

Fidelity® Variable Insurance Products: Asset Manager: Growth Portfolio



Semiannual Report
June 30, 2010



Contents

Shareholder Expense Example	3	An example of shareholder expenses.
Investment Changes	4	A summary of major shifts in the fund's investments over the past six months.
Investments	5	A complete list of the fund's investments with their market values.
Financial Statements	11	Statements of assets and liabilities, operations, and changes in net assets, as well as financial highlights.
Notes	15	Notes to the financial statements.

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-Q. Forms N-Q are available on the SEC's web site at <http://www.sec.gov>. A fund's Forms N-Q 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 listings, semiannual report, or annual report on Fidelity's web site at <http://www.fidelity.com> or <http://www.advisor.fidelity.com>, as applicable.

NOT FDIC INSURED • MAY LOSE VALUE • NO BANK GUARANTEE

Neither the fund nor Fidelity Distributors Corporation is a bank.

Shareholder Expense Example

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

The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (January 1, 2010 to June 30, 2010).

Actual Expenses

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

Hypothetical Example for Comparison Purposes

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

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

	Annualized Expense Ratio	Beginning Account Value January 1, 2010	Ending Account Value June 30, 2010	Expenses Paid During Period* January 1, 2010 to June 30, 2010
Initial Class	.74%			
Actual		\$ 1,000.00	\$ 948.70	\$ 3.58
Hypothetical ^A		\$ 1,000.00	\$ 1,021.12	\$ 3.71
Service Class	.84%			
Actual		\$ 1,000.00	\$ 948.30	\$ 4.06
Hypothetical ^A		\$ 1,000.00	\$ 1,020.63	\$ 4.21
Service Class 2	1.02%			
Actual		\$ 1,000.00	\$ 948.00	\$ 4.93
Hypothetical ^A		\$ 1,000.00	\$ 1,019.74	\$ 5.11
Investor Class	.83%			
Actual		\$ 1,000.00	\$ 948.50	\$ 4.01
Hypothetical ^A		\$ 1,000.00	\$ 1,020.68	\$ 4.16

^A 5% return per year before expenses

* Expenses are equal to each Class' annualized expense ratio, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period). The fees and expenses of the underlying Fidelity Central Funds in which the Fund invests are not included in the Fund's annualized expense ratio.

Investment Changes (Unaudited)

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

Top Ten Stocks as of June 30, 2010

	% of fund's net assets	% of fund's net assets 6 months ago
Apple, Inc.	2.3	1.3
Delta Air Lines, Inc.	1.6	1.4
JPMorgan Chase & Co.	1.6	1.3
Wells Fargo & Co.	1.5	1.6
Cisco Systems, Inc.	1.1	0.8
Dow Chemical Co.	1.1	1.1
Continental Airlines, Inc. Class B	1.0	0.6
General Electric Co.	1.0	0.0
PNC Financial Services Group, Inc.	0.9	0.8
Express Scripts, Inc.	0.9	1.2
	<u>13.0</u>	

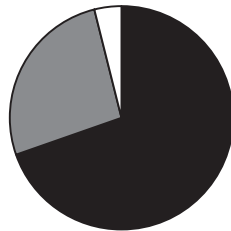
Market Sectors as of June 30, 2010

(stocks only)	% of fund's net assets	% of fund's net assets 6 months ago
Financials	12.6	15.0
Information Technology	12.0	16.6
Industrials	11.1	7.5
Consumer Discretionary	9.7	6.0
Energy	5.9	6.0
Health Care	5.0	7.0
Materials	4.0	4.9
Consumer Staples	2.4	3.1
Telecommunication Services	1.5	1.5
Utilities	0.9	1.0

Asset Allocation (% of fund's net assets)

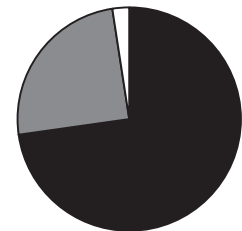
As of June 30, 2010*

■ Stock class***	69.6%
■ Bond class	26.5%
□ Short-Term class	3.9%
* Foreign investments	25.2%



As of December 31, 2009**

■ Stock class***	72.8%
■ Bond class	24.8%
□ Short-Term class	2.4%
** Foreign investments	27.6%



*** Includes Commodities & Related Investments of 1.5%.

Asset allocations in the pie charts reflect the categorization of assets as defined in the fund's prospectus in effect as of the time periods indicated above. Financial Statement categorizations conform to accounting standards and will differ from the pie chart. Percentages are adjusted for the effect of futures contracts and swap contracts, if applicable.

A 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 advisor.fidelity.com.

Investments June 30, 2010 (Unaudited)

Showing Percentage of Net Assets

Common Stocks – 47.9%

	Shares	Value
CONSUMER DISCRETIONARY – 8.0%		
Automobiles – 0.6%		
Bayerische Motoren Werke AG (BMW)	13,786	\$ 669,993
Daimler AG (Germany) (a)	4,513	228,132
		<u>898,125</u>
Hotels, Restaurants & Leisure – 1.4%		
Chipotle Mexican Grill, Inc. (a)	3,600	492,516
Ctrip.com International Ltd. sponsored ADR (a)	23,000	863,880
Las Vegas Sands Corp. (a)(c)	16,500	365,310
Starwood Hotels & Resorts Worldwide, Inc.	13,500	559,305
		<u>2,281,011</u>
Household Durables – 0.8%		
Cyrela Brazil Realty SA	27,900	303,451
Gafisa SA sponsored ADR	53,300	645,463
Whirlpool Corp.	3,300	289,806
		<u>1,238,720</u>
Internet & Catalog Retail – 0.7%		
Amazon.com, Inc. (a)	7,700	841,302
Priceline.com, Inc. (a)	1,200	211,848
		<u>1,053,150</u>
Media – 0.4%		
Discovery Communications, Inc. (a)	7,800	278,538
Time Warner Cable, Inc.	7,000	364,560
		<u>643,098</u>
Multiline Retail – 1.1%		
Dollarama, Inc.	3,800	88,347
Macy's, Inc.	61,300	1,097,270
Nordstrom, Inc.	20,000	643,800
		<u>1,829,417</u>
Specialty Retail – 1.7%		
Bed Bath & Beyond, Inc. (a)	8,400	311,472
Home Depot, Inc.	7,200	202,104
Lowe's Companies, Inc.	47,300	965,866
Tiffany & Co., Inc.	13,000	492,830
Williams-Sonoma, Inc.	27,400	680,068
		<u>2,652,340</u>
Textiles, Apparel & Luxury Goods – 1.3%		
Coach, Inc.	8,100	296,055
Deckers Outdoor Corp. (a)	4,900	700,063
Fossil, Inc. (a)	11,000	381,700
Phillips-Van Heusen Corp.	14,000	647,780
		<u>2,025,598</u>
TOTAL CONSUMER DISCRETIONARY		<u>12,621,459</u>

CONSUMER STAPLES – 0.8%

Personal Products – 0.8%

	Shares	Value
Estee Lauder Companies, Inc. Class A	11,300	\$ 629,749
Hengan International Group Co. Ltd.	71,500	578,985
		<u>1,208,734</u>

ENERGY – 4.4%

Energy Equipment & Services – 1.4%

	Shares	Value
Baker Hughes, Inc.	15,100	627,707
Dril-Quip, Inc. (a)	5,500	242,110
Schlumberger Ltd.	18,200	1,007,188
Smith International, Inc.	10,800	406,620
		<u>2,283,625</u>

Oil, Gas & Consumable Fuels – 3.0%

	Shares	Value
Chesapeake Energy Corp.	18,100	379,195
Concho Resources, Inc. (a)	11,200	619,696
EOG Resources, Inc.	3,400	334,458
EXCO Resources, Inc.	9,100	132,951
Occidental Petroleum Corp.	15,600	1,203,540
Petrohawk Energy Corp. (a)	26,600	451,402
Pioneer Natural Resources Co.	11,900	707,455
Southwestern Energy Co. (a)	16,100	622,104
Sunoco, Inc.	2,200	76,494
Whiting Petroleum Corp. (a)	2,100	164,682
		<u>4,691,977</u>

TOTAL ENERGY 6,975,602

FINANCIALS – 8.4%

Capital Markets – 0.4%

Goldman Sachs Group, Inc.	4,100	538,207
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Commercial Banks – 3.6%

Comerica, Inc.	8,100	298,323
Huntington Bancshares, Inc.	68,500	379,490
Itau Unibanco Banco Multiplo SA ADR (c)	20,500	369,205
Marshall & Ilsley Corp.	30,600	219,708
PNC Financial Services Group, Inc.	26,200	1,480,300
Regions Financial Corp.	91,800	604,044
Wells Fargo & Co.	91,800	2,350,080
		<u>5,701,150</u>

Consumer Finance – 1.0%

American Express Co.	37,200	1,476,840
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Diversified Financial Services – 2.7%

Apollo Global Management LLC (a)(d)	50,700	354,900
Bank of America Corp.	101,283	1,455,437
JPMorgan Chase & Co.	66,100	2,419,921
		<u>4,230,258</u>

Insurance – 0.6%

Hartford Financial Services Group, Inc.	18,000	398,340
Lincoln National Corp.	24,600	597,534
		<u>995,874</u>

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

Investments (Unaudited) – continued

Common Stocks – continued

	Shares	Value
FINANCIALS – continued		
Real Estate Investment Trusts – 0.1%		
Public Storage	2,400	\$ 210,984
TOTAL FINANCIALS		13,153,313
HEALTH CARE – 3.8%		
Biotechnology – 1.0%		
Amgen, Inc. (a)	6,800	357,680
Dendreon Corp. (a)	6,400	206,912
Gilead Sciences, Inc. (a)	4,400	150,832
United Therapeutics Corp. (a)	16,800	820,008
		1,535,432
Health Care Equipment & Supplies – 0.8%		
Edwards Lifesciences Corp. (a)	4,400	246,488
Intuitive Surgical, Inc. (a)	1,600	504,992
Varian Medical Systems, Inc. (a)	4,800	250,944
Volcano Corp. (a)	12,900	281,478
		1,283,902
Health Care Providers & Services – 1.5%		
Emergency Medical Services Corp. Class A (a)	4,000	196,120
Express Scripts, Inc. (a)	31,400	1,476,428
HMS Holdings Corp. (a)	5,900	319,898
Medco Health Solutions, Inc. (a)	6,900	380,052
		2,372,498
Health Care Technology – 0.3%		
Cerner Corp. (a)	2,700	204,903
SXC Health Solutions Corp. (a)	4,000	294,059
		498,962
Pharmaceuticals – 0.2%		
Valeant Pharmaceuticals International (a)	4,700	245,763
TOTAL HEALTH CARE		5,936,557
INDUSTRIALS – 9.2%		
Aerospace & Defense – 1.4%		
BE Aerospace, Inc. (a)	13,200	335,676
Goodrich Corp.	11,100	735,375
The Boeing Co.	18,700	1,173,425
		2,244,476
Air Freight & Logistics – 0.1%		
Air Lease Corp. Class A (a)(d)	10,900	218,000
Airlines – 3.5%		
Continental Airlines, Inc. Class B (a) ...	71,700	1,577,400
Delta Air Lines, Inc. (a)	211,500	2,485,125
Southwest Airlines Co.	94,400	1,048,784
UAL Corp. (a)(c)	21,700	446,152
		5,557,461

	Shares	Value
Construction & Engineering – 0.2%		
Fluor Corp.	2,600	\$ 110,500
Jacobs Engineering Group, Inc. (a)	6,400	233,216
		343,716
Industrial Conglomerates – 1.0%		
General Electric Co.	109,300	1,576,106
Machinery – 2.4%		
Caterpillar, Inc.	12,400	744,868
Cummins, Inc.	13,500	879,255
Kennametal, Inc.	21,200	539,116
MAN SE	5,126	422,508
PACCAR, Inc.	5,900	235,233
Parker Hannifin Corp.	11,300	626,698
Sandvik AB	6,400	78,067
Timken Co.	7,000	181,930
		3,707,675
Road & Rail – 0.6%		
CSX Corp.	10,200	506,226
Union Pacific Corp.	5,500	382,305
		888,531
TOTAL INDUSTRIALS		14,535,965
INFORMATION TECHNOLOGY – 10.6%		
Communications Equipment – 1.9%		
Cisco Systems, Inc. (a)	81,500	1,736,765
Juniper Networks, Inc. (a)	13,300	303,506
Research In Motion Ltd. (a)	13,400	660,084
Riverbed Technology, Inc. (a)	9,000	248,580
		2,948,935
Computers & Peripherals – 2.7%		
Apple, Inc. (a)	14,300	3,596,880
Dell, Inc. (a)	25,700	309,942
Isilon Systems, Inc. (a)	3,300	42,372
Seagate Technology (a)	23,300	303,832
		4,253,026
Internet Software & Services – 1.5%		
Baidu.com, Inc. sponsored ADR (a)	6,900	469,752
eBay, Inc. (a)	46,200	905,982
Rackspace Hosting, Inc. (a)	4,700	86,198
Tencent Holdings Ltd.	52,500	869,808
		2,331,740
IT Services – 0.4%		
Cognizant Technology Solutions Corp. Class A (a)	12,400	620,744
Semiconductors & Semiconductor Equipment – 1.7%		
Aixtron AG (c)	5,700	136,417
Altera Corp.	18,800	466,428
Broadcom Corp. Class A	23,000	758,310
Cree, Inc. (a)	2,700	162,081

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

Common Stocks – continued

	Shares	Value
INFORMATION TECHNOLOGY – continued		
Semiconductors & Semiconductor Equipment – continued		
Marvell Technology Group Ltd. (a)	54,100	\$ 852,616
Xilinx, Inc.	14,900	376,374
		<u>2,752,226</u>
Software – 2.4%		
Citrix Systems, Inc. (a)	21,900	924,837
Informatica Corp. (a)	35,600	850,128
Microsoft Corp.	26,600	612,066
NCsoft Corp.	769	126,582
Nintendo Co. Ltd.	400	117,464
Rovi Corp. (a)	21,000	796,110
Taleo Corp. Class A (a)	12,400	301,196
		<u>3,728,383</u>

TOTAL INFORMATION TECHNOLOGY 16,635,054

MATERIALS – 2.2%

Chemicals – 1.8%

Dow Chemical Co.	72,100	1,710,212
Ferro Corp. (a)	17,400	128,238
Lubrizol Corp.	2,900	232,899
LyondellBasell Industries NV Class A (a)	23,500	379,525
Rockwood Holdings, Inc. (a)	13,600	308,584
		<u>2,759,458</u>

Metals & Mining – 0.4%

Alcoa, Inc.	51,000	513,060
Thyssenkrupp AG	4,700	116,019
		<u>629,079</u>

TOTAL MATERIALS 3,388,537

TELECOMMUNICATION SERVICES – 0.5%

Wireless Telecommunication Services – 0.5%

NII Holdings, Inc. (a)	12,400	403,248
Vivo Participacoes SA sponsored ADR	16,000	414,720
		<u>817,968</u>

TOTAL COMMON STOCKS

(Cost \$69,115,789) 75,273,189

U.S. Treasury Obligations – 0.4%

	Principal Amount	
U.S. Treasury Bills, yield at date of purchase 0.15% to 0.15% 7/8/10 to 7/15/10 (e) (Cost \$649,975)	\$ 650,000	<u>649,988</u>

Equity Funds – 18.9%

	Shares	Value
Commodity Funds – 1.5%		
Fidelity Commodity Strategy Central Fund (f)	240,015	\$ <u>2,366,544</u>
International Equity Funds – 17.4%		
Fidelity Emerging Markets Equity Central Fund (f)	32,359	5,563,159
Fidelity International Equity Central Fund (f)	385,503	<u>21,699,970</u>
TOTAL INTERNATIONAL EQUITY FUNDS		<u>27,263,129</u>
TOTAL EQUITY FUNDS (Cost \$39,455,252)		<u>29,629,673</u>

Fixed-Income Funds – 29.3%

Fidelity Floating Rate Central Fund (f)	29,306	2,740,985
Fidelity High Income Central Fund 1 (f)	77,370	7,077,792
Fidelity VIP Investment Grade Central Fund (f)	333,931	<u>36,261,616</u>
TOTAL FIXED-INCOME FUNDS (Cost \$43,477,308)		<u>46,080,393</u>

Money Market Funds – 4.3%

Fidelity Cash Central Fund, 0.20% (g)	5,775,812	5,775,812
Fidelity Securities Lending Cash Central Fund, 0.24% (b)(g)	1,033,568	<u>1,033,568</u>
TOTAL MONEY MARKET FUNDS (Cost \$6,809,380)		<u>6,809,380</u>

TOTAL INVESTMENT PORTFOLIO – 100.8%
(Cost \$159,507,704) **158,442,623**

NET OTHER ASSETS (LIABILITIES) – (0.8)% (1,221,766)

NET ASSETS – 100% \$ 157,220,857

Futures Contracts

	Expiration Date	Underlying Face Amount at Value	Unrealized Appreciation/ (Depreciation)
Purchased			
Equity Index Contracts			
71 CME E-mini MSCI EAFE Index Contracts	Sept. 2010	\$ 4,668,960	\$ <u>(206,114)</u>

The face value of futures purchased as a percentage of net assets is 3%

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

Investments (Unaudited) – continued

Legend

- (a) Non-income producing
- (b) Investment made with cash collateral received from securities on loan.
- (c) Security or a portion of the security is on loan at period end.
- (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 \$572,900 or 0.4% of net assets.
- (e) Security or a portion of the security was pledged to cover margin requirements for futures contracts. At the period end, the value of securities pledged amounted to \$649,988.
- (f) Affiliated fund that is 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-Q and is available upon request or at the SEC's web site 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 International Equity and Fixed-Income Fidelity Central Funds, is available at advisor.fidelity.com. In addition, each Fidelity Central Fund's financial statements are available on the SEC's web site or upon request.
- (g) Affiliated fund that is 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.

Affiliated Central Funds

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

Fund	Income earned
Fidelity Cash Central Fund	\$ 6,963
Fidelity Emerging Markets Equity Central Fund	38,184
Fidelity Floating Rate Central Fund	44,721
Fidelity High Income Central Fund 1	275,661
Fidelity International Equity Central Fund	358,697
Fidelity Securities Lending Cash Central Fund	6,981
Fidelity VIP Investment Grade Central Fund	663,721
Total	<u>\$ 1,394,928</u>

Additional information regarding the Fund's fiscal year to date purchases and sales, including the ownership percentage, of the non Money Market Central Funds is as follows:

Fund	Value, beginning of period	Purchases	Sales Proceeds	Value, end of period	% ownership, end of period
Fidelity Commodity Strategy Central Fund	\$ 2,625,759	\$ —	\$ —	\$ 2,366,544	1.3%
Fidelity Emerging Markets Equity Central Fund	5,984,150	—	—	5,563,159	1.8%
Fidelity Floating Rate Central Fund	2,194,656	543,716	—	2,740,985	0.1%
Fidelity High Income Central Fund 1	6,801,191	275,661	—	7,077,792	1.3%
Fidelity International Equity Central Fund	25,242,554	358,697	—	21,699,970	1.3%
Fidelity VIP Investment Grade Central Fund	36,173,232	688,161	2,003,915	36,261,616	0.9%
Total	<u>\$ 79,021,542</u>	<u>\$ 1,866,235</u>	<u>\$ 2,003,915</u>	<u>\$ 75,710,066</u>	

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

Other Information

The following is a summary of the inputs used, as of June 30, 2010, involving the Fund's assets and liabilities carried at 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 in the tables below, please refer to the Security 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:				
Consumer Discretionary	\$ 12,621,459	\$ 11,723,334	\$ 898,125	\$ —
Consumer Staples	1,208,734	629,749	578,985	—
Energy	6,975,602	6,975,602	—	—
Financials	13,153,313	12,798,413	354,900	—
Health Care	5,936,557	5,936,557	—	—
Industrials	14,535,965	13,817,390	500,575	218,000
Information Technology	16,635,054	15,384,783	1,250,271	—
Materials	3,388,537	3,272,518	116,019	—
Telecommunication Services	817,968	817,968	—	—
U.S. Government and Government Agency Obligations	649,988	—	649,988	—
Fixed-Income Funds	46,080,393	46,080,393	—	—
Money Market Funds	6,809,380	6,809,380	—	—
Equity Funds	29,629,673	29,629,673	—	—
Total Investments in Securities:	\$ 158,442,623	\$ 153,875,760	\$ 4,348,863	\$ 218,000
Derivative Instruments:				
Liabilities				
Futures Contracts	\$ (206,114)	\$ (206,114)	\$ —	\$ —

The following is a reconciliation of Investments in Securities for which Level 3 inputs were used in determining value:

Investments in Securities:

Beginning Balance	\$ —
Total Realized Gain (Loss)	—
Total Unrealized Gain (Loss)	—
Cost of Purchases	218,000
Proceeds of Sales	—
Amortization/Accretion	—
Transfers in to Level 3	—
Transfers out of Level 3	—
Ending Balance	\$ 218,000
The change in unrealized gain (loss) for the period attributable to Level 3 securities held at June 30, 2010	\$ —

The information used in the above reconciliation represents fiscal year to date activity for any Investments in Securities identified as using Level 3 inputs at either the beginning or the end of the current fiscal period. Transfers in or out of Level 3 represent the beginning value of any Security or Instrument where a change in the pricing level occurred from the beginning to the end of the period. The cost of purchases and the proceeds of sales may include securities received or delivered through corporate actions or exchanges.

Value of Derivative Instruments

The following table is a summary of the Fund's value of derivative instruments by risk exposure as of June 30, 2010. For additional information on derivative instruments, please refer to the Derivative Instruments section in the accompanying Notes to Financial Statements.

Risk Exposure / Derivative Type	Value	
	Asset	Liability
Equity Risk		
Futures Contracts (a)	\$ —	\$ (206,114)

(a) Reflects cumulative appreciation/(depreciation) on futures contracts as disclosed on the Schedule of Investments. Only the period end variation margin is separately disclosed on the Statement of Assets and Liabilities.

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

Investments (Unaudited) – continued

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

The composition of credit quality ratings as a percentage of net assets is as follows (ratings are unaudited):

U.S. Government and U.S. Government Agency Obligations	13.4%
AAA,AA,A	4.3%
BBB	3.1%
BB	2.5%
B	2.6%
CCC,CC,C	0.8%
D	0.0%
Not Rated	0.8%
Equities	69.6%
Short-Term Investments and Net Other Assets	2.9%
	<u>100.0%</u>

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 report date and do not reflect subsequent downgrades. Percentages are adjusted for the effect of futures contracts, if applicable.

Distribution of investments by country of issue, as a percentage of total net assets, is as follows: (Unaudited)

United States of America	74.8%
United Kingdom	3.3%
Japan	2.9%
Germany	2.0%
Brazil	1.6%
Cayman Islands	1.6%
China	1.5%
France	1.4%
Canada	1.2%
Bermuda	1.1%
Others (Individually Less Than 1%)	8.6%
	<u>100.0%</u>

Income Tax Information

At December 31, 2009, the Fund had a capital loss carryforward of approximately \$61,350,992 of which \$7,030,969, \$8,613,887, \$24,334,072 and \$21,372,064 will expire on December 31, 2010, 2011, 2016 and 2017, respectively. Capital loss carryforwards are only available to offset future capital gains of the Fund to the extent provided by regulations and may be limited.

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

Financial Statements

Statement of Assets and Liabilities

June 30, 2010 (Unaudited)

Assets

Investment in securities, at value (including securities loaned of \$987,941) — See accompanying schedule:		
Unaffiliated issuers (cost \$69,765,764)	\$	75,923,177
Fidelity Central Funds (cost \$89,741,940)		<u>82,519,446</u>
Total Investments (cost \$159,507,704)	\$	158,442,623
Cash		11,902
Foreign currency held at value (cost \$(17))		2
Receivable for investments sold		53,401
Receivable for fund shares sold		5,176
Dividends receivable		79,189
Distributions receivable from Fidelity Central Funds		1,544
Other receivables		<u>13,345</u>
Total assets		<u>158,607,182</u>

Liabilities

Payable for investments purchased	\$	89,959
Payable for fund shares redeemed		97,130
Accrued management fee		76,419
Distribution fees payable		1,902
Payable for daily variation on futures contracts		32,985
Other affiliated payables		17,590
Other payables and accrued expenses		36,772
Collateral on securities loaned, at value		<u>1,033,568</u>
Total liabilities		<u>1,386,325</u>

Net Assets	\$	<u>157,220,857</u>
Net Assets consist of:		
Paid in capital	\$	205,794,286
Undistributed net investment income		1,094,278
Accumulated undistributed net realized gain (loss) on investments and foreign currency transactions		(48,396,484)
Net unrealized appreciation (depreciation) on investments and assets and liabilities in foreign currencies		<u>(1,271,223)</u>
Net Assets	\$	<u>157,220,857</u>

Statement of Assets and Liabilities – continued

June 30, 2010 (Unaudited)

Initial Class:

Net Asset Value , offering price and redemption price per share (\$121,154,664 ÷ 10,086,199 shares)	\$	<u>12.01</u>
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Service Class:

Net Asset Value , offering price and redemption price per share (\$3,406,753 ÷ 285,573 shares)	\$	<u>11.93</u>
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Service Class 2:

Net Asset Value , offering price and redemption price per share (\$7,385,132 ÷ 622,741 shares)	\$	<u>11.86</u>
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Investor Class:

Net Asset Value , offering price and redemption price per share (\$25,274,308 ÷ 2,112,395 shares)	\$	<u>11.96</u>
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See accompanying notes which are an integral part of the financial statements.

Financial Statements – continued

Statement of Operations

Six months ended June 30, 2010 (Unaudited)

Investment Income		
Dividends		\$ 351,480
Interest		333
Income from Fidelity Central Funds		1,394,928
Total income		<u>1,746,741</u>
Expenses		
Management fee	\$ 482,604	
Transfer agent fees	76,532	
Distribution fees	11,967	
Accounting and security lending fees	42,682	
Custodian fees and expenses	16,667	
Independent trustees' compensation	323	
Registration fees	57	
Audit	24,992	
Legal	705	
Miscellaneous	7,260	
Total expenses before reductions	663,789	
Expense reductions	(11,326)	652,463
Net investment income (loss)		<u>1,094,278</u>
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Unaffiliated issuers	8,160,035	
Fidelity Central Funds	40,990	
Foreign currency transactions	538	
Futures contracts	(443,131)	
Capital gain distributions from Fidelity Central Funds	24,299	
Total net realized gain (loss)		7,782,731
Change in net unrealized appreciation (depreciation) on:		
Investment securities		(17,182,647)
Assets and liabilities in foreign currencies		(1,894)
Futures contracts		(219,854)
Total change in net unrealized appreciation (depreciation)		(17,404,395)
Net gain (loss)		<u>(9,621,664)</u>
Net increase (decrease) in net assets resulting from operations		<u>\$ (8,527,386)</u>

Statement of Changes in Net Assets

	Six months ended June 30, 2010 (Unaudited)	Year ended December 31, 2009
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	\$ 1,094,278	\$ 2,369,031
Net realized gain (loss)	7,782,731	(3,626,092)
Change in net unrealized appreciation (depreciation)	(17,404,395)	45,201,288
Net increase (decrease) in net assets resulting from operations	<u>(8,527,386)</u>	<u>43,944,227</u>
Distributions to shareholders from net investment income	—	(2,373,235)
Distributions to shareholders from net realized gain	—	(313,149)
Total distributions	—	<u>(2,686,384)</u>
Share transactions – net increase (decrease)	(9,015,193)	(14,759,164)
Total increase (decrease) in net assets	<u>(17,542,579)</u>	<u>26,498,679</u>
Net Assets		
Beginning of period	174,763,436	148,264,757
End of period (including undistributed net investment income of \$1,094,278 and undistributed net investment income of \$0, respectively)	<u>\$ 157,220,857</u>	<u>\$ 174,763,436</u>

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

Financial Highlights — Initial Class

	Six months ended	Years ended December 31,				
	June 30, 2010 (Unaudited)	2009	2008	2007	2006	2005
Selected Per-Share Data						
Net asset value, beginning of period	\$ 12.66	\$ 9.68	\$ 15.51	\$ 13.60	\$ 12.97	\$ 12.78
Income from Investment Operations						
Net investment income (loss) ^E	.08	.17	.26	.29	.26	.24
Net realized and unrealized gain (loss)	(.73)	3.01	(5.82)	2.24	.63	.25
Total from investment operations	(.65)	3.18	(5.56)	2.53	.89	.49
Distributions from net investment income	—	(.18)	(.26)	(.62)	(.26)	(.30)
Distributions from net realized gain	—	(.02)	(.01)	—	—	—
Total distributions	—	(.20)	(.27)	(.62)	(.26)	(.30)
Net asset value, end of period	\$ 12.01	\$ 12.66	\$ 9.68	\$ 15.51	\$ 13.60	\$ 12.97
Total Return^{B,C,D}	(5.13)%	32.91%	(35.81)%	18.97%	6.99%	3.89%
Ratios to Average Net Assets^{F,H}						
Expenses before reductions	.74% ^A	.78%	.74%	.74%	.77%	.74%
Expenses net of fee waivers, if any	.74% ^A	.78%	.74%	.74%	.77%	.74%
Expenses net of all reductions	.73% ^A	.77%	.73%	.73%	.73%	.72%
Net investment income (loss)	1.30% ^A	1.57%	1.90%	1.98%	2.01%	1.93%
Supplemental Data						
Net assets, end of period (000 omitted)	\$ 121,155	\$ 136,479	\$ 118,672	\$ 211,867	\$ 212,222	\$ 260,968
Portfolio turnover rate ^G	70% ^A	126%	110%	132%	233%	43%

^AAnnualized ^BTotal returns for periods of less than one year are not annualized. ^CTotal returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown. ^DTotal returns would have been lower had certain expenses not been reduced during the periods shown. ^ECalculated based on average shares outstanding during the period. ^FFees and expenses of the underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds. ^GAmount does not include the portfolio activity of any underlying Fidelity Central Funds. ^HExpense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.

Financial Highlights — Service Class

	Six months ended	Years ended December 31,				
	June 30, 2010 (Unaudited)	2009	2008	2007	2006	2005
Selected Per-Share Data						
Net asset value, beginning of period	\$ 12.58	\$ 9.62	\$ 15.41	\$ 13.51	\$ 12.88	\$ 12.69
Income from Investment Operations						
Net investment income (loss) ^E	.08	.16	.24	.27	.25	.23
Net realized and unrealized gain (loss)	(.73)	2.99	(5.77)	2.22	.63	.24
Total from investment operations	(.65)	3.15	(5.53)	2.49	.88	.47
Distributions from net investment income	—	(.17)	(.25)	(.59)	(.25)	(.28)
Distributions from net realized gain	—	(.02)	(.01)	—	—	—
Total distributions	—	(.19)	(.26)	(.59)	(.25)	(.28)
Net asset value, end of period	\$ 11.93	\$ 12.58	\$ 9.62	\$ 15.41	\$ 13.51	\$ 12.88
Total Return^{B,C,D}	(5.17)%	32.79%	(35.88)%	18.79%	6.93%	3.79%
Ratios to Average Net Assets^{F,H}						
Expenses before reductions	.84% ^A	.88%	.84%	.84%	.87%	.84%
Expenses net of fee waivers, if any	.84% ^A	.88%	.84%	.84%	.87%	.84%
Expenses net of all reductions	.83% ^A	.87%	.83%	.83%	.83%	.82%
Net investment income (loss)	1.19% ^A	1.47%	1.80%	1.88%	1.91%	1.83%
Supplemental Data						
Net assets, end of period (000 omitted)	\$ 3,407	\$ 3,838	\$ 2,911	\$ 5,113	\$ 4,977	\$ 5,604
Portfolio turnover rate ^G	70% ^A	126%	110%	132%	233%	43%

^AAnnualized ^BTotal returns for periods of less than one year are not annualized. ^CTotal returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown. ^DTotal returns would have been lower had certain expenses not been reduced during the periods shown. ^ECalculated based on average shares outstanding during the period. ^FFees and expenses of the underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds. ^GAmount does not include the portfolio activity of any underlying Fidelity Central Funds. ^HExpense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.

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

Financial Highlights — Service Class 2

	Six months ended	Years ended December 31,				
	June 30, 2010 (Unaudited)	2009	2008	2007	2006	2005
Selected Per-Share Data						
Net asset value, beginning of period	\$ 12.51	\$ 9.57	\$ 15.34	\$ 13.42	\$ 12.81	\$ 12.61
Income from Investment Operations						
Net investment income (loss) ^E	.06	.14	.22	.25	.22	.20
Net realized and unrealized gain (loss)	(.71)	2.97	(5.75)	2.21	.62	.25
Total from investment operations	(.65)	3.11	(5.53)	2.46	.84	.45
Distributions from net investment income	—	(.15)	(.23)	(.54)	(.23)	(.25)
Distributions from net realized gain	—	(.02)	(.01)	—	—	—
Total distributions	—	(.17)	(.24)	(.54)	(.23)	(.25)
Net asset value, end of period	\$ 11.86	\$ 12.51	\$ 9.57	\$ 15.34	\$ 13.42	\$ 12.81
Total Return ^{B,C,D}	(5.20)%	32.55%	(36.05)%	18.68%	6.64%	3.65%
Ratios to Average Net Assets ^{F,H}						
Expenses before reductions	1.02% ^A	1.06%	1.01%	1.02%	1.05%	1.03%
Expenses net of fee waivers, if any	1.02% ^A	1.06%	1.01%	1.02%	1.05%	1.03%
Expenses net of all reductions	1.01% ^A	1.05%	1.01%	1.01%	1.02%	1.02%
Net investment income (loss)	1.02% ^A	1.29%	1.62%	1.70%	1.73%	1.64%
Supplemental Data						
Net assets, end of period (000 omitted)	\$ 7,385	\$ 8,139	\$ 6,545	\$ 8,622	\$ 6,205	\$ 5,854
Portfolio turnover rate ^G	70% ^A	126%	110%	132%	233%	43%

^AAnnualized ^BTotal returns for periods of less than one year are not annualized. ^CTotal returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown. ^DTotal returns would have been lower had certain expenses not been reduced during the periods shown. ^ECalculated based on average shares outstanding during the period. ^FFees and expenses of the underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds. ^GAmount does not include the portfolio activity of any underlying Fidelity Central Funds. ^HExpense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.

Financial Highlights — Investor Class

	Six months ended	Years ended December 31,				
	June 30, 2010 (Unaudited)	2009	2008	2007	2006	2005 ^H
Selected Per-Share Data						
Net asset value, beginning of period	\$ 12.61	\$ 9.65	\$ 15.46	\$ 13.56	\$ 12.96	\$ 12.60
Income from Investment Operations						
Net investment income (loss) ^E	.08	.16	.24	.27	.24	.10
Net realized and unrealized gain (loss)	(.73)	2.99	(5.78)	2.23	.63	.26
Total from investment operations	(.65)	3.15	(5.54)	2.50	.87	.36
Distributions from net investment income	—	(.17)	(.26)	(.60)	(.27)	—
Distributions from net realized gain	—	(.02)	(.01)	—	—	—
Total distributions	—	(.19)	(.27)	(.60)	(.27)	—
Net asset value, end of period	\$ 11.96	\$ 12.61	\$ 9.65	\$ 15.46	\$ 13.56	\$ 12.96
Total Return ^{B,C,D}	(5.15)%	32.68%	(35.85)%	18.78%	6.80%	2.86%
Ratios to Average Net Assets ^{F,I}						
Expenses before reductions	.83% ^A	.89%	.83%	.86%	.92%	.96% ^A
Expenses net of fee waivers, if any	.83% ^A	.89%	.83%	.86%	.92%	.96% ^A
Expenses net of all reductions	.82% ^A	.87%	.83%	.86%	.89%	.94% ^A
Net investment income (loss)	1.21% ^A	1.47%	1.81%	1.86%	1.86%	1.83% ^A
Supplemental Data						
Net assets, end of period (000 omitted)	\$ 25,274	\$ 26,307	\$ 20,137	\$ 16,370	\$ 6,882	\$ 1,330
Portfolio turnover rate ^G	70% ^A	126%	110%	132%	233%	43%

^AAnnualized ^BTotal returns for periods of less than one year are not annualized. ^CTotal returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown. ^DTotal returns would have been lower had certain expenses not been reduced during the periods shown. ^ECalculated based on average shares outstanding during the period. ^FFees and expenses of the underlying Fidelity Central Funds are not included in the Fund's expense ratio. The Fund indirectly bears its proportionate share of the expenses of any underlying Fidelity Central Funds. ^GAmount does not include the portfolio activity of any underlying Fidelity Central Funds. ^HFor the period July 21, 2005 (commencement of sale of shares) to December 31, 2005. ^IExpense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from brokerage service arrangements or reductions from other expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements or reductions occur. Expense ratios before reductions for start-up periods may not be representative of longer-term operating periods. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from brokerage service arrangements or other expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.

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

Notes to Financial Statements

For the period ended June 30, 2010 (Unaudited)

1. Organization.

VIP Asset Manager: Growth 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. Investment income, realized and unrealized capital gains and losses, the common expenses of the Fund, and certain fund-level expense reductions, if any, are allocated on a pro-rata basis to each class based on the relative net assets of each class to the total net assets of the Fund. Each class differs with respect to transfer agent and distribution and service plan fees incurred. Certain expense reductions also differ by class. The Fund's investments in emerging markets can be subject to social, economic, regulatory, and political uncertainties and can be extremely volatile.

2. Investments in Fidelity Central Funds.

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

Based on their investment objective, each Fidelity Central Fund may invest or participate in various investment vehicles or strategies that are similar to those of the Fund. These strategies are consistent with the investment objectives of the Fund and may involve certain economic risks which may cause a decline in value of each of the Fidelity Central Funds and thus a decline in the value of the Fund. The following summarizes the Fund's investment in each Fidelity Central Fund.

Fidelity Central Fund	Investment Manager	Investment Objective	Investment Practices
Fidelity Commodity Strategy Central Fund	FMR Co., Inc. (FMRC)	Seeks to provide investment returns that correspond to the performance of the commodities market.	Investment in wholly-owned subsidiary organized under the laws of the Cayman Islands Futures Repurchase Agreements Restricted Securities Swap Agreements
Fidelity Emerging Markets Equity Central Fund	FMRC	Seeks capital appreciation by investing primarily in equity securities of issuers in emerging markets.	Foreign Securities Repurchase Agreements Restricted Securities
Fidelity International Equity Central Fund	FMRC	Seeks capital appreciation by investing primarily in non-U.S. based common stocks, including securities of issuers located in emerging markets.	Foreign Securities Repurchase Agreements Restricted Securities
Fidelity Floating Rate Central Fund	FMRC	Seeks a high level of income by normally investing in floating rate loans and other floating rate securities.	Loans & Direct Debt Instruments Repurchase Agreements Restricted Securities
Fidelity High Income Central Fund 1	FMRC	Seeks a high level of income and may also seek capital appreciation by investing primarily in debt securities, preferred stocks, and convertible securities, with an emphasis on lower-quality debt securities.	Loans & Direct Debt Instruments Repurchase Agreements Restricted Securities
VIP Investment Grade Central Fund	Fidelity Investments Money Management, Inc. (FIMM)	Seeks a high level of current income by normally investing in investment-grade debt securities and repurchase agreements.	Delayed Delivery & When Issued Securities Repurchase Agreements Restricted Securities Swap Agreements
Fidelity Money Market Central Funds	FIMM	Seeks to obtain a high level of current income consistent with the preservation of capital and liquidity.	Short-term Investments

Notes to Financial Statements (Unaudited) – continued

2. Investments in Fidelity Central Funds – continued

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 each of Fidelity's International and Fixed-Income Central Funds, is available at advisor.fidelity.com. A complete unaudited list of holdings for each Fidelity Central Fund is available upon request or at the Securities and Exchange Commission (the SEC) web site at www.sec.gov. In addition, the financial statements of the Fidelity Central Funds which contain the significant accounting policies (including security valuation policies) of those funds, are available on the SEC web site or upon request.

3. Significant Accounting Policies.

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. The following summarizes the significant accounting policies of the Fund:

Security Valuation. Investments are valued as of 4:00 p.m. Eastern time on the last calendar day of the period. The Fund uses independent pricing services approved by the Board of Trustees to value its investments. When current market prices or quotations are not readily available or reliable, valuations may be determined in good faith in accordance with procedures adopted by the Board of Trustees. Factors used in determining value may include market or security 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 value used for net asset value (NAV) calculation under these procedures may differ from published prices for the same securities.

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)

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 June 30, 2010, as well as a roll forward of Level 3 securities, is included at the end of the Fund's Schedule of Investments. Valuation techniques used to value the Fund's investments by major category are as follows.

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 an independent pricing service 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 significant market or security specific events arise, comparisons to the valuation of American Depositary Receipts (ADRs), futures contracts, Exchange-traded funds (ETFs) and certain indexes as well as quoted prices for similar securities are used and are categorized as Level 2 in the hierarchy in these circumstances. Utilizing these techniques may result in transfers between Level 1 and Level 2. For restricted equity securities and private placements where observable inputs are limited, assumptions about market activity and risk are used and are categorized as Level 3 in the hierarchy.

Debt securities, including restricted securities, are valued based on evaluated prices received from independent pricing services or from dealers who make markets in such securities. For U.S. government and government agency obligations, pricing services utilize matrix pricing which considers yield or price of bonds of comparable quality, coupon, maturity and type as well as dealer supplied prices and are generally 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 Fixed-Income, Equity and Money Market Central Funds are valued at their closing net asset value each business day and are categorized as Level 1 in the hierarchy. Short-term securities with remaining maturities of sixty days or less for which quotations are not readily available are valued at amortized cost, which approximates value and are categorized as Level 2 in the hierarchy.

When independent prices are unavailable or unreliable, debt securities may be valued utilizing pricing matrices which consider similar factors that would be used by independent pricing services. These are generally categorized as Level 2 in the hierarchy but may be Level 3 depending on the circumstances.

Foreign Currency. The Fund uses foreign currency contracts to facilitate transactions in foreign-denominated securities. Gains and losses from these transactions may arise from changes in the value of the foreign currency or if the counterparties do not perform under the contracts' terms.

3. Significant Accounting Policies – continued

Foreign Currency – continued

Foreign-denominated assets, including investment securities, and liabilities are translated into U.S. dollars at the exchange rate 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.

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 may include proceeds received from litigation. Dividend income is recorded on the ex-dividend date, except for certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Fund is informed of the ex-dividend date. Non-cash dividends included in dividend income, if any, are recorded at the fair market value of the securities received. Distributions received on securities that represent a return of capital or capital gain are recorded as a reduction of cost of investments and/or as a realized gain. The Fund estimates the components of distributions received that may be considered return of capital distributions or capital gain distributions. Interest income and distributions from the Fidelity Central Funds are accrued as earned. Interest income includes coupon interest and amortization of premium and accretion of discount on debt securities. Investment income is recorded net of foreign taxes withheld where recovery of such taxes is uncertain.

Expenses. Most expenses of the Trust can be directly attributed to a fund. Expenses which cannot be directly attributed are apportioned amongst each fund in the Trust. Expense estimates are accrued in the period to which they relate and adjustments are made when actual amounts are known.

Income Tax Information and Distributions to Shareholders. Each year, the Fund intends to qualify as a regulated investment company by distributing substantially all of its taxable income and realized gains under Subchapter M of the Internal Revenue Code and filing its U.S. federal tax return. As a result, no provision for income taxes is required. A fund's federal tax return is subject to examination by the Internal Revenue Service (IRS) for a period of three years. 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 recorded on the ex-dividend date. Income dividends 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. Temporary book-tax differences will reverse in a subsequent period.

Book-tax differences are primarily due to the short-term gain distributions from the Fidelity Central Funds, futures transactions, foreign currency transactions, partnerships (including allocations from Fidelity Central Funds), deferred trustees compensation, capital loss carryforwards and losses deferred due to wash sales and excise tax regulations.

The federal tax cost of investment securities and unrealized appreciation (depreciation) as of period end were as follows:

Gross unrealized appreciation	\$	16,225,922
Gross unrealized depreciation		<u>(18,104,632)</u>
Net unrealized appreciation (depreciation)	\$	<u>(1,878,710)</u>
Tax cost	\$	<u>160,321,333</u>

4. Operating Policies.

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

Notes to Financial Statements (Unaudited) – continued

5. Derivative Instruments.

Risk Exposures and the Use of Derivative Instruments. The Fund uses derivative instruments (derivatives), including futures contracts in order to meet its investment objectives. The strategy is to use derivatives to increase returns 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 may increase or decrease its exposure to the following risk:

Equity Risk	Equity risk relates to the fluctuations in the value of financial instruments as a result of changes in market prices (other than those arising from interest rate risk or foreign exchange risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment.
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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 sell 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. The Fund's maximum risk of loss from counterparty credit risk is generally the aggregate unrealized appreciation and unpaid counterparty fees in excess of any collateral pledged by the counterparty to the Fund. Counterparty risk related to exchange-traded futures contracts is minimal because of the protection provided by the exchange on which they trade. Risk of loss may exceed the amounts recognized in the Statement of Assets and Liabilities.

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 uses futures contracts to manage its exposure to the stock market.

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 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). Realized gain or (loss) is recorded upon the expiration or closing of a futures contract.

The underlying face amount at value of open futures contracts at period end, if any, is shown in the Schedule of Investments under the caption "Futures Contracts." This amount reflects each contract's exposure to the underlying instrument at period end and is representative of activity for the period. Securities deposited to meet initial margin requirements are identified in the Schedule of Investments. The receivable and/or payable for the variation margin are reflected in the Statement of Assets and Liabilities.

Certain risks may arise upon entering into futures contracts, including the risk that an illiquid market may limit the ability to close out a futures contract prior to settlement date.

During the period the Fund recognized net realized gain (loss) of \$(443,131) and a change in net unrealized appreciation (depreciation) of \$(219,854) related to its investment in futures contracts. These amounts are included in the Statement of Operations.

6. Purchases and Sales of Investments.

Purchases and sales of securities (including the Equity and Fixed-Income Central Funds), other than short-term securities, aggregated \$57,332,531 and \$65,179,776, respectively.

7. Fees and Other Transactions with Affiliates.

Management Fee. FMR 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 .30% of the Fund's average net assets and a group fee rate that averaged .26% during the period. The group fee rate is based upon the average net assets of all the mutual funds advised by FMR. The group fee rate decreases as assets under management increase and increases as assets under management decrease. For the period, the total annualized management fee rate was .56% of the Fund's average net assets.

The Fund has invested in the Fidelity Commodity Strategy Central Fund, which in turn invests in a wholly-owned subsidiary that invests in commodity-linked derivative instruments. FMR has contractually agreed to waive the Fund's management fee in an amount equal to its proportionate share of the management fee paid to FMR by the subsidiary based on the Fund's proportionate ownership of the Fidelity Commodity Strategy Central Fund. Fees waived totaled \$84 for the period.

Distribution and Service Plan. In accordance with Rule 12b-1 of the 1940 Act, the Fund has adopted separate 12b-1 Plans for each Service Class of shares. Each Service Class pays Fidelity Distributors Corporation (FDC), an affiliate of FMR, 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.

7. Fees and Other Transactions with Affiliates – continued

Distribution and Service Plan – continued

For the period, each class paid FDC the following amounts, all of which were re-allowed to insurance companies for the distribution of shares and providing shareholder support services:

Service Class	\$	1,886
Service Class 2		10,081
	\$	<u>11,967</u>

Transfer Agent Fees. Fidelity Investments Institutional Operations Company, Inc. (FIIOC), an affiliate of FMR, is the Fund's transfer, dividend disbursing, and shareholder servicing agent. FIIOC receives an asset-based fee with respect to each class. Each class (with the exception of Investor Class) pays a transfer agent fee, excluding out of pocket expenses, equal to an annual rate of .07% of average net assets. Investor Class pays a monthly asset-based transfer agent fee of .15% of average net assets. The total transfer agent fees paid by each class to FIIOC, including out of pocket expenses, were as follows:

Initial Class	\$	48,846
Service Class		1,420
Service Class 2		4,141
Investor Class		22,125
	\$	<u>76,532</u>

Accounting and Security Lending Fees. Fidelity Service Company, Inc. (FSC), an affiliate of FMR, maintains the Fund's accounting records. The accounting fee is based on the level of average net assets for the month. Under a separate contract, FSC administers the security lending program. The security lending fee is based on the number and duration of lending transactions.

Brokerage Commissions. The Fund placed a portion of its portfolio transactions with brokerage firms which are affiliates of the investment adviser. The commissions paid to these affiliated firms were \$1,880 for the period.

8. Committed Line of Credit.

The Fund participates with other funds managed by FMR in a \$3.75 billion credit facility (the "line of credit") to be utilized for temporary or emergency purposes to fund shareholder redemptions or for other short-term liquidity purposes. The Fund has agreed to pay commitment fees on its pro-rata portion of the line of credit, which amounted to \$347 and is reflected in Miscellaneous expenses on the Statement of Operations. During the period, there were no borrowings on this line of credit.

9. Security Lending.

The Fund lends portfolio securities from time to time in order to earn additional income. On the settlement date of the loan, the Fund receives collateral (in the form of U.S. Treasury obligations, letters of credit and/or cash) against the loaned securities and maintains collateral in an amount not less than 100% of the market value of the loaned securities during the period of the loan. The market value of the loaned securities is determined at the close of business of the Fund and any additional required collateral is delivered to the Fund on the next business day. If the borrower defaults on its obligation to return the securities loaned because of insolvency or other reasons, a fund could experience delays and costs in recovering the securities loaned or in gaining access to the collateral. Any cash collateral received is invested in the Fidelity Securities Lending Cash Central Fund. The value of loaned securities and cash collateral at period end are disclosed on the Fund's Statement of Assets and Liabilities. Security lending income represents the income earned on investing cash collateral, less fees and expenses associated with the loan, plus any premium payments that may be received on the loan of certain types of securities. Security lending income is presented in the Statement of Operations as a component of income from Fidelity Central Funds. Net income from lending portfolio securities during the period amounted to \$6,981.

10. Expense Reductions.

Many of the brokers with whom FMR places trades on behalf of the Fund provided services to the Fund in addition to trade execution. These services included payments of certain expenses on behalf of the Fund totaling \$11,326 for the period.

Notes to Financial Statements (Unaudited) – continued

11. Distributions to Shareholders.

Distributions to shareholders of each class were as follows:

	Six months ended June 30, 2010	Year ended December 31, 2009
From net investment income		
Initial Class	\$ —	\$ 1,895,178
Service Class	—	50,128
Service Class 2	—	95,786
Investor Class	—	332,143
Total	<u>\$ —</u>	<u>\$ 2,373,235</u>
From net realized gain		
Initial Class	\$ —	\$ 245,240
Service Class	—	6,924
Service Class 2	—	14,984
Investor Class	—	46,001
Total	<u>\$ —</u>	<u>\$ 313,149</u>

12. Share Transactions.

Transactions for each class of shares were as follows:

	Shares		Dollars	
	Six months ended June 30, 2010	Year ended December 31, 2009	Six months ended June 30, 2010	Year ended December 31, 2009
Initial Class				
Shares sold	132,394	350,542	\$ 1,703,681	\$ 3,746,567
Reinvestment of distributions	—	173,751	—	2,140,418
Shares redeemed	(829,314)	(2,002,699)	(10,597,416)	(20,833,637)
Net increase (decrease)	<u>(696,920)</u>	<u>(1,478,406)</u>	<u>\$ (8,893,735)</u>	<u>\$ (14,946,652)</u>
Service Class				
Shares sold	14,759	62,715	\$ 186,306	\$ 622,397
Reinvestment of distributions	—	4,662	—	57,052
Shares redeemed	(34,353)	(64,785)	(432,365)	(674,309)
Net increase (decrease)	<u>(19,594)</u>	<u>2,592</u>	<u>\$ (246,059)</u>	<u>\$ 5,140</u>
Service Class 2				
Shares sold	113,432	271,353	\$ 1,453,382	\$ 2,822,295
Reinvestment of distributions	—	9,100	—	110,770
Shares redeemed	(141,160)	(313,536)	(1,767,546)	(3,220,944)
Net increase (decrease)	<u>(27,728)</u>	<u>(33,083)</u>	<u>\$ (314,164)</u>	<u>\$ (287,879)</u>
Investor Class				
Shares sold	300,820	445,595	\$ 3,889,335	\$ 5,121,887
Reinvestment of distributions	—	30,780	—	378,144
Shares redeemed	(274,171)	(477,991)	(3,450,570)	(5,029,804)
Net increase (decrease)	<u>26,649</u>	<u>(1,616)</u>	<u>\$ 438,765</u>	<u>\$ 470,227</u>

13. Other.

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

At the end of the period, FMR or its affiliates were the owners of 75% of the total outstanding shares of the Fund.

Investment Adviser

Fidelity Management & Research Company
Boston, MA

Investment Sub-Advisers

FMR Co., Inc.
Fidelity Management & Research (U.K.) Inc.
Fidelity Management & Research (Hong Kong) Limited
Fidelity Management & Research (Japan) Inc.
Fidelity Research & Analysis Company
Fidelity Investments Money Management, Inc.
FIL Investments (Japan) Limited
FIL Investment Advisors
FIL Investment Advisors (U.K.) Ltd.

General Distributor

Fidelity Distributors Corporation
Boston, MA

Transfer and Service Agents

Fidelity Investments Institutional Operations Company, Inc.
Boston, MA
Fidelity Service Company, Inc.
Boston, MA

Custodian

JPMorgan Chase Bank
New York, NY