUAL	MONTHLY AS OF 6/30/10					QUARTERLY AS OF 6/30/10				
CURRENT PERFORMANCE	1 YR.	3 YR.	5 YR.	10 YR.	LIFE	1 YR.	3 YR.	5 YR.	10 YR.	LIFE
Total Return %	At quarter end, monthly returns are equivalent to quarterly returns					16.97	7.58	6.88	8.14	7.34
BofA ML US HY Const %**						27.45	6.74	7.17	7.27	n/a
Fid Strt Inc Comp Idx %**						15.44	7.48	6.70	7.62	n/a
LA Multi-Sector Income % [§]						18.41	5.39	5.25	6.20	n/a

PERFORMANCE HISTORY AS OF 6/30/10

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	YTD
Total Return %	4.07	6.52	9.38	18.62	9.44	3.12	8.15	5.44	-11.37	31.77	2.90
BofA ML US HY Const %**	-5.19	4.48	-0.53	27.97	10.87	2.78	10.76	2.53	-26.11	58.10	4.71
Fid Strt Inc Comp Idx %**	3.90	4.22	7.95	18.58	9.25	2.66	8.11	6.52	-8.99	25.83	3.69
LA Multi-Sector Income % [§]	0.01	3.64	6.59	16.11	8.35	2.19	6.69	4.51	-14.31	28.17	4.32
Net Assets \$M	62.5	163.5	770.8	2319.9	3166.2	3444.3	4220.2	5230.1	4160.2	7186.2	7440.5
\$10,000 inv. 12/31/99	10406.93	11085.97	12126.25	14383.96	15741.26	16232.88	17556.49	18511.73	16406.80	21619.77	22246.86

**See glossary for index definitions for BofA ML US HY Const and Fid Strt Inc Comp Idx. [§]Lipper averages are only updated at quarter end.

The performance data featured represents past performance, which is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore you may have a gain or loss when you sell your shares. Current performance may be higher or lower than the performance data quoted. Please visit Fidelity.com/performance or call Fidelity for most recent month-end performance figures.

TAXABLE BOND

QUALITY RATINGS*

6/30/10

U.S. Government	25.17%
AAA	10.15
AA	3.26
A	2.51
BBB	4.52
BB	13.19
B	22.46
CCC & Below	9.42
Short-Term Rated	0.00
Not Rated/Not Available	4.69
Cash & Net Other Assets	4.63
TOTAL	100.00%

*A bond rated N/R (Not Rated) or N/A (Not Available) is not a quality of that bond or issuer. Bonds rated N/R and N/A are frequently rated by one of the other nationally recognized rating agencies.

PORTFOLIO COMPOSITION

	6/30/10	12/31/09	6/30/09
High Yield Investments	40.31%	39.89%	40.31%
Developed Market Debt	17.96	19.13	16.67
U.S. Government	25.17	24.92	24.24
Emerging Market Investments	11.99	11.05	12.06
Cash & Other	4.58	5.02	6.75
Futures, Options & Swaps	-0.01	-0.01	-0.03
TOTAL	100.00%	100.00%	100.00%

DISTRIBUTIONS

	Long-Term Cap. Gains	Short-Term Cap. Gains	Dividends	NAV
6/30/10			\$0.039988986	\$10.87
5/31/10			\$0.042623617	\$10.78
4/30/10			\$0.039374965	\$11.08
3/31/10			\$0.041448663	\$10.98

LIPPER RANKING AND % BEATEN

6/30/10

	1 YR	3 YR	5 YR	10 YR
Rank	91	24	10	8
% Beaten	41%	80%	91%	90%

As of 6/30/10, the number of funds within the Multi-Sector Income Funds Peer Group tracked by Lipper was 154, 116, 98, and 70 on a 1-, 3-, 5-, and 10-year basis, respectively.

Lipper, Inc. is a nationally recognized organization that ranks the performance of mutual funds based on total return which includes reinvested dividends and capital gains, if any, and excludes sales charges. Each fund is ranked within a universe of funds with a similar investment objective.

MORNINGSTAR

6/30/10

INVESTOR CLASS

Strategic Income			
Morningstar Category: Multisector Bond			
★★★★★ 3-Year Out of 193	★★★★★ 5-Year Out of 152	★★★★★ 10-Year Out of 107	★★★★★ Overall Out of 193

The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its 3-, 5-, and 10-year (if applicable) Morningstar Rating metrics, which are based on a risk-adjusted return.