



FOR IMMEDIATE RELEASE

CONTACT: Corporate Communications  
(617) 563-5800

**FINANCIAL ADVISORS HELPED INVESTORS MINIMIZE INVESTMENT LOSSES,  
ACCORDING TO NEW FIDELITY SURVEY**

**Half of Advisors Report Clients Consolidating Assets Due to Market Environment**

BOSTON, March 19, 2009 -- Fidelity Investments® today announced results of new research that shows that the largest percentage of individual investors surveyed (32%) feel that their financial advisor or broker helped minimize their investment losses during the past six months.

Conversely, one in four (24%) investors believe that their advisor did not minimize losses, despite the fact that they report their investable assets performed, on average, 16 percentage points better than the S&P 500® during the past six months.<sup>1</sup>

When asked a similar question about how their clients behaved in this challenging market environment, advisors report that their clients did well, and did not panic, with many understanding that investment losses were to be expected. Fidelity's research surveyed more than 200 advisors and 300 investors to better understand the impact of the ongoing market turmoil on the advisor-client relationship.

"The fact that investors differ in their opinions about how their advisor performed shows just how challenging this market has become for advisors," said Charles G. Goldman, president of Institutional Platforms, Fidelity Investments. "While this is undoubtedly one of the most challenging market environments this generation of advisors has ever experienced, it's encouraging to see that they are optimistic about their future growth prospects. The environment also has reinforced that this is a relationship business built on communication and trust between advisors and their clients."

-more-

---

<sup>1</sup> Investors report their investable assets lost 27% on average from August 27, 2008 to February 27, 2009 compared to an approximately 43% decline in the S&P 500® over that same period.

### **Advisors See Opportunity for Growth**

Although many advisors across all types of channels, from independent broker/dealers to Registered Investment Advisors, likely have seen assets under management and profit margins drop over the past six months, nearly all (96%) feel that the ongoing market environment has better positioned their business for future growth.

Nearly half (49%) of advisors say that they are seeing growth come through current clients consolidating assets with them, according to the Fidelity survey.

Advisors also report the top three drivers of their growth to be: “clients are seeking more advice,” “clients have more realistic expectations for investment returns,” and “weaker competitors are being driven from the market.”

“Times of economic and market uncertainty bring opportunity for those willing to look for it; this is especially true for advisors,” said Goldman. “The need for professional investment advice has never been greater. Advisors of all types have a once-in-a-lifetime opportunity to position their businesses for future growth by focusing on areas such as investment processes, client communication or even talent acquisition.”

### **Advisor-Client Relationship Remains Solid; Focus on Risk**

When asked whether the financial crisis has affected their relationship, most investors and advisors agree that the relationship has not changed. Yet more advisors (38%) are likely to believe that their relationships have improved than investors (9%).

Not surprisingly, investors and advisors agree that more communication is needed. Almost three-quarters (72%) of advisors say they are communicating with clients more frequently, while more than one-quarter (28%) of investors plan to communicate more frequently.

Looking to the future, investors will focus more on risk. Nearly four in 10 (37%) say that they will discuss strategies to mitigate risk with their advisors, while 21 percent will review investments carefully to better understand potential upside and downside associated with each investment. More than half (52%) of advisors say they are reassessing their clients’ risk tolerance and 47 percent are discussing strategies to mitigate risk.

## **Fidelity Survey on Advisor-Client Relationship/Page 3**

“There is no doubt that risk management will play a more important role in the advisor-client relationship, especially when it comes to alternative investments,” said Goldman. “This is an important asset class for advisors and one that can play a critical role in building a diversified portfolio. As broker/dealers and advisors re-assess how they use this asset class, we remain committed to servicing alternatives and see a tremendous opportunity to help support them in this area.”

### **Fidelity Offers Advisors Comprehensive Practice Management Resources**

Fidelity offers broker/dealers and advisors access to a wide array of practice management resources designed to help them drive business growth, streamline efficiencies and manage risk. Fidelity Institutional Wealth Services® and National Financial® offer a suite of tools, services and industry expertise, at discounted rates, in areas from marketing and sales to technology and compliance. Fidelity Investments Institutional Services Company offers advisors an online resource center that provides easy access to sales ideas, Fidelity research, and market analyses.

“As investors require a greater level and frequency of support, many advisors may be challenged to find the time and resources,” said Goldman. “Broker/dealers and advisors will need to look for ways to enhance practice and operational efficiencies so they can devote more time to working with clients and implementing strategies to help meet their evolving needs.”

### **About the Fidelity Survey**

The Fidelity survey was conducted online by Harris Interactive on behalf of Fidelity Investments between February 20 to March 6, 2009 among 200 financial advisors and 300 investors. The advisors are part of the Harris Interactive Financial Advisor Intermediary Panel and are representative of all advisors and brokers employed at U.S. national wirehouses, regional brokerages, independent, insurance and bank broker-dealer firms, and registered investment advisory firms. The investors were at least 21 years of age and had at least \$100,000 in investable assets (excluding real estate and money in 401(k), 403(b), pensions, or employer-sponsored retirement plans). Data for this survey were collected by Harris Interactive on behalf of Fidelity; Fidelity was responsible for the data analysis and reporting.

**About Fidelity Investments**

Fidelity Investments is one of the world's largest providers of financial services, with custodied assets of over \$2.5 trillion, including managed assets of over \$1.2 trillion as of January 31, 2009. Fidelity offers investment management, retirement planning, brokerage, and human resources and benefits outsourcing services to 24 million individuals and institutions as well as through 5,500 financial intermediary firms. The firm is the largest mutual fund company in the United States, the No. 1 provider of workplace retirement savings plans, the largest mutual fund supermarket and a leading online brokerage firm. For more information about Fidelity Investments, visit [www.fidelity.com](http://www.fidelity.com).

###

Fidelity Investments, Fidelity Investments & the Pyramid Design logo, Fidelity Institutional Wealth Services and National Financial are registered service marks of FMR LLC.

S&P 500 is a registered trademark and service mark of Standard & Poor's Financial Services LLC.

Clearing, custody and other brokerage services may be provided by National Financial Services LLC or Fidelity Brokerage Services LLC, Members NYSE and SIPC.

Fidelity Investments Institutional Services Company, Inc. provides investment management services through investment professionals at financial institutions nationwide including wirehouses, regionals and independent broker/dealers, banks, trust companies, and insurance companies.

**National Financial Services LLC, Member NYSE, SIPC  
200 Seaport Boulevard, Boston, MA 02110**

**Fidelity Investments Institutional Services Company, Inc.,  
82 Devonshire Street, Boston, MA 02109**