

Appendix

Table 4-1. Capitalization and Classification of Data

| Fidelity Funds | Market Capitalization (US mn) | Currency | SIZE | V/G |
|------------------------------|--------------------------------------|-----------------|-------------|------------|
| America Fund | 1767 | US Dollar | L | GROWTH |
| American Growth Fund | 770 | US Dollar | S | GROWTH |
| European Fund | 1930 | US Dollar | L | VALUE |
| European Sm Companies Fund | 1675 | US Dollar | S | GROWTH |
| Germany Fund | 1624 | US Dollar | L | MIX |
| Japan Fund | 2446 | US Dollar | L | VALUE |
| Japan Smaller Companies Fund | 1290 | US Dollar | S | GROWTH |
| Asean Fund | 1202 | US Dollar | L | MIX |
| Latin America Fund | 1398 | US Dollar | L | GROWTH |
| Australia Fund | 1210 | US Dollar | L | GROWTH |
| Emerging Markets Fund | 2814 | US Dollar | L | GROWTH |

Table 4-2. Data Statistical Summary

| Fidelity Funds | MKT Weight | Historial Return | Historical std | Historical Excess Return | Implied Equilibrium Return |
|------------------------------|-------------------|-------------------------|-----------------------|---------------------------------|-----------------------------------|
| America Fund | 9.75% | 5.45% | 4.71% | 1.45% | 2.10% |
| American Growth Fund | 4.25% | 4.84% | 5.86% | 0.84% | 2.78% |
| European Fund | 10.65% | 9.35% | 4.02% | 5.35% | 3.10% |
| European Sm Companies Fund | 9.24% | 5.25% | 3.84% | 1.25% | 3.18% |
| Germany Fund | 8.96% | 4.34% | 5.67% | 0.34% | 4.50% |
| Japan Fund | 13.49% | 2.91% | 5.58% | -1.09% | 2.79% |
| Japan Smaller Companies Fund | 7.12% | 3.42% | 5.15% | -0.58% | 3.11% |
| Asean Fund | 6.63% | 22.27% | 4.22% | 18.27% | 2.41% |
| Latin America Fund | 7.71% | 31.30% | 6.85% | 27.30% | 2.96% |
| Australia Fund | 6.68% | 15.70% | 3.48% | 11.70% | 2.01% |
| Emerging Markets Fund | 15.52% | 29.36% | 5.04% | 25.36% | 3.41% |

Table 4-3. Return Vectors and Resulting Portfolio Weights

| Fidelity Funds | New Combined Return Vector | Implied Equilibrium Return Vector | Difference | New Weight | Market Capitalization Weight | Difference |
|------------------------------|----------------------------|-----------------------------------|------------|------------|------------------------------|------------|
| America Fund | 2.27% | 2.10% | 0.17% | 6.20% | 9.75% | -3.55% |
| American Growth Fund | 3.12% | 2.78% | 0.34% | 9.03% | 4.25% | 4.78% |
| European Fund | 2.89% | 3.10% | -0.21% | 8.95% | 10.65% | -1.70% |
| European Sm Companies Fund | 3.00% | 3.18% | -0.18% | 9.42% | 9.24% | 0.18% |
| Germany Fund | 4.27% | 4.50% | -0.23% | 8.96% | 8.96% | 0.00% |
| Japan Fund | 2.29% | 2.79% | -0.50% | 10.53% | 13.49% | -2.96% |
| Japan Smaller Companies Fund | 2.46% | 3.11% | -0.65% | 2.37% | 7.12% | -4.75% |
| Asean Fund | 2.92% | 2.41% | 0.51% | 12.00% | 6.63% | 5.37% |
| Latin America Fund | 3.31% | 2.96% | 0.35% | 8.39% | 7.71% | 0.68% |
| Australia Fund | 1.84% | 2.01% | -0.17% | 7.27% | 6.68% | 0.59% |
| Emerging Markets Fund | 3.93% | 3.41% | 0.52% | 16.89% | 15.52% | 1.37% |

Figure 4-1. Portfolio Allocations Based on New Weights and Market Capitalization Weights

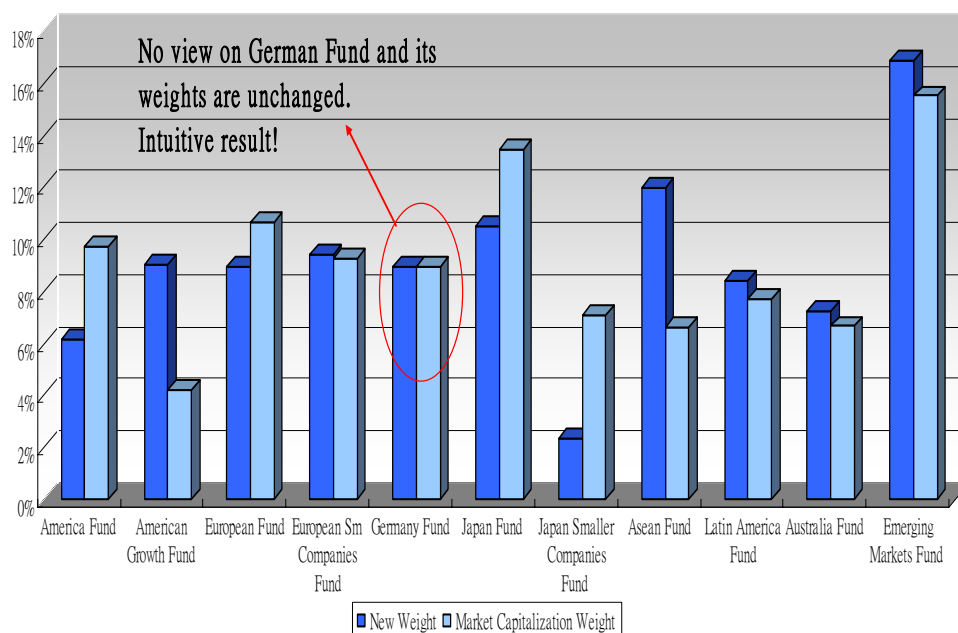


Table 4-4. Recommended Portfolio Weights with Different Approaches

| Fidelity Funds | Markowitz weight based on historical returns | Markowitz weight with consideration of our views | Market Capitalization Weight | B-L Weight based on our views |
|------------------------------|--|--|------------------------------|-------------------------------|
| America Fund | 15.68% | 11.53% | 9.75% | 6.20% |
| American Growth Fund | -9.32% | -8.53% | 4.25% | 9.03% |
| European Fund | 74.98% | -29.66% | 10.65% | 8.95% |
| European Sm Companies Fund | -36.40% | 46.09% | 9.24% | 9.42% |
| Germany Fund | -37.31% | -18.71% | 8.96% | 8.96% |
| Japan Fund | 2.77% | -5.15% | 13.49% | 10.53% |
| Japan Smaller Companies Fund | -11.30% | -10.42% | 7.12% | 2.37% |
| Asean Fund | 15.51% | 17.33% | 6.63% | 12.00% |
| Latin America Fund | 15.74% | 17.26% | 7.71% | 8.39% |
| Australia Fund | 44.96% | 54.97% | 6.68% | 7.27% |
| Emerging Markets Fund | 24.69% | 25.31% | 15.52% | 16.89% |

Figure 4-2. Portfolio Allocations with Different Approaches Based on Different Return Vector

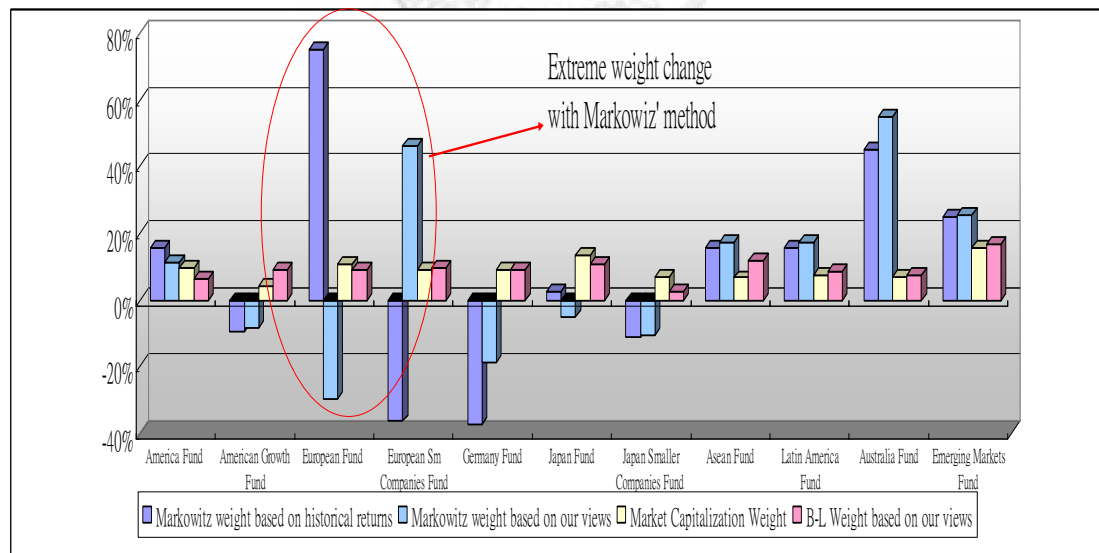


Table 4-5. Optimal Weights of Each Quarter with Markowitz Method

| Fidelity Funds | 1Q06 | 2Q06 | 3Q06 | 4Q06 | 1Q07 | 2Q07 | 3Q07 | 4Q07 | 1Q08 |
|------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| America Fund | 5.24% | 0.00% | 7.05% | 6.41% | 0.00% | 7.06% | 0.00% | 11.30% | 0.00% |
| American Growth Fund | 0.00% | 0.00% | 0.35% | 2.89% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| European Fund | 4.85% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| European Sm Companies Fund | 0.00% | 0.00% | 2.73% | 13.40% | 0.00% | 8.94% | 30.00% | 30.00% | 11.17% |
| Germany Fund | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Japan Fund | 1.84% | 0.00% | 3.14% | 7.55% | 0.00% | 6.98% | 0.00% | 0.00% | 0.00% |
| Japan Smaller Companies Fund | 14.48% | 0.00% | 3.11% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Asean Fund | 9.79% | 17.18% | 22.82% | 7.60% | 28.48% | 9.40% | 7.81% | 0.00% | 28.83% |
| Latin America Fund | 10.97% | 29.83% | 14.92% | 15.20% | 30.00% | 18.23% | 30.00% | 22.34% | 30.00% |
| Australia Fund | 30.00% | 22.99% | 30.00% | 26.47% | 11.52% | 30.00% | 2.19% | 10.39% | 0.00% |
| Emerging Markets Fund | 22.83% | 30.00% | 15.88% | 20.48% | 30.00% | 19.40% | 30.00% | 25.97% | 30.00% |
| Total | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Rebalancing Cost | | 66.84% | 58.06% | 45.00% | 90.40% | 82.91% | 86.87% | 39.00% | 81.04% |

Table 4-6. Optimal Weights of Each Quarter with Black-Litterman Method

| Fidelity Funds | 1Q06 | 2Q06 | 3Q06 | 4Q06 | 1Q07 | 2Q07 | 3Q07 | 4Q07 | 1Q08 |
|------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| America Fund | 5.80% | 5.24% | 7.05% | 6.41% | 5.28% | 6.52% | 6.84% | 6.43% | 6.17% |
| American Growth Fund | 8.70% | 8.43% | 7.82% | 5.89% | 6.53% | 6.82% | 7.12% | 7.34% | 8.98% |
| European Fund | 9.20% | 8.72% | 8.89% | 7.52% | 8.22% | 7.88% | 7.52% | 7.63% | 8.77% |
| European Sm Companies Fund | 10.10% | 9.82% | 10.35% | 13.40% | 11.90% | 8.94% | 10.81% | 10.50% | 9.63% |
| Germany Fund | 9.20% | 9.15% | 9.28% | 8.87% | 8.93% | 9.12% | 9.25% | 9.33% | 9.02% |
| Japan Fund | 9.87% | 9.43% | 10.21% | 12.55% | 11.35% | 9.53% | 9.52% | 9.63% | 10.33% |
| Japan Smaller Companies Fund | 3.24% | 3.45% | 3.85% | 2.98% | 3.12% | 3.22% | 3.42% | 3.12% | 2.54% |
| Asean Fund | 11.52% | 12.12% | 12.52% | 10.87% | 13.55% | 9.40% | 10.25% | 10.67% | 11.84% |
| Latin America Fund | 8.22% | 8.43% | 7.64% | 10.92% | 9.52% | 10.23% | 9.45% | 9.05% | 9.45% |
| Australia Fund | 7.11% | 7.23% | 6.97% | 2.19% | 3.92% | 8.94% | 6.35% | 6.90% | 7.03% |
| Emerging Markets Fund | 17.04% | 17.98% | 15.42% | 18.40% | 17.68% | 19.40% | 19.47% | 19.40% | 16.24% |
| Total | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Rebalancing Cost | | 4.16% | 8.44% | 23.30% | 11.90% | 18.54% | 7.48% | 2.98% | 10.36% |

Figure 4-4. Comparison of Rebalancing Cost with Different Model

