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FIDELITY

(Registered trademark)
CALIFORNIA
TAX-FREE
FUNDS

ANNUAL REPORT
FEBRUARY 28, 1994
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THIS REPORT AND THE FINANCIAL STATEMENTS CONTAINED HEREIN ARE SUBMITTED FOR THE GENERAL INFORMATION OF THE SHAREHOLDERS OF THE FUNDS. THIS REPORT IS NOT AUTHORIZED FOR DISTRIBUTION TO PROSPECTIVE INVESTORS IN THE FUNDS UNLESS PRECEDED OR ACCOMPANIED BY AN EFFECTIVE PROSPECTUS. NEITHER THE FUNDS NOR FIDELITY DISTRIBUTORS CORPORATION IS A BANK, AND FUND SHARES ARE NOT BACKED OR GUARANTEED BY ANY BANK OR INSURED BY THE FDIC.
PRESIDENT'S MESSAGE

DEAR SHAREHOLDER:

No one wants to pay more taxes than they have to. But a recent survey of 500 U.S. households, conducted by Fidelity and Yankelovich Partners, showed that few people took steps to reduce their taxes under the new tax laws that went into effect last year. In fact, many people were not completely aware of the changes until they filed their 1993 tax returns.

Whether or not you're someone whose tax bill increased as a result of these changes, it may make sense to consider ways to keep more of what you earn. First, if your employer offers a 401(k) or 403(b) retirement savings plan, consider enrolling. These plans are set up so you can make regular contributions -

before taxes - to a retirement savings plan. They offer a disciplined savings strategy, the ability to accumulate earnings tax-deferred, and immediate tax savings. For example, if you earn \$40,000 a year and contribute 7% of your salary to your 401(k) plan, your annual contribution is \$2,800. That reduces your taxable income to \$37,200 and, if you're in the

28% tax bracket, saves you \$784 in federal taxes. In addition, you pay no taxes on any earnings until withdrawal.

It may be a good idea to contact your benefits office as soon as possible to find out when you can enroll or increase your contribution. Most employers allow employees to make changes only a few times each year.

Second, consider an IRA. Many people are eligible to make an IRA contribution (up to \$2,000) that is fully tax deductible. That includes people who are not covered by company pension plans, or those within certain income brackets. Even if you don't qualify for a fully deductible contribution, any IRA earnings will grow tax-deferred until withdrawal.

Third, consider adding to your tax-free investments, either municipal bonds or municipal bond funds. Often these can provide higher after-tax yields than comparable taxable investments. For example, if you're in the new 36% federal income tax bracket and invest \$10,000 in a taxable investment yielding 7%, you'll pay \$252 in federal taxes and receive \$448 in income. That same \$10,000 invested in a tax-free bond fund yielding 5.5% would allow you to keep \$550 in income.

These are three investment strategies that could help lower your tax bill in 1994. If you're interested in learning more, please call us at 1-800-544-8888 or visit a Fidelity Investor Center. We look forward to talking with you.

Best regards,

Edward C. Johnson 3d, Chairman

FIDELITY CALIFORNIA TAX-FREE HIGH YIELD PORTFOLIO

PERFORMANCE: THE BOTTOM LINE

There are several ways to evaluate a fund's historical performance. You can look at the total percentage change in value, the average annual percentage change, or the growth of a hypothetical \$10,000 investment. Each figure includes changes in a fund's share price, reinvestment of any dividends (or income) and capital gains (the profits the fund earns when it sells bonds that have grown in value). You can also look at the fund's income. If Fidelity had not reimbursed certain fund expenses during the periods shown, the total returns, dividends and yields would have been lower.

CUMULATIVE TOTAL RETURNS

PERIODS ENDED FEBRUARY 28, 1994	PAST 1 YEAR	PAST 5 YEARS	LIFE OF FUND
California Tax-Free High Yield	5.41%	56.05%	144.91%
Lehman Brothers Municipal Bond Index	5.54%	59.02%	n/a
Average California Tax-Exempt Municipal Bond Fund	5.39%	54.72%	n/a
Consumer Price Index	2.52%	20.64%	41.47%

CUMULATIVE TOTAL RETURNS reflect actual performance over a set period - in this case, one year, five years, or since the fund started on July 7, 1984. For example, if you invested \$1,000 in a fund that had a 5% return over the past year, you would end up with \$1,050. You can compare these figures to the performance of the Lehman Brothers Municipal Bond Index - a broad gauge of the municipal bond market. To measure how the fund stacked up against its peers, you can look at the average California tax-exempt municipal bond fund, which reflects the performance of 75 California tax-exempt municipal bond funds tracked by Lipper Analytical Services. Both benchmarks include reinvested dividends and capital gains, if any. Comparing the fund's performance to the consumer price index helps show how your fund did compared to inflation. (The periods covered by the CPI numbers are the closest available match to those covered by the fund.)

AVERAGE ANNUAL TOTAL RETURNS PERIODS ENDED FEBRUARY 28, 1994	PAST 1 YEAR	PAST 5 YEARS	LIFE OF FUND
California Tax-Free High Yield	5.41%	9.31%	9.72%
Lehman Brothers Municipal Bond Index	5.54%	9.72%	n/a
Average California Tax-Exempt Municipal Bond Fund	5.39%	9.12%	n/a
Consumer Price Index	2.52%	3.82%	3.65%

AVERAGE ANNUAL TOTAL RETURNS take the fund's actual (or cumulative) return and show you what would have happened if the fund had performed at a constant rate each year.
\$10,000 OVER LIFE OF FUND

\$27,312
\$24,247
'94

\$10,000 OVER LIFE OF FUND: Let's say you invested \$10,000 in Fidelity California Tax-Free High Yield Portfolio on July 31, 1984, shortly after the fund started. As the chart shows, by February 28, 1994, the value of your investment would have grown to \$24,247 - a 142.47% increase on your initial investment. For comparison, look at how the Lehman Brothers Municipal Bond Index did over the same period. With dividends reinvested, the same \$10,000 would have grown to \$27,312 - a 173.12% increase.

UNDERSTANDING PERFORMANCE

How a fund did yesterday is no guarantee of how it will do tomorrow. Bond prices, for example, move in the opposite direction of interest rates. In turn, the share price, return, and yield of a fund that invests in bonds will vary. That means if you sell your shares during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.
(checkmark)

INCOME YEARS ENDED FEBRUARY 28,	1994	1993	1992	1991	1990
Income return	5.82%	6.89%	6.88%	7.00%	7.18%

Capital gain return	2.24%	0.00%	0.00%	0.00%	0.00%
Change in share price	-2.65%	7.34%	2.66%	0.71%	2.66%
Total return	5.41%	14.23%	9.54%	7.71%	9.84%

INCOME returns, capital gain returns, and changes in share price are all part of a bond fund's total return. An income return reflects the dividends paid by the fund. A capital gain return reflects the amount paid by the fund to shareholders based on the profits it has from selling bonds that have grown in value. Both returns assume the dividends or gains are reinvested. Changes in the fund's share price include changes in the prices of the bonds owned by the fund.

DIVIDENDS AND YIELD PERIODS ENDED FEBRUARY 28, 1994	PAST 30 DAYS	PAST 6 MONTHS	PAST 1 YEAR
Dividends per share	n/a	35.64 (cents)	71.93 (cents)
Annualized dividend rate	n/a	5.74%	5.79%
Annualized yield	4.99%	n/a	n/a
Tax-equivalent yield	8.76%	n/a	n/a

DIVIDENDS per share show the income paid by the fund for a set period. If you annualize this number, based on an average share price of \$12.52 over the past six months and \$12.43 over the past year, you can compare the fund's income over these two periods. The 30-day annualized YIELD is a standard formula for all funds based on the yields of the bonds in the fund, averaged over the past 30 days. This figure shows you the yield characteristics of the fund's investments at the end of the period. It also

helps you compare funds from different companies on an equal basis. The tax-equivalent yield shows what you would have to earn on a taxable investment to equal the fund's tax-free yield, if you're in the 43.04% combined effective 1994 federal and state tax bracket.
FIDELITY CALIFORNIA TAX-FREE HIGH YIELD PORTFOLIO

FUND TALK: THE MANAGER'S OVERVIEW

MARKET RECAP

Bond investments - including tax-free issues - provided solid returns for the 12 months ended February 28, 1994, despite a dramatic downturn in February. Falling interest rates pushed up bond prices steadily through mid-October, when the yield on the benchmark 30-year Treasury bond reached a historic low of 5.79%. By year-end, a strengthening economy had fueled mild inflation fears. That pushed up the yield on the 30-year bond to 6.35% on December 31, which forced investors to give back some of their earlier profits. Inflation jitters eased and bond yields dropped in January. However, when the Federal Reserve Bank raised short-term interest rates in an attempt to control inflation on February 4, investors reacted negatively. At the end of February, the yield on the 30-year bonds was 6.66%, about 38 basis points higher than at the beginning of the month. Over the year, higher federal income taxes boosted demand for municipal bonds. But municipal bond prices were hurt by the Fed's action in February and by record new issuance, which kept supplies high and dampened prices. The return on the Lehman Brothers Municipal Bond Index, a broad measure of the tax-free market, rose 5.54%. By comparison, the Lehman Brothers Aggregate Bond Index, which tracks investment-grade taxable bonds, returned 5.40%. Globally, falling interest rates and low inflation drove good annual returns in Europe, Japan, and most emerging markets, although many of these markets fell in February along with the U.S. bond market. The Salomon Brothers World Government Bond Index - which includes U.S. issues - returned 9.34%, while the J.P. Morgan Emerging Markets Bond Index was up a dramatic 29.46%.
An interview with John Haley, Portfolio Manager of Fidelity California Tax-Free High Yield Portfolio

Q. JOHN, HOW DID THE FUND PERFORM?

A. About average. The fund had a total return of 5.41% for the year ended February 28, 1994. The average California tax-free bond fund posted a total return of 5.39% during the period, according to Lipper Analytical Services.

Q. WHAT ACCOUNTED FOR THE FUND'S PERFORMANCE?

A. First, having a somewhat longer duration than that of the typical California tax-free bond fund. A longer duration makes a fund's share price more sensitive to interest rate changes. I extended the fund's duration from about 7.5 years to 8.9 years during the year because I expected interest rates would continue to decline and drive bond prices higher. That's what happened during most of the period, although the fund gave back some gains when interest rates rebounded in February. Second, the fund also held several issues that were pre-refunded during the period - that is, their issuers set aside a pool of Treasury securities to pay the remaining interest and principal due to bondholders. As a result, the bonds' credit

ratings went from A to Aaa, causing investors to bid their prices higher. Plus, their maturities shortened, which also helped boost their prices.

Q. WHY DID YOU INCREASE THE FUND'S INVESTMENT IN STATE GENERAL OBLIGATION BONDS (GOS) AND STATE LEASE BONDS?

A. During the early part of the year I avoided state GOs, which are backed by the taxing power of the issuer, as well as California lease bonds, which are backed by leases paid by the state. The state's economy was still struggling, and I believed prices of those issues would lag bonds with higher ratings. That proved to be true. But last fall I increased the fund's investment in California GOs, lease bonds and other bonds backed by the state to around 10% because I thought the California economy had hit bottom. Also, I increased the fund's stake in bonds rated A or lower, which are expected to benefit from improvements in the state's economy. These decisions reduced the average credit rating of the fund's holdings. At the end of February, about 45% of the fund's assets are rated Aa or Aaa. As the economy begins to improve, those state GOs and lease bonds should outperform issues with higher credit ratings.

Q. AT THE END OF FEBRUARY, NEARLY 20% OF THE FUND'S INVESTMENTS WERE IN HEALTH-CARE BONDS, UP FROM 17.2% A YEAR EARLIER. ARE YOU CONCERNED THAT HEALTH-CARE REFORM WILL HURT THOSE ISSUERS?

A. We are cautious on health care because the Clinton plan could affect the health care sector. However, the issues I choose are mainly strong hospitals that are expected to survive and potentially benefit from any shake-up likely to occur. In fact, a number carry ratings of Aa or Aaa.

Q. DID THE LOS ANGELES EARTHQUAKE AFFECT THE FUND'S PERFORMANCE?

A. Not much. During the past two or three years I de-emphasized issuers in the Los Angeles area because the economy in southern California has been especially sluggish. As a result, we only held one or two bonds of issuers in the vicinity of the earthquake. I believe in geographic diversification, so the fund's investments are spread across different regions of the state. That should offer some protection against future natural disasters.

Q. WHAT'S YOUR OUTLOOK FOR THE TAX-EXEMPT BOND MARKET?

A. The economy will probably show modest growth and inflation seems likely to remain under control, so I don't expect interest rates to rise dramatically from here. But interest rates aren't likely to fall much more either, so gains in the bond market won't be driven by falling rates. The tax-exempt market will probably benefit from a lower supply of new issues. Also, demand for tax-exempt bonds will likely increase as investors realize that the new, higher federal income tax rates. The combination of lower supply and higher demand should help support prices in the tax-exempt market.

Q. WHAT ABOUT THE CALIFORNIA TAX-EXEMPT MARKET?

A. I still feel that California bonds are attractive because the state's economy is showing signs that it is set to begin a recovery. As that happens, state GOs and lease bonds, should be especially strong performers, because their credit quality is closely linked to the economy. Those issues may be volatile over the next several months as the state goes through its budget process. But I'll probably take advantage of any price declines to buy more.

FUND FACTS

GOAL: to provide high current income exempt from California state and federal income taxes

START DATE: July 7, 1984

SIZE: as of February 28, 1994 over \$575 million

MANAGER: John Haley, since September, 1985; manager, Spartan California Tax-Free High Yield Portfolio, since December 1989; Fidelity California Tax-Free Insured Portfolio, since September 1986; Fidelity Advisor Tax-Exempt Portfolio, since 1985

(checkmark)

JOHN HALEY ON THE FUND'S

STRATEGY:

"The fund can invest one-third of its holdings in securities rated below investment-grade. However during recent years, there have been few attractive opportunities in this area. At the same time, I expected a more severe economic downturn in the California

economy than most observers. As a result, I stuck mainly with highly-rated issues. But during the past six months I have begun to identify factors that suggest the California economy is reaching a bottom. As a result, I've been increasing the fund's investment in higher-yielding issues. As the economy improves, they should be strong performers."

(bullet) As of February 28, 1994
34.5%

of the funds investments were in Aaa-rated bonds, 39.1% in Aa- and A-rated bonds, and 15.2% in bonds rated Baa or below.

(bullet) The fund's duration as of February 28, 1994 was 8.9 years. That means the fund's share price could decline roughly 8.9% if interest rates rose one percentage point, and rise 8.9% if rates fell one percentage point.

FIDELITY CALIFORNIA TAX-FREE HIGH YIELD PORTFOLIO

INVESTMENT CHANGES

TOP FIVE SECTORS AS OF FEBRUARY 28, 1994

	% OF FUND'S INVESTMENT S	% OF FUND'S INVESTMENT S IN THESE SECTORS 6 MONTHS AGO
Lease Revenue	21.8	19.7
Health Care	20.5	15.3
Special Tax	20.0	22.2
Electric Revenue	8.8	12.5
Escrowed/Pre-Refunded	6.1	4.9

AVERAGE YEARS TO MATURITY AS OF FEBRUARY 28, 1994
6 MONTHS AGO

Years 21.0 20.1

AVERAGE YEARS TO MATURITY SHOWS THE AVERAGE TIME UNTIL THE PRINCIPAL OF THE BONDS IN THE FUND IS EXPECTED TO BE REPAID, WEIGHTED BY DOLLAR AMOUNT.

DURATION AS OF FEBRUARY 28, 1994
6 MONTHS AGO

Years 8.9 8.8

DURATION SHOWS HOW MUCH A BOND'S PRICE FLUCTUATES WITH CHANGES IN INTEREST RATES. IF RATES RISE 1%, FOR EXAMPLE, THE SHARE PRICE OF A FUND WITH A FIVE-YEAR DURATION WILL FALL 5%.

QUALITY DIVERSIFICATION AS OF FEBRUARY 28, 1994

(MOODY'S RATINGS)

Row: 1, Col: 1, Value: 34.5
Row: 1, Col: 2, Value: 39.1
Row: 1, Col: 3, Value: 15.2
Row: 1, Col: 4, Value: 0.0
Row: 1, Col: 5, Value: 11.2
Aaa 34.5%
Aa, A 39.1%
Baa 15.2%
Ba, B 0%
Non-rated 11.2%

THIS CHART EXCLUDES SHORT-TERM INVESTMENTS. WHERE MOODY'S RATINGS ARE NOT AVAILABLE, WE HAVE USED S&P RATINGS. NON-RATED SECURITIES CONSIDERED TO BE BAA OR BETTER BY FIDELITY ARE 6.9% OF THE FUNDS LONG TERM INVESTMENTS.

FIDELITY CALIFORNIA TAX-FREE HIGH YIELD PORTFOLIO

INVESTMENTS/FEBRUARY 28, 1994
(Showing Percentage of Total Value of Investments)

MUNICIPAL BONDS - 98.3%

MOODY'S RATINGS PRINCIPAL VALUE

(UNAUDITED) (B) AMOUNT (NOTE 1)

CALIFORNIA - 96.1%

Alameda County Ctfs. of Prtn. Rfdg.

(Santa Rita Jail Proj.) 5.375% 6/1/09,
(MBIA Insured) Aaa \$ 2,250,000 \$ 2,210,625 010891KG

Alameda Hsg. Auth. Multi-Family Hsg. Rev.

(Independence Apts.) Series A, 7.50%
2/20/31, (GNMA Coll.) AAA 2,650,000 2,809,000 010789AA

Anaheim Elec. Rev. 3.50% 10/1/94 Aa 2,150,000 2,160,750 032542GU

Anaheim Pub. Fing. Auth. Tax Allocation

Rev. (Reg. Rites) 10.27% 12/1/18,
(MBIA Insured) (c) Aaa 1,500,000 1,788,750 032559AV

Arcadia Hosp. Rev. (Methodist Hosp. of
Southern California) 6.625% 11/15/22 A 1,650,000 1,755,188 039060BQ

Berkeley Health Facs. Rev. Rfdg. (Alta Bates
Med. Ctr.) Series A, 6.55% 12/1/22 Baal 3,500,000 3,513,125 084134AH

Brea & Olinda Unified School Dist.

(Brea H-O-P-E, Inc. Brea High School
Ctfs. of Prtn.) 7.70% 8/1/18 - 1,500,000 1,575,000 106331KM

Buena Park Comnty. Redev. Agcy. Tax

Allocation Rfdg. (Central Business
Dist. Proj.) 7.10% 9/1/14 BBB+ 2,000,000 2,115,000 119147CN

Burbank Redev. Agcy. Tax Allocation

Series A:

6% 12/1/13 Baal 1,750,000 1,717,188 120823DZ

6% 12/1/23 Baal 1,975,000 1,925,625 120823EA

California Dept. Wtr. Resource Central

Valley Rev. Series G, 9.60% 12/1/12,
(Pre-Refunded to 12/1/95 @ 102) (d) Aaa 2,250,000 2,404,688 130663ND

California Edl. Facs. Auth. Rev.

(Mills College) 6.875% 9/1/22 Baal 1,275,000 1,348,313 130174EP

California Gen. Oblig. 4.75%, 9/1/23 Aa 2,000,000 1,727,500 130627BZ

California Health Facs. Auth. Rev.

(St. Joseph Health Sys.):

Rfdg. (Alexian Brothers, San Jose)

(MBIA Insured):

7.05% 1/1/09 Aaa 4,500,000 5,000,625 13033H4M

7.125% 1/1/16 Aaa 2,510,000 2,798,650 13033H4N

Rfdg. (Catholic Healthcare West)

4.75% 7/1/19 (MBIA Insured) Aaa 2,000,000 1,757,500 13033AAU

Rfdg. (Sutter Comnty. Sacramento Hosp.):

9.125% 1/1/05 A1 1,250,000 1,328,125 130326VE

9.25% 1/1/13 A1 4,000,000 4,255,000 130326VJ

(Alexian Brothers San Jose, Inc.)

Series A, 9.40% 1/1/16,

(Pre-Refunded to 1/1/95 @ 102) (d) AAA 1,850,000 1,979,500 13033HBR

(Centinela Hosp. Med. Ctr.)

Series A, 9.375% 9/1/15,

(MBIA Insured) Aaa 1,850,000 2,044,250 13033HAW

MUNICIPAL BONDS - CONTINUED

MOODY'S RATINGS PRINCIPAL VALUE

(UNAUDITED) (B) AMOUNT (NOTE 1)

CALIFORNIA - CONTINUED

California Health Facs. Auth. Rev. - continued

(St. Joseph Health Sys.): - continued:

(Children's Hosp.) 7% 7/1/13,

(MBIA Insured) Aaa \$ 3,250,000 \$ 3,623,750 13033H6L

(Daughters of Charity-Queen Angels)

Series A, 9.25% 11/1/15,

(Pre-Refunded to 5/1/96 @ 102) (d) Aaa 1,300,000 1,472,250 13033HHC

(Daughters of Charity-St. Vincents Hosp.)

Series A, 9.25% 11/1/15 Aa 1,000,000 1,117,500 13033HHD

(Gould Med. Foundation)

Series A, 7.30% 4/1/20 A+ 3,000,000 3,476,250 13033JBW

(Kaiser Permanente Health Sys.):

Series A:

0% 10/1/09 Aa2 7,140,000 2,980,950 13033H2Q

0% 10/1/10 Aa2 3,795,000 1,484,794 13033H2T

0% 10/1/12 Aa2 14,990,000 5,134,075 13033H2V

9.125% 10/1/15 Aa2 2,500,000 2,734,375 13033HCJ

(Robert F. Kennedy Med. Ctr.)

Series A, 7.75% 3/1/14 A+ 2,980,000 3,278,000 13033HUP

(Sacramento Med. Foundation)

Series F, 7.875% 6/1/18 A+ 1,000,000 1,110,000 13033HXJ

(St. Elizabeth Hosp. Proj.) 6.30%

11/15/15 A1 1,000,000 1,035,000 13033JL4

(San Diego Hosp. Assoc.)
Series A, 6.95% 10/1/21 A1 1,250,000 1,367,188 13033JTM
Series 1984 B, 9.875% 7/1/14,
(Pre-Refunded to 7/1/95 @ 101) (d) AAA 2,750,000 3,004,375 130326NC
California Hsg. Fin. Agcy. Rev. (Home Mtg.):
Series A, 8.10% 8/1/16 Aa 1,475,000 1,585,625 130329V9
Series F, 7.875% 8/1/19 Aa 1,175,000 1,249,906 13033CEC
California Poll. Cont. Fing. Solid Waste Disp.
Rev. (North County Recycling Ctr.)
Series A, 6.75% 7/1/11,
LOC Union Bank of Switzerland Aaa 2,000,000 2,185,000 130536BQ
California Pub. Cap. Impt. Fing. Auth. Rev.
(Pooled Proj.) Series B, 8.10% 3/1/18,
(MBIA Insured) Aaa 990,000 1,084,050 130552AS
California Pub. Wks. Board Lease Rev.:
Rfdg. (Dept. Corrections St. Prisons)
Series A, 5% 12/1/19,
(AMBAC Insured) Aaa 2,500,000 2,281,250 13068GPA
(California University Proj.) Series A:
6.30% 12/1/09, (AMBAC Insured) Aaa 2,000,000 2,122,500 13068GKV
5.50% 6/1/10 A1 1,915,000 1,891,063 13068GRE
5.50% 6/1/14 A1 8,550,000 8,250,750 13068GRB
5% 6/1/23 A1 2,500,000 2,190,625 13068GRD
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
California Pub. Wks. Board Lease Rev.: - continued
(Dept. Correction State Prisons, Susanville)
Series D:
5.25% 6/1/15 (CGIC Insured) Aaa \$ 2,000,000 \$ 1,915,000 13068GUA
5.375% 6/1/18 A1 1,500,000 1,398,750 13068GTQ
(Dept. Corrections State Prisons, Medera)
Series E, 5.50% 6/1/15 A1 1,400,000 1,351,000 13068GVV
(Univ. of California Projs.):
Series A, 5.50% 6/1/14 A1 5,000,000 4,768,750 13068GUX
Series B, 5.25% 6/1/07 A1 2,965,000 2,887,169 13068GUR
California Statewide Commty. Dev. Auth.
8.83% 7/1/13, (MBIA Insured) (c) Aaa 2,000,000 1,965,000 130909JH
California Statewide Commtys. Dev. Corp.
Ctfs. of Prtn.:
Rfdg. (Insured Health Facs.) (Eskaton, Inc.)
5.875% 5/1/20 A+ 4,000,000 3,920,000 130909GW
Rfdg. (Insured Hosp.) (Triad Healthcare):
6.25% 8/1/06 A+ 2,000,000 2,027,500 130909CM
6.50% 8/1/22 A+ 1,500,000 1,524,375 130909CR
(Childrens) 6%, 6/1/10
(MBIA Insured) Aaa 2,835,000 2,966,119 130909NH
(J. Paul Getty) 5% 10/1/23 Aaa 1,750,000 1,585,937 130907FM
(Odd Fellows) 5.375% 10/1/13 A+ 2,500,000 2,325,000 130907EP
(St. Joseph Health Sys.)
5.50% 7/1/23 Aa 3,000,000 2,835,000 130909GH
(Sisters of Charity Leavenworth)
5% 12/1/23 Aa 4,375,000 3,850,000 130909PR
(Villaview Commty. Hosp., Inc.)
Series A, 7% 9/1/09 A+ 1,000,000 1,086,250 130907AX
5.50% 10/1/23 A+ 2,000,000 1,865,000 130907EQ
California Univ. Hsg. Sys. Series A, 5%
11/1/14, (MBIA Insured) Aaa 2,435,000 2,252,374 914113RP
Campbell Ctfs. of Prtn.:
Rfdg. (Civic Center Proj.) 6% 10/1/18 A 2,400,000 2,376,000 134111BK
(Campbell Commty. Ctr.) 8.90% 8/1/05,
(Pre-Refunded to 8/1/95 @ 102) (d) Aaa 1,640,000 1,775,300 134111AB
Carson Redev. Agcy. Redev. Proj. Area #1
Tax Allocation:
6.375% 10/1/12 Baa1 1,500,000 1,486,875 145750CZ
6.375% 10/1/16 Baa1 1,000,000 985,000 145750DA
Carson Redev. Spl. Tax 6% 10/1/13 Baa 1,750,000 1,708,438 145750DP
Central California Jt. Pwrs. Health Fing.
Auth. Ctfs. of Prtn.:
Rfdg. (Commty. Hosp. of Central California
Proj.) 5% 2/1/23 A 1,500,000 1,297,500 152757AR
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
Central California Jt. Pwrs. Health Fing.
Auth. Ctfs. of Prtn.: - continued
(Commty. Hosp. of Central California Proj.)
5.25% 2/1/13 A \$ 4,000,000 \$ 3,675,000 152757AQ
Central Valley Fing. Auth. Cogeneration Proj. Rev.
(Carson Ice Generation Proj.) 6.10%

7/1/13 BBB- 1,000,000 988,750 155689AK
 Central Valley Fing. Auth. Rev.
 (Cogeneration Proj.) (Carson Ice Gen. Proj.)
 6% 7/1/09 BBB- 1,750,000 1,723,750 155689AG
 Compton Cmnty. Redev. Agcy. Tax
 Allocation Rfdg. (Walnut Ind. Park Proj.)
 7.50% 8/1/13, (AMBAC Insured) Aaa 5,000,000 5,662,500 204712DR
 Contra Costa County Ctfs. of Prtn.
 (Merrithew Mem. Hosp.):
 Cap. Appreciation 0%, 11/1/13 A1 6,805,000 2,143,575 21223TEJ
 0% 11/1/07 A1 4,615,000 2,220,969 21223TEC
 Contra Costa Home Mtg. Fin. Auth. Home
 Mtg. Rev. 0% 9/1/17,
 (MBIA Insured) Aaa 12,500,000 3,156,250 212216CA
 Del Norte County Pub. Wks. Rev. Rfdg.
 (Dept. of Corrections) 5.125%, 12/1/08 A1 1,500,000 1,438,125 13068GSY
 Del Norte County Rev. Rfdg. (Department of
 Corrections) 5.20%, 12/1/09 A1 4,300,000 4,122,625 13068GSZ
 Desert Hosp. Rev. Ctfs. of Prtn.
 (Desert Hosp. Corp.) Series 1992,
 10.029% 7/28/20,
 (Cap. Guaranty Insured) (c) Aaa 4,000,000 4,645,000 25041MAZ
 Duarte Ctfs of Prtn. (City of Hope Nat'l.
 Medical Ctr.) 6.25% 4/1/23 Baal 2,000,000 2,025,000 263584CS
 Duarte Redev. Agcy. Tax Allocation:
 (Huntington Drive-PH 1 Redev. Proj.)
 9.20% 11/1/01, (Pre-Refunded to
 11/1/95 @ 102) (d) - 735,000 815,850 263590BN
 (Huntington Drive-PH 2 Redev. Proj.)
 9.25% 11/1/10, (Pre-Refunded to
 11/1/95 @ 102) (d) - 1,640,000 1,822,450 263590BQ
 Eastern Muni. Wtr. Dist. Wtr. & Swr. Rev.
 Ctfs. of Prtn. 6.75% 7/1/12,
 (FGIC Insured) Aaa 1,600,000 1,826,000 276771AR
 Fontana Redev. Agcy. Tax Allocation Rfdg.
 (Yurupa Hills) Series 1992 A, 7.10%
 10/1/23 BBB 2,495,000 2,713,313 344619CL
 Fontana Unified School Dist. Rfdg.,
 (AMBAC Insured):
 0% 7/1/14 Aaa 1,880,000 582,800 344640HE
 0% 7/1/15 Aaa 1,880,000 549,900 344640HF
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
 Foster City Pub. Fing. Auth. Rev.
 (Foster City Cmnty. Rev. Proj.) Series A:
 6% 9/1/06 A- \$ 1,355,000 \$ 1,377,019 350057AN
 6% 9/1/07 A- 1,440,000 1,450,800 350057AQ
 Fountain Valley Agcy. for Cmnty. Dev. Tax
 Allocation (Ind. Area Redev. Proj.) 9.10%
 1/1/15 BBB+ 1,745,000 1,897,688 350771BD
 Garden Grove Agcy. Cmnty. Dev. Tax
 Allocation Rfdg. (Garden Grove Cmnty.
 Proj.) 5.70% 10/1/13 A 2,000,000 1,927,500 365251CN
 Industry Urban Ind. Dev. Agcy.:
 Rfdg. (Civic Recreational Proj.#1)
 Series A, 7.375% 5/1/12 - 11,250,000 12,164,063 456567MG
 (Civic Recreational Proj.#1-B) 7.375%
 5/1/15, (Unrefunded Balanced) - 245,000 264,906 456567QS
 Intercommunity Hosp. Fing. Auth. Ctfs. of
 Prtn. 9.75% 8/1/15, (Pre-Refunded
 to 8/1/95 @ 103) (d) AAA 4,000,000 4,460,000 45853JAJ
 Intermodal Container Transfer Facs. Joint Pwr.
 Auth. Rev. Rfdg. Series 1989 A, 7.70%
 11/1/14, LOC Industrial Bank of Japan,
 (BIG Insured) Aa3 1,500,000 1,683,750 458925AK
 Irvine Ranch Wtr. Dist. Joint Pwr. Agcy.
 Local Pool Rev. 8.25% 8/15/23 BBB 15,675,000 17,242,500 463656BE
 Kern County High School Dist. Gen. Oblig.
 7% 8/1/09 A1 1,090,000 1,261,675 492246AT
 La Habra Ctfs. of Prtn. (La Habra and View
 Park) (Acquisition Proj.) 6.625% 11/1/22,
 (FSA Insured) Aaa 1,000,000 1,102,500 503423BA
 Livermore Redev. Agcy. Tax Allocation Rev.
 (Livermore Redev. Proj.) Series A, 7.75%
 8/1/09 - 1,000,000 1,042,500 53819TAL
 Local Gov't. Fin. Auth. Rev.
 (Oakland Central Dist.) 0% 9/1/08 Aaa 3,710,000 1,646,313 539558FF
 Loma Linda Hosp. Rev. (Loma Linda Univ.
 Med. Ctr Proj.) Series B, 9% 12/1/12 BBB 1,550,000 1,710,813 541482BV
 Los Angeles Ctfs. of Prtn.:

(Health Facs. Construction Loan)
(Bay Harbor Hosp.) 7.30% 4/1/20 A+ 2,000,000 2,192,500 544358GV
(Solheim Lutheran Home, Inc.)
8.125% 11/1/17 A+ 2,000,000 2,232,500 544358EP
Los Angeles Commty. Redev. Agcy. (Central Bus.
Dist.) Series E, 8.85% 7/1/10 A- 4,000,000 4,310,000 544389HE
Los Angeles County Cap. Asset Leasing
Corp. Leasehold Rev. 4.05% 12/1/09,
(AMBAC Insured) Aaa 4,030,000 4,130,750 544900CE
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
Los Angeles County Ctfs. of Prtn.:
(Cap. Appreciation):
0% 9/1/10 A \$ 2,980,000 \$ 1,102,600 5446634F
0% 3/1/18 A 3,000,000 675,000 5446634W
0% 9/1/19 A 9,190,000 1,883,950 5446634Z
0% 3/1/20 A 1,690,000 335,888 5446634C
(Cap. Appreciation Correctional Facs.)
0% 9/1/12, (MBIA Insured) Aaa 3,575,000 1,246,781 544663G9
(Correctional Facs.) 0%, 9/1/10,
(MBIA Insured) Aaa 3,770,000 1,479,725 544663G7
(Disney Parking):
0%, 9/1/08 A 2,030,000 898,275 5446633Y
0%, 3/1/11 A 3,950,000 1,397,313 5446634G
0% 3/1/13 A 2,835,000 885,938 5446634L
0% 9/1/15 A 3,800,000 1,007,000 5446634R
0% 9/1/17 A 3,370,000 779,313 5446634V
Los Angeles County Trans. Commission Sales Tax
Rev. 6.25% 7/1/13, (MBIA Insured) Aaa 2,250,000 2,373,750 545170JE
Los Angeles Dept. Wtr. & Pwr. Elec. Plant Rev.
9.20% 10/15/25, (Pre-Refunded to
10/15/95 @ 103) (d) Aa 1,500,000 1,676,250 544508AQ
Los Angeles Hbr. Dept. Rev. 7.60% 10/1/18 Aa 5,540,000 6,364,075
544552BQ
M-S-R Pub. Pwr. Agcy. San Juan Proj. Rev.
Series B, 6.75% 7/1/11, (MBIA Insured) Aaa 2,000,000 2,210,000 553751EV
Metropolitan Wtr. Dist. Southern Wtrwks. Rev.:
Rfdg. Series A, 5.75% 7/1/21 Aa 2,250,000 2,283,750 592663MS
8.172% 8/10/18(c) Aa 2,500,000 2,637,500 592663MN
6% 7/1/21 Aa 2,500,000 2,550,000 592663KN
8.775% 8/5/22(c) Aa 1,300,000 1,379,625 592663LP
Modesto Ctfs. of Prtn. (Golf Course Refing. Proj.)
Series B, 5% 11/1/23, (AMBAC Insured) Aaa 2,000,000 1,817,500 607715FF
Modesto Irrigation Dist. Ctfs. of Prtn.:
Rfdg. & Cap. Impts. Series A, 0%
10/1/05, (MBIA Insured) Aaa 2,140,000 1,155,600 607762DC
Rfdg. & Cap. Impts. Series A, 0%
10/1/08, (MBIA Insured) Aaa 2,270,000 1,001,638 607762DF
(Geysers Geothermal Pwr. Proj.)
Series 1986, 5% 10/1/17 A1 5,000,000 4,437,500 607762BL
Northern California Pwr. Agcy. Pub.
Pwr. Rev. Rfdg.:
Rfdg. (Combustion Turbine Proj. #1)
Series A, 6% 8/15/07,
(MBIA Insured) Aaa 1,500,000 1,545,000 664843MF
Rfdg. (Geothermal Proj. #3) Series A,
5.85% 7/1/10 A 1,000,000 1,022,500 664843SB
7.50% 7/1/23, (AMBAC Insured)
(Pre-Refunded to 7/1/21 @ 100) (d) Aaa 1,355,000 1,722,544 664843NV
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
Northern California Trans. Rev. (Ore Trans. Proj.)
Series A, 7% 5/1/13, (MBIA Insured) Aaa \$ 7,000,000 \$ 8,128,750 664850BL
Norwalk Redev. Agcy. Tax Allocation
(Norwalk Redev. Proj. #1):
7.15% 12/1/15 - 2,500,000 2,625,000 668823CM
9.10% 12/1/15,
(Pre-Refunded to 12/1/95 @ 102) (d) - 9,285,000 10,155,469 668823CL
Oakland Ctfs. of Prtn. Rfdg. (Oakland Museum)
Series A, 0%, 4/1/07, (AMBAC Insured) Aaa 2,750,000 1,344,063 671900AR
Oakland Redev. Agcy. Rfdg. Central Dist.
Redev. (Sr. Tax Allocation) 5.50% 2/1/14,
(AMBAC Insured) Aaa 2,400,000 2,376,000 672321ET
Ontario Redev. Fing. Auth. Rev.
(Cap. Appreciation Proj. #1) (Ctr. City)
0% 8/1/10, (MBIA Insured) Aaa 3,255,000 1,293,863 68304EAW
Orange County Ctfs. of Prtn. Rfdg.
(Civic Ctr. Facs.), (AMBAC Insured):

0% 12/1/07 Aaa 1,400,000 659,750 684228FE
 0% 12/1/09 Aaa 1,000,000 408,750 684228FG
 Orange County Dev. Agcy. Tax Allocation
 (Santa Ana Heights Proj.) 6.125% 9/1/23 Baa1 2,500,000 2,471,875
 684246CB
 Orange County Local Trans. Sales Tax Rev.
 Ltd. Tax 6% 2/15/08 Aa 1,250,000 1,320,313 684273BP
 Palm Desert Fing. Auth. Tax Allocation
 RIB 9.83% 4/1/22, (MBIA Insured) (c) Aaa 3,000,000 3,416,250 696617BG
 Palm Springs Ctfs. of Prtn. (Muni. Golf
 Course Expansion Proj.) 7.40% 11/1/18 BBB+ 1,750,000 1,935,938 696656FK
 Palomar Pomerado Health System Rev.
 4.75%, 11/1/23 (MBIA Insured) Aaa 4,100,000 3,541,375 69753EAS
 Pasadena Ctfs. of Prtn. Rfdg.
 (Old Pasadena Pkg. Facs. Proj.)
 6.25% 1/1/18 A1 3,600,000 3,739,500 702204HA
 Placer County Wtr. Agcy. Middle Fork Proj.
 Rev. Series A, 3.75% 7/1/12 A 8,830,000 7,384,088 726022DV
 Pleasanton County Ctfs. of Prtn. (Pleasanton
 Pub. Facs. Corp. Cap Proj. I & II)
 8.75% 10/1/08 Baa1 1,000,000 1,112,500 728809AN
 Pleasanton Jt. Pwrs. Fin. Auth. Reassessment,
 Series A:
 6% 9/2/05 Baa 2,000,000 2,015,000 728816AU
 6.15% 9/1/12 Baa 3,000,000 3,022,500 728816AW
 Port Oakland Port Rev. Series F, (MBIA Insured):
 Rfdg. 0% 11/1/06 Aaa 1,990,000 1,004,950 734897RQ
 Rfdg. (Cap. Appreciation)
 Series F, 0% 1/1/08, (MBIA Insured) Aaa 1,770,000 778,800 734897RS
 0% 11/1/07 Aaa 4,250,000 2,002,813 734897RR
 MUNICIPAL BONDS - CONTINUED
 MOODY'S RATINGS PRINCIPAL VALUE
 (UNAUDITED) (B) AMOUNT (NOTE 1)
 CALIFORNIA - CONTINUED
 Poway Redev. Agcy. (Paguay Proj.) Tax Allocation
 7.93% 12/15/14, (FGIC Insured) (c) Aaa \$ 7,400,000 \$ 7,446,250 738800DV
 Rancho Cucamonga Redev. Agcy. Tax
 Allocation (Rancho Redev. Proj.)
 7.125% 9/1/19, (MBIA Insured) Aaa 7,500,000 8,437,500 752123CQ
 Rancho Mirage Joint Pwrs. Fing. Auth.
 Ctfs. of Prtn. (Eisenhower Mem. Hosp.)
 7% 3/1/22 Baa1 1,300,000 1,399,125 75212HAM
 Riverside County Asset Leasing Corp. Leasehold
 Rev. (Riverside County Hosp. Proj.) Series A:
 6.50% 6/1/12 A 7,000,000 7,372,500 768903AR
 6.25% 6/1/19 A 2,500,000 2,553,125 768903AG
 Riverside County Ctfs. of Prtn.
 (Airforce Village West, Inc.) Series A :
 Rfdg. 8.125% 6/15/20 A-1+ 5,850,000 6,171,750 768901FQ
 8.125% 6/15/12 A-1+ 2,600,000 2,743,000 768901FT
 Riverside Unified School Dist. Ctfs. of Prtn. (Cap.
 Appreciation Land Acquisition Proj.) Series B,
 0% 9/1/26, (FSA Insured) (g) Aaa 2,275,000 1,711,938 769062AD
 Rosemead Redev. Agcy. Sub. Lien Tax
 Allocation Proj. (Area 1) 0% 10/1/02 A- 1,450,000 951,563 777520BM
 Sacramento Fing. Auth. (Cap. Appreciation
 Tax Allocation Proj.) Series B, (MBIA Insured):
 0% 11/1/13 Aaa 500,000 160,625 785849BP
 0% 11/1/15 Aaa 5,695,000 1,608,838 785849BR
 Sacramento Fing. Auth. Lease Rev. Rfdg.
 Series A, 5.375% 11/1/14,
 (AMBAC Insured) Aaa 2,225,000 2,172,155 785846BL
 Sacramento Muni. Util. Dev. Index Inflows
 0% 11/15/08, (FGIC Insured) (c) Aaa 7,000,000 6,938,750 7860042C
 Sacramento Muni. Util. Dist. Elec. Rev.:
 Rfdg. Series G, 6.5%, 9/1/13 Aaa 2,100,000 2,312,625 7860044K
 9.78% 8/15/18, (FGIC Insured) (c) Aaa 1,750,000 2,021,250 786004U5
 Sacramento Redev. Agcy. Tax Allocation
 (Downtown Redev. Proj.) Series A,
 6.75% 11/1/05, (MBIA Insured) Aaa 2,130,000 2,380,275 786059JZ
 Salinas Facs. Rev. (Villa Sierra Proj.)
 Series A, 7.95% 4/20/31, (GNMA Coll.) AAA 2,445,000 2,573,363 794904AD
 Salinas Redev. Agcy. Tax Allocation 0%
 11/1/22, (Cap. Guaranty Insured) Aaa 19,895,000 3,804,919 794891DN
 San Bernadino County Ctfs. of Prtn.:
 (Cap. Facs. Proj.) Series B:
 6.75% 8/1/10 Baa1 2,500,000 2,862,500 796815KM
 6.875% 8/1/24 Baa1 2,500,000 2,959,375 796815KR
 (Equip. Fing.) (Cap. Facs. Proj.)
 Series B, 6.25% 8/1/19 Baa1 2,500,000 2,746,875 796815KN
 MUNICIPAL BONDS - CONTINUED
 MOODY'S RATINGS PRINCIPAL VALUE

(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
San Bernadino County Ctfs. of Prtn.: - continued
(Med Ctr. Fing. Proj.):
5.50% 8/1/17(e) Baal \$ 6,500,000 \$ 5,988,125 796815NL
5.50% 8/1/22(e) Baal 4,500,000 4,095,000 796815NN
San Diego County Wtr. Auth. Wtr. Rev.
Ctfs. of Prtn. (Reg. Rites) 8.50724%,
(FGIC Insured) (c) Aaa 1,250,000 1,337,500 797415CS
San Diego Multi-Family Hsg. Rev.
(Island Gardens Apts. Proj.)
Series B, (GNMA Coll.) 9.50%
10/20/20, LOC Swiss Bank AAA 1,585,000 1,656,325 79729HBU
San Francisco Bay Area Rapid Trans. Dist.
Sales Tax Rev. Rfdg. 6.75% 7/1/10,
(AMBAC Insured) Aaa 1,500,000 1,704,375 797669DX
San Francisco City & County Redev.
Agcy. 7.75% 9/1/06 - 9,000,000 9,528,750 797712AE
San Francisco City & County Redev. Fing. Auth.
Tax Allocation Rev. (FGIC Insured):
Series A:
0% 8/1/06 Aaa 1,035,000 534,319 79771PCN
0% 8/1/07 Aaa 1,085,000 523,513 79771PCP
0% 8/1/08 Aaa 1,085,000 489,606 79771PCQ
0% 8/1/09 Aaa 1,085,000 459,769 79771PCR
0% 8/1/10 Aaa 1,085,000 431,288 79771PCS
San Francisco Port Commerce Rev. Series C,
9.50% 7/1/09, LOC Bankers Trust A1 1,000,000 1,047,500 797707CE
San Joaquin Hills Trans. Corridor Agcy.
Toll Road Rev. (Sr. Lien):
0% 1/1/05 - 2,500,000 1,528,125 798111AF
0% 1/1/07 - 3,000,000 1,890,000 798111AJ
5% 1/1/33 - 8,975,000 7,168,781 798111BJ
San Jose Redev. Agcy. Tax Allocation
(Merged Area Redev. Proj.) 4.75%
8/1/22, (MBIA Insured) A 5,000,000 4,225,000 798147KX
Santa Ana Commtty. Redev. Agcy. Tax
Allocation Rev. Series B, 7.375% 9/1/09 A 5,000,000 5,537,500 801095FP
Santa Barbara Ctfs. of Prtn. (Harbor Rfdg.
Proj.) 6.75% 10/1/27 A 1,500,000 1,605,000 801242EX
Santa Clara Ctfs. of Prtn. Ref. Series A,
4.75% 2/1/14, (MBIA Insured) Aaa 1,250,000 1,131,250 801400BG
Santa Clara Elec. Rev. Series B, 0% 7/1/06,
(MBIA Insured) Aaa 2,080,000 1,079,000 801444DH
Santa Monica Family Rev. (YMCA Proj.)
9.50% 12/1/05, LOC Bank of Tokyo(f) - 2,890,000 3,150,100 802450AA
Sequoia Hosp. 5.375% 8/15/13 A 4,170,000 3,909,375 817393BZ
Sequoia Hosp. Dist. Rev. 5.375% 8/15/23 A 8,250,000 7,517,812 817393CA
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
Solano County Ctfs. of Prtn. Rfdg. (Justice Facs. &
Pub. Bldg. Proj.), 5.875% 10/1/05 Baal \$ 2,500,000 \$ 2,521,874 834131BR
Southern California Pub. Pwr. Auth. Pwr. Proj. Rev.:
Rfdg. (Palo Verde Proj.) (AMBAC Insured):
Series A, 0% 7/1/14 Aaa 5,030,000 1,534,150 842475JH
Series C, 0% 7/1/16 Aaa 16,325,000 4,591,405 842475MJ
(Multiple Proj.):
6.75% 7/1/10 A 1,400,000 1,552,250 842475KK
6.75% 7/1/11 A 4,000,000 4,455,000 842475KL
6.75% 7/1/13 A 1,000,000 1,121,250 842475KN
Southern California Pub. Pwr. Auth. Southern
Transmission (Cap. Appreciation) 0%
7/1/14 Aa 5,000,000 1,506,250 842477JF
Sulphur Springs Unified School Dist. (MBIA Insured):
Series A:
0%, 9/1/07 Aaa 4,445,000 2,105,818 865480EX
0%, 9/1/09 Aaa 2,485,000 1,037,487 865480EZ
0%, 9/1/11 Aaa 1,830,000 677,100 865480FB
Unlimited Tax Series A, 0% 9/1/15 Aaa 2,280,000 664,049 865480FF
Torrance Hosp. Rev. (Little Co. of Mary Hosp.)
6.875% 7/1/15 A 925,000 1,005,937 891368CK
TriDam Pwr. Auth. California Hydro Elec. Rev.
(Sand Bar Proj.) 11.375% 1/1/17,
(FGIC Insured) (f) - 2,000,000 2,125,000 895566AA
Upland Ctfs. Partn. (San Antonio Commtty.
Hosp.) 5.25% 1/1/08 A 1,850,000 1,764,437 915346DN
Upland Hosp. Ctfs. of Prtn. (San Antonio
Commtys. Hosp.) 5.25% 1/1/13 A 5,500,000 5,073,750 915346DP
Vallejo Ctfs. of Prtn. (Marine World Foundation Proj.):
7.80% 2/1/98 - 1,455,000 1,536,843 919191BE

8.10% 2/1/21 - 3,040,000 3,169,200 919191BC
 West & Central Basin Fing. Auth. (West Basin Proj.)
 Series A, 5% 8/1/10, (AMBAC Insured) Aaa 3,000,000 2,850,000 95122ECE
 Western Placer Unified School Dist.
 Series A, (FGIC Insured):
 0% 8/1/12 Aaa 1,720,000 595,549 959214BR
 0% 8/1/13 Aaa 1,855,000 600,555 959214BS
 0% 8/1/14 Aaa 2,005,000 614,030 959214BT
 0%, 8/1/15 Aaa 2,165,000 625,143 959214BU
 0% 8/1/18 Aaa 2,500,000 600,000 959214BP
 Unltd. Tax:
 0% 8/1/16 Aaa 2,340,000 631,799 959214BV
 0% 8/1/17 Aaa 2,525,000 650,187 959214BW
 Yolo County Flood Cont. & Wtr. Cont. Dist.
 Ctfs. of Prtn. (Tehama-Colusa Canal Wtr.
 Supply) 7% 7/15/05, (FGIC Insured) Aaa 2,500,000 2,871,874 986012AB
 544,189,462

MUNICIPAL BONDS - CONTINUED

MOODY'S RATINGS PRINCIPAL VALUE
 (UNAUDITED) (B) AMOUNT (NOTE 1)
 PUERTO RICO - 1.6%
 Puerto Rico Commonwealth Hwy. & Trns.
 Auth. Rev. Series W, 5.50% 7/1/13 Baal \$ 4,875,000 \$ 4,783,594 745181BZ
 Puerto Rico Elec. Pwr. Auth. Pwr. Rev.
 Series O, 0% 7/1/17 Baal 7,500,000 1,903,125 745268JW
 Puerto Rico Tel. Auth. Rev. 6.78% 1/1/04,
 (AMBAC Insured) (c) Aaa 2,250,000 2,188,125 745297HX
 8,874,844
 U.S. VIRGIN ISLANDS - 0.3%
 Virgin Islands Pub. Fin. Auth. Rev. Rfdg.
 Series A, 7.25% 10/1/18
 (Escrowed to Maturity) - 1,500,000 1,650,000 927676CF
 GUAM - 0.3%
 Guam Arpt. Auth. Rev. 6.50% 10/1/23 BBB 1,700,000 1,776,500 400648BL
 TOTAL MUNICIPAL BONDS
 (Cost \$520,132,086) 556,490,806
 MUNICIPAL NOTES (A) - 1.7%

CALIFORNIA - 1.7%
 Contra Costa TRAN,
 Series A, 3.25% 7/29/94 MIG 1 3,000,000 3,002,790 212219BV
 Los Angeles County Trans. Commission
 Sales Tax Rev. Rfdg. Series 1992 A, 2.25%
 (FGIC Insured) LOC Industrial Bank of
 Japan Ltd. VRDN VMIG 1 4,800,000 4,800,000 545170HL
 Santa Clara County TRAN,
 Series 1993-1994, 3.25% 7/29/94 MIG 1 2,000,000 2,002,680 801546LF
 TOTAL MUNICIPAL NOTES
 (Cost \$9,809,087) 9,805,470

OTHER SECURITIES - 0.0%
 MOODY'S RATINGS VALUE
 (UNAUDITED) (B) RIGHTS (NOTE 1)
 CALIFORNIA - 0.0%
 Riverside County Asset Leasing Corp. Leasehold Rev.
 (Riverside County Hosp.) Series A (Call Rights)
 6.50% 6/1/12 (Cost \$59,590) - 1,100 \$ 220,688
 TOTAL INVESTMENTS - 100%
 (Cost \$530,000,763) \$ 566,516,964
 FUTURES CONTRACTS
 AMOUNT IN THOUSANDS EXPIRATION UNDERLYING FACE UNREALIZED
 DATE AMOUNT AT VALUE GAIN/(LOSS)
 SELL
 65 U.S. Treasury Bond Futures March, 1994 \$ 7,306,406 \$ 4,721
 THE VALUE OF FUTURES CONTRACTS SOLD AS A PERCENTAGE OF TOTAL INVESTMENT IN
 SECURITIES - 1.3%

SECURITY TYPE ABBREVIATIONS

TRAN - Tax & Revenue Anticipation Notes
 VRDN - Variable Rate Demand Notes
 LEGEND

- (a) The coupon rate shown on floating or adjustable rate securities represents the rate at period end.
- (b) Standard & Poor's Corporation credit ratings are used in the absence of a rating by Moody's Investors Service, Inc.
- (c) Inverse floating rate security is a security where the coupon is inversely indexed to a floating interest rate. The price will be more volatile than the price of a comparable fixed rate security.
- (d) Security collateralized by an amount sufficient to pay interest and principal.
- (e) Security purchased on a delayed delivery basis (see Note 2 of Notes to Financial Statements).

(f) Security was pledged to cover margin requirements for futures contracts. At the period end, the value of securities pledged amounted to \$3,215,000.

(g) Debt obligation initially issued in zero coupon form which converts to coupon form at a specified rate and date.

OTHER INFORMATION

The composition of long-term debt holdings as a percentage of total value of investment in securities, is as follows (ratings are unaudited):

MOODY'S RATINGS S&P RATINGS
 Aaa, Aa, A 59.2% AAA, AA, A 72.7%
 Baa 7.8% BBB 7.7%
 Ba 0.0% BB 0.0%
 B 0.0% B 0.0%
 Caa 0.0% CCC 0.0%
 Ca, C 0.0% CC, C 0.0%
 D 0.0%

The percentage not rated by either S&P or Moody's amounted to 11.0%. The distribution of municipal securities by revenue source, as a percentage of total value of investment in securities, is as follows:

Lease Revenue 21.8%
 Health Care 20.5
 Special Tax 20.0
 Others (individually less than 10%) 37.7
 TOTAL 100.0%

INCOME TAX INFORMATION

At February 28, 1994 the aggregate cost of investment securities for income tax purposes was \$530,077,875. Net unrealized appreciation aggregated \$36,439,089, of which \$39,960,935 related to appreciated investment securities and \$3,521,846 related to depreciated investment securities. The fund hereby designates \$1,160,000 as a capital gain dividend for the purpose of the dividend paid deduction.

At February 28, 1994 the fund was required to defer \$6,602,000 of losses on futures contracts and options.

FIDELITY CALIFORNIA TAX-FREE HIGH YIELD PORTFOLIO

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

<TABLE> <CAPTION> <S>	<C>	<C>
FEBRUARY 28, 1994		
1.ASSETS	2.	3.
4.Investment in securities, at value (cost \$530,000,763) (Notes 1 and 2) - See accompanying schedule	5.	\$ 566,516,964
6.Cash	7.	423,114
8.Receivable for investments sold	9.	12,281,033
10.Interest receivable	11.	7,571,140
12. 13.TOTAL ASSETS	14.	586,792,251
15.LIABILITIES	16.	17.
18.Payable for investments purchased Delayed Delivery (Note 2)	\$ 10,426,032	19.
20.Dividends payable	736,601	21.
22.Accrued management fee	200,912	23.
24.Payable for daily variation on futures contracts	50,781	25.
26.Other payables and accrued expenses	89,154	27.
28. 29.TOTAL LIABILITIES	30.	11,503,480
31.32.NET ASSETS	33.	\$ 575,288,771
34.Net Assets consist of (Note 1):	35.	36.
37.Paid in capital	38.	\$ 537,839,637

39. Accumulated undistributed net realized gain (loss) on investments	40.	928,212
41. Net unrealized appreciation (depreciation) on:	42.	43.
44. Investment securities	45.	36,516,201
46. Futures contracts	47.	4,721
48. 49. NET ASSETS, for 47,563,315 shares outstanding	50.	\$ 575,288,771
51. 52. NET ASSET VALUE, offering price and redemption price per share (\$575,288,771 (divided by) 47,563,315 shares)	53.	\$12.10

</TABLE>

STATEMENT OF OPERATIONS

<TABLE>

<CAPTION>

<S>

YEAR ENDED FEBRUARY 28, 1994

	<C>	<C>
54. 55. INTEREST INCOME	56.	\$ 37,371,692
57. EXPENSES	58.	59.
60. Management fee (Note 4)	\$ 2,434,987	61.
62. Transfer agent, accounting and custodian fees and expenses (Note 4)	817,364	63.
64. Non-interested trustees' compensation	661	65.
66. Registration fees	757	67.
68. Audit	35,938	69.
70. Legal	46,575	
71. Reports to shareholders	21,349	
72. Miscellaneous	4,787	73.
74. 75. TOTAL EXPENSES	76.	3,362,418
77. 78. NET INTEREST INCOME	79.	34,009,274
80. REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS (NOTES 1 AND 3)	82.	83.
81. Net realized gain (loss) on:		
84. Investment securities	23,219,374	85.
86. Futures contracts	1,695,300	24,914,674
87. Change in net unrealized appreciation (depreciation) on:	88.	89.
90. Investment securities	(27,257,141)	91.
92. Futures contracts	(549,697)	(27,806,838)
93. 94. NET GAIN (LOSS)	95.	(2,892,164)
96. 97. NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	98.	\$ 31,117,110

</TABLE>

STATEMENT OF CHANGES IN NET ASSETS

<TABLE>

<CAPTION>

<S>

<C>	<C>
YEAR ENDED FEBRUARY 28, 1994	TEN MONTHS ENDED FEBRUARY 28, 1993 (NOTE 1)

99.INCREASE (DECREASE) IN NET ASSETS

100.Operations	\$ 34,009,274	\$ 27,948,890
Net interest income		
101. Net realized gain (loss) on investments	24,914,674	8,864,729
102. Change in net unrealized appreciation (depreciation) on investments	(27,806,838)	32,015,891
103.	31,117,110	68,829,510
104.NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS		
105.Distributions to shareholders From net interest income	(34,009,274)	(27,948,890)
106. From net realized gain	(12,686,288)	-
107. 108.TOTAL DISTRIBUTIONS	(46,695,562)	(27,948,890)
109.Share transactions Net proceeds from sales of shares	155,444,832	135,478,517
110. Reinvestment of distributions from: Net interest income	24,320,885	20,206,099
111. Net realized gain	9,675,447	-
112. Cost of shares redeemed	(185,364,588)	(139,220,074)
113. Net increase (decrease) in net assets resulting from share transactions	4,076,576	16,464,542
114.	(11,501,876)	57,345,162
115.TOTAL INCREASE (DECREASE) IN NET ASSETS		
116.NET ASSETS	117.	118.
119. Beginning of period	586,790,647	529,445,485
120. End of period	\$ 575,288,771	\$ 586,790,647
121.OTHER INFORMATION	123.	124.
122.Shares		
125. Sold	12,515,698	11,455,837
126. Issued in reinvestment of distributions from: Net interest income	1,958,696	1,705,997
127. Net realized gain	790,478	-
128. Redeemed	(14,926,974)	(11,797,097)
129. Net increase (decrease)	337,898	1,364,737

</TABLE>

FINANCIAL HIGHLIGHTS

<TABLE>					
<CAPTION>					
<S>	<C>	<C>	<C>	<C>	<C>
130.	YEAR ENDED FEBRUARY 28,	TEN MONTHS ENDED FEBRUARY 28, 1993	YEARS ENDED APRIL 30,		
131.	1994	(NOTE 1)	1992	1991	1990
132.SELECTED PER-SHARE DATA					
133.Net asset value, beginning of period	\$ 12.430	\$ 11.540	\$ 11.300	\$ 10.940	\$ 11.080

134. Income from Investment Operations	.719	.611	.744	.752	.756
Net interest income					
135. Net realized and unrealized gain (loss) on investments	(.060)	.890	.240	.360	(.140)
136. Total from investment operations	.659	1.501	.984	1.112	.616
137. Less Distributions From net interest income	(.719)	(.611)	(.744)	(.752)	(.756)
138. From net realized gain on investments	(.270)	-	-	-	-
139. Total distributions	(.989)	(.611)	(.744)	(.752)	(.756)
140. Net asset value, end of period	\$ 12.100	\$ 12.430	\$ 11.540	\$ 11.300	\$ 10.940
141. TOTAL RETURN (dagger)	5.41%	13.40%	8.94%	10.44%	5.61%
142. RATIOS AND SUPPLEMENTAL DATA					
143. Net assets, end of period (000 omitted)	\$ 575,289	\$ 586,791	\$ 529,445	\$ 523,590	\$ 513,682
144. Ratio of expenses to average net assets	.57%	.60%*	.59%	.58%	.60%
145. Ratio of net interest income to average net assets	5.78%	6.17%*	6.52%	6.71%	6.73%
146. Portfolio turnover rate	44%	32%*	23%	15%	34%

</TABLE>

* ANNUALIZED
(dagger) TOTAL RETURNS FOR PERIODS OF LESS THAN ONE YEAR ARE NOT ANNUALIZED.
FIDELITY CALIFORNIA TAX-FREE INSURED PORTFOLIO

PERFORMANCE: THE BOTTOM LINE

There are several ways to evaluate a fund's historical performance. You can look at the total percentage change in value, the average annual percentage change, or the growth of a hypothetical \$10,000 investment. Each figure includes changes in a fund's share price, reinvestment of any dividends (or income) and capital gains (the profits the fund earns when it sells bonds that have grown in value). You can also look at the fund's income. If Fidelity had not reimbursed certain fund expenses during the periods shown, the total returns, dividends and yields would have been lower.

PERIODS ENDED FEBRUARY 28, 1994	PAST 1 YEAR	PAST 5 YEARS	LIFE OF FUND
California Tax-Free Insured	4.59%	56.12%	72.51%
Lehman Brothers Municipal Bond Index	5.54%	59.02%	n/a
Average California Insured Tax-Exempt Municipal Bond Fund	4.99%	57.31%	n/a
Consumer Price Index	2.52%	20.64%	33.12%

CUMULATIVE TOTAL RETURNS reflect actual performance over a set period - in this case, one year, five years, or since the fund started on September 18, 1986. For example, if you invested \$1,000 in a fund that had a 5% return over the past year, you would end up with \$1,050. You can compare these figures to the performance of the Lehman Brothers Municipal Bond Index - a broad gauge of the municipal bond market. To measure how the fund stacked up against its peers, you can look at the average California insured tax-exempt municipal bond fund, which reflects the performance of only 18 California insured tax-exempt municipal bond funds tracked by Lipper Analytical Services. Both benchmarks include reinvested dividends and capital gains, if any. Comparing the fund's performance to the consumer

price index helps show how your fund did compared to inflation. (The periods covered by the CPI numbers are the closest available match to those covered by the fund.)

AVERAGE ANNUAL TOTAL RETURNS

PERIODS ENDED FEBRUARY 28, 1994	PAST 1 YEAR	PAST 5 YEARS	LIFE OF FUND
California Tax-Free Insured	4.59%	9.32%	7.59%
Lehman Brothers Municipal Bond Index	5.54%	9.72%	n/a
Average California Insured Tax-Exempt Municipal Bond Fund	4.99%	9.48%	n/a
Consumer Price Index	2.52%	3.82%	3.93%

AVERAGE ANNUAL TOTAL RETURNS take the fund's actual (or cumulative) return and show you what would have happened if the fund had performed at a constant rate each year.
\$10,000 OVER LIFE OF FUND

\$27,312
\$24,247
'94

\$10,000 OVER LIFE OF FUND: Let's say you invested \$10,000 in Fidelity California Tax-Free Insured Portfolio on September 30, 1986, shortly after the fund started. As the chart shows, by February 28, 1994, the value of your investment would have grown to \$17,268 - a 72.68% increase on your initial investment. For comparison, look at how the Lehman Brothers Municipal Bond Index did over the same period. With dividends reinvested, the same \$10,000 would have grown to \$18,561 - a 85.61% increase.

UNDERSTANDING

PERFORMANCE

How a fund did yesterday is no guarantee of how it will do tomorrow. Bond prices, for example, move in the opposite direction of interest rates. In turn, the share price, return, and yield of a fund that invests in bonds will vary. That means if you sell your shares during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.
(checkmark)

INCOME

YEARS ENDED FEBRUARY 28,	1994	1993	1992	1991	1990
Income return	5.35%	6.43%	6.48%	6.58%	6.75%

Capital gain return	1.87%	0.00%	0.00%	0.00%	0.00%
Change in share price	-2.63%	9.32%	3.91%	0.73%	2.12%
Total return	4.59%	15.75%	10.39%	7.31%	8.87%

INCOME returns, capital gain returns, and changes in share price are all part of a bond fund's total return. An income return reflects the dividends paid by the fund. A capital gain return reflects the amount paid by the fund to shareholders based on the profits it has from selling bonds that have grown in value. Both returns assume the dividends or gains are reinvested. Changes in the fund's share price include changes in the prices of the bonds owned by the fund.

DIVIDENDS AND YIELD

PERIODS ENDED FEBRUARY 28, 1994	PAST 30 DAYS	PAST 6 MONTHS	PAST 1 YEAR
Dividends per share	n/a	28.43(cents)	58.89(cents)
Annualized dividend rate	n/a	5.15%	5.33%
Annualized yield	4.90%	n/a	n/a
Tax-equivalent yield	8.60%	n/a	n/a

DIVIDENDS per share show the income paid by the fund for a set period. If you annualize this number, based on an average share price of \$11.14 over the past six months and \$11.05 over the past year, you can compare the fund's income over these two periods. The 30-day annualized YIELD is a standard formula for all funds based on the yields of the bonds in the

fund, averaged over the past 30 days. This figure shows you the yield characteristics of the fund's investments at the end of the period. It also helps you compare funds from different companies on an equal basis. The tax-equivalent yield shows what you would have to earn on a taxable investment to equal the fund's tax-free yield, if you're in the 43.04% combined effective 1994 federal and state tax bracket.

FIDELITY CALIFORNIA TAX-FREE INSURED PORTFOLIO

FUND TALK: THE MANAGER'S OVERVIEW

MARKET RECAP

Bond investments - including tax-free issues - provided solid returns for the 12 months ended February 28, 1994, despite a dramatic downturn in February. Falling interest rates pushed up bond prices steadily through mid-October, when the yield on the benchmark 30-year Treasury bond reached a historic low of 5.79%. By year-end, a strengthening economy had fueled mild inflation fears. That pushed up the yield on the 30-year bond to 6.35% on December 31, which forced investors to give back some of their earlier profits. Inflation jitters eased and bond yields dropped in January. However, when the Federal Reserve Bank raised short-term interest rates in an attempt to control inflation on February 4, investors reacted negatively. At the end of February, the yield on 30-year bonds was 6.66%, about 38 basis points higher than at the beginning of the month. Over the year, higher federal income taxes boosted demand for municipal bonds. But municipal bond prices were hurt by the Fed's action in February and by record new issuance, which kept supplies high and dampened prices. The return on the Lehman Brothers Municipal Bond Index, a broad measure of the tax-free market, rose 5.54%. By comparison, the Lehman Brothers Aggregate Bond Index, which tracks investment-grade taxable bonds, returned 5.40%. Globally, falling interest rates and low inflation drove good annual returns in Europe, Japan, and most emerging markets, although many of these markets fell in February along with the U.S. bond market. The Salomon Brothers World Government Bond Index - which includes U.S. issues - returned 9.34%, while the J.P. Morgan Emerging Markets Bond Index was up a dramatic 29.46%.

An interview with John Haley, Portfolio Manager of Fidelity California Tax-Free Insured Portfolio
Q. JOHN, HOW DID THE FUND PERFORM?

A. The fund's performance slipped during the past year. The fund had a total return of 4.59% for the year ended February 28, 1994. The average California insured tax-free bond fund posted a total return of 4.99% during the period, according to Lipper Analytical Services.

Q. WHY DID THE FUND LAG THE AVERAGE?

A. Mainly because its duration was somewhat longer than that of the typical California insured tax-free bond fund. That meant its share price was more sensitive to interest rate changes. During the year I expected interest rates would continue to decline and drive bond prices higher, so I extended the fund's duration from about 7.5 years to 11.3 years. This helped the fund during most of the period. However, when interest rates rose in the fourth quarter of '94 and then again in February, the fund gave back some of its gains.

Q. DID YOU RE-STRUCTURE THE FUND TO INCREASE ITS DURATION?

A. Somewhat. I added to the fund's stake in non-callable coupon and zero-coupon bonds, neither of which can be redeemed early by their issuers. I invested heavily in bonds that are due to mature in 10 to 20 years; they recently accounted for 41% of the fund's investments.

Q. WHY DID THE FUND HOLD SOME UNINSURED BONDS?

A. Insured bonds still accounted for 70% of the fund's investments at the end of the period, while approximately 30% of the fund's investments were in uninsured bonds. As the economy in the state improves, those uninsured bonds should benefit and boost the total return of the fund. Some of the fund's uninsured bonds were pre-refunded during the period-that is, their issuers set aside a pool of Treasury securities to pay the remaining interest and principal due to bondholders. As a result, the bonds' credit ratings went from A to Aaa, causing investors to bid their prices higher.

Q. YOU INCREASED THE PERCENTAGE OF THE FUND'S ASSETS IN HEALTH-CARE BONDS. WHY - WITH ALL THE CONTROVERSY ABOUT HEALTH-CARE REFORM?

A. It's true that in the past six months the fund's stake in health-care has grown from 6% to 9%. That's not to say we aren't cautious on the sector because the Clinton plan could affect these issues. However, the bonds I choose are mainly strong hospitals that are expected to survive and possibly benefit from any shake-up likely to occur. In fact, most are insured.

Q. WHAT EFFECT DID THE RECENT EARTHQUAKE HAVE ON THE FUND'S PERFORMANCE?

A. The fund only held one or two bonds of issuers in the vicinity of the earthquake, and they were insured. Fortunately, during the past two or three years I have de-emphasized issuers in the Los Angeles area because the economy in southern California has been especially sluggish. I've also tried to spread the fund's investments across different regions of the state. That helps offer some protection against natural disasters, if and when they occur.

Q. WHAT'S YOUR OUTLOOK FOR THE TAX-EXEMPT BOND MARKET?

A. The economy will probably show modest growth and inflation seems likely to remain under control, so I don't expect interest rates to rise dramatically from here. But interest rates aren't likely to fall much more either, so gains in the bond market won't be driven by falling rates. The tax-exempt market will probably benefit from a lower supply of new issues, which will likely amount to around \$175 to \$200 billion versus \$290 billion last year. Also, demand for tax-exempt bonds will likely increase as investors realize that the new, higher federal income tax rates increase the value of the tax exemption these issues offer. And about \$35 billion in tax-exempt bonds will mature in 1994, creating still more demand for new bonds. The combination of lower supply and higher demand should help support prices in the tax-exempt market.

Q. WHAT ABOUT THE CALIFORNIA INSURED TAX-EXEMPT MARKET?

A. I still feel that California bonds are attractive because the state's economy is showing signs that it is set to begin a recovery. As that happens, state GOs and lease bonds, which are backed by leases held by the state, should be especially strong performers, because their credit quality is closely linked to the economy. Those issues may be volatile over the next several months as the state goes through its budget process. But I'll probably take advantage of any price declines to increase the fund's investment in them.

FUND FACTS

GOAL: to provide high current income exempt from California state and federal income taxes by investing primarily in long-term California municipal bonds covered by insurance
START DATE: September 18, 1986
SIZE: as of February 28, 1994, over \$291 million
MANAGER: John Haley, since September 1986; manager, Spartan California Municipal High Yield Portfolio, since December 1989; Fidelity California Tax-Free High Yield Portfolio, and Fidelity Advisor Tax-Exempt Portfolio, since September 1985
(checkmark)

JOHN HALEY ON THE FUND'S

STRATEGY:
"During the past two to three years I expected a more severe economic downturn in

the California economy than most observers. As a result, I stuck mainly with insured issues. Recently I have begun to identify factors that suggest the California economy is reaching a bottom. I expect a gradual rebound in the state's economy, and that should help lower-rated investment-grade bonds outperform higher-rated ones. Thus, I'm using Fidelity's fixed-income research analysts to identify stable and improving investment-grade securities that could enhance the yield and total return of the portfolio."

(bullet) As of February 28, 1994, 41% of the fund's investments were in bonds with maturities of 10 to 20 years, and 48% were in bonds with maturities of greater than 20 years.

(bullet) The fund's investment in bonds rated Aaa accounted for 75.5% its total investments.

(bullet) About 30% of the fund's investments were in uninsured bonds, all rated Baa or higher.

(bullet) About one-third of the fund was in lease rental bonds, which could improve with a pickup in the California economy.

FIDELITY CALIFORNIA TAX-FREE INSURED PORTFOLIO

INVESTMENT CHANGES

TOP FIVE SECTORS AS OF FEBRUARY 28, 1994

	% OF FUND'S INVESTMENT S	% OF FUND'S INVESTMENT S IN THESE SECTORS 6 MONTHS AGO
Lease Revenue	33.1	33.9
Special Tax	20.1	18.6
Health Care	9.2	6.0
General Obligation	8.9	10.0
Electric Revenue	8.8	11.3

AVERAGE YEARS TO MATURITY AS OF FEBRUARY 28, 1994
6 MONTHS AGO

Years 20.3 19.1

AVERAGE YEARS TO MATURITY SHOWS THE AVERAGE TIME UNTIL THE PRINCIPAL OF THE BONDS IN THE FUND IS EXPECTED TO BE REPAYED, WEIGHTED BY DOLLAR AMOUNT.
DURATION AS OF FEBRUARY 28, 1994
6 MONTHS AGO

Years 11.3 10.1

DURATION SHOWS HOW MUCH A BOND'S PRICE FLUCTUATES WITH CHANGES IN INTEREST RATES. IF RATES RISE 1%, FOR EXAMPLE, THE SHARE PRICE OF A FUND WITH A FIVE-YEAR DURATION WILL FALL 5%.

QUALITY DIVERSIFICATION AS OF FEBRUARY 28, 1994
(MOODY'S RATINGS)

Row: 1, Col: 1, Value: 75.5
 Row: 1, Col: 2, Value: 15.4
 Row: 1, Col: 3, Value: 8.699999999999999
 Row: 1, Col: 4, Value: 0.0
 Row: 1, Col: 5, Value: 1.5
 Aaa 75.5%

Aa, A 15.4%
Baa 8.7%
Ba, B 0%
Non-rated 0.4%
THIS CHART EXCLUDES SHORT-TERM INVESTMENTS. WHERE MOODY'S RATINGS ARE NOT AVAILABLE, WE HAVE USED S&P RATINGS.
FIDELITY CALIFORNIA TAX-FREE INSURED PORTFOLIO

INVESTMENTS/FEBRUARY 28, 1994
(Showing Percentage of Total Value of Investments)

MUNICIPAL BONDS - 97.7%
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - 96.3%
Alameda County Ctfs. of Prtn. Rfdg.
(Santa Rita Jail Proj.) 5.375% 6/1/09,
(MBIA Insured) Aaa \$ 2,500,000 \$ 2,456,250 010891KG
Alameda Ctfs. of Prtn. Rfdg. (Santa Rita Jail
Proj.), 5% 12/1/15 (MBIA Insured) Aaa 1,000,000 921,250 010891KK
Anaheim Pub. Fing. Auth. Tax Allocation
Rev. (Reg. Rites) 10.27% 12/1/18,
(MBIA Insured) (c) Aaa 1,000,000 1,192,500 032559AV
Antioch Area Pub. Facs. Fing. Agcy.
Special Tax Commt. Facs. Dist. 5% 8/1/18,
(FGIC Insured) Aaa 8,795,000 7,981,462 037060CM
Bay Area Gov't. Assoc. Rev. (Muni. Fing.
Pool) Series A, 8.05% 9/1/10 A 1,515,000 1,658,925 07201TAB
Bonita Unified School Dist. Ctfs. of Prtn.
(Cap. Appreciation Rfdg. Proj.) 0%
5/1/20, (MBIA Insured) Aaa 6,000,000 1,297,500 098204AX
Burbank Redev. Agcy. Tax Allocation
(City Ctr. Redev. Proj.) Series A, 5%
12/1/15, (Cap. Guaranty Insured) Aaa 4,000,000 3,705,000 120823EQ
California Edl. Facs. Auth. Rev. (Pooled Facs.
Prog.) Series 1987, 7.625% 11/1/12,
(MBIA Insured) Aaa 1,000,000 1,121,250 130173R5
California Health Facs. Fing. Auth. Rev.
(MBIA Insured):
Rfdg. (Catholic Healthcare West)
4.75% 7/1/19 Aaa 1,500,000 1,318,125 13033AAU
(Children's Hosp.) Series A, 7.50%
10/1/20 Aaa 1,650,000 1,899,562 13033JAJ
(Pomona Valley Hosp. Med. Ctr.)
Series A, 6.75% 1/1/07 Aaa 1,500,000 1,638,750 13033H3W
(Scripps Health) Series A, 4.625%
10/1/13 Aaa 1,345,000 1,188,644 13033J5V
(Sharp Temecula Valley) Series A,
7.05% 8/1/21 Aaa 1,000,000 1,118,750 13033JPT
California Hsg. Fin. Agcy. Rev.:
(Home Mtg.):
Series 1983 A, 0% 2/1/15 Aa 13,699,000 1,780,870 130329QE
Series 1983 B, 0% 8/1/15 Aa 290,000 35,163 130329RG
Series B, 5.1% 2/1/04 (MBIA Insured) (e) Aaa 2,295,000 2,243,362
13033C2R
California Poll. Cont. Fing. Auth. Solid Waste
Disp. Rev. (North County Recycling Ctr.)
6.75% 7/1/17, LOC Union Bank of
Switzerland Aaa 1,500,000 1,638,750 130536BR
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
California Pub. Cap. Impt. Fing. Auth. Rev.
(Pooled Proj.) Series B, 8.10% 3/1/18
(MBIA Insured) Aaa \$ 2,960,000 \$ 3,241,200 130552AS
California Pub. Works Board Lease Rev.
(Dept. Correction State Prisons, Susanville)
Series A, 5% 12/1/19
(AMBAC Insured) Aaa 3,000,000 2,737,500 13068GPA
Series D, 5.25% 6/1/15
(CGIC Insured) Aaa 1,000,000 957,500 13068GUA
California Statewide Commt. Dev. Auth.
8.83% 7/1/13, (MBIA Insured) (c) Aaa 1,000,000 982,500 130909JH
California Statewide Commtys. Dev. Corp.
Ctfs. of Prtn.:
Rfdg. (Insured Health Facs.)
(Eskaton, Inc.) 5.875% 5/1/20 A+ 1,000,000 980,000 130909GW
(Childrens Hosp.) 6% 6/1/11,
(MBIA Insured) Aaa 1,700,000 1,776,500 130909NJ
(St. Joseph Health Sys.) 5.50% 7/1/23 Aa 1,000,000 945,000 130909GH

California Univ. Rev. Rfdg. (Hsg. Sys. Group A)
(MBIA Insured):
Rfdg. Issue II, 7.80% 11/1/15 Aaa 1,000,000 1,102,500 914113CK
Series A, 5% 11/1/14 Aaa 2,500,000 2,312,500 914113RP
Campbell Ctfs. of Prtn. Rfdg. (Civic Center
Proj.) 6% 10/1/18 A 2,000,000 1,980,000 134111BK
Carson Redev. Agcy. Redev. Proj. Area #1
Tax Allocation 6.375% 10/1/12 Baa1 1,000,000 991,250 145750CZ
Castaic Lake Wtr. Agcy. Ctfs. of Prtn.
(Wtr. Sys. Impt. Proj.) 7.125% 8/1/16,
(MBIA Insured) Aaa 1,000,000 1,123,750 148370AM
Central California Jt. Pwrs. Health Fing. Auth.
Ctfs. of Prtn. (Commty. Hosp. of Central
California Proj.) 5.25% 2/1/13 A 2,000,000 1,837,500 152757AQ
Concord Redev. Agcy. Tax Allocation
(Central Concord Redev. Proj.)
Series 2, 8% 7/1/18, (MBIA Insured)
(Pre-Refunded to 7/1/98 @ 102) (d) Aaa 1,000,000 1,162,500 206141FF
Contra Costa Home Mtg. Fin. Auth. Home
Mtg. Rev. 0% 9/1/17, (MBIA Insured) Aaa 7,490,000 1,891,225 212216CA
Culver City Redev. Fing. Auth. Rev. Rfdg. Tax
Allocation (AMBAC Insured):
5.50%, 11/1/14 Aaa 4,000,000 3,990,000 230341BL
4.60%, 11/1/20 Aaa 5,000,000 4,275,000 230341BM
Del Norte County Pub. Wks. Rev. Rfdg.
(Dept. of Corrections) 5.125%, 12/1/08 A1 2,000,000 1,917,500 13068GSY
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
Desert Hosp. Dist. Hosp. Rev. Ctfs. of Prtn.
(Desert Hosp. Corp.) 6.35% 7/1/04,
(Cap. Guaranty Insured) AAA \$ 2,140,000 \$ 2,378,075 25041MBD
Desert Hosp. Rev. Ctfs. of Prtn.
(Desert Hosp. Corp.) Series 1992,
10.029% 7/28/20, (Cap. Guaranty
Insured) (c) Aaa 2,000,000 2,322,500 25041MAZ
Empire Union School Dist. Spl. Tax
(Commty. Facs. Dist. #87-1)
Series A, 7.90% 10/1/14,
(FGIC Insured) (Pre-Refunded to
10/1/96 @ 103) (d) Aaa 1,000,000 1,125,000 292109AN
Eureka Unified School Dist. Ctfs. of Prtn.
(Cap. Appreciation) (FSA Insured):
Series A, 0% 9/1/27 Aaa 4,085,000 3,727,562 298522AD
Series B, 0% 9/1/27 Aaa 1,555,000 1,387,837 298522AE
Fontana Redev. Agcy. Tax Allocation Rfdg.
(Yurupa Hills) Series 1992 A, 7.10%
10/1/23 BBB 1,000,000 1,087,500 344619CL
Fontana Unified School Dist. Rfdg.
(AMBAC Insured):
0% 7/1/12 Aaa 1,655,000 581,319 344640HC
0% 7/1/13 Aaa 1,880,000 618,050 344640HD
Foothill De Anza Commty. College Ctfs. of
Prtn. (Connie Lee Rfdg. Proj.) 5.25%
9/1/21 AAA 1,175,000 1,086,875 345104CX
Grossmont Hosp. Dist. Rev. Series A, 8%
11/15/17, (MBIA Insured), (Pre-Refunded
to 11/15/97 @ 102) (d) Aaa 1,500,000 1,725,000 399226BH
Irvine Ranch Wtr. Dist. Joint Pwr. Agcy.
Local Pool Rev.:
7.875% 2/15/23 A 3,100,000 3,351,875 463656AR
8.25% 8/15/23 BBB 3,000,000 3,300,000 463656BE
La Habra Ctfs. of Prtn. (La Habra and
View Park) (Acquisition Proj.) 6.625%
11/1/22, (FSA Insured) Aaa 1,000,000 1,102,500 503423BA
Lemon Grove Commty. Dev. Agcy. Tax
Allocation Rev. (Lemon Grove Redev.
Proj.) 6.90% 8/1/20 Baa 1,000,000 1,058,750 525638AG
Local Gov't. Fin. Auth. Rev. (Oakland Cent.
Dist.) 0% 9/1/09, (MBIA Insured) Aaa 3,565,000 1,492,844 539558FG
Los Angeles Convention Ctr. Rfdg. Series A,
5.125% 8/15/13, (MBIA Insured) Aaa 3,000,000 2,820,000 544399AK
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
Los Angeles County Cap. Asset Leasing
Corp. Leasehold Rev. 4.05% 12/1/09,
(AMBAC Insured) Aaa \$ 2,250,000 \$ 2,306,250 544900CE
Los Angeles County Ctfs. of Prtn.:
(Cap. Appreciation Correctional Facs.)

(MBIA Insured)
0% 9/1/12 Aaa 2,700,000 941,625 544663G9
0% 9/1/13 (f) Aaa 3,380,000 1,106,950 544663H4
(Disney Parking Proj.)
(Cap. Appreciation):
0% 3/1/10 A 3,000,000 1,143,750 5446634E
0% 3/1/15 A 1,000,000 273,750 5446634Q
0% 3/1/16 A 5,615,000 1,431,825 5446634S
0% 9/1/16 A 7,985,000 1,966,306 5446634T
0% 3/1/17 A 1,835,000 438,106 5446634U
Los Angeles County Metropolitan Trans. Auth.
Sales Tax Rev. Sr. Series B 4.75% 7/1/13,
(AMBAC Insured) Aaa 5,000,000 4,512,500 544712BP
Los Angeles County Pub. Wks. Fing.
Auth. Lease Rev. (Mult. Cap. Facs. Proj. IV)
4.75% 12/1/13, (MBIA Insured) Aaa 10,000,000 8,950,000 54473EAR
M-S-R Pub. Pwr. Agcy. San Juan Proj. Rev.
(MBIA Insured):
Series B, 6.75% 7/1/11 Aaa 1,000,000 1,105,000 553751EV
Series D, 6.75% 7/1/20 Aaa 2,500,000 2,834,375 553751DN
Mesa Consolidated Wtr. Dist. Ctfs. of Prtn.
(Cap. Impt. Phase II) 7.625% 3/15/08,
(AMBAC Insured) Aaa 1,000,000 1,123,750 590589AL
Metropolitan Wtr. Dist. Southern Wtrwks.
Rev. 8.172% 8/10/18(c) Aa 2,000,000 2,110,000 592663MN
Modesto Ctfs. of Prtn. (Comnty. Ctr. Refing.
Proj.) Series A, 5% 11/1/23,
(AMBAC Insured) Aaa 2,500,000 2,271,875 607715FE
Modesto Irrigation Dist. Ctfs. of Prtn. Rfdg. &
Cap. Impts. Series A, 0% 10/1/09,
(MBIA Insured) Aaa 2,270,000 944,887 607762DG
Moreno Valley Unified School Dist.
Ctfs. of Prtn.:
(Land Acquisition) 0% 9/1/11,
(FSA Insured) Aaa 4,305,000 3,293,325 616872CT
7.375% 9/1/11 Baa 160,000 162,200 616872BS
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
Northern California Pwr. Agcy. Pub. Pwr. Rev.:
Rfdg. (Geothermal Proj. #3) Series A,
5.85% 7/1/10 A \$ 2,500,000 \$ 2,556,250 664843SB
7.50% 7/1/23 (AMBAC Insured)
(Pre-Refunded to 7/1/21 @ 100) (d) Aaa 1,300,000 1,652,625 664843NV
Norwalk Redev. Agcy. Tax Allocation
(Norwalk Redev. Proj. #1) 7.15%
12/1/15 - 1,000,000 1,050,000 668823CM
Oakland Redev. Agcy. Central Dist. Redev.
(Sub. Tax Allocation):
Rfdg. 5.50% 2/1/14,
(AMBAC Insured) Aaa 3,000,000 2,970,000 672321ET
5% 9/1/21, (MBIA Insured) Aaa 2,025,000 1,850,344 672321FF
Orange County Ctfs. of Prtn.
(Civic Ctr. Facs.):
0% 12/1/13, (AMBAC Insured) Aaa 2,500,000 790,625 684228FL
0% 12/1/18, (AMBAC &
MBIA Insured) Aaa 7,500,000 1,753,125 684228FR
Orange County Dev. Agcy. Tax Allocation
(Santa Ana Heights Proj.) 6.125%
9/1/23 Baal 1,500,000 1,483,125 684246CB
Palm Desert Fing. Auth. Tax Allocation RIB
9.83% 4/1/22, (MBIA Insured) (c) Aaa 1,750,000 1,992,812 696617BG
Palomar Pomerado Health Sys. Rev.
(MBIA Insured):
0% 11/1/00 Aaa 3,080,000 2,221,450 69753EAT
4.75%, 11/1/23 Aaa 1,500,000 1,295,625 69753EAS
Placer County Wtr. Agcy. Wtr. Rev. Ctfs. of
Prtn. (Phase 1 Cap. Impt. Proj.) 7.75%
7/1/18, (MBIA Insured) Aaa 1,000,000 1,138,750 726030AR
Pleasanton Jt. Pwrs. Fin. Auth. Reassessment,
Series A, 6% 9/2/05 Baa 2,000,000 2,015,000 728816AU
Poway Ctfs. of Prtn. (Poway Royal Mobile
Home Park) (Cap. Impt. Proj.) 7% 7/1/20,
(FSA Insured) Aaa 1,250,000 1,354,687 738756BC
Poway Redev. Agcy. (Paguay Proj.) Tax
Allocation 7.93% 12/15/14,
(FGIC Insured) (c) Aaa 4,200,000 4,226,250 738800DV
Rancho Mirage Joint Pwrs. Fing. Auth.
Ctfs. of Prtn. (Eisenhower Mem. Hosp.)
7% 3/1/22 Baal 1,000,000 1,076,250 75212HAM
Rancho Wtr. Dist. Fin. Auth. 4.75% 8/15/21,

(AMBAC Insured) Aaa 2,000,000 1,737,500 752111DC
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
Redding Elec. Sys. Rev. Ctfs. of Prtn.:
(Cap. Appreciation) Series A, (FGIC Insured):
0% 6/1/05 Aaa \$ 2,000,000 \$ 1,110,000 75728MBZ
0% 6/1/06 Aaa 1,730,000 899,600 75728MCB
0% 6/1/07 Aaa 1,890,000 921,375 75728MCD
0% 6/1/08 Aaa 1,300,000 591,500 75728MCF
Series A, 0% 7/1/19, (MBIA Insured) Aaa 2,000,000 387,500 75728MAX
Redondo Beach Redev. Agcy. Tax Allocation
(South Bay Ctr.) 8.625% 5/1/14,
(FGIC Insured) Aaa 1,000,000 1,132,500 757705AB
Richmond Redev. Agcy. Tax Allocation
(Harbour Redev. Proj.) 7% 7/1/09
(Cap. Guaranty Insured) Aaa 1,750,000 1,986,250 764472BU
Riverside County Asset Leasing Corp. Leasehold
Rev. (Riverside County Hosp. Proj.) Series A:
6.375% 6/1/09
(Detachable Call Option) A 2,000,000 2,087,500 768903AW
6.50% 6/1/12 A 5,500,000 5,791,875 768903AR
6.25% 6/1/19 A 2,000,000 2,042,500 768903AG
Riverside County Trans. Commission Sales
Tax Rev. Series A, 5.75% 6/1/09,
(AMBAC Insured) Aaa 2,000,000 2,052,500 769125BC
Riverside Unified School Dist. Ctfs. of Prtn.
(Cap. Appreciation Land Acquisition Proj.)
Series B, 0% 9/1/26, (FSA Insured) (g) Aaa 2,000,000 1,505,000 769062AD
Sacramento Ctfs. of Prtn. Rfdg. (Lt. Rail
Tran. Proj.) 6% 7/1/12 A1 1,000,000 1,003,750 785845FB
Sacramento Fing. Auth. (Cap.
Appreciation Tax Allocation Proj.)
Series A, 0% 11/1/14, (MBIA Insured) Aaa 5,700,000 1,710,000 785849BQ
Sacramento Fing. Auth. Lease Rev. Rfdg.
Series A, 5.375% 11/1/14,
(AMBAC Insured) Aaa 6,500,000 6,345,625 785846BL
Sacramento Muni. Util. Dist. Elec. Rev.:
Rfdg. Series G, 6.5%, 9/1/13 Aaa 7,000,000 7,708,750 7860044K
9.78% 8/15/18, (FGIC Insured) (c) Aaa 1,000,000 1,155,000 786004U5
Sacramento Muni. Util. Dev. Index
0% 11/15/08, (FGIC Insured) (c) Aaa 3,700,000 3,667,625 7860042C
San Bernadino County Ctfs. Prtn.
(Med Ctr. Fing. Proj.):
5.50% 8/1/17 (e) Baal 3,350,000 3,086,187 796815NL
5.50% 8/1/22 (e) Baal 2,660,000 2,420,600 796815NN
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
San Bernadino County Trans. Auth. Sales
Tax Rev. Series A, 6% 3/1/10,
(FGIC Insured) Aaa \$ 3,625,000 \$ 3,765,469 796846AP
San Bernadino Redev. Agcy. Tax Allocation
Rfdg. (Southeast Ind. Park) 7.40% 3/1/14,
(AMBAC Insured) Aaa 2,100,000 2,336,250 796779KY
San Diego County Wtr. Auth. Wtr. Rev.
Ctfs. of Prtn. (Reg. Rites) 8.55% 5/1/09,
(FGIC Insured) (c) Aaa 2,500,000 2,665,625 797415DC
San Francisco Bay Area Rapid Transit Dist.
Sales Tax Series 1990, 6.75% 7/1/09,
(AMBAC Insured) Aaa 3,200,000 3,524,000 797669DW
San Francisco City & County Redev. Agcy.
Mtg. Rev. Rfdg. (Section 8) Series A,
6.65% 7/1/24, (MBIA Insured) Aaa 1,750,000 1,758,750 797714FP
San Jacinto Unified School Dist. Series B,
0% 9/1/26, (FSA Insured)
step coupon Aaa 1,585,000 1,376,969 797852BM
San Joaquin County Ctfs. of Prtn. Rfdg.:
Rfdg. (Cap. Facs. Proj.) 5% 11/15/09,
(MBIA Insured) Aaa 1,000,000 957,500 798085EQ
(Cap. Facs. Proj.) 5% 11/15/10,
(MBIA Insured) Aaa 1,110,000 1,055,888 798085ER
(Gen. Hosp. Proj.) 6.625% 9/1/20 A 2,500,000 2,640,625 798085DX
San Jose Redev. Agcy. Tax Allocation
(Merged Area Redev. Proj.) (MBIA Insured):
6% 8/1/15 Aaa 3,000,000 3,150,000 798147LE
4.75% 8/1/24 Aaa 1,000,000 863,750 798147KV
Santa Ana Commt. Redev. Agcy. Tax
Allocation (South Main St. Redev.)
5.25% 9/1/13, (MBIA Insured) Aaa 3,000,000 2,868,750 801095GW

Santa Barbara Ctfs. of Prtn. (Harbor Rfdg.
 Proj.) 6.75% 10/1/27 A 1,000,000 1,070,000 801242EX
 Santa Clara Redev. Agcy. Tax Allocation
 Rfdg. (Bayshore North Proj.) 5.75%
 7/1/14, (AMBAC Insured) Aaa 1,000,000 1,011,250 801453DP
 Santa Rosa Wtr. Rev. Rfdg. Series B, 6.125%
 9/1/17, (FGIC Insured) Aaa 1,000,000 1,041,250 802649GT
 Sequoia Hosp. 5.375% 8/15/13 A 1,000,000 937,500 817393BZ
 Solano County Ctfs. of Prtn. Rfdg.
 (Justice Facs. & Pub. Bldg. Proj.)
 5.875% 10/1/05 Baal 5,000,000 5,043,750 834131BR
 Southern California Pub. Pwr. Auth. Pwr.
 Proj. Rev. (Multiple Proj.) 7% 7/1/09 A 1,250,000 1,357,813 842475KE
MUNICIPAL BONDS - CONTINUED
 MOODY'S RATINGS PRINCIPAL VALUE
 (UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
 Southern California Pub. Pwr. Auth. Rev.
 Rfdg. (Palo Verde Proj.) Series A, 0%
 7/1/12, (AMBAC Insured) Aaa \$ 1,855,000 \$ 635,338 842475JF
 Southern California Rapid Transit Dist.
 Ctfs. of Prtn. (Worker's Compensation
 Fund) 6% 7/1/10, (MBIA Insured) Aaa 1,500,000 1,573,125 842483AM
 Sulphur Springs Unified School Dist. Series A,
 (MBIA Insured):
 0% 9/1/08 Aaa 2,000,000 890,000 865480EY
 0% 9/1/16 Aaa 3,200,000 880,000 865480FG
 Tahoe-Truckee Joint Union School Dist.
 (Cap. Appreciation) Series A, 0% 9/1/10 Aaa 6,625,000 2,583,750
 873873EZ
 Torrance Hosp. Rev. (Little Co. of Mary Hosp.)
 6.875% 7/1/15 A 1,475,000 1,604,063 891368CK
 Valley Ctr. Union School Dist. Series A,
 0% 9/1/17, (MBIA Insured) Aaa 8,835,000 2,263,969 919439BT
 Vista Unified School Dist. Ctfs. of Prtn.
 Rfdg. (Cap Appreciation) Series A, 0%
 11/1/13, (FSA Insured) Aaa 6,145,000 1,951,038 92834MAY
 Walnut Creek Ctfs. of Prtn. Rfdg. (John Muit
 Med. Ctr.) 5%, 2/15/16, (MBIA Insured) Aaa 3,250,000 2,969,688 932702CH
 West & Central Basin Fing. Auth.
 (West Basin Proj.) Series A, 5% 8/1/10,
 (AMBAC Insured) Aaa 2,000,000 1,900,000 95122ECE
 Yolo County Flood Cont. & Wtr. Cont. Dist.
 Ctfs. of Prtn. (FGIC Insured):
 (Tehama-Colusa Canal Wtr. Supply)
 7% 7/15/05 Aaa 1,000,000 1,148,750 986012AB
 7.125% 7/15/15 Aaa 5,500,000 6,153,125 986012AA
 274,230,239
PUERTO RICO - 1.4%
 Puerto Rico Commonwealth Hwy. & Trns.
 Auth. Rev. Series W, 5.50% 7/1/13 Baal 2,500,000 2,453,125 745181BZ
 Puerto Rico Tel. Auth. Rev. 6.78% 1/1/04,
 (AMBAC Insured) (c) Aaa 1,500,000 1,458,750 745297HX
 3,911,875
TOTAL MUNICIPAL BONDS
 (Cost \$267,287,883) 278,142,114
MUNICIPAL NOTES - (A) 2.3%
 MOODY'S RATINGS PRINCIPAL VALUE
 (UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - 2.3%
 Los Angeles County Trans. Commission Sales
 Tax Rev. Rfdg. Series 1992 A, 2.25%
 (FGIC Insured) LOC Industrial Bank of
 Japan Ltd. VRDN VMIG 1 \$ 1,340,000 \$ 1,340,000 545170HL
 Orange County Various Sanitation Dist.
 Ctfs. of Prtn. (Cap. Impt. Prog.)
 (Dist. 1-7 & 11) 2.20%,
 (FGIC Insured), VRDN VMIG 1 2,200,000 2,200,000 684285BK
 Southern California Pub. Pwr. Auth. Rev.
 (Transmission Proj.) Series 1991, 2.25%,
 (AMBAC Insured) LOC Swiss Bank, VRDN VMIG 1 3,000,000 3,000,000
 842477HH
TOTAL MUNICIPAL NOTES
 (Cost \$6,540,000) 6,540,000
OTHER SECURITIES - 0.0%

RIGHTS

CALIFORNIA - 0.0%
 Riverside County Asset Leasing Corp.
 Leasehold Rev. (Riverside County Hosp.)
 Series A (Call Rights) 6.50% 6/1/12
 (Cost \$43,600) - 800 160,500

TOTAL INVESTMENTS
 (Cost \$273,871,483) \$ 284,842,614
 FUTURES CONTRACTS
 AMOUNT IN THOUSANDS EXPIRATION UNDERLYING FACE UNREALIZED
 DATE AMOUNT AT VALUE GAIN/(LOSS)
 SELL
 30 U.S. Treasury Bond Futures June, 1994 \$ 3,340,313 \$ 21,290
 THE VALUE OF FUTURES CONTRACTS SOLD AS A PERCENTAGE OF TOTAL INVESTMENT IN
 SECURITIES - 1.1%

SECURITY TYPE ABBREVIATIONS
 VRDN - Variable Rate Demand Notes

LEGEND
 (a) The coupon rate shown on floating or adjustable rate securities represents the rate at period end.
 (b) Standard & Poor's Corporation credit ratings are used in the absence of a rating by Moody's Investors Service, Inc.
 (c) Inverse floating rate security is a security where the coupon is inversely indexed to a floating interest rate. The price will be more volatile than the price of a comparable fixed rate security.
 (d) Security collateralized by an amount sufficient to pay interest and principal.
 (e) Security purchased on a delayed delivery basis (see Note 2 of Notes to Financial Statements).
 (f) Security was pledged to cover margin requirements for futures contracts. At the period end, the value of securities pledged amounted to \$1,106,950.
 (g) Debt obligation initially issued in zero coupon form which converts to coupon form at a specified rate and date.

OTHER INFORMATION
 The composition of long-term debt holdings as a percentage of total value of investment in securities, is as follows (ratings are unaudited):
 MOODY'S RATINGS S&P RATINGS
 Aaa, Aa, A 85.5% AAA, AA, A 90.0%
 Baa 7.0% BBB 2.4%
 Ba 0.0% BB 0.0%
 B 0.0% B 0.0%
 Caa 0.0% CCC 0.0%
 Ca, C 0.0% CC, C 0.0%
 D 0.0%

The percentage not rated by either S&P or Moody's amounted to 0.4%.
 The distribution of municipal securities by revenue source, as a percentage of total value of investment in securities, is as follows:
 Lease Revenue 33.1%
 Special Tax 20.1
 Others (individually less than 10%) 46.8
 TOTAL 100.0%

INCOME TAX INFORMATION
 At February 28, 1994, the aggregate cost of investment securities for income tax purposes was \$273,871,483. Net unrealized appreciation aggregated \$10,971,131, of which \$14,074,614 related to appreciated investment securities and \$3,103,483 related to depreciated investment securities.
 The fund hereby designates \$2,359,433 as a capital gain dividend for the purpose of the dividend paid deduction.

FIDELITY CALIFORNIA TAX-FREE INSURED PORTFOLIO

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

<TABLE> <CAPTION> <S>	<C>	<C>
FEBRUARY 28, 1994		
147.ASSETS	148.	149.
150.Investment in securities, at value (cost \$273,871,483) (Notes 1 and 2) - See accompanying schedule	151.	\$ 284,842,614
152.Cash	153.	130,026
154.Receivable for investments sold	155.	11,757,804
156.Interest receivable	157.	3,405,147
158.Receivable for daily variation on futures contracts	159.	22,500

160. 161.TOTAL ASSETS	162.	300,158,091
163.LIABILITIES	164.	165.
166.Payable for investments purchased Delayed delivery (Note 2)	\$ 7,989,434	167.
168.Dividends payable	260,631	169.
170.Accrued management fee	104,568	171.
172.Other payables and accrued expenses	43,662	173.
174. 175.TOTAL LIABILITIES	176.	8,398,295
177.178.NET ASSETS	179.	\$ 291,759,796
180.Net Assets consist of (Note 1):	181.	182.
183.Paid in capital	184.	\$ 274,863,941
185.Accumulated undistributed net realized gain (loss) on investments	186.	5,903,434
187.Net unrealized appreciation (depreciation) on:	188.	189.
190. Investment securities	191.	10,971,131
192. Futures contracts	193.	21,290
194.195.NET ASSETS, for 27,161,053 shares outstanding	196.	\$ 291,759,796
197.198.NET ASSET VALUE, offering price and redemption price per share (\$291,759,796 (divided by) 27,161,053 shares)	199.	\$10.74

</TABLE>

STATEMENT OF OPERATIONS

<TABLE>

<CAPTION>

<S>

<C>

<C>

YEAR ENDED FEBRUARY 28, 1994

200.201.INTEREST INCOME	202.	\$ 17,357,295
203.EXPENSES	204.	205.
206.Management fee (Note 4)	\$ 1,240,128	207.
208.Transfer agent, accounting and custodian fees and expenses (Note 4)	489,399	209.
210.Non-interested trustees' compensation	1,868	211.
212.Registration fees	11,273	213.
214.Audit	34,682	215.
216.Legal	2,596	217.
218.Reports to shareholders	12,607	219.
220. Total expenses before reductions	1,792,553	221.
222. Expense reductions (Note 9)	(352,015)	1,440,538
223.224.NET INTEREST INCOME	225.	15,916,757
226.REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS (NOTES 1 AND 3)	228.	229.
227.Net realized gain (loss) on:		
230. Investment securities	13,524,569	231.
232. Futures contracts	628,258	14,152,827

233.Change in net unrealized appreciation (depreciation) on:	234.	235.
236. Investment securities	(16,401,673)	237.
238. Futures contracts	(139,726)	(16,541,399)
239.240.NET GAIN (LOSS)	241.	(2,388,572)
242.243.NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	244.	\$ 13,528,185

</TABLE>

STATEMENT OF CHANGES IN NET ASSETS

<TABLE>

<CAPTION>

<S>

<C>

YEAR
ENDED
FEBRUARY 28,
1994

<C>

TEN MONTHS
ENDED
FEBRUARY 28, 1993
(NOTE 1)

245.INCREASE (DECREASE) IN NET ASSETS		
246.Operations	\$ 15,916,757	\$ 10,158,424
Net interest income		
247. Net realized gain (loss) on investments	14,152,827	1,333,021
248. Change in net unrealized appreciation (depreciation) on investments	(16,541,399)	19,225,483
249.	13,528,185	30,716,928
250.NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS		
251.Distributions to shareholders From net interest income	(15,916,757)	(10,158,424)
252. From net realized gain	(5,560,443)	-
253. 254.TOTAL DISTRIBUTIONS	(21,477,200)	(10,158,424)
255.Share transactions Net proceeds from sales of shares	191,511,206	161,300,515
256. Reinvestment of distributions from: Net interest income	12,290,624	7,750,883
257.	4,540,746	-
Net realized gain		
258. Cost of shares redeemed	(183,505,791)	(92,500,449)
259.	24,836,785	76,550,949
Net increase (decrease) in net assets resulting from share transactions		
260.	16,887,770	97,109,453
261.TOTAL INCREASE (DECREASE) IN NET ASSETS		
262.NET ASSETS	263.	264.
265. Beginning of period	274,872,026	177,762,573
266. End of period	\$ 291,759,796	\$ 274,872,026
267.OTHER INFORMATION	269.	270.
268.Shares		
271. Sold	17,343,548	15,478,983
272. Issued in reinvestment of distributions from: Net interest income	1,113,708	743,732
273.	417,348	-
Net realized gain		

274. Redeemed	(16,625,614)	(8,911,574)
275. Net increase (decrease)	2,248,990	7,311,141

</TABLE>

FINANCIAL HIGHLIGHTS

<TABLE>

<CAPTION>

<S>	<C>	<C>	<C>	<C>	<C>
276.	YEAR ENDED FEBRUARY 28,	TEN MONTHS ENDED FEBRUARY 28, 1993	YEARS ENDED APRIL 30,		
277.	1994	(NOTE 1)	1992	1991	1990
278. SELECTED PER-SHARE DATA					
279. Net asset value, beginning of period	\$ 11.030	\$ 10.100	\$ 9.740	\$ 9.370	\$ 9.590
280. Income from Investment Operations Net interest income	.589	.492	.603	.605	.618
281. Net realized and unrealized gain (loss) on investments	(.090)	.930	.360	.370	(.220)
282. Total from investment operations	.499	1.422	.963	.975	.398
283. Less Distributions From net interest income	(.589)	(.492)	(.603)	(.605)	(.618)
284. From net realized gain on investments	(.200)	-	-	-	-
285. Total distributions	(.789)	(.492)	(.603)	(.605)	(.618)
286. Net asset value, end of period	\$ 10.740	\$ 11.030	\$ 10.100	\$ 9.740	\$ 9.370
287. TOTAL RETURN (dagger)	4.59%	14.48%	10.14%	10.67%	4.15%

288. RATIOS AND SUPPLEMENTAL DATA

289. Net assets, end of period (000 omitted)	\$ 291,760	\$ 274,872	\$ 177,763	\$ 113,711	\$ 87,438
290. Ratio of expenses to average net assets (dagger) (dagger)	.48%	.63%*	.66%	.72%	.75%
291. Ratio of expenses to average net assets before expense reductions (dagger) (dagger)	.60%	.63%*	.66%	.72%	.75%
292. Ratio of net interest income to average net assets	5.31%	5.72%*	6.06%	6.30%	6.38%
293. Portfolio turnover rate	60%	27%*	19%	14%	10%

</TABLE>

* ANNUALIZED

(dagger) TOTAL RETURNS FOR PERIODS OF LESS THAN ONE YEAR ARE NOT ANNUALIZED. TOTAL RETURNS WOULD HAVE BEEN LOWER HAD CERTAIN EXPENSES NOT BEEN REDUCED DURING THE PERIODS SHOWN.

(dagger) (dagger) SEE NOTE 5 OF NOTES TO FINANCIAL STATEMENTS.

FIDELITY CALIFORNIA TAX-FREE MONEY MARKET PORTFOLIO

An interview with Deborah Watson, Portfolio Manager of Fidelity California Tax-Free Money Market Portfolio

Q. DEBORAH, HOW HAS THE SHORT-TERM MARKET BEHAVED OVER THE LAST SIX MONTHS?

A. Short-term interest rates remained stable through the fall, despite a mild uptick in November fueled by inflation fears. The Federal Reserve kept the federal funds rate at or near 3% from August through January. Then, on February 4, the Fed pushed the fed funds rate up to 3.25%, essentially raising all short-term rates.

Q. WAS THE FUND WELL POSITIONED FOR HIGHER RATES?

A. For the most part, yes. I had gradually reduced the fund's average maturity through the fall and early winter; it fell from 81 days at the end of August to 48 days at the end of January. The fund's shorter average maturity will allow me to capture the higher yields available following February's rate hike. In addition, supply and demand played a role in how I positioned the fund earlier in the year. California usually issues its heaviest supply of new obligations during the summer months, and 1993 was no exception. I lengthened the fund's average maturity through August, and was able to lock in higher-yielding issues before rates fell further. Issuance then slowed heading into fall, which caused me to gradually shorten the average maturity.

Q. HOW DID CALIFORNIA'S RECESSION AFFECT THE FUND?

A. The state's weak economy caused the financial health of many California issuers to deteriorate. That meant there were fewer securities available that met Fidelity's high standards for credit quality. However, I compensated by buying more of those that did, resulting in little effect on the fund's yield. Rebuilding efforts after January's earthquake should boost economic growth in 1994. However, the annual borrowing season for state and local governments is fast approaching, and their financial picture hasn't improved. This may further reduce the supply of high quality issues in California this summer.

Q. HOW DID THE FUND PERFORM?

A. The fund's seven-day yield on February was 1.91%, up slightly from 1.83% a year ago. The latest yield translates into a tax equivalent yield of 3.35% for investors in the 43.04% combined federal and state tax bracket. The fund's total return - which assumes reinvestment of monthly dividends - for the 12 months ended February 28 was 1.97%. The average California tax-free money market fund tracked by IBC/Donoghue returned 1.96% during the same period.

Q. WHAT'S YOUR VIEW GOING FORWARD?

A. I think short-term interest rates will probably rise gradually over the next six months, while the Fed continues inching up the fed funds rate to control inflation. That said, I'll probably keep the fund's average maturity in a neutral 35- to 50-day range. In addition, I've increased the fund's stake in variable rate instruments to 59% by February 28. The coupons (stated interest rates) on these securities are reset at fixed intervals - for example, weekly or monthly - so when rates rise, the fund can benefit from higher coupons at these reset intervals.

FUND FACTS

GOAL: tax-free income with share price stability by investing in high-quality, short-term California municipal securities

START DATE: July 7, 1984

SIZE: as of February 28, 1994, \$611 million

MANAGER: Deborah Watson, since July 1988; manager, Spartan California Municipal Money Market Portfolio, since November 1989; Spartan Florida Municipal Money Market Portfolio, since August 1992; Spartan Pennsylvania Municipal Money Market Portfolio, since September 1989

(checkmark)

WORDS TO KNOW

COMMERCIAL PAPER: A security issued by a municipality to finance capital or operating needs.

FEDERAL FUNDS RATE: The interest rate banks charge each other for overnight loans.

MATURITY: The time remaining

before an issuer is scheduled to repay the principal amount on a debt security. When the fund's average maturity - weighted by dollar amount - is short, the fund manager is anticipating a rise in interest rates. When the average maturity is long, the manager is expecting rates to fall. When the average maturity is neutral, the manager wants the flexibility to respond to rising rates, while still capturing a portion of the higher yields available from issues with longer maturities.

MUNICIPAL NOTE: A security issued in advance of future tax or other revenues and payable from those specific sources.

TENDER BOND: A variable-rate, long-term security that gives the bond holder the option to redeem the bond at face value before maturity.

VARIABLE RATE DEMAND NOTE (VRDN): A tender bond that can be redeemed on short notice, typically one or seven days. VRDNs are useful in managing the fund's average maturity and liquidity.

FIDELITY CALIFORNIA TAX-FREE MONEY MARKET PORTFOLIO

PERFORMANCE: THE BOTTOM LINE

To measure a money market fund's performance, you can look at either total return or yield. Total return reflects the change in a fund's share price over a given period and reinvestment of its dividends (or income). Yield measures the income paid by a fund. Since a money market fund tries to maintain a \$1 share price, yield is an important measure of performance. If Fidelity had not reimbursed certain fund expenses during the periods shown, the total returns, dividends and yields would have been lower.

CUMULATIVE TOTAL RETURNS

PERIODS ENDED FEBRUARY 28, 1994	PAST 1 YEAR	PAST 5 YEARS	LIFE OF FUND
California Tax-Free Money Market	1.97%	20.38%	49.06%
Consumer Price Index	2.52%	20.64%	41.47%
Average California Tax-Free Money Market Fund	1.96%	20.22%	n/a

CUMULATIVE TOTAL RETURNS reflect actual performance over a set period - in this case, one year, five years or since the fund started on July 7, 1984. For example, if you invested \$1,000 in a fund that had a 5% return over the past year, you would end up with \$1,050. Comparing the fund's performance to the consumer price index (CPI) helps show how your investment did compared to inflation. To measure how the fund stacked up against its peers, you can compare its return to the average California tax-free money market fund's total return. This average currently reflects the performance of 42 California tax-free money market funds tracked by IBC/Donoghue. (The periods covered by the CPI and IBC/Donoghue numbers are the closest available match to those covered by the fund.)

AVERAGE ANNUAL TOTAL RETURNS

PERIODS ENDED FEBRUARY 28, 1994	PAST 1 YEAR	PAST 5 YEARS	LIFE OF FUND
California Tax-Free Money Market	1.97%	3.78%	4.22%
Consumer Price Index	2.52%	3.82%	3.65%
Average California Tax-Free Money Market Fund	1.96%	3.76%	n/a

AVERAGE ANNUAL TOTAL RETURNS take the fund's actual (or cumulative) return and show you what would have happened if the fund had performed at a constant rate each year.

YIELDS

<TABLE>
 <CAPTION>
 <S>

	<C> 2/28/93	<C> 5/31/93	<C> 8/31/93	<C> 11/30/93	<C> 2/28/94
California Tax-Free Money Market	1.83%	2.29%	1.97%	1.90%	1.91%
Average California Tax-Free Money Market Fund	1.75%	2.22%	2.01%	1.92%	1.96%
California Tax-Free Money Market Tax-equivalent	3.21%	4.02%	3.46%	3.34%	3.35%
Average All Taxable Money Market Fund	2.71%	2.62%	2.64%	2.69%	2.79%

</TABLE>

Row: 1, Col: 1, Value: 1.83
 Row: 1, Col: 2, Value: 1.75
 Row: 2, Col: 1, Value: 1.97
 Row: 2, Col: 2, Value: 2.22
 Row: 3, Col: 1, Value: 2.32
 Row: 3, Col: 2, Value: 2.01
 Row: 4, Col: 1, Value: 1.9
 Row: 4, Col: 2, Value: 1.92
 Row: 5, Col: 1, Value: 1.91
 Row: 5, Col: 2, Value: 1.96
 California
 Tax-Free
 Money Market
 Average California
 Tax-Free Money
 Market Fund
 3% -
 2% -
 1% -
 0%

YIELD refers to the income paid by the fund over a given period. Yields for money market funds are usually for seven-day periods, expressed as annual percentage rates. A yield that assumes income earned is reinvested or compounded is called an effective yield. The chart above shows the fund's current seven-day yield at quarterly intervals over the past year. You can compare these yields to the average tax-free money market fund. Or you can look at the fund's tax-equivalent yield, which is based on a combined effective 1994 federal and state income tax rate of 43.04%. The tax-equivalent figures are useful in seeing how the fund stacked up against the average taxable money market fund as tracked by IBC/Donoghue.

A MONEY MARKET FUND'S TOTAL RETURNS AND YIELDS REFLECT PAST RESULTS RATHER THAN PREDICT FUTURE PERFORMANCE.

COMPARING PERFORMANCE

Yields on tax-free investments are usually lower than yields on taxable investments. However, a straight comparison between the two may be misleading because it ignores the way taxes reduce taxable returns. Tax-equivalent yield - the yield you'd have to earn on a similar taxable investment to match the tax-free yield - makes the comparison more meaningful. Keep in mind that the U.S. government neither insures nor guarantees a money market

fund. And there is no assurance that a money fund will maintain a \$1 share price. (checkmark)

FIDELITY CALIFORNIA TAX-FREE MONEY MARKET PORTFOLIO

INVESTMENT CHANGES

MATURITY DIVERSIFICATION

DAYS	% OF FUND ASSETS 2/28/94	% OF FUND ASSETS 8/31/93	% OF FUND ASSETS 2/28/93
0 - 30	68.2	65.5	62.1
31 - 90	10.1	9.3	15.6
91 - 180	19.3	5.5	18.3
181 - 397	2.4	19.7	4.0

WEIGHTED AVERAGE MATURITY

	2/28/94	8/31/93	2/28/93
California Tax-Free Money Market	44 days	81 days	48 days
Average California Tax-Free Money Market Fund*	50 days	72 days	52 days

ASSET ALLOCATION

AS OF 2/28/94 AS OF 8/31/93

Row: 1, Col: 1, Value: 59.0
Row: 1, Col: 2, Value: 14.7
Row: 1, Col: 3, Value: 3.9
Row: 1, Col: 4, Value: 22.0
Row: 1, Col: 5, Value: 2.0
Row: 1, Col: 1, Value: 54.1
Row: 1, Col: 2, Value: 11.7
Row: 1, Col: 3, Value: 5.9
Row: 1, Col: 4, Value: 27.0
Row: 1, Col: 5, Value: 3.0

Variable rate demand notes (VRDNs) 59.0%
Commercial paper 14.7%
Tender bonds 3.9%
Municipal notes 22.0%
Other 0.4%
Variable rate demand notes (VRDNs) 54.1%
Commercial paper 11.7%
Tender bonds 5.9%
Municipal notes 27.0%
Other 1.3%

* SOURCE: IBC/DONOGHUE'S MONEY FUND REPORT (Registered trademark)
FIDELITY CALIFORNIA TAX-FREE MONEY MARKET PORTFOLIO

INVESTMENTS/FEBRUARY 28, 1994

(Showing Percentage of Total Value of Investments)

MUNICIPAL SECURITIES (A) - 100%

MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)

CALIFORNIA - 100.0%

ABAG Fin. Auth.

(L.S. Packard Children Hosp. at Stanford Proj.),
2.30%, (AMBAC Insured) (Liquidity Enhancement
Industrial Bank of Japan), VRDN \$ 100,000 \$ 100,000 00037EBJ
Alameda County Ind. Dev. Auth. Ind. Rev.:
(Jacobs Investment Co. Proj.) Series 1985 A, 2.60%,
LOC Bank of America, VRDN 3,800,000 3,800,000 011106AA
(Longview Fibre Co.) Series 1988, 2.45%,
LOC ABN-AMRO NV, VRDN 1,750,000 1,750,000 011106AD

Alameda County TRAN 3.25% 7/29/94 13,000,000 13,024,737 010878AB
 Anaheim Ctfs. of Prtn. Series 1993, 2.25% 8/1/19,
 (Liquidity Enhancement Industrial Bank of Japan Ltd.) 1,500,000
 1,500,000 032540KQ
 Anaheim Hsg. Auth. (Park Vista Apts) 2.50%
 LOC Citibank, VRDN (b) 6,000,000 6,000,000 032557BH
 Beverly Hills Pub. Fin. Auth. Lease Rev. Bonds,
 Series 1993 A, 2.65 % 6/1/94 2,065,000 2,065,000 088006AA
 Big Bear Lake Ind. Dev. (Southwest Gas Corp. Proj.)
 Series 1993 A, 2.40%
 LOC Union Bank of Switzerland, VRDN (b) 1,400,000 1,400,000 08901KAR
 California Dept. of Wtr. Resources Tender Option Ctfs.
 Series R-4, 2.50% (Liquidity Enhancement Svenska
 Handelsbanken), VRDN (c) 17,000,000 17,000,000 130663W3
 California Edl. Facs. Auth. Rev. Rfdg. Series L-1
 (Stanford University) 2.50% VRDN 5,055,000 5,055,000 130174QL
 California Gen. Oblig. Adj. Rate RAN, 2.55%
 6/28/94 14,000,000 14,000,000 130619D5
 California Gen. Oblig. RAN, Series 1993-94,
 3.50% 6/28/94 17,160,000 17,192,758 130619D4
 California Health. Facs. Fing. Auth. Rev.
 (Kaiser Permanente)
 Series A, 2.35% VRDN 3,400,000 3,400,000 13033J3L
 California Hsg. Fin. Agcy. Home Mtg. Rev. Custodial Receipts:
 Series 4A, 2.60%, (Liquidity Enhancement
 Dai-ichi Kangyo Bank), VRDN (b) (c) 5,000,000 5,000,000 13033CQS
 Series 15B, 2.60% (Liquidity Enhancement Dai-ichi
 Kangyo Bank), VRDN (b) (c) 2,415,000 2,415,000 13033CWH
 California Hsg. Fin. Agcy. Home Mtg. Rev.
 Series 1993 F 2.40% 9/15/94, MT (b) 10,000,000 9,988,952 13033CZ5
 California Hsg. Fin. Agcy. Rev. Custodial Receipts
 Series 15A, 2.60%, (Liquidity Enhancement Dai-ichi
 Kangyo Bank), VRDN (b) (c) 3,815,000 3,815,000 13033CJW
 California Hsg. Fin. Auth. Rev., VRDN:
 (Camino Colony Apts.)
 Series 1993 B, 2.50% LOC Federal Home Loan
 Bank of San Francisco 2,000,000 2,000,000 13033CP8
 MUNICIPAL SECURITIES (A) - CONTINUED
 MOODY'S RATINGS PRINCIPAL VALUE
 (UNAUDITED) (B) AMOUNT (NOTE 1)
 CALIFORNIA - CONTINUED
 California Poll. Cont. & Fin. Auth. CP mode:
 (Pacific Gas & Elec. Co.):
 Rfdg. Series 1988 B, 2.55% 4/25/94,
 LOC Sumitomo Bank of Japan Ltd., CP mode (b) \$ 2,500,000 \$ 2,500,000
 130995GE
 Series 1988 A, LOC Swiss Bank, CP mode(b):
 2.40% 4/13/94 2,000,000 2,000,000 130995FW
 2.45% 4/22/94 5,000,000 5,000,000 130995GD
 2.60% 5/12/94 3,000,000 3,000,000 130995GL
 2.60% 5/13/94 3,500,000 3,500,000 130995GK
 Series 1988 B, LOC Sumitomo Bank, CP mode (b):
 2.60% 5/16/94 5,000,000 5,000,000 130995GJ
 2.60% 5/20/94 2,000,000 2,000,000 130995GQ
 Series 1988 D, 2.35% 3/23/94,
 LOC Bank of Tokyo, CP mode 2,000,000 2,000,000 130995FX
 Series 1988 E, 2.50% 5/16/94,
 LOC Morgan Gauranty Trust Co., CP mode 3,000,000 3,000,000 130995GM
 Series 1988 F, 2.50% 4/20/94,
 LOC Banque Nationale De Paris, CP mode 2,000,000 2,000,000 130995GH
 (Southern California Edison Co.)
 Series 1985 D, 2.50% 4/18/94, CP mode 2,000,000 2,000,000 130995GG
 California Poll. Cont. Fing. Auth. Solid Waste Disp. Rev.
 (Western Waste Ind.) 2.825%, Citibank, VRDN 2,200,000 2,200,000
 130536AW
 California Poll. Cont. Rev. Fing. Auth. Resource Recovery Rev:
 (Delano Proj.) VRDN (b):
 Series 1989, 2.30%, LOC ABN-AMRO NV 600,000 600,000 130535AZ
 Series 1991, 2.30%, LOC ABN-AMRO NV 500,000 500,000 130535BE
 (Malaga Proj.) Series A, 2.35%,
 LOC Bank of America, VRDN (b) 800,000 800,000 130535AP
 California Statewide Commty. Dev. Auth. Rev., VRDN:
 (Covenant Retirement Commty.) 2.45% 12/1/22,
 LOC Lasalle Nat'l Bank 2,300,000 2,300,000 130907CX
 (Delancey Street Foundation) 2.55% 3/1/03,
 LOC Bank of America 3,125,000 3,125,000 130907CY
 (Florestone Prod. Co.) Series 1989, 2.45%,
 LOC Bank of Tokyo (b) 1,030,000 1,030,000 130905AF
 (Tri-H Foods Proj.) Series 1991, 2.90%,
 LOC Bank of Tokyo(b) 2,375,000 2,375,000 130905BP
 California Various Purpose Gen. Oblig.
 Custodial Receipts 2.45% 10/15/93, (AMBAC Insured),

(Liquidity Enhancement Citibank) MT 8,000,000 8,000,000 130622WG
Chula Vista Ind. Dev. Rev.
(San Diego Gas & Elec. Co.) (b):
Series B, 2.45%, VRDN 1,000,000 1,000,000 17131HAB
MUNICIPAL SECURITIES (A) - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
Chula Vista Ind. Dev. Rev. - continued 17199BBA
(San Diego Gas & Elec. Co.) (b) - continued 17199BBA
Series D, 2.30% 3/01/94, CP mode \$ 2,000,000 \$ 2,000,000 17199BBA
Series E, CP mode:
2.65% 3/10/94 2,500,000 2,500,000 17199BAS
2.70% 3/11/94 2,000,000 2,000,000 17199BAT
Concord Hsg. Auth. (Arcadian Apt. Proj.) First Nationwide
Grantor Trust Series 1991-1D, 2.50%, LOC Federal
Home Loan Bank of San Francisco, VRDN (c) (d) 2,800,000 2,800,000
33581FAK
Del Mar Race Track Auth. 2.60% 5/26/94
LOC Societe Generale, CP 5,000,000 5,000,000 2451259A
Duarte Single-Family Mtg. Rev Trust Ctfs.
2.70% (Liquidity Enhancement Norwest Bank)
(Escrowed to Maturity) VRDN (c) 3,100,000 3,100,000 263595AY
East Bay Muni. Util. Dist. Wtr. Sys. Rev.
2.55% 5/23/94, CP 3,000,000 3,000,000 2710149X
Escondido Cmnty. Dev. Commission Rev.
(Promenade Proj.) 2.65%,
LOC Bank of America, VRDN (b) 4,000,000 4,000,000 296338AA
Fontana (Oakcrest Apt. Proj.)
First Nationwide Grantor Trust Series 1991-1G,
2.50% LOC Federal Home Loan Bank of
San Francisco, VRDN (c) 1,100,000 1,100,000 33581FAD
Fremont Bldg. and Equip. Acquisition Fing. Proj.
(Fremont Park Facs. Corp.) 3.85%,
LOC Mitsubishi Trust & Banking, VRDN 2,600,000 2,600,000 357122BA
Fresno County Unified School Dist. TRAN 3.50%
8/11/94 8,500,000 8,516,558 358232AD
Fresno TRAN 3% 6/30/94 1,500,000 1,500,535 358082FQ
Hayward Hsg. Auth. Rev. (Foothills Garden Apts.)
Series 1985 A, 2.35%, LOC Citibank, VRDN 7,650,000 7,650,000 421227AA
Huntington Beach Multi-Family Hsg. Rev.
(Seabridge Villas Proj.) 1985 A, 2.25%,
LOC Bank of America, VRDN 2,000,000 2,000,000 446196AA
Irvine Pub. Facs. & Infrastructure Auth. Lease Rev.
Series 1985, 2.40%, LOC Nat'l Westminster
Bank, VRDN 7,600,000 7,600,000 463904AA
Irvine Ranch Wtr. Dist. Rev. (Cap. Impt. Proj.) 2.20%,
LOC Morgan Gauranty, VRDN 400,000 400,000 463641AR
Kern County TRAN 3.25% 7/5/94 5,000,000 5,009,242 492248AA
Lancaster Redev. Agcy. Multi-Family Hsg. Rev.
(Westwood Park Apt.) Series 1985-K, 4.35%,
LOC Bank of America, VRDN 1,200,000 1,200,000 513795AJ
Livermore Ctfs. of Prtn. (Wtr. Reclamation Plant
Expansion Proj.) 2.40%, LOC Westminster
Nat'l. Bank, VRDN 2,000,000 2,000,000 538164CQ
MUNICIPAL SECURITIES (A) - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
Loma Linda Multi-Family Hsg. Rev. (Loma Linda
Springs Apts.) Series 1989, 3.60%,
LOC Tokai Bank, VRDN (b) \$ 1,490,000 \$ 1,490,000 541905AB
Los Angeles Ctfs. of Prtn. (Baldwin Hills Public
Parking Facs.) Series 1984, 2.55% 12/1/14,
LOC Wells Fargo Bank, VRDN 10,000,000 10,000,000 544391AU
Los Angeles Cmnty. College Dist. TRAN
Series 1993-94, 3.25% 7/6/94 4,000,000 4,007,453 54438CAA
Los Angeles Cmnty. Redev. Agcy.
(CMC Med. Plaza) 2.60%,
LOC Bank of America, VRDN 600,000 600,000 544391BQ
Los Angeles Cmnty. Redev. Agcy.
Multi-Family Hsg. Rev. (Grand Promenade Proj.)
Series 1985, 3%, LOC Tokai Bank Ltd., VRDN 1,700,000 1,700,000 544393AD
Los Angeles County Hsg. Auth. (Sand Canyon)
Series 1985F, 2.35%, LOC Citibank, VRDN 2,500,000 2,500,000 544688BC
Los Angeles County Hsg. Auth. Multi-Family Hsg. Rev.
(Malibu Meadows Proj.) Series 1991 A, 2.60%,
LOC Sumitomo Bank Ltd. VRDN 4,000,000 4,000,000 544688GD
(Sand Canyon Villas Proj.) Series 1989 A, 2.60%,
LOC Ind. Bank of Japan, VRDN 3,300,000 3,300,000 544688GC
Los Angeles County Metropolitan Trans. Auth.
Series 1993 A, 2.30%, (Liquidity Enhancement Industrial

Bank of Japan Ltd.), VRDN 13,400,000 13,400,000 544712AV
Los Angeles County Pub. Wks. Floating Rate
Trust Ctfs., Series 8, 2.55% (Liquidity
Enhancement Credit Suisse), VRDN (c) 7,695,166 7,695,166 31303KAA
Los Angeles County TRAN, Series B 93-94,
(Liquidity Enhancement Credit Suisse), CP mode 2,000,000 2,000,000
5446579L

Los Angeles County Transit Comnty. Custodial Receipts,
Series 1992 B-37, 2.80%, (Liquidity Enhancement
Sakura Bank) (MBIA Insured), VRDN (c) 2,890,000 2,890,000 545170JQ
Los Angeles County Unified School Dist. TRAN 3.25%
7/15/94 10,000,000 10,017,000 544644AE
Los Angeles Custodial Receipts, Series A-2, 2.80%,
(Liquidity Enhancement Sakura Bank Ltd.)
(BIG Insured), VRDN 6,135,000 6,135,000 55377EAM
Los Angeles Dept. of Wtr. & Pwr. Elec. Plant
(Short Term Prog.) 2.55% 5/23/94, CP 1,000,000 1,000,000 5445219C
Los Angeles Dept. of Wtr. & Pwr. Elec. Plant Rev.
Issue 93, 2.65%, (Liquidity Enhancement
Banker's Trust), VRDN (c) 3,600,000 3,600,000 544506JM
Los Angeles Dept. of Wtr. & Pwr. Elec. Plant Rev. Tender
Option Ctfs. Series M, 2.70% (Liquidity Enhancement
Sanwa Bank), VRDN (c) 5,500,000 5,500,000 544506JM

MUNICIPAL SECURITIES (A) - CONTINUED

MOODY'S RATINGS PRINCIPAL VALUE

(UNAUDITED) (B) AMOUNT (NOTE 1)

CALIFORNIA - CONTINUED

Los Angeles Hsg. Auth. Multi-Family Hsg. Rev.
(River Park Apt.) Series 1988 D, 2.70%,
LOC Dai-Ichi Kangyo Bank, VRDN \$ 2,100,000 \$ 2,100,000 544688GB
Los Angeles Multi-Family Hsg. Rev.:
(Beverly Park Apts.) Series 1988 A, 2.40%,
LOC Barclay's Bank, VRDN (b) 3,500,000 3,500,000 544582GV
(Channel Gateway Apts.) Series 1989 B, 2.65%,
LOC Fuji Bank, VRDN (b) 15,900,000 15,900,000 544582GX
(Studio Colony Proj.) Series 1985 C, 2.45%,
LOC Industrial Bank of Japan, VRDN 1,900,000 1,900,000 544582CC

Los Angeles Wastewtr. Sys. Rev.

(Liquidity Enhancement Sumitomo Bank), CP:

2.40% 3/14/94 3,800,000 3,800,000 544999AL

2.60% 3/16/94 4,100,000 4,100,000 544999AK

2.40% 3/17/94 2,300,000 2,300,000 544999AM

2.60% 5/18/94 2,700,000 2,700,000 544999AP

Los Angeles Wastewtr. Sys. Rev. Bonds Series B,
8.80% 6/01/94, (MBIA Insured) 550,000 558,209 544652SX

Los Angeles Variable Rate Multifamily Hsg. Rev.

(Museum Terrace Apt. Proj.) Series H, 2.40%,

LOC Bank of America, VRDN 3,800,000 3,800,000 544582AP

Madera County TRAN 3.25% 9/30/94 2,000,000 2,004,203 556903AN

Midpeninsula Regional Space Dist.

(Santa Clara & San Mateo Counties) Series A, 2.70%,

LOC Fuji Bank, VRDN 3,800,000 3,800,000 598022BE

Oceanside Multi-Family Mtg. Rev.

(Riverview Springs Apts.) Series 1990 A, 2.60%,

LOC Bank of Tokyo, VRDN (b) 900,000 900,000 675370AB

Olcese Wtr. Dist. (Rio Bravo Wtr. Delivery Sys. Proj.)

Series 1986 A, 2.40% 3/29/94,

LOC Sumitomo Bank, Ltd., CP mode (b) 2,800,000 2,800,000 6794749P

Ontario Ind. Dev. Auth. Rev. (Safari Land Proj.)

Series 1989, 3.25% 8/1/14,

LOC Tokai Bank, VRDN(b) 1,000,000 1,000,000 682908AA

Orange County Apt. Dev. Rev.:

(Bear Brands Apt.) Issue Z 1985, 2.35%,

LOC Fuji Bank, VRDN 4,800,000 4,800,000 684209JQ

(Foothill Oaks Apts. Proj.) Issue 1989 B, 2.50%,

Bank of America, VRDN (b) 3,100,000 3,100,000 684209JW

(Laguna Summit Apts.) Series 1985 X, 3%,

LOC Tokai Bank, VRDN 800,000 800,000 684209JN

(Niguel Summit II) Issue 1985, Series B, 2.50%,

LOC Bank of America, VRDN 4,740,000 4,740,000 684209JL

MUNICIPAL SECURITIES (A) - CONTINUED

MOODY'S RATINGS PRINCIPAL VALUE

(UNAUDITED) (B) AMOUNT (NOTE 1)

CALIFORNIA - CONTINUED

Orange County Apt. Dev. Rev.: - continued

(Park Place Apts. Proj.) Series 1989 A, 3.40%,

LOC Tokai Bank, VRDN (b) \$ 1,000,000 \$ 1,000,000 684209JV

(Villa Marguerite Apts.) Series 1993 A, 2.40%,

LOC Wells Fargo Bank, VRDN 2,600,000 2,600,000 684209KE

(Vista Verde Apt. Proj.) Series 1988 A, 3.30%,

LOC Wells Fargo Bank, VRDN (b) 1,800,000 1,800,000 684209JU

(WLCO Partners) Series 1985 C-1, 3.20%,

LOC Tokai Bank Ltd., VRDN 1,000,000 1,000,000 684209CT
 Orange County (Irvine Coast Assessment District #88-1)
 2.60%, LOC Fuji Bank, Ind. Bank of Japan,
 Mtsubishi Bank, VRDN 1,000,000 1,000,000 684265AV
 Orange County Hsg. Auth. Apt. Dev. Rev.
 (Costa Mesa Partners) Series 1985-BB, 3.25%,
 LOC Tokai Bank, VRDN 17,100,000 17,100,000 684262AF
 Orange County San. Dist. Rev. (#1,2,3,5,6,7, 11)
 2.30%, (Liquidity Enhancement Industrial Bank of
 Japan), VRDN (d) 5,000,000 5,000,000 684285BL
 Orange County TRAN 3% 6/30/94 5,000,000 5,007,190 684201EF
 Orange County Trans. Corridor Agcy. Rev.
 (Foothill/Eastern) 2.25%
 LOC Morgan Gauranty, VRDN 3,600,000 3,600,000 345105AA
 Orange County Wtr. Dist. Ctfs. of Prtn. Rev.
 Series 1990 B, 3.25%,
 LOC Nat'l. Westminster Bank, VRDN 1,000,000 1,000,000 684420BR
 Oxnard Redev. Agcy. Ctfs. of Prtn. Rev.
 (Channel Islands Bus. Ctr. Proj.) 2.875%,
 LOC Wells Fargo Bank, VRDN 3,195,000 3,195,000 692018AA
 Paramount Hsg. Auth. Multi-Family Hsg. Rev.
 Rfdg. (Centry Place Apt. Proj.) 2.55%,
 LOC Dai-Ichi Kangyo Bank, VRDN 5,600,000 5,600,000 699195AB
 Pleasonton (Vally Plaza II Proj.) First Nationwide
 Grantor Trusty Series 1991-1L, 2.50%
 LOC Federal Home Loan Bank of
 San Francisco, VRDN (c) 1,000,000 1,000,000 699195AB
 Rancho Wtr. Dist. Fin. Auth. Rev. Rfdg. Floating Option
 Tax-Exempt Receipts Series PA-62, 2.55%, (Liquidity
 Enhancement Merrill Lynch & Co. Inc.) VRDN (c) 2,600,000 2,600,000
 752111DD
 Redlands Multi-Family Hsg. Rev. (Parkview Terrace Proj.),
 2.45%, LOC Bank of America, VRDN 1,600,000 1,600,000 757591AD
 Riverside Multifamily Hsg. Rev.
 (Victoria Springs Apts.) Series 1989 C, 2.70%,
 LOC Bank of Amercia, VRDN (b) 1,500,000 1,500,000 76911MBS
 MUNICIPAL SECURITIES (A) - CONTINUED
 MOODY'S RATINGS PRINCIPAL VALUE
 (UNAUDITED) (B) AMOUNT (NOTE 1)
 CALIFORNIA - CONTINUED
 Sacramento (Smoketree Apt. Proj.) First Nationwide
 Grantor Trust Series 1991-1K, 2.50% LOC Federal
 Home Loan Bank of San Francisco, VRDN (c) \$ 2,000,000 \$ 2,000,000
 786106DM
 Sacramento County TRAN, 3% 7/29/94 7,000,000 7,010,225 786106DM
 Sacramento Muni. Util. Dist. Rev.
 Series H, LOC Bank of America, CP:
 2.30% 3/23/94 3,000,000 3,000,000 785995MM
 2.50% 4/19/94 3,800,000 3,800,000 785995MN
 2.60% 5/19/94 8,000,000 8,000,000 785995MQ
 San Bernardino (Quail Pte. Apt. Proj.) First Nationwide
 Grantors Trust Series 1991-1N, 2.50%, LOC Federal
 Home Loan Bank of San Francisco, VRDN (c) 1,500,000 1,500,000 796900BJ
 San Bernadino County Mtg. Rev. Rfdg.
 (Pepperwood Apts.) Series 1993 A, 2.40%,
 LOC Fed Home Loan Bank of San Francisco, VRDN 4,000,000 4,000,000
 796900CL
 San Bernadino County Multi-Family Hsg. Rev.:
 (Cedarbrook Terrace Apts. Proj.) Series 1990 A, 3.60%,
 LOC Sumitrust, VRDN 2,000,000 2,000,000 796900CF
 (Western Properties II) 2.40%,
 LOC Bank of America, VRDN 500,000 500,000 796900BJ
 (Western Properties IV) 2.40%,
 LOC Bank of America, VRDN 1,500,000 1,500,000 796900BM
 (Western Properties V Proj.) 2.40%,
 LOC Bank of America, VRDN 800,000 800,000 796900BN
 San Diego Commty. College Dist. TRAN Series,
 3.15% 6/30/94 2,000,000 2,002,900 797272AA
 San Diego Hsg. Auth. Multi-Family Hsg. Rev.:
 (Carmel Del Mar Apr. Proj.) Series 1993-E, 2.55%,
 LOC Citibank, VRDN 3,000,000 3,000,000 79728FEU
 (La Cima Apts.) Issue 1985 K, 2.95% 12/1/08,
 LOC Daiwa Bank, Ltd., VRDN 2,000,000 2,000,000 79728FES
 (Nobel Court Apt.) Series 1985 L:
 2.50%, LOC Citibank, VRDN 3,825,000 3,825,000 79728FEQ
 2.95%, LOC Tokai Bank, VRDN 2,600,000 2,600,000 79728FET
 San Diego Multi-Family Hsg. Rev. Rfdg.
 (Coral Pointe Apt. Proj.) Series 1993 A, 2.65%
 (Liquidity Enhancement Continental Casualty
 Company), VRDN 3,265,000 3,265,000 79729HEQ
 San Diego TAN Series 1993-94 A, 3% 6/30/94 5,000,000 5,002,121 797236SM
 San Diego Unified School Dist. TRAN Series 1993-94 A,

3.50% 8/10/94 6,000,000 6,013,827 797355HH
San Francisco City & County Multi-Family Hsg. Rev. Bond
(Winterland Proj.) 2.35% LOC Citibank, VRDN 6,150,000 6,150,000
79765PCH

MUNICIPAL SECURITIES (A) - CONTINUED

MOODY'S RATINGS PRINCIPAL VALUE

(UNAUDITED) (B) AMOUNT (NOTE 1)

CALIFORNIA - CONTINUED

San Francisco Multi-Family Redev. Agcy. Hsg. Auth. Rev.
(Rincon Ctr.) Series 1985 B, 2.35%, LOC Citibank,
VRDN \$ 13,405,000 \$ 13,405,000 79765TAA
San Francisco Redev. Agcy. Rev.
(St. Francis Place Proj.) Series 1989 A, 3.25%,
LOC Mitsubishi Trust & Banking, VRDN 6,500,000 6,500,000 79771MAM
San Jose Multi-Family Hsg. Rev. (Kimberly Woods)
Series 1984, 2.40%, LOC Bank of America,
VRDN 3,100,000 3,100,000 798165AB
San Mateo County TRAN Series 1993-94,
3% 6/30/94 6,000,000 6,009,693 799034AB
Santa Ana Ind. Dev. Auth. Rev.
(Grand Partnership Proj.)
(Grand Plaza Dev. Co.) 2.875%,
LOC Wells Fargo Bank, VRDN 1,500,000 1,500,000 801082AA
(McFadden Properties Proj.) 2.55%,
LOC Bank of America, VRDN 400,000 400,000 801130AA
Santa Clara County TRAN Series 1993-94,
3.25% 7/29/94 12,750,000 12,775,081 801546LF
Santa Clara Elec. Sys. Rev. Series A, 2.30%
LOC National Westminster Bank, VRDN 1,000,000 1,000,000 801444AZ
Santa Cruz County TRAN Series 1993-94,
3.25% 8/1/94 5,000,000 5,005,473 801818CQ
Simi Valley Multi-Family Hsg. Rev. (Shadowridge Apts.)
Series 1989, 2.50%, LOC Citibank, VRDN (b) 3,800,000 3,800,000 828905BX
Solano County TRAN 3.25% 11/01/94 1,000,000 1,002,497 834127BH
Sonoma County TRAN Series 1993-94, 3.50%
8/2/94 4,000,000 4,008,126 835546BU
Southern California Pub. Pwr. Auth. Rev.
(Tran Mission Proj.) Series 1991, 2.50%,
LOC Swiss Bank, (AMBAC Insured), VRDN 8,500,000 8,500,000 842477HH
Stockton Hosp. Rev. (St. Joseph's Hosp.)
Series 1985 A, 2.45%,
LOC Dai-Ichi Kangyo Bank, VRDN 10,600,000 10,600,000 861344AY
Stockton Unified School Dist. TRAN 3% 12/14/94 2,000,000 2,006,812
861419FM

Torrance Hospital Rev.

(Little Co. of Mary Hosp.-Torrance Memorial Med Ctr.)
Series 1992, 2.45%, LOC Fuji Bank, VRDN 5,500,000 5,500,000 891368BX
Tustin, Orange County Assessment Dist. 85-1
LOC Mitsubihsi Trust, CP mode:
3.30% 3/2/94 5,000,000 5,000,000 901991MT
3.30% 3/4/94 3,700,000 3,700,000 901991MV

MUNICIPAL SECURITIES (A) - CONTINUED

MOODY'S RATINGS PRINCIPAL VALUE

(UNAUDITED) (B) AMOUNT (NOTE 1)

CALIFORNIA - CONTINUED

Upland Commtty. Redev. Agcy. Multi-Family Hsg.:
(Northwoods) 1989 B, 2.50%,
LOC Sanwa Bank, VRDN \$ 3,950,000 \$ 3,950,000 915354AB
(Pebble Grove Proj.) Series 1989 C, 2.55%,
LOC Sanwa Bank, VRDN 2,675,000 2,675,000 915354AD
Ventura County TRAN 3% 8/1/94 2,000,000 2,001,078 923035AG
Washington Township Hosp. Dist., Series 1985 A, 2.45%,
LOC Bank of Tokyo, VRDN 7,400,000 7,400,000 940212AR
Woodland (Crossroads Villiage Apt. Proj.) Nationwide
Grantor Trust Series 1991-1H, 2.50%, LOC Federal
Home Loan Bank of San Francisco, VRDN (c) 1,220,000 1,220,000 940212AR
TOTAL INVESTMENTS - 100% \$ 605,479,836
Total Cost for Income Tax Purposes \$ 605,479,143

SECURITY TYPE ABBREVIATIONS

BAN - Bond Anticipation Notes
CP - Commercial Paper
FRDN - Floating Rate Demand Notes
MT - Mandatory Tender
OT - Optional Tender
RAN - Revenue Anticipation Notes
TAN - Tax Anticipation Notes
TRAN - Tax & Revenue Anticipation Notes
VAN - Variable Rate Tax & Revenue
Anticipation Notes
VRDN - Variable Rate Demand Notes

LEGEND

- (a) The coupon rate shown on floating or adjustable rate securities represents the rate at period end.
 - (b) Private activity obligations whose interest is subject to the federal alternative minimum tax for individuals (AMT securities).
 - (c) Provides evidence of ownership in one or more underlying municipal bonds.
 - (d) Security purchased on a delayed delivery basis (see Note 2 of Notes to Financial Statements).
- INCOME TAX INFORMATION
- At February 28, 1994, the fund had a capital loss carryforward of approximately \$105,800 of which \$24,500, \$52,500 and \$28,800 will expire on February 28, 1996, 1997 and 2000, respectively.
- FIDELITY CALIFORNIA TAX-FREE MONEY MARKET PORTFOLIO

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

<TABLE> <CAPTION> <S>	<C>	<C>
FEBRUARY 28, 1994		
294.ASSETS	295.	296.
297.Investment in securities, at value (Note 1) - See accompanying schedule	298.	\$ 605,479,836
299.Cash	300.	6,931,622
301.Interest receivable	302.	4,003,389
303. 304.TOTAL ASSETS	305.	616,414,847
306.LIABILITIES	307.	308.
309.Payable for investments purchased Delayed Delivery (Note 2)	\$ 4,308,948	310.
311.Dividends payable	10,667	312.
313.Accrued management fee	203,769	314.
315.Other payables and accrued expenses	126,152	316.
317. 318.TOTAL LIABILITIES	319.	4,649,536
320.321.NET ASSETS	322.	\$ 611,765,311
323.Net Assets consist of (Note 1):	324.	325.
326.Paid in capital	327.	\$ 611,872,536
328.Accumulated net realized gain (loss) on investments	329.	(108,676)
330.Unrealized gain from accretion of market discount (Note 1)	331.	1,451
332.333.NET ASSETS, for 611,896,376 shares outstanding	334.	\$ 611,765,311
335.336.NET ASSET VALUE, offering price and redemption price per share (\$611,765,311 (divided by) 611,896,376 shares)	337.	\$1.00

</TABLE>

STATEMENT OF OPERATIONS

<TABLE> <CAPTION> <S>	<C>	<C>
YEAR ENDED FEBRUARY 28, 1994		
338.339.INTEREST INCOME	340.	\$ 14,010,724
341.EXPENSES	342.	343.
344.Management fee (Note 4)	\$ 2,236,908	345.

346.Transfer agent, accounting and custodian fees and expenses (Note 4)	1,174,267	347.
348.Non-interested trustees' compensation	6,855	349.
350.Registration fees	2,752	351.
352.Audit	25,946	353.
354.Legal	5,565	
355.Miscellaneous	8,969	356.
357. 358.TOTAL EXPENSES	359.	3,461,262
360.361.NET INTEREST INCOME	362.	10,549,462
363.REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS (NOTE 1)	365.	26,686
364.Net realized gain (loss) on investment securities		
366.Increase (decrease) in net unrealized gain from accretion of market discount	367.	1,451
368.369.NET GAIN (LOSS)	370.	28,137
371.372.NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	373.	\$ 10,577,599

</TABLE>

STATEMENT OF CHANGES IN NET ASSETS

<TABLE>

<CAPTION>

<S>

<C>

YEAR
ENDED
FEBRUARY 28,
1994

<C>

TEN MONTHS
ENDED
FEBRUARY 28, 1993
(NOTE 1)

374.INCREASE (DECREASE) IN NET ASSETS		
375.Operations Net interest income	\$ 10,549,462	\$ 10,446,282
376. Net realized gain (loss) on investments	26,686	1,934
377. Increase (decrease) in net unrealized gain from accretion of market discount	1,451	-
378.	10,577,599	10,448,216
379.NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS		
380.Dividends to shareholders from net interest income	(10,549,462)	(10,446,282)
381.Share transactions at net asset value of \$1.00 per share Proceeds from sales of shares	1,472,161,834	832,985,394
382. Reinvestment of dividends from net interest income	10,140,028	10,024,575
383. Cost of shares redeemed	(1,438,844,793)	(831,247,780)
384. Net increase (decrease) in net assets and shares resulting from share transactions	43,457,069	11,762,189
385.	43,485,206	11,764,123
386.TOTAL INCREASE (DECREASE) IN NET ASSETS		
387.NET ASSETS	388.	389.
390. Beginning of period	568,280,105	556,515,982

391. End of period \$ 611,765,311 \$ 568,280,105

</TABLE>

FINANCIAL HIGHLIGHTS

<TABLE>

<CAPTION>

<S>	<C>	<C>	<C>	<C>	<C>
392.	YEAR ENDED FEBRUARY 28,	TEN MONTHS ENDED FEBRUARY 28, 1993	YEARS ENDED APRIL 30,		
393.	1994	(NOTE 1)	1992	1991	1990
394. SELECTED PER-SHARE DATA					
395. Net asset value, beginning of period	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000
396. Income from Investment Operations	.020	.019	.035	.047	.054
Net interest income					
397. Less Distributions From net interest income	(.020)	(.019)	(.035)	(.047)	(.054)
398. Net asset value, end of period	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000
399. TOTAL RETURN (dagger)	1.97 %	1.92 %	3.59 %	4.85 %	5.53 %
400. RATIOS AND SUPPLEMENTAL DATA					
401. Net assets, end of period (000 omitted)	\$ 611,765	\$ 568,280	\$ 556,516	\$ 538,791	\$ 623,748
402. Ratio of expenses to average net assets	.64 %	.62 %*	.63 %	.61 %	.60 %
403. Ratio of net interest income to average net assets	1.95 %	2.29 %*	3.50 %	4.75 %	5.42 %

</TABLE>

* ANNUALIZED

(dagger) TOTAL RETURNS FOR PERIODS OF LESS THAN ONE YEAR ARE NOT ANNUALIZED.

NOTES TO FINANCIAL STATEMENTS

For the period ended February 28, 1994

1. SIGNIFICANT ACCOUNTING

POLICIES.

Fidelity California Tax-Free High Yield Portfolio (the high yield fund) and Fidelity California Tax-Free Insured Portfolio (the insured fund) are funds of Fidelity California Municipal Trust. Fidelity California Tax-Free Money Market Portfolio (the money market fund) is a fund of Fidelity California Municipal Trust II. Each trust is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company. Fidelity California Municipal Trust and Fidelity California Municipal Trust II (the trusts) are organized as a Massachusetts business trust and a Delaware business trust, respectively. On November 19, 1992, the Trustees approved a change in the fiscal year-end of the trusts to February 28. Each fund is authorized to issue an unlimited number of shares. The following summarizes the significant accounting policies of the funds:

SECURITY VALUATION.

HIGH YIELD AND INSURED FUNDS. Securities are valued based upon a computerized matrix system and/or appraisals by a pricing service, both of which consider market transactions and dealer-supplied valuations. Short-term securities maturing within sixty days are valued either at amortized cost or original cost plus accrued interest, both of which approximate current value. Securities for which quotations are not readily available through the pricing service are valued at their fair value as determined in good faith under consistently applied procedures under the general supervision of the Board of Trustees.

MONEY MARKET FUND. As permitted under Rule 2a-7 of the 1940 Act, and certain conditions therein, securities are valued initially at cost and thereafter assume a constant amortization to maturity of any discount or premium.

INCOME TAXES. As a qualified regulated investment company under Subchapter M of the Internal Revenue Code, each fund is not subject to income taxes to the extent that it distributes all of its taxable income for the fiscal year. The schedules of investments include information regarding income taxes under the caption "Income Tax Information."

INTEREST INCOME. Interest income, which includes amortization of premium and accretion of original issue discount, is accrued as earned. For the money market fund, accretion of market discount represents unrealized gain until realized at the time of a security disposition or maturity.

EXPENSES. Most expenses of each trust can be directly attributed to a fund. Expenses which cannot be directly attributed are apportioned between the funds in the trust.

DISTRIBUTIONS TO SHAREHOLDERS. Dividends are declared daily and paid monthly from net interest income. Distributions to shareholders from realized capital gains on investments, if any, are recorded on the ex-dividend date.

1. SIGNIFICANT ACCOUNTING

POLICIES - CONTINUED

DISTRIBUTIONS TO SHAREHOLDERS - CONTINUED

Income and capital gain distributions are determined in accordance with income tax regulations which may differ from generally accepted accounting principles. These differences are primarily due to differing treatments for losses deferred due to wash sales and futures and options transactions.

SECURITY TRANSACTIONS. Security transactions are accounted for as of trade date. Gains and losses on securities sold are determined on the basis of identified cost.

CHANGE IN ACCOUNTING FOR DISTRIBUTIONS TO SHAREHOLDERS. Effective March 1, 1993 the funds adopted Statement of Position 93-2: Determination, Disclosure, and Financial Statement Presentation of Income, Capital Gain, and Return of Capital Distributions by Investment Companies. As a result, the funds changed the classification of distributions to shareholders to better disclose the differences between financial statement amounts and distributions determined in accordance with income tax regulations. Accordingly, amounts as of February 28, 1994 have been reclassified as follows:

HIGH YIELD FUND. Paid in capital and accumulated net realized loss on investments decreased by \$525,684.

INSURED FUND. Paid in capital and accumulated net realized loss on investments decreased by \$42,568.

MONEY MARKET FUND. Paid in capital and accumulated net realized loss on investments increased by \$2,034.

2. OPERATING POLICIES.

FUTURES CONTRACTS AND OPTIONS. The high yield and insured funds may invest in futures contracts and write options. These investments involve to varying degrees, elements of market risk and risks in excess of the amount recognized in their Statements of Assets and Liabilities. The face or contract amounts reflect the extent of the involvement the high yield and insured funds have in the particular classes of instruments. Risks may be caused by an imperfect correlation between movements in the price of the instruments and the price of the underlying securities and interest rates. Risks also may arise if there is an illiquid secondary market for the instruments, or due to the inability of counterparties to perform.

Futures contracts are valued at the settlement price established each day by the board of trade or exchange on which they are traded. Options traded on an exchange are valued using the last sale price or, in the absence of a sale, the last offering price. Options traded over-the-counter are valued using dealer-supplied valuations.

DELAYED DELIVERY TRANSACTIONS. Each fund may purchase or sell securities on a when-issued or forward commitment basis. Payment and delivery may take place a month or more after the date of the transaction. The price of the underlying securities and the date when the securities will be delivered and paid for are fixed at the time the transaction is negotiated.

3. PURCHASES AND SALES OF

INVESTMENTS.

HIGH YIELD FUND. Purchases and sales of securities, other than short-term securities, aggregated \$251,239,277 and \$251,166,205, respectively. The gross market value of futures contracts opened and closed amounted to \$231,823,309 and \$244,703,050, respectively.

INSURED FUND. Purchases and sales of securities, other than short-term securities, aggregated \$196,311,161 and \$170,227,006, respectively. The gross market value of futures contracts opened and closed amounted to \$122,485,024 and \$135,616,823 respectively.

4. FEES AND OTHER TRANSACTIONS WITH AFFILIATES.

MANAGEMENT FEE. As each fund's investment adviser, Fidelity Management & Research Company (FMR) receives a monthly fee that is calculated on the basis of a group fee rate plus a fixed individual fund fee rate applied to the average net assets of each fund. The group fee rate is the weighted average of a series of rates ranging from .15% to .37% and is based on the monthly average net assets of all the mutual funds advised by FMR. The annual individual fund fee rate is .25%. For the period, the management fees were equivalent to an annual rate of .41% of average net assets for the high yield, insured and money market funds, respectively.

The Board of Trustees approved a new group fee rate schedule with rates ranging from .1325% to .3700%. Effective November 1, 1993, FMR has voluntarily agreed to implement this new group fee rate schedule as it results in the same or a lower management fee (see Note 6).

SUB-ADVISER FEE. As the money market fund's investment sub-adviser, FMR Texas Inc., a wholly owned subsidiary of FMR, receives a fee from FMR of 50% of the management fee payable to FMR. The fee is paid prior to any voluntary expense reimbursements which may be in effect, and after reducing the fee for any payments by FMR pursuant to the fund's Distribution and Service Plan.

DISTRIBUTION AND SERVICE PLAN. Pursuant to the Distribution and Service Plans (the Plans), and in accordance with Rule 12b-1 of the 1940 Act, FMR or the funds' distributor, Fidelity Distributors Corporation (FDC), an affiliate of FMR, may use their resources to pay administrative and promotional expenses related to the sale of each fund's shares. Subject to the approval of each Board of Trustees, the Plans also authorize payments to third parties that assist in the sale of each fund's shares or render shareholder support services. FMR or FDC has informed the funds that payments made to third parties under the Plans amounted to \$3,519, \$4,748 and \$31,948 for the high yield, insured and money market funds, respectively, for the period.

TRANSFER AGENT AND ACCOUNTING FEES. United Missouri Bank, N.A. (the Bank) is the custodian and transfer and shareholder servicing agent for the funds. The Bank has entered into a sub-contract with Fidelity Service Co. (FSC), an affiliate of FMR, under which FSC per

4. FEES AND OTHER TRANSACTIONS WITH AFFILIATES - CONTINUED

TRANSFER AGENT AND ACCOUNTING FEES

- - CONTINUED

forms the activities associated with the funds' transfer and shareholder servicing agent and accounting functions. The funds pay transfer agent fees based on the type, size, number of accounts and number of transactions made by shareholders. FSC pays for typesetting, printing and mailing of all shareholder reports, except proxy statements. The accounting fee is based on the level of average net assets for the month plus out-of-pocket expenses. For the period, FSC received transfer agent and accounting fees amounting to \$558,014 and \$243,183 for the high yield fund, \$346,638, and \$134,786 for the insured fund and \$1,016,834 and \$107,448 for the money market fund, respectively.

Shareholders participating in the Fidelity Ultra Service Account (Registered trademark) Program (the Program) pay a \$5.00 monthly fee to Fidelity Brokerage Services, Inc. (FBSI), an affiliate of FMR, for performing services associated with the Program. For the period, fees paid to FBSI by shareholders participating in the Program amounted to \$148,453.

5. EXPENSE REDUCTIONS

INSURED FUND. For the period, FMR voluntarily agreed to reimburse the fund's operating expenses (excluding interest, taxes, brokerage commissions and extraordinary expenses) above a specified percentage of average net assets. This expense limitation ranged from an annual rate of .35% to .55% of average net assets and the reimbursement reduced expenses by \$352,015.

6. SHAREHOLDER MEETING.

At a special meeting of shareholders of the high yield and insured funds held on February 16, 1994, shareholders approved an amended management contract and amendments to certain fundamental investment limitations of the funds.

The new management contract, which became effective on March 1, 1994 will reflect the new group fee rate schedule which FMR voluntarily implemented on November 1, 1993.

REPORT OF INDEPENDENT ACCOUNTANTS

To the Trustees and Shareholders of Fidelity California Municipal Trust and Fidelity California Municipal Trust II

(the Trusts):

Fidelity California Tax-Free
High Yield Portfolio

Fidelity California Tax-Free
Insured Portfolio

Fidelity California Tax-Free

Money Market Portfolio

In our opinion, the accompanying statements of assets and liabilities, including the schedules of investments (except for Moody's and Standard & Poor's ratings), and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of Fidelity California Tax-Free High Yield Portfolio, Fidelity California Tax-Free Insured Portfolio and Fidelity California Tax-Free Money Market Portfolio at February 28, 1994, the results of their operations, the changes in their net assets and the financial highlights for the periods indicated, in conformity with generally accepted accounting principles. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of each portfolio's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities owned at February 28, 1994 by correspondence with the custodian and brokers and the application of alternative auditing procedures where confirmations from brokers were not received, provide a reasonable basis for the opinion expressed above.

/s/Price Waterhouse
PRICE WATERHOUSE
Boston, Massachusetts
March 31, 1994
INVESTMENT ADVISER

Fidelity Management & Research
Company
Boston, MA
SUB-ADVISER, MONEY MARKET FUND
FMR Texas Inc.
Irving, TX
OFFICERS

Edward C. Johnson 3d, President
J. Gary Burkhead, Senior Vice President
John F. Haley Jr., Vice President
HIGH YIELD AND INSURED FUNDS
Deborah F. Watson, Vice President
MONEY MARKET FUND
Thomas D. Maher, Assistant
Vice President - MONEY MARKET FUND
Gary L. French, Treasurer
John H. Costello, Assistant Treasurer
Arthur S. Loring, Secretary

BOARD OF TRUSTEES
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Boston, MA
TRANSFER AND SHAREHOLDER
SERVICING AGENTS
United Missouri Bank, N.A.
Kansas City, MO
and
Fidelity Service Co.
Boston, MA
CUSTODIAN
United Missouri Bank, N.A.
Kansas City, MO

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EXHIBIT 24(A) (2)
SPARTAN

(Registered trademark)
CALIFORNIA
MUNICIPAL
PORTFOLIOS

ANNUAL REPORT
FEBRUARY 28, 1994
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THIS REPORT AND THE FINANCIAL STATEMENTS CONTAINED HEREIN ARE SUBMITTED FOR THE GENERAL INFORMATION OF THE SHAREHOLDERS OF THE FUNDS. THIS REPORT IS NOT AUTHORIZED FOR DISTRIBUTION TO PROSPECTIVE INVESTORS IN THE FUNDS UNLESS PRECEDED OR ACCOMPANIED BY AN EFFECTIVE PROSPECTUS. NEITHER THE FUNDS NOR FIDELITY DISTRIBUTORS CORPORATION IS A

BANK, AND FUND SHARES ARE NOT BACKED OR GUARANTEED BY ANY BANK OR INSURED BY THE FDIC.
PRESIDENT'S MESSAGE

DEAR SHAREHOLDER:

No one wants to pay more taxes than they have to. But a recent survey of 500 U.S. households, conducted by Fidelity and Yankelovich Partners, showed that few people took steps to reduce their taxes under the new tax laws that went into effect last year. In fact, many people were not completely aware of the changes until they filed their 1993 tax returns.

Whether or not you're someone whose tax bill increased as a result of these changes, it may make sense to consider ways to keep more of what you earn. First, if your employer offers a 401(k) or 403(b) retirement savings plan, consider enrolling. These plans are set up so you can make regular contributions -

before taxes - to a retirement savings plan. They offer a disciplined savings strategy, the ability to accumulate earnings tax-deferred, and immediate tax savings. For example, if you earn \$40,000 a year and contribute 7% of your salary to your 401(k) plan, your annual contribution is \$2,800. That reduces your taxable income to \$37,200 and, if you're in the 28% tax bracket, saves you \$784 in federal taxes. In addition, you pay no taxes on any earnings until withdrawal.

It may be a good idea to contact your benefits office as soon as possible to find out when you can enroll or increase your contribution. Most employers allow employees to make changes only a few times each year. Second, consider an IRA. Many people are eligible to make an IRA contribution (up to \$2,000) that is fully tax deductible. That includes people who are not covered by company pension plans, or those within certain income brackets. Even if you don't qualify for a fully deductible contribution, any IRA earnings will grow tax-deferred until withdrawal. Third, consider adding to your tax-free investments, either municipal bonds or municipal bond funds. Often these can provide higher after-tax yields than comparable taxable investments. For example, if you're in the new 36% federal income tax bracket and invest \$10,000 in a taxable investment yielding 7%, you'll pay \$252 in federal taxes and receive \$448 in income. That same \$10,000 invested in a tax-free bond fund yielding 5.5% would allow you to keep \$550 in income.

These are three investment strategies that could help lower your tax bill in 1994. If you're interested in learning more, please call us at 1-800-544-8888 or visit a Fidelity Investor Center. We look forward to talking with you.

Best regards,

Edward C. Johnson 3d, Chairman
SPARTAN CALIFORNIA MUNICIPAL HIGH YIELD PORTFOLIO

PERFORMANCE: THE BOTTOM LINE

There are several ways to evaluate a fund's historical performance. You can look at the total percentage change in value, the average annual percentage change, or the growth of a hypothetical \$10,000 investment. Each figure includes changes in a fund's share price, reinvestment of any dividends (or income) and capital gains (the profits the fund earns when it sells bonds that have grown in value), and the effect of the \$5 account closeout fee. You can also look at the fund's income. If Fidelity had not reimbursed certain fund expenses during the periods shown, the total returns, dividends and yields would have been lower.

CUMULATIVE TOTAL RETURNS

PERIODS ENDED FEBRUARY 28, 1994	PAST 1 YEAR	LIFE OF FUND
Spartan California Municipal High Yield	5.62%	49.13%
Lehman Brothers Municipal Bond Index	5.54%	n/a
Average California Tax-Exempt Municipal Bond Fund	5.39%	n/a
Consumer Price Index	2.52%	16.52%

CUMULATIVE TOTAL RETURNS reflect actual performance over a set period - in this case, one year or since the fund started on November 27, 1989. For example, if you had invested \$1,000 in a fund that had a 5% return over the past year, you would end up with \$1,050. You can compare these figures to the performance of the Lehman Brothers Municipal Bond Index - a broad gauge of the municipal bond market. To measure how the fund stacked up against its peers, you can look at the average California tax-exempt municipal bond fund, which reflects the performance of 75 California tax-exempt municipal

bond funds tracked by Lipper Analytical Services. Both benchmarks include reinvested dividends and capital gains, if any. Comparing the fund's performance to the consumer price index helps show how your fund did compared to inflation. (The periods covered by the CPI numbers are the closest available match to those covered by the fund.)

AVERAGE ANNUAL TOTAL RETURNS

PERIODS ENDED FEBRUARY 28, 1994	PAST 1 YEAR	LIFE OF FUND
Spartan California Municipal High Yield	5.62%	9.84%
Lehman Brothers Municipal Bond Index	5.54%	n/a
Average California Tax-Exempt Municipal Bond Fund	5.39%	n/a
Consumer Price Index	2.52%	3.66%

AVERAGE ANNUAL TOTAL RETURNS take the fund's actual (or cumulative) return and show you what would have happened if the fund had performed at a constant rate each year.

\$10,000 OVER LIFE OF FUND

\$27,312

\$24,247

'94

\$10,000 OVER LIFE OF FUND: Let's say you invested \$10,000 in Spartan California Municipal High Yield Portfolio on November 30, 1989, shortly after the fund started. As the chart shows, by February 28, 1994, the value of your investment would have grown to \$14,834 - a 48.34% increase on your initial investment. This assumes you still own the fund on February 28, 1994 and therefore does not include the effect of the \$5 account closeout fee. For comparison, look at how the Lehman Brothers Municipal Bond Index did over the same period. With dividends reinvested, the same \$10,000 would have grown to \$14,601 - a 46.01% increase.

UNDERSTANDING

PERFORMANCE

How a fund did yesterday is no guarantee of how it will do tomorrow. Bond prices, for example, move in the opposite direction of interest rates. In turn, the share price, return, and yield of a fund that invests in bonds will vary. That means if you sell your shares during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

(checkmark)

INCOME

YEARS ENDED FEBRUARY 28, 1994 1994 1993 1992 1991

Income return 5.62% 6.72% 6.84% 7.51%

Capital gain return 3.54% 0.74% 0.00% 0.00%

Change in share price -3.54% 7.59% 3.43% 1.89%

Total return 5.62% 15.05% 10.27% 9.40%

INCOME returns, capital gain returns, and changes in share price are all part of a bond fund's total return. An income return reflects the dividends paid by the fund. A capital gain return reflects the amount paid by the fund to shareholders based on the profits it has from selling bonds that have grown in value. Both returns assume the dividends or gains are reinvested. Changes in the fund's share price include changes in the prices of the bonds owned by the fund. Change in share price and total return figures include the effect of the \$5 account closeout fee.

DIVIDENDS AND YIELD

PERIODS ENDED FEBRUARY 28, 1994	PAST 30 DAYS	PAST 6 MONTHS	PAST 1 YEAR
Dividends per share	n/a	31.02(cents)	63.06(cents)
Annualized dividend rate	n/a	5.51%	5.59%
Annualized yield	5.26%	n/a	n/a
Tax-equivalent yield	9.23%	n/a	n/a

DIVIDENDS per share show the income paid by the fund for a set period. If you annualize this number, based on an average share price of \$11.35 over the past six months and \$11.28 over the past year, you can compare the fund's income over these two periods. The 30-day annualized YIELD is a standard formula for all funds based on the yields of the bonds in the fund, averaged over the past 30 days. This figure shows you the yield characteristics of the fund's investments at the end of the period. It also helps you compare funds from different companies on an equal basis. The tax-equivalent yield shows what you would have to earn on a taxable investment to equal the fund's tax-free yield, if you're in the 43.04% combined effective 1994 federal and state income tax bracket.

SPARTAN CALIFORNIA MUNICIPAL HIGH YIELD PORTFOLIO

FUND TALK: THE MANAGER'S OVERVIEW

MARKET RECAP

Bond investments - including tax-free issues - provided solid returns for the 12 months ended February 28, 1994, despite a dramatic downturn in February. Falling interest rates pushed up bond prices steadily through mid-October, when the yield on the benchmark 30-year Treasury bond reached a historic low of 5.79%. By year-end, a strengthening economy had fueled mild inflation fears. That pushed up the yield on the 30-year bond to 6.35% on December 31, which forced investors to give back some of their earlier profits. Inflation jitters eased and bond yields dropped in January. However, when the Federal Reserve Bank raised short-term interest rates in an attempt to control inflation on February 4, investors reacted negatively. At the end of February, the yield on the 30-year bonds was 6.66%, about 38 basis points higher than at the beginning of the month. Over the year, higher federal income taxes boosted demand for municipal bonds. But municipal bond prices were hurt by the Fed's action in February and by record new issuance, which kept supplies high and dampened prices. The return on the Lehman Brothers Municipal Bond Index, a broad measure of the tax-free market, rose 5.54%. By comparison, the Lehman Brothers Aggregate Bond Index, which tracks investment-grade taxable bonds, returned 5.40%. Globally, falling interest rates and low inflation drove good annual returns in Europe, Japan, and most emerging markets, although many of these markets fell in February along with the U.S. bond market. The Salomon Brothers World Government Bond Index - which includes U.S. issues - returned 9.34%, while the J.P. Morgan Emerging Markets Bond Index was up a dramatic 29.46%. An interview with John Haley, Portfolio Manager of Spartan California Municipal High Yield Portfolio

Q. JOHN, HOW DID THE FUND PERFORM?

A. Quite well. The fund had a total return of 5.62% for the year ended February 28, 1994. The average California tax-free bond fund posted a total return of 5.39% during the period, according to Lipper Analytical Services.

Q. WHAT ACCOUNTED FOR THE FUND'S PERFORMANCE?

A. First, having a somewhat longer duration than that of the typical

California tax-free bond fund. A longer duration makes a fund's share price more sensitive to interest rate changes. I extended the fund's duration from about 7.5 years to 9.2 years during the year because I expected interest rates would continue to decline and drive bond prices higher. That's what happened during most of the period, although the fund gave back some gains when interest rates rebounded in February. Second, the fund also held several issues that were pre-refunded during the period - that is, their issuers set aside a pool of Treasury securities to pay the remaining interest and principal due to bondholders. As a result, the bonds' credit ratings went from A to Aaa, causing investors to bid their prices higher. Plus, their maturities shortened, which also helped boost their prices.

Q. WHY DID YOU INCREASE THE FUND'S INVESTMENT IN STATE GENERAL OBLIGATION BONDS (GOS) AND STATE LEASE BONDS?

A. During the early part of the year I avoided state GOs, which are backed by the taxing power of the issuer, as well as California lease bonds, which are backed by leases paid by the state. The state's economy was still struggling, and I believed prices of those issues would lag bonds with higher ratings. That proved to be true. But last fall I increased the fund's investment in California GOs, lease bonds and other bonds backed by the state to around 10% because I thought the California economy had hit bottom. Also, I increased the fund's stake in bonds rated A or lower, which are expected to benefit from improvements in the state's economy. These decisions reduced the average credit rating of the fund's holdings. At the end of February, about 40% of the fund's investments were rated Aa or Aaa, down from 80%. As the economy begins to improve, those state GOs and lease bonds should outperform issues with higher credit ratings.

Q. AT THE END OF FEBRUARY, NEARLY 20% OF THE FUND'S INVESTMENTS WERE IN HEALTH-CARE BONDS, UP FROM 13.5% A YEAR EARLIER. ARE YOU CONCERNED THAT HEALTH-CARE REFORM WILL HURT THOSE ISSUERS?

A. We are cautious on health care because the Clinton plan could affect the health care sector. However, the issues I choose are mainly strong hospitals that are expected to survive and potentially benefit from any shake-up likely to occur. In fact, a number carry ratings of Aa or Aaa.

Q. DID THE LOS ANGELES EARTHQUAKE AFFECT THE FUND'S PERFORMANCE?

A. Not much. During the past two or three years I de-emphasized issuers in the Los Angeles area because the economy in southern California has been especially sluggish. As a result, we only held one or two bonds of issuers in the vicinity of the earthquake. I believe in geographic diversification, so the fund's investments are spread across different regions of the state. That should offer some protection against future natural disasters.

Q. WHAT'S YOUR OUTLOOK FOR THE TAX-EXEMPT BOND MARKET?

A. The economy will probably show modest growth and inflation seems likely to remain under control, so I don't expect interest rates to rise dramatically from here. But interest rates aren't likely to fall much more either, so gains in the bond market won't be driven by falling rates. The tax-exempt market will probably benefit from a lower supply of new issues. Also, demand for tax-exempt bonds will likely increase as investors realize that the new, higher federal income tax rates. The combination of lower supply and higher demand should help support prices in the tax-exempt market.

Q. WHAT ABOUT THE CALIFORNIA TAX-EXEMPT MARKET?

A. I still feel that California bonds are attractive because the state's economy is showing signs that it is set to begin a recovery. As that happens, state GO's and lease bonds, should be especially strong performers, because their credit quality is closely linked to the economy. Those issues may be volatile over the next several months as the state goes through its budget process. But I'll probably take advantage of any price declines to buy more.

FUND FACTS

GOAL: to provide high current income exempt from

California state and federal income taxes

START DATE: November 27, 1989

SIZE: as of February 28, 1994 over \$566 million

MANAGER: John Haley, since December, 1989; manager, Fidelity California Tax-Free Insured Portfolio, since 1986; Fidelity California Tax-Free High Yield Portfolio, since 1985; Fidelity Advisor Tax-Exempt Portfolio, since 1985

(checkmark)

JOHN HALEY ON THE FUND'S

STRATEGY:

"The fund can invest one-third of its holdings in securities rated below investment-grade. However during recent years, there have been few attractive opportunities in this area. At the same time, I expected a more severe economic downturn in the California economy than most observers. As a result, I stuck mainly with highly-rated issues. But during the past six months I have begun to identify factors that suggest the California economy is reaching a bottom. As a result, I've been increasing the fund's investment in higher-yielding issues. As the economy improves, they should be strong performers."

(bullet) The fund's duration as of February 28, 1994 was 9.2 years. That means the fund's share price could decline roughly 9.2% if interest rates rose one percentage point, and rise 9.2% if rates fell one percentage point.

SPARTAN CALIFORNIA MUNICIPAL HIGH YIELD PORTFOLIO

INVESTMENT CHANGES

TOP FIVE SECTORS AS OF FEBRUARY 28, 1994

	% OF FUND'S INVESTMENTS	% OF FUND'S INVESTMENT S IN THESE SECTORS 6 MONTHS AGO
Lease Revenue	26.1	23.7
Health Care	19.8	13.8
Special Tax	18.3	20.2
Electric Revenue	8.3	10.2
Housing	6.4	6.0

AVERAGE YEARS TO MATURITY AS OF FEBRUARY 28, 1994
6 MONTHS AGO

Years 22.2 22.6

AVERAGE YEARS TO MATURITY SHOWS THE AVERAGE TIME UNTIL THE PRINCIPAL OF THE BONDS IN THE FUND IS EXPECTED TO BE REPAID, WEIGHTED BY DOLLAR AMOUNT.

DURATION AS OF FEBRUARY 28, 1994
6 MONTHS AGO

Years 9.2 8.8

DURATION SHOWS HOW MUCH A BOND'S PRICE FLUCTUATES WITH CHANGES IN INTEREST RATES. IF RATES RISE 1%, FOR EXAMPLE, THE SHARE PRICE OF A FUND WITH A FIVE-YEAR DURATION WILL FALL 5%.

QUALITY DIVERSIFICATION AS OF FEBRUARY 28, 1994
(MOODY'S RATINGS)

Aaa 32.4%
 Aa, A 41.5%
 Baa 17.4%
 Ba, B 0%
 Non-rated 8.7%
 Row: 1, Col: 1, Value: 32.4
 Row: 1, Col: 2, Value: 41.5
 Row: 1, Col: 3, Value: 17.4
 Row: 1, Col: 4, Value: 0.0
 Row: 1, Col: 5, Value: 8.699999999999999

THIS CHART EXCLUDES SHORT-TERM INVESTMENTS. WHERE MOODY'S RATINGS ARE NOT AVAILABLE, WE HAVE USED S&P RATINGS.

NON-RATED SECURITIES CONSIDERED TO BE BAA OR BETTER BY FIDELITY ARE 5.8% OF
THE FUNDS LONG TERM INVESTMENTS.
SPARTAN CALIFORNIA MUNICIPAL HIGH YIELD PORTFOLIO

INVESTMENTS/FEBRUARY 28, 1994
(Showing Percentage of Total Value of Investments)

MUNICIPAL BONDS - 98.5%

MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)

CALIFORNIA - 95.3%

ABAG Fin. Auth. Nonprofit Ctfs. of Prtn.
(Peninsula Family YMCA) Series A, 6.80%
10/1/11, LOC Daiwa Bank Ltd A1 \$ 1,000,000 \$ 1,047,500 00037EAL
Alameda County Ctfs. of Prtn. Rfdg.
(Santa Rita Jail Proj.) 5.375% 6/1/09,
(MBIA Insured) Aaa 1,250,000 1,228,125 010891KG
Alameda Hsg. Auth. Multi-Family Hsg. Rev.
(Independence Apts.) Series A, 7.50%
2/20/31, (GNMA Coll.) AAA 1,775,000 1,881,500 010789AA
Anaheim Pub. Fing. Auth. Tax Allocation Rev.:
(Cap. Appreciation Redev. Proj.) 0%
12/1/06, (MBIA Insured) Aaa 5,000,000 2,525,000 032559AP
(Reg. Rites) 10.27% 12/1/18,
(MBIA Insured) (d) Aaa 1,500,000 1,788,750 032559AV
Azusa Redev. Agcy. Tax Allocation
(Central Bus. Dist. Redev. Proj.)
Series A, 7.875% 8/1/15 Baa 1,025,000 1,083,938 055031BD
Bakersfield Hosp. Rev. (Bakersfield Mem. Hosp.)
Series A, 6.50% 1/1/22 A 1,500,000 1,565,625 057509CM
Berkeley Health Facs. Rev. Rfdg.
(Alta Bates Med. Ctr.) Series A,
6.55% 12/1/22 Baa1 3,250,000 3,262,188 084134AH
Buena Park Commty. Redev. Agcy. Tax
Allocation Rfdg. (Central Business Dist.
Proj.) 7.10% 9/1/14 BBB+ 1,500,000 1,586,250 119147CN
Burbank Redev. Agcy. Tax Allocation
Series A, 6% 12/1/23 Baa1 1,950,000 1,901,250 120823EA
California Dept. Wtr. Resources Central
Valley Rev. (Wtr. Sys. Proj.) Series J-1,
7% 12/1/12 Aa 1,000,000 1,158,750 130663E6
California Fairs Fing. Auth. Rev. Series 1991,
6.50% 7/1/11, (Cap. Guaranty Insured) Aaa 2,000,000 2,152,500 130205BG
California Health Facs. Fing. Auth. Rev.:
Rfdg. (Catholic Healthcare West) 4.75%
7/1/19 (MBIA Insured) Aaa 4,680,000 4,112,550 13033AAU
(Children's Hosp.) 7% 7/1/13,
(MBIA Insured) Aaa 2,485,000 2,770,775 13033H6L
(Children's Hosp. of San Francisco)
Series A, 7.50% 10/1/20, (MBIA Insured) Aaa 2,450,000 2,820,563
13033JAJ
(Gould Med. Foundation) Series A,
7.30% 4/1/20 A+ 1,500,000 1,738,126 13033JBW
(Kaiser Permanente Health Sys.)
Series A, 7% 12/1/10 Aa2 2,800,000 3,083,500 13033JLQ
(Los Medanos Health Care Corp.)
Series A, 7.25% 3/1/20 A+ 1,500,000 1,653,750 13033H6X

MUNICIPAL BONDS - CONTINUED

MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)

CALIFORNIA - CONTINUED

California Health Facs. Fing. Auth. Rev.: - continued
(Mills-Peninsula Hosp.) Series A, 7.875%
1/15/12 A- \$ 2,000,000 \$ 2,160,000 13033HRE
(San Diego Hosp. Assoc.) Series A:
6.70% 10/1/10, (MBIA Insured) Aaa 4,085,000 4,457,756 13033JTP
6.95% 10/1/21 A1 1,500,000 1,640,625 13033JTM
(St. Elizabeths Hosp. Proj.) 6.20%
11/15/09 A1 1,455,000 1,505,925 13033JL2
(Scripps Health) Series A, 4.625%
10/1/13 (MBIA Insured) Aaa 1,075,000 950,031 13033J5V
(Sharp Temecula Valley) Series A, 7.05%
8/1/21, (MBIA Insured) Aaa 1,100,000 1,230,625 13033JPT
(Valleycare Hosp. Corp.) Series A, 7%
5/1/20 A+ 2,000,000 2,185,000 13033H5P
California Hsg. Fin. Agcy. Rev. (Home Mtg.):
Series A, 0% 8/1/23 (b) Aa 8,080,000 858,500 13033CPJ
Series C:
8.30% 8/1/19 (b) Aa 2,450,000 2,603,124 1303296C
0% 8/1/21 (b) Aa 5,870,000 733,750 13033CTB
7.60% 8/1/30 (b) Aa 7,775,000 8,251,218 13033CPZ

Series F, 7.20% 8/1/09 Aa 1,095,000 1,145,643 13033CMW
California Poll. Cont. Fing. Auth. Poll. Cont.
Rev. (Southern California Edison Company)
Series 1988 A, 6.90% 9/1/06(b) A-1+ 1,660,000 1,823,924 130534RP
California Poll. Cont. Fing. Auth. Rev.
(Pacific Gas & Elec. Co.) Series B,
5.85% 12/1/23 (b) A1 6,000,000 5,925,000 130534VA
California Poll. Cont. Fing. Auth. Solid Waste
Disp. Rev.:
(Keller Canyon Landfill Proj.) Series 1992,
6.875% 11/1/27(b) A2 2,250,000 2,469,374 130536BT
(North County Recycling Ctr.) Series A,
6.75% 7/1/11, LOC Union
Bank of Switzerland Aaa 1,000,000 1,092,500 130536BQ
California Pub. Cap. Impt. Fing. Auth. Rev.
(Pooled Proj.) Series B, 8.10% 3/1/18,
(MBIA Insured) Aaa 1,910,000 2,091,450 130552AS
California Pub. Wks. Board Lease Rev.:
Rfdg. (Dept. Correction State Prisons)
Series A, (AMBAC Insured):
5.25% 12/1/13 Aaa 1,355,000 1,300,800 13068GNZ
5% 12/1/19 Aaa 6,500,000 5,931,250 13068GPA

MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
California Pub. Wks. Board Lease Rev.: - continued
(California University Proj.):
Series A:
5.50% 6/1/14 A1 \$ 5,750,000 \$ 5,548,750 13068GRB
5% 6/1/23 A1 3,500,000 3,066,874 13068GRD
(Dept. Correction State Prison)
(Medera)
Series E, 5.50% 6/1/15 (h) A1 3,300,000 3,184,500 13068GVV
(Susanville)
Series B, 5.50% 6/1/14 A1 2,000,000 1,907,500 13068GUX
Series D, 5.25% 6/1/15
(FGIC Insured) Aaa 2,000,000 1,915,000 13068GUA
5.375% 6/1/18 A1 1,500,000 1,398,750 13068GTQ
California Statewide Commtty. Dev. Auth.
8.83% 7/1/13, (MBIA Insured) (d) Aaa 2,000,000 1,965,000 130909JH
California Statewide Commtys. Dev. Corp.
Ctfs. of Prtn.:
Rfdg. (Insured Health Facs.) (Eskaton, Inc.)
5.875% 5/1/20 A+ 4,000,000 3,920,000 130909GW
Rfdg. (Insured Hosp.) (Triad Healthcare):
6.25% 8/1/06 A+ 2,000,000 2,027,500 130909CM
6.50% 8/1/22 A+ 1,750,000 1,778,437 130909CR
(Children's Hosp.) 6% 6/1/13
(MBIA Insured) Aaa 1,570,000 1,632,800 130909NE
(J. Paul Getty) 5% 10/1/23 Aaa 1,750,000 1,585,937 130907FM
(Odd Fellows):
5.375% 10/1/13 A+ 2,500,000 2,325,000 130907EP
5.50% 10/1/23 A+ 3,000,000 2,797,500 130907EQ
(St. Joseph Health Sys.) 5.50% 7/1/23 Aa 3,000,000 2,835,000 130909GH
(Sisters of Charity Leavenworth)
5% 12/1/23 Aa 4,375,000 3,850,000 130909PR
(Villaview Commtty. Hosp., Inc.)
Series A, 7% 9/1/09 A+ 1,200,000 1,303,500 130907AX
California Urban Ind. Dev. Agcy. Rev.
(Civic Recreational Proj.#1) 7.30%
5/1/06 - 4,000,000 4,320,000 456567ME
Campbell Ctfs. of Prtn. Rfdg. (Civic Center Proj.):
6.75% 10/1/17 A 1,500,000 1,612,500 134111CR
6% 10/1/18 A 2,565,000 2,539,350 134111BK
Carson Redev. Agcy. 5.875% 10/1/09 Baa 2,000,000 1,952,500 145750DN
Carson Redev. Agcy. Redev. Proj. Area #1
Tax Allocation:
6.375% 10/1/12 Baa1 1,465,000 1,452,180 145750CZ
6.375% 10/1/16 Baa1 1,000,000 985,000 145750DA
Castaic Lake Wtr. Agcy. Ctfs. of Prtn.
(Wtr. Sys. Impt. Proj.) 7.125% 8/1/16,
(MBIA Insured) Aaa 2,750,000 3,090,312 148370AM

MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
Castaic Unified School Dist.
(Cap. Appreciation) Series A, 0% 5/1/18,
(FGIC Insured) Aaa \$ 8,000,000 \$ 1,990,000 148371AH
Central California Jt. Pwrs. Health Fing. Auth.:
Rfdg. (Commtty. Hosp. of Central

California Proj.) 5% 2/1/23 A 3,500,000 3,027,500 152757AR
 Ctfs. of Prtn. (Commty. Hosp. of Central
 California Proj.) 5.25% 2/1/13 A 4,000,000 3,675,000 152757AQ
 Central Valley Fing. Auth. Rev.
 (Cogeneration Proj.) (Carson Ice Gen. Proj.):
 6% 7/1/09 BBB- 2,050,000 2,019,250 155689AG
 6.10% 7/1/13 BBB- 1,000,000 988,750 155689AK
 6.20% 7/1/20 BBB- 1,450,000 1,440,937 155689AH
 Chico Pub. Fing. Auth. Rev. 6.625% 4/1/21,
 (FGIC Insured) Aaa 2,000,000 2,177,500 168505BG
 Clovis Unified School Dist. (Cap. Appreciation)
 Series B, 0% 8/1/03 A1 3,485,000 2,104,068 189342QG
 Coalinga Ctfs. of Prtn. 7% 4/1/10 BBB+ 1,655,000 1,739,818 19021CAP
 Contra Costa County Ctfs. of Prtn.
 (Merrithew Mem. Hosp.) (Cap. Appreciation)
 0% 11/1/14 A1 6,805,000 2,015,980 21223TEK
 Contra Costa County Multi-Family Hsg. Rev.
 (Del Norte Place) Series B, 7.85% 8/20/33,
 (GNMA Coll.) (b) AAA 2,865,000 3,140,756 212249AA
 Contra Costa Home Mtg. Fin. Auth. Home
 Mtg. Rev. 0% 9/1/17, (MBIA Insured)
 (Escrowed to Maturity) (e) Aaa 12,500,000 3,156,250 212216CA
 Del Norte County Pub. Wks. Rev. Rfdg.:
 (Dept. of Corrections):
 5.125%, 12/1/08 A1 2,250,000 2,157,188 13068GSY
 5.20%, 12/1/09 A1 6,110,000 5,857,963 13068GSZ
 Desert Hosp. Rev. Ctfs. of Prtn.
 (Desert Hosp. Corp.) Series 1992, 10.029%
 7/28/20, (Cap. Guaranty Insured) (d) Aaa 4,000,000 4,645,000 25041MAZ
 Duarte Ctfs. of Prtn. (City of Hope Nat'l.
 Medical Ctr.) 6.25% 4/1/23 Baal 2,000,000 2,025,000 263584CS
 Eastern Muni. Wtr. Dist. Wtr. & Swr. Rev.
 Ctfs. of Prtn. 6.75% 7/1/12,
 (FGIC Insured) Aaa 2,000,000 2,282,500 276771AR
 Escondido Ctfs. of Prtn. Rfdg.
 (Redwood Terrace Lutheran Home)
 7% 11/15 A+ 1,600,000 1,740,000 296337CM
 Escondido Joint Pwr. Fing. Auth. Rev.
 (Cap. Appreciation) 0% 9/1/12,
 (AMBAC Insured) Aaa 2,160,000 756,000 29634EAS
 MUNICIPAL BONDS - CONTINUED
 MOODY'S RATINGS PRINCIPAL VALUE
 (UNAUDITED) (B) AMOUNT (NOTE 1)
 CALIFORNIA - CONTINUED
 Fairfield-Suisun Swr. Dist. Swr. Rev. Rfdg.
 Series A, (MBIA Insured):
 0% 5/1/07 Aaa \$ 1,635,000 \$ 799,106 304730CQ
 0% 5/1/08 Aaa 2,085,000 953,888 304730CR
 0% 5/1/09 Aaa 2,080,000 889,200 304730CS
 Folsom Pub. Fing. Auth. Local Agcy. Rev.
 Series A, 7.25% 10/1/10 BBB+ 1,285,000 1,370,131 344392BB
 Fontana Redev. Agcy. Tax Allocation Rfdg.
 (Yurupa Hills) Series 1992 A, 7.10%
 10/1/23 BBB 2,000,000 2,175,000 344619CL
 Foster City Pub. Fing. Auth. Foster City
 Commty. Rev. (Proj. Loan) Series A,
 6% 9/1/13 A- 3,000,000 2,917,500 350057AP
 Fresno Swr. Rev. (AMBAC Insured):
 (Fowler Ave. Proj.) Series 1991 A,
 6.25% 8/1/11 Aaa 2,500,000 2,628,125 358229BQ
 Series A-1, 6.25% 9/1/14 Aaa 2,250,000 2,452,500 358229CJ
 Garden Grove Agcy. Commty. Dev. Tax
 Allocation Rfdg. (Garden Grove Commty.
 Proj.) 5.70% 10/1/13 A 2,000,000 1,927,500 365251CN
 Glendale Hosp. Rev. Rfdg. (Adventist Health)
 Series A, 6.50% 3/1/07, (MBIA Insured) Aaa 2,500,000 2,706,250 378432DH
 Industry Urban Ind. Dev. Agcy. Rev.:
 Rfdg. (Civic Recreational Proj.#1)
 Series A, 7.375% 5/1/12 - 8,600,000 9,298,750 456567MG
 (Civic Recreational Proj.#1-B) 7.375%
 5/1/15, (Unrefunded Balanced) - 1,140,000 1,232,625 456567QS
 Inglewood Ctfs. of Prtn. (Civic Center Impt.
 Proj.) 7% 8/1/19 A 1,000,000 1,057,500 457079AV
 Irvine Ranch Wtr. Dist. Joint Pwr. Agcy.
 Local Pool Rev.:
 7.80% 2/15/08 A 1,560,000 1,678,950 463656AP
 7.875% 2/15/23 A 5,500,000 5,946,875 463656AR
 8.25% 8/15/23 BBB 16,365,000 18,001,500 463656BE
 Kaweah Delta Hosp. Dist. Rev. Rfdg.
 7.25% 11/1/16 A 3,000,000 3,198,750 486380AH
 King Ctfs. of Prtn. 7.50% 7/1/04 - 2,800,000 3,094,000 494688AJ
 Los Angeles County Cap. Asset Leasing Corp.

Leasehold Rev. (AMBAC Insured):
4.05% 12/1/09 Aaa 2,320,000 2,378,000 544900CE
4.05% 12/1/10 Aaa 1,565,000 1,602,169 544900CF

MUNICIPAL BONDS - CONTINUED

MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)

CALIFORNIA - CONTINUED

Los Angeles County Ctfs. of Prtn.:

(Cap. Appreciation):

0% 9/1/10 A \$ 2,980,000 \$ 1,102,600 5446634F
0% 3/1/17 A 3,450,000 823,688 5446634U
0% 3/1/20 A 1,000,000 198,750 5446634C

(Correctional Facs.) 0% 9/1/11,

(MBIA Insured) Aaa 6,400,000 2,368,000 544663G8

(Disney Parking Proj.):

0% 9/1/11 A 1,000,000 342,500 5446634J
0% 3/1/12 A 2,180,000 724,850 5446634J
0% 3/1/13 A 2,750,000 859,375 5446634L
0% 9/1/13 A 3,215,000 972,538 5446634M
0% 9/1/15 A 3,815,000 1,010,975 5446634R
0% 9/1/18 A 8,775,000 1,908,563 5446634X
0% 3/1/19 A 3,175,000 670,719 5446634Y
0% 9/1/20 A 5,425,000 1,044,313 5446635A

(Health Facs. Construction Loan)

(Bay Harbor Hosp.) 7.30% 4/1/20 A+ 1,000,000 1,096,250 544358GV

Los Angeles County Trans. Commission Sales

Tax Rev. Rfdg. Series B, 6.50% 7/1/13 A1 2,300,000 2,443,750 545170GM

Los Angeles Dept. Wtr. & Pwr. Wtrwks. Rev.

Rfdg. 4.50% 5/15/23 Aa 1,500,000 1,233,750 544524HJ

Los Angeles Wastewtr. Sys. Rev. Series D,

6.25% 12/1/15, (MBIA Insured) Aaa 2,000,000 2,102,500 544652NJ

M-S-R Pub. Pwr. Agcy. San Juan Proj. Rev.

Series B, 6.75% 7/1/11, (MBIA Insured) Aaa 1,750,000 1,933,750 553751EV

Manteca Ctfs. of Prtn. (St. Domenic's Hosp.)

7% 6/1/17, (MBIA Insured) Aaa 1,000,000 1,113,750 564512AK

Metropolitan Wtr. Dist. Southern Wtrwks.

Rev. 8.172% 8/10/18 (d) Aa 2,500,000 2,637,500 592663MN

Modesto Ctfs. of Prtn.:

(Commty. Ctr. Refing. Proj.) Series A,

5.60% 11/1/14, (AMBAC Insured) Aaa 1,370,000 1,370,000 607715FC

(Golf Course Refing. Proj.) Series B, 5%

11/1/23, (AMBAC Insured) Aaa 1,585,000 1,440,369 607715FF

Modesto Irrigation Dist. Ctfs. of Prtn.

Rfdg. & Cap. Impts. Series A, 0%

10/1/10, (MBIA Insured) Aaa 2,270,000 885,300 607762DH

Moreno Valley Unified School Dist. Ctfs. of

Prtn. 7.40% 9/1/16 Baa 175,000 174,344 616872BT

Mount Shasta Hosp. Rev. Ctfs. of Prtn.

(Mercy Med. Ctr.) Series A, 7.25%

7/1/19 A+ 1,435,000 1,592,850 623091AA

MUNICIPAL BONDS - CONTINUED

MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)

CALIFORNIA - CONTINUED

Northern California Pwr. Agcy. Pub. Pwr. Rev.:

Rfdg. (Geothermal Proj. #3) Series A:

5.80% 7/1/09 A \$ 3,000,000 \$ 3,067,500 664843RZ

5.85% 7/1/10 A 1,875,000 1,917,188 664843SB

(Hydroelec. Proj. #1) Series E, 7.15%

7/1/24 A 1,000,000 1,090,000 664843NQ

7.50% 7/1/23, (AMBAC Insured)

(Pre-Refunded to 7/1/21 @ 100) Aaa 1,170,000 1,487,363 664843NV

Norwalk Redev. Agcy. Tax Allocation

(Norwalk Redev. Proj. #1) 7.15%

12/1/15, (Pre-Refunded to

12/1/95 @ 102) (e) - 3,900,000 4,095,000 668823CM

Ontario Redev. Fing. Auth. Rev.

(Ctr. City Cimarron Proj.#1)

(MBIA Insured):

0% 8/1/08 Aaa 3,255,000 1,468,819 68304EAU

0% 8/1/09 Aaa 3,260,000 1,381,425 68304EAV

Orange County Ctfs. of Prtn.

(Civic Ctr. Facs.) 0% 12/1/18,

(AMBAC & MBIA Insured) Aaa 7,500,000 1,753,125 684228FR

Orange County Dev. Agcy. Tax Allocation

(Santa Ana Heights Proj.) 6.125%

9/1/23 Baal 3,500,000 3,460,625 684246CB

Orange County Local Trans. Sales Tax Rev.

Ltd. Tax 6% 2/15/08 Aa 1,250,000 1,320,313 684273BP

Palm Desert Fing. Auth. Tax Allocation

9.83% 4/1/22, (MBIA Insured) (d) Aaa 2,750,000 3,131,563 696617BG

Palm Springs Ctfs. of Prtn. (Muni. Golf

Course Expansion Proj.) 7.40% 11/1/18 BBB+ 1,500,000 1,659,375 696656FK

Palomar Pomerado Health Sys. Rev.

(MBIA Insured):

0% 11/1/03 (Pre-Refunded to

5/1/96 @103) (e) Aaa 3,075,000 1,864,219 69753EAW

0% 11/1/05 Aaa 3,075,000 1,641,281 69753EAY

Pasadena Ctfs. of Prtn. Rfdg.

(Old Pasadena Pkg. Facs. Proj.)

6.25% 1/1/18 A1 3,605,000 3,744,694 702204HA

Perris Single Family Mtg. Rev. Series A,

0% 6/1/23, (GNMA Coll.) (Escrowed to

Maturity) (b) (e) Aaa 8,365,000 1,442,963 714386AT

Pleasanton Jt. Pwrs. Fin. Auth. Reassessment,

Series A, 6.15% 9/1/12 Baa 5,380,000 5,420,350 728816AW

MUNICIPAL BONDS - CONTINUED

MOODY'S RATINGS PRINCIPAL VALUE

(UNAUDITED) (B) AMOUNT (NOTE 1)

CALIFORNIA - CONTINUED

Port Oakland Port. Rev. Rfdg.

Series F, (MBIA Insured):

0% 11/1/06 Aaa \$ 1,250,000 \$ 631,250 734897RQ

0% 11/1/08 Aaa 3,500,000 1,540,000 734897RS

Poway Ctfs. of Prtn. (FSA Insured):

Rfdg. (Pointsettia Mobilehome Park)

6.375% 6/1/18 Aaa 2,800,000 2,954,000 738756CD

(Poway Royal Mobile Home Park)

(Cap. Impt. Proj.) 7% 7/1/20 Aaa 2,500,000 2,709,375 738756BC

Poway Redev. Agcy. (Paguay Proj.) Tax

Allocation 7.93% 12/15/14,

(FGIC Insured) (d) Aaa 9,365,000 9,423,531 738800DV

Rancho Cucamonga Redev. Agcy. Tax

Allocation (Rancho Redev. Proj.) 7.125%

9/1/19, (MBIA Insured) Aaa 1,000,000 1,125,000 752123CQ

Rancho Mirage Joint Pwrs. Fing. Auth.

Ctfs. of Prtn. (Eisenhower Mem. Hosp.)

7% 3/1/22 Baa1 1,000,000 1,076,250 75212HAM

Rancho Wtr. Dist. Fin. Auth. 4.75% 8/15/21,

(AMBAC Insured) Aaa 2,000,000 1,737,500 752111DC

Redlands Redev. Agcy. Tax Allocation

(Redlands Redev. Proj.) 7% 7/1/17 Baa 3,835,000 3,983,606 757593DP

Richmond Joint Pwr. Fing. Auth. Rev. Series B:

7% 5/15/07 A- 2,375,000 2,615,469 764440AH

7.25% 5/15/13 A- 2,500,000 2,775,000 764440AJ

Riverside County Asset Leasing Corp. Leasehold

Rev. (Riverside County Hosp. Proj.) Series A:

6.375% 6/1/09 (Detachable Call Option) A 3,000,000 3,131,250 768903AW

6.50% 6/1/12 A 5,500,000 5,795,625 768903AR

6.25% 6/1/19 A 4,000,000 4,085,000 768903AG

Riverside County Ctfs. of Prtn.:

Rfdg. (Air Force Village West, Inc.)

Series A, 8.125% 6/15/20 A-1+ 5,500,000 5,802,500 768901FQ

(Air Force Village West, Inc.)

Series A, 8.125% 6/15/12 A-1+ 2,690,000 2,837,950 768901FT

Riverside County Redev. Agcy. Tax Allocation

(Redev. Proj. #4) Series A:

7.50% 10/1/10 BBB 1,000,000 1,092,500 769123BN

7.50% 10/1/26 BBB 2,500,000 2,731,250 769123BP

Riverside Redev. Agcy. Multi-Family Rev.

(First & Market Proj.) Series A,

7.75% 9/1/21 (b) Baa 4,200,000 4,462,500 769046AB

Riverside Unified School Dist. Ctfs. of Prtn.

(Cap. Appreciation Land Acquisition Proj.)

Series B, 0% 9/1/26, (FSA Insured) (f) Aaa 2,150,000 1,617,875 769062AD

MUNICIPAL BONDS - CONTINUED

MOODY'S RATINGS PRINCIPAL VALUE

(UNAUDITED) (B) AMOUNT (NOTE 1)

CALIFORNIA - CONTINUED

Sacramento City Fing. Auth. (Cap. Appreciation

Tax Allocation Proj.) (MBIA Insured):

Series A, 0% 11/1/16 Aaa \$ 5,700,000 \$ 1,517,625 785849BS

Series B, 0% 11/1/13 Aaa 500,000 160,625 785849BP

Sacramento County Single Family Mtg. Rev.

Series A, 7.80% 10/1/23,

(FNMA & GNMA Coll.) (b) AAA 115,000 120,606 786149EY

Sacramento Fing. Auth. Lease Rev. Rfdg.

Series A, 5.40% 11/1/20,

(AMBAC Insured) Aaa 2,500,000 2,421,875 785846BN

Sacramento Muni. Util. Dev. Index Inflows 0%

7.33% 11/15/08, (FGIC Insured) (d) Aaa 7,000,000 6,938,750 7860042C

Sacramento Muni. Util. Dist. Elec. Rev.

9.78% 8/15/18, (FGIC Insured) (d) Aaa 1,750,000 2,021,250 786004U5

Sacramento Redev. Agcy. Tax Allocation

(Downtown Redev. Proj.) Series A, (MBIA Insured):
6.75% 11/1/05 Aaa 2,000,000 2,235,000 786059JZ
6.50% 11/1/13 Aaa 2,000,000 2,147,500 786059KA
Salinas Facs. Rev. (Villa Sierra Proj.)
Series A, 7.95% 4/20/31, (GNMA Coll.) AAA 2,450,000 2,578,625 794904AD
San Bernardino County Ctfs. of Prtn.:
(Cap. Facs. Proj.) Series B, 6.875%
8/1/24 Baal 2,500,000 2,959,375 796815KR
(Med Ctr. Fing. Proj.) (g):
5.50% 8/1/17 Baal 6,500,000 5,988,125 796815NL
5.50% 8/1/22 Baal 4,500,000 4,095,000 796815NN
San Bernardino County Trans. Auth. Sales Tax
Rev. Series A, 6% 3/1/10, (FGIC Insured) Aaa 2,000,000 2,077,500
796846AP
San Bernardino Health Care Sys. Rev.
(Sisters of Charity) Series A, 7% 7/1/11 Aa 1,410,000 1,551,000
796790CA
San Diego County Wtr. Auth. Wtr. Rev.
Ctfs. of Prtn. (Reg. Rites) 8.50724%
4/25/07, (FGIC Insured) (d) Aaa 1,250,000 1,337,500 797415CS
San Francisco City & County Redev. Agcy.
7.75% 9/1/06 - 6,000,000 6,352,500 797712AE
San Francisco City & County Redev. Agcy.
Multi-family Rev. Rfdg. Hsg.
(South Beach Proj.) 5.70% 3/1/29
(GNMA Coll.) Aaa 5,000,000 4,812,500 79765TAP
San Francisco City & County Redev. Fing.
Auth. Tax Allocation:
Rfdg. (Cap. Appreciation) (Redev. Proj.)
Series B, 0% 8/1/10, (MBIA Insured) Aaa 1,475,000 586,313 79771PDM
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
San Francisco City & County Redev. Fing.
Auth. Tax Allocation - continued:
Series B, 0% 8/1/12, (MBIA Insured) Aaa \$ 1,475,000 \$ 523,625 79771PDQ
San Francisco City & County Single Family
Mtg. Rev. 7.45% 1/1/24,
(FNMA & GNMA Coll.) (b) AAA 255,000 273,169 797717FP
San Joaquin County Ctfs. of Prtn.
(Gen. Hosp. Proj.) 6.25% 9/1/13 A 2,500,000 2,571,875 798085DW
San Joaquin Hills Trans. Corridor Agcy.
Toll Road Rev. (Sr. Lien):
0% 1/1/04 - 2,350,000 1,424,688 798111AE
0% 1/1/07 - 3,000,000 1,890,000 798111AJ
5% 1/1/33 - 4,975,000 3,973,781 798111BJ
San Jose Redev. Agcy. Tax Allocation
Redev. Proj. 5% 8/1/21 (MBIA Insured) A 10,000,000 8,787,500 798147LG
Santa Barbara Ctfs. of Prtn.:
(American Baptist Hosp.) 7.40% 5/15/15 A+ 2,000,000 2,227,500 801242DF
6.40% 2/1/11 A+ 2,490,000 2,570,925 801321DQ
Santa Clara Ctfs. of Prtn. Ref. Series A,
4.75% 2/1/14, (MBIA Insured) Aaa 1,250,000 1,131,250 801400BG
Selma Redev. Agcy. Tax Allocation
(Selma Redev. Proj.) 8.10% 8/1/13 (h) - 825,000 866,250 816537AN
Sequoia Hosp. Dist. Rev.:
5.375% 8/15/13 A 4,000,000 3,750,000 817393BZ
5.375% 8/15/23 A 8,275,000 7,540,594 817393CA
Solano County Ctfs. of Prtn. Rfdg.
(Justice Facs. & Pub. Bldg. Proj.)
5.875% 10/1/05 Baal 2,500,000 2,521,875 834131BR
Southern California Home Fin. Auth. Single
Family Mtg. Rev. Series B, 7.75% 3/1/24,
(GNMA & FNMA Coll.) (b) AAA 275,000 299,406 842440DQ
Southern California Pub. Pwr. Auth. Pwr. Proj. Rev.:
Rfdg. (Palo Verde Proj.) Series A:
0% 7/1/14, (AMBAC Insured) Aaa 8,325,000 2,539,125 842475JH
5% 7/1/15 Aa 1,125,000 1,027,969 842475NF
(Multiple Proj.):
6.75% 7/1/11 A 6,500,000 7,239,375 842475KL
6.75% 7/1/12 A 1,960,000 2,190,300 842475KM
6.75% 7/1/13 A 3,000,000 3,363,750 842475KN
Southern California Pub. Pwr. Auth.
Southern Transmission (Cap. Appreciation)
0% 7/1/14 Aa 5,000,000 1,506,250 842477JF
Southern California Pub. Pwr. Auth. Transmission Proj.
Rev. Rfdg. (Sub Crossover) 0% 7/1/13
(100% GIC In Escrow until 1/1/94) Aa 1,500,000 480,000 842477JE

MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)

CALIFORNIA - CONTINUED

Sulphur Springs Unified School Dist. (MBIA Insured):
 Series A, 0% 9/1/08 Aaa \$ 2,745,000 \$ 1,221,525 865480EY
 Unltd. Tax Series A, 0% 9/1/12 Aaa 2,750,000 948,750 865480FC
 Sunnyvale Fing. Agcy. Util. Rev. (Solid Waste
 Materials Recovery) Series B, 6%
 10/1/17 (MBIA Insured)(b) Aaa 3,000,000 3,082,500 867549BU
 Torrance Hosp. Rev. (Little Co. of Mary Hosp.)
 6.875% 7/1/15 A 920,000 1,000,500 891368CK
 Upland Ctfs. Partn. (San Antonio Commty.
 Hosp.) 5.25% 1/1/08 A 1,850,000 1,764,438 915346DN
 Upland Hosp. Ctfs. of Prtn. (San Antonio
 Commtys. Hosp.) 5.25% 1/1/13 A 3,000,000 2,767,500 915346DP
 Upland Hsg. Auth. Rev. Issue A, 7.85%
 7/1/20 - 990,000 1,037,025 91536HAL
 Vallejo Ctfs. of Prtn. (Marine World
 Foundation Proj.) 8.10% 2/1/21 - 7,780,000 8,110,650 919191BC
 Valley Ctr. Union School Dist. Series A,
 0% 9/1/17, (MBIA Insured) Aaa 8,835,000 2,263,970 919439BT
 Vista Unified School Dist. Ctfs. of Prtn. 0%
 9/1/11, (MBIA Insured) Aaa 8,585,000 2,672,081 92834MAJ
 Walnut Pub. Fing. Auth. Tax Allocation Rev.
 Rfdg. (Walnut Impt. Proj.) 6.50%
 9/1/22, (MBIA) Aaa 1,500,000 1,618,125 932660AR
 West & Central Basin Fing. Auth. Rev.:
 Rfdg. (West Basin Proj.) Series A, 5%
 8/1/10, (AMBAC Insured) Aaa 1,155,000 1,097,250 95122ECD
 (West Basin Proj.) Series A, 5% 8/1/10,
 (AMBAC Insured) Aaa 1,750,000 1,662,500 95122ECE
 527,930,712
 GUAM - 0.7%
 Guam Arpt. Auth. Rev.:
 Series A, 6.60% 10/1/10(b) BBB 1,000,000 1,045,000 400648BK
 Series B, 6.70% 10/1/23(b) BBB 2,850,000 2,988,938 400648BM
 4,033,938
 PUERTO RICO - 2.2%
 Puerto Rico Commonwealth Hwy. & Trns.
 Auth. Rev. Series W, 5.50% 7/1/13 Baal 5,125,000 5,028,906 745181BZ
 Puerto Rico Elec. Pwr. Auth. Pwr. Rev.
 Series P, 7% 7/1/21 Baal 4,000,000 4,440,000 745268LL
 Puerto Rico Tel. Auth. Rev. 6.78% 1/1/04,
 (AMBAC Insured) (d) Aaa 2,250,000 2,188,125 745297HX
 11,657,031
 MUNICIPAL BONDS - CONTINUED
 MOODY'S RATINGS PRINCIPAL VALUE
 (UNAUDITED) (B) AMOUNT (NOTE 1)
 U.S. VIRGIN ISLANDS - 0.3%
 Virgin Islands Pub. Fin. Auth. Rev. Rfdg.
 Series A, 7.25% 10/1/18 (e) - \$ 1,500,000 \$ 1,650,000 927676CF
 TOTAL MUNICIPAL BONDS
 (Cost \$519,167,374) \$ 545,271,681
 MUNICIPAL NOTES (A) - 1.5%
 CALIFORNIA - 1.5%
 California Poll. Cont. Fing. Auth. Resources
 Recovery Rev., VRDN:
 (Delano Proj.) Series 1991, 2.30%,
 LOC Algemene/ABN-AMRO Bank, (b) P-1 300,000 300,000 130535BE
 (Ultra Pwr. Rocklin Proj.) Series 1988 B,
 2.35%, LOC Bank of America Nat'l.
 Trust & Savings - 3,000,000 3,000,000 130535AN
 Contra Costa Tax and Rev. Anticipation
 Notes, Series A, 3.25% 7/29/94 MIG 1 5,000,000 5,004,650 212219BV
 TOTAL MUNICIPAL NOTES
 (Cost \$8,309,087) \$ 8,304,650
 OTHER SECURITIES - 0.0%

RIGHTS

CALIFORNIA - 0.0%
 Riverside County Asset Leasing Corp. Leasehold Rev.
 (Riverside County Hosp.) Series A (Call Rights)
 6.50% 6/1/12 (Cost \$59,590) - 1,100 220,688
 TOTAL INVESTMENTS - 100%
 (Cost \$527,536,051) \$ 553,797,019
 FUTURES CONTRACTS
 AMOUNT IN THOUSANDS EXPIRATION UNDERLYING FACE UNREALIZED
 DATE AMOUNT AT VALUE GAIN/(LOSS)
 SELL
 65 U.S. Treasury Bond Futures March, 1994 7,306,406 \$ 4,721
 THE VALUE OF FUTURES CONTRACTS SOLD AS A PERCENTAGE OF TOTAL INVESTMENT IN
 SECURITIES - 1.3%

SECURITY TYPE ABBREVIATIONS

VRDN - Variable Rate Demand Notes

LEGEND

- (a) The coupon rate shown on floating or adjustable rate securities represents the rate at period end.
- (b) Private activity obligations whose interest is subject to the federal alternative minimum tax for individuals (AMT securities).
- (c) Standard & Poor's Corporation credit ratings are used in the absence of a rating by Moody's Investors Service, Inc.
- (d) Inverse floating rate security is a security where the coupon is inversely indexed to a floating interest rate. The price will be more volatile than the price of a comparable fixed rate security.
- (e) Security collateralized by an amount sufficient to pay interest and principal.
- (f) Debt obligation initially issued in zero coupon form which converts to coupon form at a specified rate and date.
- (g) Security purchased on a delayed delivery basis (see Note 2 of Notes to Financial Statements).
- (h) Security was pledged to cover margin requirements for futures contracts. At the period end, the value of securities pledged amounted to \$1,805,000.

OTHER INFORMATION

The composition of long-term debt holdings as a percentage of total value of investment in securities, is as follows (ratings are unaudited):

MOODY'S RATINGS S&P RATINGS
 Aaa, Aa, A 59.5% AAA, AA, A 72.1%
 Baa 9.6% BBB 9.2%
 Ba 0.0% BB 0.0%
 B 0.0% B 0.0%
 Caa 0.0% CCC 0.0%
 Ca, C 0.0% CC, C 0.0%
 D 0.0%

The percentage not rated by either S&P or Moody's amounted to 8.6%.
 The distribution of municipal securities by revenue source, as a percentage of total value of investment in securities, is as follows:

Lease Revenue 26.1%
 Health Care 19.8
 Special Tax 18.3
 Others (individually less than 10%) 35.8
 TOTAL 100.0%

INCOME TAX INFORMATION

At February 28, 1994 the aggregate cost of investment securities for income tax purposes was \$527,536,051. Net unrealized appreciation aggregated \$26,260,968, of which \$30,416,067 related to appreciated investment securities and \$4,155,099 related to depreciated investment securities. The fund hereby designates \$1,656,000 as a capital gain dividend for the purpose of the dividend paid deduction.
 At February 28, 1994 the fund was required to defer \$3,065,000 of losses on futures contracts and options.
 SPARTAN CALIFORNIA MUNICIPAL HIGH YIELD PORTFOLIO

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

<TABLE> <CAPTION> <S>	<C>	<C>
FEBRUARY 28, 1994		
7.ASSETS	8.	9.
10.Investment in securities, at value (cost \$527,536,051) (Notes 1 and 2) - See accompanying schedule	11.	\$ 553,797,019
12.Cash	13.	33,660
14.Receivable for investments sold	15.	19,997,305

16. Interest receivable	17.	7,182,991
18. Redemption fees receivable (Note 1)	19.	1,837
20. 21. TOTAL ASSETS	22.	581,012,812
23. LIABILITIES	24.	25.
26. Payable for investments purchased Delayed delivery (Note 2)	\$ 10,426,032	27.
28. Payable for fund shares redeemed	3,263,887	29.
30. Dividends payable	409,777	31.
32. Accrued management fee	249,597	33.
34. Payable for daily variation on futures contracts	50,781	35.
36. 37. TOTAL LIABILITIES	38.	14,400,074
39. 40. NET ASSETS	41.	\$ 566,612,738
42. Net Assets consist of (Note 1):	43.	44.
45. Paid in capital	46.	\$ 533,683,167
47. Accumulated undistributed net realized gain (loss) on investments	48.	6,663,882
49. Net unrealized appreciation (depreciation) on:	50.	51.
52. Investment securities	53.	26,260,968
54. Futures contracts	55.	4,721
56. 57. NET ASSETS, for 51,839,522 shares outstanding	58.	\$ 566,612,738
59. 60. NET ASSET VALUE, offering price and redemption price per share (\$566,612,738 (divided by) 51,839,522 shares)	61.	\$10.93

</TABLE>

STATEMENT OF OPERATIONS

<TABLE>

<CAPTION>

<S>

<C>

<C>

YEAR ENDED FEBRUARY 28, 1994

62. 63. INTEREST INCOME	64.	\$ 36,476,769
65. EXPENSES	66.	67.
68. Management fee (Note 4)	\$ 3,287,940	69.
70. Non-interested trustees' compensation	3,794	
71. Total expenses before reductions	3,291,734	
72. Expense Reductions (Note 5)	(202,856)	3,088,878
73. 74. NET INTEREST INCOME	75.	33,387,891
76. REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS (NOTES 1 AND 3)	78.	79.
77. Net realized gain (loss) on:		
80. Investment securities	24,834,702	81.
82. Futures contracts	1,770,838	26,605,540
83. Change in net unrealized appreciation (depreciation) on:	84.	85.
86. Investment securities	(26,250,217)	87.
88. Futures contracts	(487,377)	(26,737,594)
89. 90. NET GAIN (LOSS)	91.	(132,054)

92.93.NET INCREASE (DECREASE) IN NET ASSETS
 RESULTING FROM OPERATIONS

94.

\$ 33,255,837

</TABLE>

STATEMENT OF CHANGES IN NET ASSETS

<TABLE>

<CAPTION>

<S>

<C>

YEAR

ENDED

FEBRUARY 28, 1994

<C>

TEN MONTHS ENDE

D

FEBRUARY 28, 1993

(NOTE 1)

95.INCREASE (DECREASE) IN NET ASSETS

96.Operations
 Net interest income

\$ 33,387,891

\$ 25,995,632

97. Net realized gain (loss) on investments

26,605,540

3,878,795

98. Change in net unrealized appreciation (depreciation)
 on investments

(26,737,594)

37,174,010

99. 100.NET INCREASE (DECREASE) IN NET ASSETS
 RESULTING FROM
 OPERATIONS

33,255,837

67,048,437

101.Distributions to shareholders
 From net interest income

(33,387,891)

(25,995,632)

102. From net realized gain

(17,385,450)

(3,291,418)

103. In excess of net realized gain

(3,001,030)

-

104. 105.TOTAL DISTRIBUTIONS

(53,774,371)

(29,287,050)

106.Share transactions
 Net proceeds from sales of shares

153,539,687

179,086,059

107.
 Reinvestment of distributions

46,508,005

25,707,655

108. Cost of shares redeemed

(186,891,146)

(147,921,333)

109. Redemption fees (Note 1)

103,560

100,581

110.
 Net increase (decrease) in net assets resulting from
 share transactions

13,260,106

56,972,962

111.

(7,258,428)

94,734,349

112.TOTAL INCREASE (DECREASE) IN NET ASSETS

113.NET ASSETS

114.

115.

116. Beginning of period

573,871,166

479,136,817

117. End of period

\$ 566,612,738

\$ 573,871,166

118.OTHER INFORMATION

120.

121.

119.Shares

122. Sold

13,616,855

16,578,722

123. Issued in reinvestment of distribution

4,155,944

2,379,910

124. Redeemed

(16,596,175)

(13,752,500)

125. Net increase (decrease)

1,176,624

5,206,132

</TABLE>

FINANCIAL HIGHLIGHTS

<TABLE>

<CAPTION>

<S>

126.

<C>

YEAR

ENDED

FEBRUARY 28

<C>

TEN MONTHS

ENDED

FEBRUARY 28,

<C>

YEARS ENDED APRIL 30,

<C>

<C>

NOVEMBER 27,

1989

(COMMENCEME

	1994	1993 (NOTE 1)	1992	1991	NT OF OPERATIONS) TO APRIL 30, 1990
127.					
128.SELECTED PER-SHARE DATA					
129.Net asset value, beginning of period	\$ 11.330	\$ 10.540	\$ 10.240	\$ 9.760	\$ 10.000
130.Income from Investment Operations Net interest income	.631	.543	.663	.706	.301
131. Net realized and unrealized gain (loss) on investments	(.012)	.858	.297	.472	(.249)
132. Total from investment operations	.619	1.401	.960	1.178	.052
133.Less Distributions From net interest income	(.631)	(.543)	(.663)	(.706)	(.301)
134. From net realized gain on investments	(.330)	(.070)	-	-	-
135. Distributions in excess of net realized gain	(.060)	-	-	-	-
136. Total distributions	(1.021)	(.613)	(.663)	(.706)	(.301)
137.Redemption fees added to paid in capital	.002	.002	.003	.008	.009
138.Net asset value, end of period	\$ 10.930	\$ 11.330	\$ 10.540	\$ 10.240	\$ 9.760
139.TOTAL RETURN (dagger)	5.63%	13.76%	9.66%	12.52%	.59%
140.RATIOS AND SUPPLEMENTAL DATA					
141.Net assets, end of period (000 omitted)	\$ 566,613	\$ 573,871	\$ 479,137	\$ 281,725	\$ 107,409
142.Ratio of expenses to average net assets (dagger) (dagger)	.52%	.40%*	.36%	.19%	-
143.Ratio of expenses to average net assets before expense reductions (dagger) (dagger)	.55%	.55%*	.55%	.55%	.55%*
144.Ratio of net interest income to average net assets	5.58%	6.07%*	6.36%	7.02%	7.42%*
145.Portfolio turnover rate	54%	26%*	13%	15%	5%*

</TABLE>

* ANNUALIZED

(dagger) TOTAL RETURNS DO NOT INCLUDE THE ACCOUNT CLOSEOUT FEE AND FOR PERIODS OF LESS THAN ONE YEAR ARE NOT ANNUALIZED. TOTAL RETURNS WOULD HAVE BEEN LOWER HAD CERTAIN EXPENSES NOT BEEN REDUCED DURING THE PERIODS SHOWN. (dagger) (dagger) SEE NOTE 5 OF NOTES TO FINANCIAL STATEMENTS.
SPARTAN CALIFORNIA INTERMEDIATE MUNICIPAL PORTFOLIO

PERFORMANCE: THE BOTTOM LINE

There are several ways to evaluate a fund's historical performance. You can look at the total percentage change in value, the average annual percentage change, or the growth of a hypothetical \$10,000 investment. Each figure includes changes in a fund's share price, reinvestment of any dividends (or

income) and capital gains (the profits the fund earns when it sells bonds that have grown in value), and the effect of the \$5 account closeout fee. You can also look at the fund's income. If Fidelity had not reimbursed certain fund expenses during the periods shown, the total returns, dividends and yields would have been lower.

CUMULATIVE TOTAL RETURNS

PERIOD ENDED FEBRUARY 28, 1994	LIFE OF FUND
Spartan California Intermediate Municipal	-1.72%
Lehman Brothers Municipal Bond Index	n/a
Average California Tax-Exempt Municipal Intermediate Bond Fund	n/a
Consumer Price Index	0.62%

CUMULATIVE TOTAL RETURNS reflect actual performance over a set period - in this case, since the fund started on December 30, 1993. For example, if you had invested \$1,000 in a fund that had a 5% return over the past year, you would end up with \$1,050. Once the fund is six months old, you can compare the fund's results to the performance of the Lehman Brothers Municipal Bond Index - a broad gauge of the municipal bond market. To measure how the fund stacks up against its peers (again, once it's six months old), you can also look at the average California tax-exempt intermediate municipal bond fund, which reflects the performance of 22 California tax-exempt intermediate municipal bond funds tracked by Lipper Analytical Services. Both benchmarks include reinvested dividends and capital gains, if any. Comparing the fund's performance to the consumer price index helps show how your fund did compared to inflation. (The periods covered by the CPI numbers are the closest available match to those covered by the fund.)

AVERAGE ANNUAL TOTAL RETURNS

AVERAGE ANNUAL TOTAL RETURNS take the fund's actual (or cumulative) results and show you what would have happened if the fund had performed at a consistent rate each year. Average annual returns for the fund and its benchmarks will appear in the fund's next annual report, once the fund is older; this next report will also show the effect of investing \$10,000 over the life of the fund for both the fund and the Lehman Brothers Municipal Bond Index.

INCOME

DECEMBER 30, 1993
(COMMENCEMENT
OF OPERATIONS) TO
FEBRUARY 28, 1994

Income return 0.69%

Change in share price -2.41%

Total return -1.72%

INCOME returns and changes in share price are both part of a bond fund's total return. An income return reflects the dividends paid by the fund and assumes the dividends are reinvested. Changes in the fund's share price include changes in the prices of the bonds owned by the fund. Change in share price and total return figures include the effect of the \$5 account closeout fee.

DIVIDENDS AND YIELD

PERIOD ENDED FEBRUARY 28, 1994	PAST 30 DAYS	LIFE OF FUND
Dividends per share	n/a	7.02(cents)
Annualized dividend rate	n/a	4.21%
Annualized yield	4.83%	n/a
Tax-equivalent yield	8.48%	n/a

DIVIDENDS per share show the income paid by the fund for a set period. If you annualize this number, based on an average share price of \$9.97 over the life of the fund, you can compare the fund's income over these two periods. The 30-day annualized YIELD is a standard formula for all funds based on the yields of the bonds in the fund, averaged over the past 30 days. This figure shows you the yield characteristics of the fund's investments at the end of the period. It also helps you compare funds from different companies on an equal basis. The tax-equivalent yield shows what you would have to earn on a taxable investment to equal the fund's tax-free yield, if you're in the 43.04% combined effective 1994 federal and state income tax bracket.

SPARTAN CALIFORNIA INTERMEDIATE MUNICIPAL PORTFOLIO

MARKET RECAP

Bond investments - including tax-free issues - provided solid returns for the 12 months ended February 28, 1994, despite a dramatic downturn in February. Falling interest rates pushed up bond prices steadily through mid-October, when the yield on the benchmark 30-year Treasury bond reached a historic low of 5.79%. By year-end, a strengthening economy had fueled mild inflation fears. That pushed up the yield on the 30-year bond to 6.35% on December 31, which forced investors to give back some of their earlier profits. Inflation jitters eased and bond yields dropped in January. However, when the Federal Reserve Bank raised short-term interest rates in an attempt to control inflation on February 4, investors reacted negatively. At the end of February, the yield on the 30-year bonds was 6.66%, about 38 basis points higher than at the beginning of the month. Over the year, higher federal income taxes boosted demand for municipal bonds. But municipal bond prices were hurt by the Fed's action in February and by record new issuance, which kept supplies high and dampened prices. The return on the Lehman Brothers Municipal Bond Index, a broad measure of the tax-free market, rose 5.54%. By comparison, the Lehman Brothers Aggregate Bond Index, which tracks investment-grade taxable bonds, returned 5.40%. Globally, falling interest rates and low inflation drove good annual returns in Europe, Japan, and most emerging markets, although many of these markets fell in February along with the U.S. bond market. The Salomon Brothers World Government Bond Index - which includes U.S. issues - returned 9.34%, while the J.P. Morgan Emerging Markets Bond Index was up a dramatic 29.46%.

Interview with David Murphy,
Portfolio Manager of Spartan California Intermediate Municipal Portfolio
Q. DAVID, HOW DID THE FUND DO?

A. The fund's total return from the start of operations on December 30, 1993 to February 28, 1994 was -1.72%.

Q. WHAT ACCOUNTED FOR THE NEGATIVE RETURN?

A. In February, the Federal Reserve raised short-term interest rates, which caused short-term bond prices to fall. That also caused longer-term bond prices to drop, which in turn hurt the fund's investments. Despite the municipal bond market's negative reaction, I still think interest rates will continue to stay low over the long term. My view is that the Fed is very serious about being the inflation watchdog. Low inflation is generally good for bonds. Historically, a pick-up in the economy - like we saw in the fourth quarter of 1993 - means higher inflation. But this time, I don't think that relationship will hold up.

Q. WHY IS THAT?

A. Because I think that inflation is low, lower than the market has anticipated. We still haven't seen a broad-based increase in any of the three basic components of higher inflation: commodity prices, labor costs, and the cost of borrowing money. While it's true that some commodity prices - like gold, grains, and copper - have risen, others - like oil - haven't. Plus, some of the hike in agricultural products was due to extraordinary factors like last year's flood and the recent cold weather.

Q. AND THE OTHER TWO INFLATIONARY SIGNALS?

A. On the wage side, many U.S. companies now have the flexibility to move their production overseas, where labor prices are often cheaper, and that has kept pressure on labor costs here. Also, productivity has increased, which means the actual cost of producing one unit of a given good has come down. Finally, the cost of borrowing money is still low. In my view, these all add up to continued low inflation, which in turn could lead to falling interest rates, especially in the longer end of the maturity spectrum between 10 and 30 years.

Q. WHAT'S YOUR VIEW OF THE CALIFORNIA ECONOMY?

A. My view is that the California economy is at a turning point. I think we should start to see evidence of expansion soon, even though that expansion will be modest initially. Employment in California is expected to grow in 1994, and there's been a rebound in retail sales and help-wanted advertising. Plus, the passage of NAFTA should be a positive for the state. Finally, federal assistance and private insurance payments stemming from the recent Los Angeles earthquake will provide a \$14 billion stimulus for California.

Q. IS YOUR OUTLOOK FOR THE STATE'S FISCAL SITUATION ALSO POSITIVE?

A. On that front I have a few concerns. First, the state has drawn down its budget reserves. And second, the proposed 1994 budget assumes a \$2.5 billion federal government appropriation earmarked for immigration issues. Yet it's not certain that appropriation will materialize. But, as the economy improves, so should tax revenues. As more people get back into the work force, income tax receipts will rise. If retail sales improve that would translate into higher sales tax revenues. The effect of those factors probably won't be felt for at least a year. So I think the state will continue to face fiscal pressures for the next 12 months.

Q. IN LIGHT OF THOSE CONCERNS, WHAT HAS YOUR STRATEGY BEEN?

A. Since we haven't seen a significant rebound yet, I've mainly focused on higher quality bonds. The fund's stake in Aaa bonds was 35.5% on February 28. As the economic rebound gains momentum, I may add some A- and Baa-rated bonds. In terms of maturity, I've concentrated on bonds with 10- to 15-year maturities. Out to 15 years, the yield curve - meaning the difference in yield between different maturity bonds - is steep. That means you get more yield buying 12-year bonds than five-year bonds. Beyond 15 years, the yield curve is flat and you don't get rewarded much for buying a longer-term bond.

Q. WHAT DO YOU THINK INVESTORS CAN EXPECT FOR THE NEXT SIX MONTHS?

A. Over the short term, more volatility. The municipal bond market seems to be expecting the Fed to raise short-term interest rates to 4%. Until that happens, the market probably will remain unsettled. But eventually, I believe that long-term municipal rates could start to fall again, and that intermediate rates could come down as well. Plus, the dwindling supply of municipal bonds should help. Falling interest rates and a shrinking supply would be positive for municipal bond prices.

FUND FACTS

GOAL: to provide current income exempt from federal and state income taxes

START DATE: December 30, 1993

SIZE: as of February 28, 1994, over \$22 million

MANAGER: David Murphy, since December, 1993; manager,

Spartan New York Intermediate Portfolio, since December, 1993; Spartan Intermediate Municipal Portfolio, since April 1993; Spartan New Jersey Municipal High Yield Portfolio, since April 1991; Fidelity Limited Term Municipals, since December 1989; Spartan Short-Intermediate Municipal Fund, since December 1989 (checkmark)

DAVID MURPHY ON INTERMEDIATE BONDS:

"I think that intermediate bonds in the five- to 15- year range will be attractive in 1994. The yield curve - or the difference in yield between bonds with various maturities - is very steep up

to 15 years. At the end of the period, a 15-year California Aaa bond paid about 5.40% yield, compared to a five-year bond which paid 4.40%. But in the 15- to 30-year range, the curve was flat. In that longer range, you only got rewarded with about one-quarter of a percentage in incremental yield. What's more, some institutional investors have started to increase their investments in intermediate bonds. That increased demand could be a positive for intermediate municipal bond prices."

(bullet) About one-fifth of the fund's investments were in utilities - - like water, sewer, and electric revenue bonds - on February 28, 1994. These were attractive because the utilities have a stable cash flow, which helps insulate them during times when the economy is weak.

(bullet) Health-care bonds were the fund's second largest concentration, at 19.2% of the total investments. They were attractive because of their relatively high yields.

SPARTAN CALIFORNIA INTERMEDIATE MUNICIPAL PORTFOLIO

INVESTMENT SUMMARY

TOP FIVE SECTORS AS OF FEBRUARY 28, 1994
% OF FUND'S
INVESTMENTS

Health Care	19.2
Lease Revenue	19.2
Water & Sewer	12.5
Special Tax	9.9
Electric Revenue	8.4

AVERAGE YEARS TO MATURITY AS OF FEBRUARY 28, 1994

Years 8.3

AVERAGE YEARS TO MATURITY SHOWS THE AVERAGE TIME UNTIL THE PRINCIPAL OF THE BONDS IN THE FUND IS EXPECTED TO BE REPAID, WEIGHTED BY DOLLAR AMOUNT. DURATION AS OF FEBRUARY 28, 1994

Years 6.0

DURATION SHOWS HOW MUCH A BOND'S PRICE FLUCTUATES WITH CHANGES IN INTEREST RATES. IF RATES RISE 1%, FOR EXAMPLE, THE SHARE PRICE OF A FUND WITH A FIVE-YEAR DURATION WILL FALL 5%.

QUALITY DIVERSIFICATION AS OF FEBRUARY 28, 1994

(MOODY'S RATINGS)

Aaa	35.5%
Aa, A	46.3%
Baa	18.2%
Ba, B	0%
Non-rated	0%
Row: 1, Col: 1, Value:	35.5
Row: 1, Col: 2, Value:	46.3
Row: 1, Col: 3, Value:	18.2
Row: 1, Col: 4, Value:	0.0
Row: 1, Col: 5, Value:	0.0

THIS CHART EXCLUDES SHORT-TERM INVESTMENTS. WHERE MOODY'S RATINGS ARE NOT AVAILABLE, WE HAVE USED S&P RATINGS.

SPARTAN CALIFORNIA INTERMEDIATE MUNICIPAL PORTFOLIO

INVESTMENTS/FEBRUARY 28, 1994

(Showing Percentage of Total Value of Investments)

MUNICIPAL BONDS - 78.7%

MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)

CALIFORNIA - 76.8%

ABAG Fin. Auth. for Nonprofit Corp.

Cfts. of Prtn. (Stanford Univ. Hosp.)

5% 11/1/04 Aa \$ 400,000 \$ 401,500 00037EBA

California Health Facs. Fing. Auth. Rfdg.

(Catholic Healthcare West) 5% 7/1/07

(AMBAC Insured) Aaa 220,000 210,375 13033ABJ

California Pub. Wrks. Board Lease Rev.

Rfdg. Dept. State Prisons Series A,

5% 12/1/01 A1 200,000 199,500 13068GNR

California Statewide Commtys. Dev. Corp.

Auth. Rev. Ctfs. of Prtn. Rfdg. (Insured Hosp.)

(Triad Healthcare):

5.25% 8/1/97 A+ 250,000 247,812 130909CF

5.90% 8/1/01 A+ 200,000 202,250 130909CK

6.25% 8/1/06 A+ 1,000,000 1,013,750 130909CM

California University Rev. Rfdg.

(Multiple Purp. Projs.) Series C:

Rfdg. (Multiple Purp. Projs.)

Series C, 4.80% 9/1/07

(AMBAC Insured) Aaa 300,000 286,500

Series C, 9% 9/1/02

(AMBAC Insured) Aaa 100,000 128,500 914113UE

Carson Redev. Agcy. Rfdg.

(Redev. Proj. Area 2) (Tax Allocation)

5.50% 10/1/02 Baa 100,000 99,625 145750DK

Central Valley Fin. Auth. Cogeneration Proj.

Rev. (Carson Ice Proj.) 5.80% 7/1/04 BBB- 200,000 199,500 155689AJ

Clovis Unified School Dist. (Cap. Appreciation)

Series B, 0% 8/1/02 A1 300,000 192,750 189342QF

Cucamonga County Ctfs. of Prtn. Wtr. Dist.

Facs. Proj. 5% 9/1/10 (FGIC Insured) Aaa 455,000 431,112 229694CV

Fresno Swr. Rev. Series A-1, 5% 9/1/08,

(AMBAC Insured) Aaa 105,000 101,587 358229CD

Los Angeles County Ctfs. of Prtn.

(Multiple Cap. Facs. Proj.) 8.55%

11/1/01 (d) A1 200,000 220,000 544663R9

Los Angeles County Metropolitan Trans. Auth.

Sales Tax Rev. Rfdg. Series A:

5.20% 7/1/04 A1 750,000 749,063 544712AM

5.50% 7/1/09 A1 300,000 294,750 544712AA

Los Angeles Dept. of Wtr. & Pwr. Elec. Rev.:

Rfdg. 4.75% 8/15/07 Aa 800,000 756,000 544507LH

9% 10/15/01 Aa 110,000 138,875 544507JH

MUNICIPAL BONDS - CONTINUED

MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)

CALIFORNIA - CONTINUED

Northern California Pwr. Agcy. Multiple Cap.

Facs. Rev. Series A, 6% 8/1/03,

(MBIA Insured) Aaa \$ 300,000 \$ 323,625 664842AH

Orange County Dev. Agcy. Tax Allocation

(Santa Ana Heights Proj.) 5.80% 9/1/03 Baal 1,235,000 1,230,369

684246BU

Palomar Pomerado Health Sys. Rev. 5%

11/1/07 (MBIA Insured) Aaa 300,000 287,250 69753EAP

Port Oakland Port. Rev. Rfdg. Series F, 0%

11/1/05, (MBIA Insured) Aaa 300,000 161,625 734897RP

Rancho Cucamonga Redev. Agcy. Tax

Allocation (Rancho Redev. Proj.) 5% 9/1/10

(MBIA Insured) Aaa 300,000 286,125 752123DJ

Redlands Ctfs. of Prtn. Rfdg.

(Wtr. Treatment Facs. Proj.)

4.5% 9/1/15, (FGIC Insured) Aaa 930,000 942,788 757564GL

Riverside County Trans. Commtys. Sales Tax

Rev. Series A, 5.40% 6/1/03

(AMBAC Insured) Aaa 500,000 517,500 769125BB

Rosemead Redev. Agcy.

(Subordinated Lien Tax Allocation Proj.

Area 1) 0% 10/1/98 A- 1,120,000 908,600 777520BH

San Bernadino County Ctfs. of Prtn. Med.

Ctr. Fing. 5.25% 8/1/05 (f) Baal 1,235,000 1,171,706 796815NX

San Diego County Ctfs. of Prtn. Rfdg.

5.25% 9/1/04 (AMBAC Insured) Aaa 500,000 509,375 797391HP
San Diego County Reg.'l Trans. Common
Sales Tax Rev. Rfdg. Series A, 5.20%
4/1/05 (FGIC Insured) Aaa 100,000 100,500 797400CC
San Diego Swr. Rev. Series A, 4.90%
5/15/09 (AMBAC Insured) Aaa 500,000 472,500 797304EB
San Diego Unified School Dist. Ctfs. of Prtn.
Rfdg. Cap. Proj. Series B, 5.25%
7/1/02 Aa 400,000 411,000 797358CU
San Francisco Bldg. Auth. Lease Rev. Dept.
Gen'l Svcs. Lease Series A:
5% 10/1/05 A1 400,000 388,000 79772LAM
5.10% 10/1/06 (MBIA Insured) Aaa 300,000 296,625 79772LAU
Sequoia Hosp. Dist. Rev.:
Rfdg. 5% 8/15/03 A 1,285,000 1,264,119 817393BU
4.90% 8/15/02 A 500,000 492,500 817393BT
Southern California Pub. Pwr. Auth. Pwr. Proj. Rev.:
Rfdg. (Mead Adelanto Proj.)
Series A, 4.75% 7/1/08
(AMBAC Insured) (f) Aaa 500,000 464,375 842475QZ
MUNICIPAL BONDS - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
Southern California Pub. Pwr. Auth. Pwr. Proj. Rev.: - continued
Rfdg. (Mead Adelanto Proj.)
Series 11, 0% 7/1/15,
(Pre-Prefunded to 7/1/00 @ 101) (e) Aaa \$ 300,000 \$ 224,625 842475JW
Walnut Creek Ctfs. of Prtn. Rfdg.
(John Muir Med. Ctr.) 4.95% 2/15/05
(MBIA Insured) Aaa 300,000 289,875 932702CD
16,616,531
PUERTO RICO - 1.9%
Puerto Rico Commonwealth Gen. Oblig.
5.70% 7/1/08 Baa1 300,000 303,750 745144EB
Puerto Rico Commonwealth Rfdg. Impt.
Gen. Oblig. 5.375% 7/1/06 Baa1 100,000 99,875 745144KE
403,625
TOTAL MUNICIPAL BONDS
(Cost \$17,419,727) \$ 17,020,156
MUNICIPAL NOTES (A) - 21.3%
CALIFORNIA - 21.3%
California Poll. Cont. Fing. Auth.
Resources Recovery Rev. VRDN (b):
(Delano Proj.) Series 1991, 2.30%,
LOC Algemene/ABN-AMRO Bank P-1 200,000 200,000 130535BE
(Malaga Proj.) Series A, 2.35%,
LOC Bank of America Nat'l.
Trust & Savings - 700,000 700,000 130535AP
(Ultra Pwr. Rocklin Proj.) Series 1988 B,
2.35%, LOC Bank of America Nat'l.
Trust & Savings - 700,000 700,000 130535AN
Los Angeles County Ind. Dev. Auth.
(Cataic & Jae Proj.) 2.45%,
LOC Union Banc Corp., VRDN (b) - 800,000 800,000 544689CX
Los Angeles County Trans. Commission Sales
Tax Rev. Rfdg. Series 1992 A, 2.25%
(Liquidity Enhancement Industrial Bank of
Japan Ltd., VRDN VMIG 1 800,000 800,000 545170HL
Orange County Various Sanitation Dist.
Ctfs. of Prtn. (Cap. Impt. Prog.)
(Dist. 1-7 & 11) 2.20%,
(FGIC Insured), VRDN VMIG 1 700,000 700,000 684285BK
MUNICIPAL NOTES (A) - CONTINUED
MOODY'S RATINGS PRINCIPAL VALUE
(UNAUDITED) (B) AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
Southern California Pub. Pwr. Auth. Rev.
(Transmission Proj.) Series 1991, 2.25%,
(AMBAC Insured) LOC Swiss Bank, VRDN VMIG 1 \$ 700,000 \$ 700,000 842477HH
TOTAL MUNICIPAL NOTES
(Cost \$4,600,000) \$ 4,600,000
TOTAL INVESTMENTS - 100%
(Cost \$22,019,727) \$ 21,620,156

SECURITY TYPE ABBREVIATIONS

VRDN - Variable Rate Demand Notes

LEGEND

(a) The coupon rate shown on floating or adjustable rate securities represents the rate at period end.

(b) Private activity obligations whose interest is subject to the federal

alternative minimum tax for individuals (AMT securities).
(c) Standard & Poor's Corporation credit ratings are used in the absence of a rating by Moody's Investors Service, Inc.
(d) Inverse floating rate security is a security where the coupon is inversely indexed to a floating interest rate. The price will be more volatile than the price of a comparable fixed rate security.
(e) Security collateralized by an amount sufficient to pay interest and principal.
(f) Security purchased on a delayed delivery basis (see Note 2 of Notes to Financial Statements).

OTHER INFORMATION

The composition of long-term debt holdings as a percentage of total value of investment in securities, is as follows (ratings are unaudited):

MOODY'S RATINGS S&P RATINGS
Aaa, Aa, A 53.4% AAA, AA, A 71.7%
Baa 13.4% BBB 7.1%
Ba 0.0% BB 0.0%
B 0.0% B 0.0%
Caa 0.0% CCC 0.0%
Ca, C 0.0% CC, C 0.0%
D 0.0%

The percentage not rated by either S&P or Moody's amounted to 0.0%.
The distribution of municipal securities by revenue source, as a percentage of total value of investment in securities, is as follows:

Health Care 19.2%
Lease Revenue 19.2
Water & Sewer 12.5
Others (individually less than 10%) 49.1
TOTAL 100.0%

INCOME TAX INFORMATION

At February 28, 1994 the aggregate cost of investment securities for income tax purposes was \$22,019,727. Net unrealized depreciation aggregated \$399,571, of which \$125 related to appreciated investment securities and \$399,696 related to depreciated investment securities.

SPARTAN CALIFORNIA INTERMEDIATE MUNICIPAL PORTFOLIO

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

<TABLE> <CAPTION> <S>	<C>	<C>
DECEMBER 30, 1993 (COMMENCEMENT OF OPERATIONS) TO FEBRUARY 28, 1994		
146.ASSETS	147.	148.
149.Investment in securities, at value (cost \$22,019,727) (Notes 1 and 2) - See accompanying schedule	150.	\$ 21,620,156
151.Cash	152.	4,120,719
153.Interest receivable	154.	198,003
155.Receivable from investment adviser for expense reductions (Note 5)	156.	7,123
157. 158.TOTAL ASSETS	159.	25,946,001
160.LIABILITIES	161.	162.
163.Payable for investments purchased Delayed delivery (Note 2)	\$ 3,224,966	164.
165.Dividends payable	1,044	166.
167.Accrued management fee	7,123	168.
169. 170.TOTAL LIABILITIES	171.	3,233,133
172.173.NET ASSETS	174.	\$ 22,712,868
175.Net Assets consist of (Note 1):	176.	177.
178.Paid in capital	179.	\$ 23,112,439
180.Net unrealized appreciation (depreciation) on investment securities	181.	(399,571)

182.183.NET ASSETS, for 2,326,091 shares outstanding	184.	\$ 22,712,868
185.186.NET ASSET VALUE, offering price and redemption price per share (\$22,712,868 (divided by) 2,326,091 shares)	187.	\$9.76

</TABLE>

STATEMENT OF OPERATIONS

<TABLE>

<CAPTION>

<S>

	<C>	<C>
DECEMBER 30, 1993 (COMMENCEMENT OF OPERATIONS) TO FEBRUARY 28, 1994		
188.189.INTEREST INCOME	190.	\$ 60,323
191.EXPENSES	192.	193.
194.Management fee (Note 4)	\$ 7,123	195.
196.Non-interested trustees' compensation	-	197.
198.Total expenses before reductions	7,123	
199.Expense reductions (Note 5)	(7,123)	-
200.201.NET INTEREST INCOME	202.	60,323
203.UNREALIZED GAIN (LOSS) ON INVESTMENTS (NOTES 1 AND 3)	204.	205.
206.Change in net unrealized appreciation (depreciation) on investment securities	207.	(399,571)
208.209.NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	210.	\$ (339,248)

</TABLE>

STATEMENT OF CHANGES IN NET ASSETS

<TABLE>

<CAPTION>

<S>

	<C>	
		DECEMBER 30, 1993 (COMMENCEMENT OF OPERATIONS) TO FEBRUARY 28, 1994
211.INCREASE (DECREASE) IN NET ASSETS		
212.Operations	\$ 60,323	
Net interest income		
213. Change in net unrealized appreciation (depreciation) on investments	(399,571)	
214.	(339,248)	
215.NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS		
216.Dividends to shareholders from net interest income	(60,323)	
217.Share transactions	27,634,217	
Net proceeds from sales of shares		
218. Reinvestment of dividends from net interest income	49,121	
219. Cost of shares redeemed	(4,570,899)	
220.	23,112,439	
Net increase (decrease) in net assets resulting from share transactions		
221.	22,712,868	
222.TOTAL INCREASE (DECREASE) IN NET ASSETS		
223.NET ASSETS	224.	
225. Beginning of period	-	

226. End of period	\$ 22,712,868
227.OTHER INFORMATION	229.
228.Shares	
230. Sold	2,780,541
231. Issued in reinvestment of dividends from net interest income	5,010
232. Redeemed	(459,460)
233. Net increase (decrease)	2,326,091

</TABLE>

FINANCIAL HIGHLIGHTS

<TABLE>

<CAPTION>

<S>

234.	<C> DECEMBER 30, 1993 (COMMENCEMENT OF OPERATIONS) TO FEBRUARY 28, 199 4
------	--

235.SELECTED PER-SHARE DATA

236.Net asset value, beginning of period	\$ 10.000
237.Income from Investment Operations Net interest income	\$.070
238. Net realized and unrealized gain (loss) on investments	(.240)
239. Total from investment operations	(.170)
240.Less Distributions From net interest income	(.070)
241.Net asset value, end of period	\$ 9.760
242.TOTAL RETURN (dagger)	-1.71%

243.RATIOS AND SUPPLEMENTAL DATA

244.Net assets, end of period (000 omitted)	\$ 22,713
245.Ratio of expenses to average net assets (dagger) (dagger)	-
246.Ratio of expenses to average net assets before expense reductions (dagger) (dagger)	.55%*
247.Ratio of net interest income to average net assets	4.66%*
248.Portfolio turnover rate	-

</TABLE>

* ANNUALIZED

(dagger) TOTAL RETURNS DO NOT INCLUDE THE ACCOUNT CLOSEOUT FEE AND FOR PERIODS OF LESS THAN ONE YEAR ARE NOT ANNUALIZED. TOTAL RETURNS WOULD HAVE BEEN LOWER HAD CERTAIN EXPENSES NOT BEEN REDUCED DURING THE PERIODS SHOWN. (dagger) (dagger) SEE NOTE 5 OF NOTES TO FINANCIAL STATEMENTS. SPARTAN CALIFORNIA MUNICIPAL MONEY MARKET PORTFOLIO

PERFORMANCE: THE BOTTOM LINE

To measure a money market fund's performance, you can look at either total return or yield. Total return reflects the change in a fund's share price over a given period, reinvestment of its dividends (or income), and the effect of the fund's \$5 account closeout fee. Yield measures the income paid by a fund. Since a money market fund tries to maintain a \$1 share price, yield is an important measure of performance. Both the fund's returns and yields would have been lower if Fidelity hadn't reimbursed certain fund expenses.

CUMULATIVE TOTAL RETURNS
PERIODS ENDED FEBRUARY 28, 1994

PAST 1 YEAR LIFE OF FUND

Spartan California Municipal Money Market	2.45%	18.04%
Consumer Price Index	2.52%	16.52%
Average California Tax-Free Money Market Fund	1.96%	15.40%

CUMULATIVE TOTAL RETURNS reflect actual performance over a set period - in this case, one year or since the fund started on November 27, 1989. For example, if you invested \$1,000 in a fund that had a 5% return over the past year, you would have \$1,050. Comparing the fund's performance to the consumer price index (CPI) helps show how your investment did compared to inflation. To measure how the fund stacked up against its peers, you can compare its return to the average California tax-free money market fund's total return. This average currently reflects the performance of 42 California tax-free money market funds tracked by IBC/Donoghue. (The periods covered by the CPI and IBC/Donoghue numbers are the closest available match to those covered by the fund.)

AVERAGE ANNUAL TOTAL RETURNS PERIODS ENDED FEBRUARY 28, 1994	PAST 1 YEAR	LIFE OF FUND
Spartan California Municipal Money Market	2.45%	3.97%
Consumer Price Index	2.52%	3.66%
Average California Tax-Free Money Market Fund	1.96%	3.43%

AVERAGE ANNUAL TOTAL RETURNS take the fund's actual (or cumulative) return and show you what would have happened if the fund had performed at a constant rate each year.

YIELDS	2/28/93	5/31/93	8/31/93	11/30/93	2/28/94
Spartan California Municipal Money Market	2.16%	2.79%	2.53%	2.37%	2.44%
Average California Tax-Free Money Market Fund	1.75%	2.22%	2.01%	1.92%	1.96%
Spartan California Municipal Money Market - Tax-equivalent	3.79%	4.90%	4.44%	4.16%	4.28%
Average All Taxable Money Market Fund	2.71%	2.62%	2.64%	2.69%	2.79%

Row: 1, Col: 1, Value: 2.16
 Row: 1, Col: 2, Value: 1.75
 Row: 2, Col: 1, Value: 2.79
 Row: 2, Col: 2, Value: 2.22
 Row: 3, Col: 1, Value: 2.53
 Row: 3, Col: 2, Value: 2.01
 Row: 4, Col: 1, Value: 2.37
 Row: 4, Col: 2, Value: 1.92
 Row: 5, Col: 1, Value: 2.44
 Row: 5, Col: 2, Value: 1.96
 Spartan California
 Municipal Money
 Market
 Average California
 Tax-Free Money
 Market Fund
 3% -
 2% -
 1% -
 0%

YIELD refers to the income paid by the fund over a given period. Yields for money market funds are usually for seven-day periods, expressed as annual percentage rates. A yield that assumes income earned is reinvested or compounded is called an effective yield. The chart above shows the fund's current seven-day yield at quarterly intervals over the past year. You can compare these yields to the average all tax-free money market fund. Or you can look at the fund's tax-equivalent yield, which is based on a combined

effective 1994 federal and state income tax rate of 43.04%. The tax-equivalent figures are useful in seeing how the fund stacked up against the average taxable money market fund as tracked by IBC/Donoghue. A MONEY MARKET FUND'S TOTAL RETURNS AND YIELDS REFLECT PAST RESULTS RATHER THAN PREDICT FUTURE PERFORMANCE.

COMPARING PERFORMANCE

Yields on tax-free investments are usually lower than yields on taxable investments. However, a straight comparison between the two may be misleading because it ignores the way taxes reduce taxable returns. Tax-equivalent yield - the yield you'd have to earn on a similar taxable investment to match the tax-free yield - makes the comparison more meaningful. Keep in mind that the U.S. government neither insures nor guarantees a money market fund. In fact, there is no assurance that a money fund will maintain a \$1 share price.

(checkmark)

SPARTAN CALIFORNIA MUNICIPAL MONEY MARKET PORTFOLIO

FUND TALK: THE MANAGER'S OVERVIEW

An interview with Deborah Watson, Portfolio Manager of Spartan California Municipal Money Market Portfolio

Q. DEBORAH, HOW HAS THE SHORT-TERM MARKET BEHAVED OVER THE LAST SIX MONTHS?

A. Short-term interest rates remained stable through the fall, despite a mild uptick in November fueled by inflation fears. The Federal Reserve kept the federal funds rate at or near 3% from August through January. Then, on February 4, the Fed pushed the fed funds rate up to 3.25%, essentially raising all short-term rates.

Q. WAS THE FUND WELL POSITIONED FOR HIGHER RATES?

A. For the most part, yes. I had gradually reduced the fund's average maturity through the fall and early winter; it fell from 79 days at the end of August to 48 days at the end of January. The fund's shorter average maturity will allow me to capture the higher yields available following February's rate hike. In addition, supply and demand played a role in how I positioned the fund earlier in the year. California usually issues its heaviest supply of new obligations during the summer months, and 1993 was no exception. I lengthened the fund's average maturity through August, and was able to lock in higher-yielding issues before rates fell further. Issuance then slowed heading into fall, which, combined with my growing expectation of higher interest rates, caused me to gradually shorten the average maturity.

Q. HOW DID CALIFORNIA'S RECESSION AFFECT THE FUND?

A. The state's weak economy caused the financial health of many California issuers to deteriorate. That meant there were fewer securities available that met Fidelity's high standards for credit quality. However, I compensated by buying more of those that did, resulting in little effect on the fund's yield. Rebuilding efforts after January's earthquake should boost economic growth in 1994. However, the annual borrowing season for state and local governments is fast approaching, and their financial picture hasn't improved. This may further reduce the supply of high quality issues in California this summer.

Q. HOW DID THE FUND PERFORM?

A. The fund's seven-day yield on February 28 was 2.44%, up from 2.16% a year ago. The latest yield translates into a tax equivalent yield of 4.28% for investors in the 43.04% combined federal and state tax bracket. The fund's total return - which assumes reinvestment of monthly dividends - for the 12 months ended February 28 was 2.45%. The average California tax-free money market fund tracked by IBC/Donoghue returned 1.96% during the same period.

Q. WHAT'S YOUR VIEW GOING FORWARD?

A. I think short-term interest rates will probably rise gradually over the next six months, while the Fed continues inching up the fed funds rate to control inflation. That said, I'll probably keep the fund's average maturity in a neutral 35- to 50-day range. In addition, I've increased the fund's stake in variable rate instruments to 59.3% by February 28. The coupons (stated interest rates) on these securities are reset at fixed intervals - for example, weekly or monthly - so when rates rise, the fund can benefit from higher coupons at these reset intervals.

FUND FACTS

GOAL: tax-free income with share price stability by investing in high-quality, short-term California municipal securities
 START DATE: November 27, 1989
 SIZE: as of February 28, 1994, over \$1 billion
 MANAGER: Deborah Watson, since November 1989; manager, Fidelity California Tax-Free Money Market Portfolio, since July 1988; Spartan Florida Municipal Money Market Portfolio, since August 1992; Spartan Pennsylvania Municipal Money Market Portfolio, since September 1989
 (checkmark)

WORDS TO KNOW

COMMERCIAL PAPER: A security issued by a municipality to finance capital or operating needs.

FEDERAL FUNDS RATE: The interest rate banks charge each other for overnight loans.

MATURITY: The time remaining before an issuer is scheduled to repay the principal amount on a debt security. When the fund's average maturity - weighted by dollar amount - is short, the fund manager is anticipating a rise in interest rates. When the average maturity is long, the manager is expecting rates to fall.

When the average maturity is neutral, the manager wants the flexibility to respond to rising rates, while still capturing a portion of the higher yields available from issues with longer maturities.

MUNICIPAL NOTE: A security issued in advance of future tax or other revenues and payable from those specific sources.

TENDER BOND: A variable-rate, long-term security that gives the bond holder the option to redeem the bond at face value before maturity.

VARIABLE RATE DEMAND NOTE (VRDN): A tender bond that can be redeemed on short notice, typically one or seven days. VRDNs are useful in managing the fund's average maturity and liquidity.

SPARTAN CALIFORNIA MUNICIPAL MONEY MARKET PORTFOLIO

INVESTMENT CHANGES

MATURITY DIVERSIFICATION

DAYS	% OF FUND ASSETS 2/28/94	% OF FUND ASSETS 8/31/93	% OF FUND ASSETS 2/28/93
0 - 30	66.8	66.8	61.8
31 - 90	12.3	8.0	14.8
91 - 180	20.3	5.8	19.7
181 - 397	0.6	19.4	3.7

WEIGHTED AVERAGE MATURITY
2/28/94 8/31/93 2/28/93

Spartan California Municipal
Money Market 43 days 79 days 49 days

Average California Municipa
l Money Market Fund* 50 days 72 days 52 days

ASSET ALLOCATION
AS OF 2/28/94 AS OF 8/31/93

Row: 1, Col: 1, Value: 59.3
Row: 1, Col: 2, Value: 15.2
Row: 1, Col: 3, Value: 3.0
Row: 1, Col: 4, Value: 23.7
Row: 1, Col: 5, Value: 2.0
Row: 1, Col: 1, Value: 55.8
Row: 1, Col: 2, Value: 11.4
Row: 1, Col: 3, Value: 4.5
Row: 1, Col: 4, Value: 27.1
Row: 1, Col: 5, Value: 2.2

Variable rate
demand notes
(VRDNs) 59.3%
Commercial
paper 15.2%
Tender bonds 1.7%
Municipal
notes 23.7%
Other 0.1%
Variable rate
demand notes
(VRDNs) 55.8%
Commercial
paper 11.4%
Tender bonds 4.5%
Municipal
notes 27.1%
Other 1.2%

* SOURCE: IBC/DONOGHUE'S MONEY FUND REPORT(Registered trademark)
SPARTAN CALIFORNIA MUNICIPAL MONEY MARKET PORTFOLIO

INVESTMENTS/FEBRUARY 28, 1994
(Showing Percentage of Total Value of Investments)

MUNICIPAL SECURITIES (A) - 100%
PRINCIPAL VALUE
AMOUNT (NOTE 1)

CALIFORNIA - 100.0%
Alameda County TRAN 3.25% 7/29/94 \$ 15,000,000 \$ 15,027,910 010878AB
Anaheim Ctfs. of Prtn. Series 1993, 2.25%, (Liquidity
Enhancement Industrial Bank of Japan), VRDN 5,500,000 5,500,000
032540KQ
Anaheim Hsg. Auth. (Bel Age Apt. Proj.)
Nationwide Grantor Trust Series 1991-1Q, 2.50%,
LOC Federal Home Loan Bank of
San Francisco, VRDN (b)(c) 1,000,000 1,000,000
Anaheim Hsg. Auth. Multi-Family Hsg. Rev.
(Sage Park Proj.) Series A, 2.50%,
LOC Bank of America, VRDN (b) 1,600,000 1,600,000 032557BB
Anaheim Hsg. Auth. Rev. (Park Vista Apts) 2.50%
LOC Citibank, VRDN (b) 7,000,000 7,000,000 032557BH
City of Big Bear Lake Ind. Dev.
(Southwest Gas Corp. Proj.)
Series 1993 A, 2.40%,
LOC Union Bank of Switzerland, VRDN (b) 2,000,000 2,000,000 08901KAR
California Dept. of Wtr. Resources Tender Opt. Ctfs.:
(Central Valley Proj.) Series R-3, 2.50%
(Liquidity Enhancement Svenska
Handelsbanken), VRDN (c) 23,000,000 23,000,000 130663V8
Series R-4, 2.50% (Liquidity Enhancement Svenska
Handelsbanken), VRDN (c) 6,000,000 6,000,000 130663W3
California Gen. Oblig. Adj. Rate RAN 2.55%
6/28/94 30,500,000 30,500,000 130619D5
California Gen. Oblig. RAN, 3.5% 6/28/94 26,250,000 26,300,597 130619D4
California Hsg. Fin. Agcy. Home Mtg. Rev. Tender Option
Ctfs. Series 19B, 2.60%, (Liquidity Enhancement
Banque Nationale De Paris), VRDN (b)(c) 15,200,000 15,200,000 13033CC8
California Hsg. Fin. Agcy. Custodial Receipts, Series 15,

2.60%, (Liquidity Enhancement Daichi Kango Bank), VRDN (b) (c) 11,590,000 11,590,000 13033CWJ
California Hsg. & Fing. Auth. Rev. (Camino Colony Apts.) Series 1993 B, 2.50%, LOC Federal Home Loan
Bank of San Francisco, VRDN 3,600,000 3,600,000 13033CP8
California Poll. Cont. & Fing. Auth. 1st Mtg. Rev. Bonds, (Southern California Edison Co.) Series 1985 C, 2.40% 4/6/94, CP mode 4,300,000 4,300,000 130995GB
California Poll. Cont. Fing. Auth. Resource Recovery Rev.: (Delano Proj.), LOC Algemene Bank, VRDN (b):
Series 1989, 2.30%, 3,500,000 3,500,000 130535AZ
Series 1990, 2.30% 1,000,000 1,000,000 130535BB
Series 1991, 2.30% 4,100,000 4,100,000 130535BE
(Malaga Proj.) Series A, 2.35%, LOC Bank of America, VRDN (b) 3,400,000 3,400,000 130535AP

MUNICIPAL SECURITIES (A) - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)

CALIFORNIA - CONTINUED
California Poll. Cont. Fing. Auth. Resource Recovery Rev. - continued: (Ultra Pwr. Rocklin Proj.) Series 1988 B, 2.50%, LOC Bank of America, VRDN (b) \$ 900,000 \$ 900,000 130535AN
California Poll. Contr. & Fing. Auth. Rev. (Pacific Gas & Elec. Co.): Rfdg. Series 1988 B,
LOC Sumitomo Bank of Japan Ltd., CP mode (b):
2.50% 3/22/94 2,600,000 2,600,000 130995GJ
2.55% 4/25/94 4,500,000 4,500,000 130995GJ
2.60% 5/16/94 4,400,000 4,400,000 130995GJ
2.60% 5/20/94 3,000,000 3,000,000 130995GQ
Series 1988 A, LOC Swiss Bank Corp., CP mode (b):
2.40% 4/13/94 3,000,000 3,000,000 130995FW
2.45% 4/21/94 8,500,000 8,500,000 130995GC
2.45% 4/22/94 8,500,000 8,500,000 130995GD
2.60% 5/12/94 3,000,000 3,000,000 130995GL
2.60% 5/13/94 6,500,000 6,500,000 130995GK
2.60% 5/19/94 3,000,000 3,000,000 130995GP
2.70% 5/24/94 10,000,000 10,000,000 130995GS
2.70% 5/25/94 12,000,000 12,000,000 130995GR
Series 1988 C, 2.30% 4/11/94 LOC Credit Suisse, CP mode 3,600,000 3,600,000 130995FU
Series 1988 D, LOC Bank of Tokyo, CP mode:
2.35% 3/23/94 2,655,000 2,655,000 130995FX
2.35% 4/8/94 9,500,000 9,500,000 130995FV
Series 1988 E, 2.50% 5/16/94,
LOC Morgan Guaranty Trust Co., CP mode 2,000,000 2,000,000 130995GM
(Southern California Edison Co.) 130995GG
Series 1985 D, 2.50% 4/18/94, CP mode 3,000,000 3,000,000 130995GG
California Poll. Cont. Fing. Auth. Solid Waste Disp. Rev. (Colmac Energy Proj.) LOC Swiss Bank, VRDN:
Series A, 2.40% 4,000,000 4,000,000 130536BA
Series B, 2.40% 5,000,000 5,000,000 130536BB
California Statewide Commtty. Dev. Corp. Ind. Dev. Rev., VRDN:
(AHNNN Proj.) 2.45%, LOC Bank of Tokyo 440,000 440,000 130905AM
(American Zettler, Inc. Proj.) 2.45%, LOC Bank of Tokyo 2,500,000 2,500,000 130905AC
(Bro-Co Gen. Partnership Proj.) Series 1990, 2.45%, LOC Union Bank 4,520,000 4,520,000 130905BL
(Charles & Loralie Harris Proj.) 2.45%, LOC Bank of Tokyo 1,070,000 1,070,000 130905AK

MUNICIPAL SECURITIES (A) - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)

CALIFORNIA - CONTINUED
California Statewide Commtty. Dev. Corp. Ind. Dev. Rev., VRDN: - continued
(Covenant Retirement Commtty.) 2.45%, LOC Lasalle Nat'l Bank \$ 4,800,000 \$ 4,800,000 130907CX
(Florestone Prod. Co.) Series 1989, 2.45%, LOC Bank of Tokyo (b) 490,000 490,000 130905AF
(Grundfos Pumps Corp. Proj.) Series 1989, 2.45%, LOC Bank of Tokyo 5,700,000 5,700,000 130905AG
(K.U.M. LTD Proj.) Series 1992, 2.45%, LOC Union Bank (b) 2,000,000 2,000,000 130905CA
(Merrill Packaging Proj.) 2.65% LOC Bank of Tokyo (b) 2,095,000 2,095,000 130905CC
(Northwest Pipe & Casing Co. Proj.) Series 1990, 2.45%, LOC Bank of Tokyo 4,250,000 4,250,000 130905BA
(Rapelli of California Inc. Proj.) Series 1989, 2.45%, LOC Bank of Tokyo 2,500,000 2,500,000 130905AX
(Santa Cruz-Wilson Entities Ltd. Proj.) 2.70% LOC Bank of Tokyo, VRDN (b) 1,485,000 1,485,000 80174PAA
(Sierra Spring Wtr. Co.) LOC Bank of Tokyo, VRDN:

(Manteca Proj.) Series 1989, 2.45%, VRDN 695,000 695,000 130905AV
(Richmond Proj.) 2.45% 1,040,000 1,040,000 130905AU
(Sacramento Proj.) Series 1989, 2.45% 1,435,000 1,435,000 130905AP
(Staub Metals) 2.45%,
LOC Bank of Tokyo 440,000 440,000 130905AT
(Sunclipse, Inc., Alhambra Proj.) Series 1989, 2.45%,
LOC Bank of Tokyo, VRDN 2,600,000 2,600,000 130905AN
(Sunclipse, Inc., Union City Proj.) Series 1989, 2.45%,
LOC Bank of Tokyo, VRDN 2,500,000 2,500,000 130905AQ
(Upholstery Supply Proj.) Series 1990, 2.45%,
LOC Bank of Tokyo 700,000 700,000 130905BC
(Zarn Inc. Proj.) Series 1989, 2.45%,
LOC Bank of Tokyo, VRDN (b) 1,950,000 1,950,000 130905AJ
(Ziemann Manufacturing Co. Proj.) Series 1990, 2.45%,
LOC Bank of Tokyo, VRDN 595,000 595,000 130905BB
California Various Purpose Gen. Oblig. Custodial Receipts,
2.45%, (AMBAC Insured), (Liquidity
Enhancement Citibank), CP mode(c) 7,925,000 7,925,000 130622WG
Chula Vista Ind. Dev. Rev.:
(San Diego Gas & Elec. Co.):
Series B, 2.45%, VRDN (b) 3,700,000 3,700,000 17131HAB
Series D, 2.30% 3/1/94, CP mode (b) 2,000,000 2,000,000 177199BA
Series E:
2.65% 3/10/94, CP mode (b) 2,500,000 2,500,000 17199BAS
2.70% 3/11/94, CP mode(b) 3,000,000 3,000,000 17199BAT

MUNICIPAL SECURITIES (A) - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
Concord Hsg. Auth. (Crossroads Apt. Proj.) First Nationwide
Grantor Trust Series 1991-1E, 2.50%, LOC Federal
Home Loan Bank of San Francisco, VRDN (c) \$ 1,100,000 \$ 1,100,000
206131AA
Concord Multi-Family Hsg. Rev. (Hill Apt. Proj.) 2.50%,
LOC Citibank, VRDN(b) 9,050,000 9,050,000 206131AA
Contra Costa Multi Family Hsg. Rev.
(Park Regency) Series A, 2.45,
LOC Sumitomo Bank,VRDN (b) 6,300,000 6,300,000 212249AB
Contra Costa County TRAN Series A, 3.25% 7/29/94 12,930,000 12,951,609
212219BV
Contra Costa Transit Auth. Tax Rev. Series 1993 A,
2.40%, (FGIC Insured), VRDN 9,000,000 9,000,000 21221MBJ
Del Mar Race Track Auth. 2.60% 5/26/94
LOC Societe Generale, CP 5,500,000 5,500,000 2451259A
Duarte Single-Family Mtg. Rev. Trust Ctfs. 2.70%,
(Liquidity Enhancement Norwest Bank), VRDN (c) 5,355,000 5,355,000
263595AY
Emeryville Redev. Agcy. Multi-Family Hsg.
(Emerybay Apts. II) 2.65%,
LOC Security Pacific Nat'l. Bank, VRDN(b) 8,000,000 8,000,000 291200AA
Escondido Comnty. Dev. Commission Rev.
(Promenade Proj.) 2.65%,
LOC Bank of America, VRDN (b) 1,000,000 1,000,000 296338AA
Fairfield Ind. Dev. Auth., 3.05%,
LOC Wells Fargo Bank, VRDN (b) 1,800,000 1,800,000 303900AD
Fontana (Oakcrest Apt. Proj.) First Nationwide Grantor Trust
Series 1991-1G, 2.50%, LOC Federal Home Loan Bank
of San Francisco, VRDN (c) 4,200,000 4,200,000 303900AD
Fresno County Unified School Dist. TRAN 3.50% 8/11/94 14,500,000
14,528,245 358232AD
Fresno City Hsg. Rev. (Palm Lakes Apt. Proj.)
Series 1985, 3.75%, LOC Tokai Bank, VRDN 2,000,000 2,000,000 35823HAA
Fresno TRAN 3% 6/30/94 4,080,000 4,081,865 358082FQ
Garden Grove Hsg. Auth. Multi-Family Hsg. Rev.
(Valley View Sr. Villas Proj.) Series 1990 A, 2.95%,
LOC Wells Fargo Bank, VRDN (b) 5,200,000 5,200,000 365265AB
Huntington Beach Multi-Family Hsg. Rev.:
(Five Point Seniors Proj.) Series 1991 A, 2.95%,
LOC Wells Fargo Bank, VRDN (b) 6,400,000 6,400,000 446196AQ
(Seabridge Villas Proj.) Series 1985 A, 2.25%,
LOC Bank of America, VRDN 2,700,000 2,700,000 446196AA
Kern County Ctfs. of Prtn., Series 1986 A, 2.35% ,
LOC Sanwa Bank Ltd., VRDN 1,700,000 1,700,000 49225HAA
Kern County TRAN 3.25% 7/5/94 5,000,000 5,009,242 492248AA
Livermore Ctfs. of Prtn. (Wtr. Reclamation Plant Expansion
Proj.), 2.40%, LOC Westminister Nat'l. Bank, VRDN 3,300,000 3,300,000
538164CQ

MUNICIPAL SECURITIES (A) - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
Livermore Multi-Family Mtg. Rev. (Portola Meadows Apts.)

Series 1989 A, 2.50%,
LOC Bank of America, VRDN (b) \$ 10,400,000 \$ 10,400,000 537900AB
Livermore (Park Paseo Apt. Proj) First Nationwide Grantor
Trust Series 1991-1A, 2.50%,
LOC Federal Home Loan
Bank of San Francisco, VRDN (c) 2,000,000 2,000,000 537900AB
Loma Linda Multi-Family Hsg. Rev.
(Loma Linda Springs Apts.) Series 1989, 3.60%,
LOC Tokai Bank, VRDN (b) 12,205,000 12,205,000 541905AB
Los Angeles Comnty. College Dist. TRAN
Series 1993-94, 3.25% 7/6/94 12,500,000 12,523,289 54438CAA
Los Angeles Ctfs. of Prtn. (Baldwin Hills Public
Parking Facs.) Series 1984, 2.55%,
LOC Wells Fargo Bank, VRDN 3,700,000 3,700,000 544391AU
Los Angeles Comnty. Redev. Agcy. Multi-family Hsg.
Rev. (Grand Promenade Proj.) Series 1985, 3%,
LOC Tokai Bank Ltd., VRDN 1,000,000 1,000,000 544393AD
Los Angeles Comnty. Redev. Agcy. Rev. Ctfs. of Prtn.:
(CMC Med. Plaza) 2.60%, LOC Security Pacific
Nat'l. Bank, VRDN 4,700,000 4,700,000 544391BQ
Los Angeles County Hsg. Auth. (Sand Canyon)
Series 1985F, 2.35%,
LOC Citibank, VRDN 1,000,000 1,000,000
Los Angeles County Hsg. Auth. Multi-Family Hsg. Rev.:
(Malibu Meadows Proj.) Series 1991 A, 2.60%,
LOC Sumitomo Bank Ltd., VRDN 4,811,000 4,811,000 544688GD
(Park Sierra Apt.) 2.50%, LOC Citibank, VRDN (b) 39,200,000 39,200,000
544688FQ
(Sand Canyon Villas Proj.) Series 1989 A, 2.60%,
LOC Ind. Bank of Japan, VRDN (b) 8,700,000 8,700,000 544688GC
Los Angeles County Ind. Dev. Auth. Rev.
(Caitac & Jae Proj.), 2.45%, LOC Union Bank, VRDN (b) 4,200,000
4,200,000 544689CX
Los Angeles County Metropolitan Trans. Auth.
Series 1993 A, 2.30%, (Liquidity Enhancement
Industrial Bank of Japan) VRDN 2,800,000 2,800,000 544712AV
Los Angeles County Pub. Wks. Floating Rate Trust
Ctfs., Series 8, 2.55%, (Liquidity Enhancement
Credit Suisse), VRDN (c) 11,542,749 11,542,749 31303KAA
Los Angeles County TRAN, Series B 93-94,
(Liquidity Enhancement Credit Suisse), CP mode:
2.50% 4/05/94 10,000,000 10,000,000 5446579M
2.50% 4/07/94 3,000,000 3,000,000 5446579L
Los Angeles County Transit Comnty., Custodial Receipts,
Series 1992B-36, 2.65%, (MBIA Insured), VRDN (c) 3,000,000 3,000,000
545170JP
MUNICIPAL SECURITIES (A) - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
Los Angeles County Unified School Dist. TRAN
3.25% 7/15/94 \$ 15,000,000 \$ 15,026,067 544644AE
Los Angeles Dept. of Wtr. & Pwr. Elec. Plant Rev.
Tender Option Ctfs. 2.40%,
(Liquidity Enhancement Banker's Trust), VRDN (c) 6,430,000 6,430,000
544506JM
Los Angeles Dept. of Wtr. & Pwr. Elec. Plant
Rev. Tender Option Ctfs.
Series M, 2.70%, (Liquidity Enhancement
Sanwa Bank Ltd.), VRDN (c) 10,000,000 10,000,000 544507KC
Los Angeles Multi-Family Hsg. Rev., VRDN:
(Beverly Park Apts.) Series 1988 A, 2.40%,
LOC Barclay's Bank (b) 9,500,000 9,500,000 544582GV
(Channel Gateway Apts.) Series 1989 B, 2.65%,
LOC Fuji Bank (b) 47,700,000 47,700,000 544582GX
(Poinsettia Apts. Proj.) Series 1989 A, 2.55%,
LOC Dai-Ichi Kangyo Bank(b) 1,000,000 1,000,000 544582GW
(Studio Colony Proj.) Series 1985 C, 2.45%,
LOC Industrial Bank of Japan 3,000,000 3,000,000 544582CC
Los Angeles Variable Rate Multi-family Hsg. Rev.
(Museum Terrace Apt. Proj.) Series H, 2.40%,
LOC Bank of America, VRDN 4,500,000 4,500,000 544582AP
Los Angeles WasteWtr. Sys. Rev. (Liquidity Enhancement
Sumitomo Bank Ltd), CP:
2.40% 3/17/94 2,500,000 2,500,000 544999AM
2.60% 5/18/94 2,000,000 2,000,000 544999AP
Madera County TRAN 3.25% 9/30/94 3,000,000 3,006,305 556903AN
Marin County Hsg. Auth. Rev. (Crest Marin II Apt. Proj.)
2.50%, LOC Citibank, VRDN (b) 14,850,000 14,850,000 56785MAA
Metropolitan Wtr. Dist. of Southern California Rev.:
2.60% 3/16/94, CP 5,900,000 5,900,000 5926599K
2.55% 5/23/94, CP 3,000,000 3,000,000 5926599L

Metropolitan Wtr. Dist. of Southern California Wtrwks.
 Tender Option Bonds Series MGT-19A, 2.40%,
 (Liquidity Enhancement Morgan Guaranty), VRDN (c) 2,400,000 2,400,000
 592659VY
 Newark Ind. Dev. Auth. Rev. (Gas Tech Proj.)
 Series 1989 A, 2.45%, LOC Union Bank of
 Switzerland, VRDN (b) 3,000,000 3,000,000 650250AA
 Oceanside Multi-Family Mtg. Rev. (Riverview Springs Apts.)
 Series 1990 A, 2.60%, LOC Bank of Tokyo,
 VRDN (b) 6,700,000 6,700,000 675370AB

MUNICIPAL SECURITIES (A) - CONTINUED

PRINCIPAL VALUE

AMOUNT (NOTE 1)

CALIFORNIA - CONTINUED

Olcese Wtr. Dist. (Rio Bravo Wtr. Delivery Sys. Proj.)
 Series 1986 A, 2.40% 3/29/94,
 LOC Sumitomo Bank, Ltd., CP mode (b) \$ 5,000,000 \$ 5,000,000 6794749P
 Ontario Ind. Dev. Auth. Rev. (Safari Land Proj.)
 Series 1989, 3.25%, LOC Tokai Bank, VRDN (b) 3,500,000 3,500,000
 682908AA

Orange County Apt. Dev. Rev., VRDN:

(Bear Brands Apt.) Issue Z 1985, 2.35%,
 LOC Fuji Bank 4,700,000 4,700,000
 (Foothill Oaks Apts. Proj.) Issue 1989 B, 2.50%,
 LOC Bank of America (b) 12,175,000 12,175,000 684209CW
 (Frost Construction) Series 1985 B, 2.35%,
 LOC Wells Fargo Bank, VRDN 2,000,000 2,000,000 684209JQ
 (Hon Dev. Corp.-Niguel Summit II) Issue 1985,
 Series B, 2.50%, LOC Bank of America, VRDN 1,000,000 1,000,000
 684209JN

(Laguna Summit Apts.) Series 1985 X, 3%,
 LOC Tokai Bank, VRDN 3,000,000 3,000,000 684209JW
 (Park Place Apts. Proj.) Series 1989 A, 3.40%,
 LOC Tokai Bank, VRDN (b) 14,300,000 14,300,000 684209JL
 (Trabuco Woods Apts.) Series 1993 B, 2.40%,
 LOC Wells Fargo Bank, VRDN 2,670,000 2,670,000 684209JV
 (Villa Marguerite Apts.) Series 1993 A, 2.40%,
 LOC Wells Fargo Bank, VRDN 1,635,000 1,635,000 684209KE
 (Vista Verde Apt. Proj.) Series 1988 A, 3.30%,
 LOC Wells Fargo Bank, VRDN (b) 12,050,000 12,050,000 684209JU
 (WLCO Partners) Series 1985 C-1, 3.20%,
 LOC Tokai Bank Ltd., VRDN 900,000 900,000 684209CT
 (Wood Canyon Villas) Issue 1991 B, 2.65%
 LOC Bank of America, VRDN (b) 5,000,000 5,000,000 684209KA

Orange County Hsg. Auth. Apt. Dev. Rev.

(Costa Mesa Partners) Series 1985-BB, 3.25%,
 LOC Tokai Bank, VRDN 9,500,000 9,500,000 684262AF
 Orange County TRAN 3% 6/30/94 4,500,000 4,504,570 684201EF
 Orange Unified School Dist. TRAN 3.25% 7/26/94 10,000,000 10,015,629
 684133KA

Pleasant Hill (Quail Run Apt. Proj.) First Nationwide Grantor

Trust Series 1991-1A, 2.50%, LOC Federal Home Loan
 Bank of San Francisco, VRDN (c) 3,200,000 3,200,000 684133KA
 Rancho Wtr. Dist. Fin. Auth. Rev. Rfdg. Floating Option
 Tax-Exempt Receipts, Series PA-62, 2.55%,
 (Liquidity Enhancement

Merrill Lynch & Co. Inc.) VRDN (c) 5,120,000 5,120,000 752111DD

Riverside County Ind. Dev. Auth.

(Golden West Homes Proj.) 3.10%,
 LOC Wells Fargo Bank, VRDN (b) 2,700,000 2,700,000 76911TAU
 Sacramento County TRAN, 3% 7/29/94 7,000,000 7,007,759 786106DM

MUNICIPAL SECURITIES (A) - CONTINUED

PRINCIPAL VALUE

AMOUNT (NOTE 1)

CALIFORNIA - CONTINUED

Sacramento Muni. Util. Dist. Series H,

LOC Bank of America, CP:
 2.30% 3/23/94 \$ 5,843,000 \$ 5,843,000 785995MM
 2.55% 5/11/94 7,400,000 7,400,000 785995MP

Sacramento (Smoketree Apt. Proj.) First Nationwide Grantor

Trust Series 1991-1K, 2.50% LOC Federal Home Loan
 Bank of San Francisco, VRDN (c) 1,000,000 1,000,000 796900CF

San Bernadino County Ind. Dev. Auth. Rev.,

LOC Bank of Tokyo, VRDN (b):
 (McCain Citrus Inc. Proj.) 2.45% 900,000 900,000 796901AL
 (McElroy Metal Mill Proj.) 2.45% 900,000 900,000 796901AM
 (NRI, Inc. Proj.) Series 1989, 2.45% 1,490,000 1,490,000 796901AN

San Bernadino County Mtg. Rev. Rfdg.

(Pepperwood Apts.) Series 1993 A, 2.40%,
 LOC Fed Home Loan Bank of San Francisco, VRDN 3,000,000 3,000,000
 796900CL

San Bernadino County Multi Family Hsg. Rev., VRDN:

(Cedarbrook Terrace Apts. Proj.) Series 1990 A, 3.60%,
LOC Sumitrust 3,200,000 3,200,000 796900CF
(Western Properties II) 2.40%,
LOC Bank of America 1,000,000 1,000,000 796900BJ
(Western Properties IV) 2.40%,
LOC Bank of America 1,000,000 1,000,000 796900BM
(Woodview Apts.) 2.40%, LOC Bank of America 1,400,000 1,400,000
796900BK
San Diego Cmnty. College Dist. TRAN Series 1993,
3.15% 6/30/94 3,000,000 3,004,350 797272AA
San Diego Hsg. Auth. Multi-Family Hsg. Rev., VRDN:
Rfdg. (Coral Pointe Apt. Proj.) Series 1993 A, 2.65%,
(Liquidity Enhancement Continental Casualty Company) 5,000,000
5,000,000 79729HEQ
(La Cima Apts.) Issue 1985 K, 2.95%,
LOC Daiwa Bank, Ltd., VRDN 3,000,000 3,000,000 79728FES
(Lusk Mira Mesa Apts.) Series 1985 E, 2.40%,
LOC Bank of America, VRDN 2,200,000 2,200,000 79729HAA
San Diego Hsg. Auth. Rev. (Carmel Del Mar Apr. Proj.)
Series 1993-E, 2.55%, LOC Citibank, VRDN 5,608,000 5,608,000 79728FEU
San Diego Regional Trans. Comm. Bonds Series 1993 A,
2.60% 4/1/94, (FGIC Insured) 900,000 900,000 797400BR
San Diego TAN Series 1993-94 A, 3% 6/30/94 7,700,000 7,703,237 797236SM
San Diego Unified School Dist. TRAN
Series 1993-94 A, 3.50% 8/10/94 10,000,000 10,030,134 797355HH
San Francisco City and County Multi-Family Hsg. Rev. Bond
(Winterland Proj.) 2.35%, LOC Citibank, VRDN 3,400,000 3,400,000
79765PCH
MUNICIPAL SECURITIES (A) - CONTINUED
PRINCIPAL VALUE
AMOUNT (NOTE 1)
CALIFORNIA - CONTINUED
San Francisco City And County Redev. Agcy. Multi-Family
Hsg. Agcy.Rev. Rfdg. (Fillmore Center B-1) 2.30%,
LOC Bank of Nova Scotia, VRDN \$ 1,000,000 \$ 1,000,000 79771MAU
San Francisco Redev. Agcy. Rev.
(St. Francis Place Proj.) Series 1989 A, 3.25%,
LOC Mitsubishi Trust & Banking, VRDN 14,300,000 14,300,000 79771MAM
San Jose Multi-Family Hsg. Rev. Bonds (Kimberly Woods)
Series 1984, 2.40%, LOC Bank of America, VRDN 4,700,000 4,700,000
798165AB
San Jose Multi-Family Mtg. Rev. (Somerset Park Apts.)
Series 1987 A, 2.50%, LOC Bank of America, VRDN 3,100,000 3,100,000
798163DZ
San Jose Redev. Agcy. Puttable Floating Option Tax-Exempt
Receipts Series PA-42, 2.55%, (Liquidity Enhancement
Merrill Lynch & Co. Inc.), VRDN (c) 5,080,000 5,080,000 798147MC
San Mateo County TRAN Series 1993-94, 3% 6/30/94 20,000,000 20,032,311
799034AB
Santa Anna Ind. Dev. Auth. Rev. (McFadden Properties Proj.)
2.55%, LOC Bank of America, VRDN 1,300,000 1,300,000 801130AA
Santa Clara County TRAN Series 1993-94,
3.25% 7/29/94 25,600,000 25,648,037 801546LF
Santa Cruz County TRAN Series 1993-94, 3.25% 8/1/94 7,500,000 7,508,209
801818CQ
Simi Valley Multi-Family Hsg. Rev. (Shadowridge Apts.)
Series 1989, 2.50%, LOC Citibank, VRDN 21,200,000 21,200,000 828905BX
Solano County TRAN 3.25% 11/01/94 3,000,000 3,007,492 834127BH
Sonoma County TRAN Series 1993-94, 3.50 8/2/94 11,000,000 11,022,192
835546BU
Southern California Pub. Pwr. Auth. Rev.
(Tran Mission Proj.) Series 1991, 2.50%,
LOC Swiss Bank, (AMBAC Insured), VRDN 7,500,000 7,500,000 842477HH
Stockton Hosp. Rev. (St. Joseph's Hosp.) Series 1985 A,
2.45%, LOC Dai-Ichi Kangyo Bank, VRDN 17,500,000 17,500,000 861344AY
Torrance Hospital Rev. (Little Co. Of Mary Hosp.-Torrance
Memorial Med. Ctr.) Series 1992, 2.45%,
LOC Fuji Bank, VRDN 7,800,000 7,800,000 891368BX
Tustin, Orange County Assessment Dist. #85-1 Impt. Rev.
LOC Mitsubishi Trust, CP mode:
3.30% 3/3/94 6,694,000 6,694,000 901991MU
3.30% 3/4/94 2,409,000 2,409,000 901991MV
Upland Cmnty. Redev. Agcy. Multi-Family Hsg.
(Northwoods) 1989 B, 2.50%, LOC Sanwa Bank, VRDN 1,300,000 1,300,000
915354AB
Vacaville Hsg. Auth. (Quail Run Apt. Proj.) First Nationwide
Grantors Trust Series 1991-1B, 2.50%,
LOC Federal Home Loan Bank of
San Francisco, VRDN (c) 1,000,000 1,000,000 915354AB
Ventura County TRAN 3% 8/1/94 3,000,000 3,001,617 923035AG
MUNICIPAL SECURITIES (A) - CONTINUED
PRINCIPAL VALUE

AMOUNT (NOTE 1)
 CALIFORNIA - CONTINUED
 Washington Township Hosp. Dist., Series 1985 A, 2.45%,
 LOC Bank of Tokyo, VRDN \$ 2,700,000 \$ 2,700,000 940212AR
 Woodland (Crossroads Village Apt. Proj.) First Nationwide
 Grantor Trust Series 1991-1H, 2.50%,
 LOC Federal Home Loan Bank of
 San Francisco, VRDN 1,900,000 1,900,000 940212AR
 TOTAL INVESTMENTS - 100% \$ 1,059,333,415
 Total Cost for Income Tax Purposes \$ 1,059,334,599

SECURITY TYPE ABBREVIATIONS
 BAN - Bond Anticipation Notes
 CP - Commercial Paper
 FRDN - Floating Rate Demand Notes
 MT - Mandatory Tender
 OT - Optional Tender
 RAN - Revenue Anticipation Notes
 TAN - Tax Anticipation Notes
 TRAN - Tax & Revenue Anticipation Notes
 VAN - Variable Rate Tax & Revenue
 Anticipation Notes
 VRDN - Variable Rate Demand Notes

LEGEND
 (a) The coupon rate shown on floating or adjustable rate securities represents the rate at period end.
 (b) Private activity obligations whose interest is subject to the federal alternative minimum tax for individuals (AMT securities).
 (c) Provides evidence of ownership in one or more underlying municipal bonds.

INCOME TAX INFORMATION
 At February 28, 1994, the fund had a capital loss carryforward of approximately \$29,000 which will expire on February 28, 2001.
 SPARTAN CALIFORNIA MUNICIPAL MONEY MARKET PORTFOLIO

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

<TABLE> <CAPTION> <S>	<C>	<C>
FEBRUARY 28, 1994		
249.ASSETS	250.	251.
252.Investment in securities, at value (Note 1) - See accompanying schedule	253.	\$ 1,059,333,415
254.Cash	255.	45,771
256.Interest receivable	257.	7,093,997
258. 259.TOTAL ASSETS	260.	1,066,473,183
261.LIABILITIES	262.	263.
264.Payable for investments purchased	\$ 1,001,908	265.
266.Share transactions in process	655,110	267.
268.Dividends payable	54,873	269.
270.Accrued management fee	158,071	271.
272. 273.TOTAL LIABILITIES	274.	1,869,962
275.276.NET ASSETS	277.	\$ 1,064,603,221
278.Net Assets consist of (Note 1):	279.	280.
281.Paid in capital	282.	\$ 1,064,637,582
283.Accumulated net realized gain (loss) on investments	284.	(34,361)
285.286.NET ASSETS, for 1,064,637,555 shares outstanding	287.	\$ 1,064,603,221
288.289.NET ASSET VALUE, offering price and	290.	\$1.00

redemption price per share (\$1,064,603,221 (divided by)
1,064,637,555 shares)

</TABLE>

STATEMENT OF OPERATIONS

<TABLE>

<CAPTION>

<S>	<C>	<C>
YEAR ENDED FEBRUARY 28, 1994		
291.292.INTEREST INCOME	293.	\$ 24,829,747
294.EXPENSES	295.	296.
297.Management fee (Note 4)	\$ 4,714,027	298.
299.Non-interested trustees' compensation	5,983	300.
301. Total expenses before reductions	4,720,010	302.
303. Expense reductions (Note 5)	(2,767,561)	1,952,449
304.305.NET INTEREST INCOME	306.	22,877,298
307.308.NET REALIZED GAIN (LOSS) ON INVESTMENTS (NOTE 1)	309.	30,247
310.311.NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	312.	\$ 22,907,545

</TABLE>

STATEMENT OF CHANGES IN NET ASSETS

<TABLE>

<CAPTION>

<S>	<C> YEAR ENDED FEBRUARY 28, 1994	<C> TEN MONTHS ENDED FEBRUARY 28, 1993 (NOTE 1)
313.INCREASE (DECREASE) IN NET ASSETS		
314.Operations	\$ 22,877,298	\$ 19,896,544
Net interest income		
315. Net realized gain (loss) on investments	30,247	(48,709)
316.	22,907,545	19,847,835
317.NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS		
318.Dividends to shareholders from net interest income	(22,877,298)	(19,896,544)
319.Share transactions at net asset value of \$1.00 per share Proceeds from sales of shares	1,234,266,731	668,146,371
320. Reinvestment of dividends from net interest income	22,035,126	19,176,422
321. Cost of shares redeemed	(1,047,318,874)	(749,324,432)
322.	208,982,983	(62,001,639)
Net increase (decrease) in net assets and shares resulting from share transactions		
323.	209,013,230	(62,050,348)
324.TOTAL INCREASE (DECREASE) IN NET ASSETS		
325.NET ASSETS	326.	327.
328. Beginning of period	855,589,991	917,640,339
329. End of period	\$ 1,064,603,221	\$ 855,589,991

</TABLE>

FINANCIAL HIGHLIGHTS

<TABLE>

<CAPTION>

<S>

330.	<C> YEAR ENDED FEBRUARY 28,	<C> TEN MONTHS ENDED FEBRUARY 28, 199 3	<C> YEARS ENDED APRIL 30,	<C>	<C> NOVEMBER 27, 1989 (COMMENCEMEN T OF OPERATIONS) TO APRIL 30,
331.	1994	(NOTE 1)	1992	1991	1990
332.SELECTED PER-SHARE DATA					
333.Net asset value, beginning of period	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000
334.Income from Investment Operations Net interest income	.024	.022	.041	.054	.025
335.Less Distributions From net interest income	(.024)	(.022)	(.041)	(.054)	(.025)
336.Net asset value, end of period	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000
337.TOTAL RETURN(dagger)	2.45 %	2.24%	4.15 %	5.52 %	2.54%
338.RATIOS AND SUPPLEMENTAL DATA					
339.Net assets, end of period (000 omitted)	\$ 1,064,603	\$ 855,590	\$ 917,640	\$ 763,959	\$ 396,652
340.Ratio of expenses to average net assets(dagger) (dagger)	.21 %	.30%*	.10 %	.07 %	-
341.Ratio of expenses to average net assets before expense reductions(dagger) (dagger)	.50 %	.50%*	.50 %	.50 %	.50%*
342.Ratio of net interest incom e to average net assets	2.42 %	2.67%*	4.05 %	5.33 %	5.99%*

</TABLE>

* ANNUALIZED

(dagger) TOTAL RETURNS DO NOT INCLUDE THE ACCOUNT CLOSEOUT FEE AND FOR PERIODS OF LESS THAN ONE YEAR ARE NOT ANNUALIZED. TOTAL RETURNS WOULD HAVE BEEN LOWER HAD CERTAIN EXPENSES NOT BEEN REDUCED DURING THE PERIODS SHOWN. (dagger) (dagger) SEE NOTE 5 OF NOTES TO FINANCIAL STATEMENTS.

NOTES TO FINANCIAL STATEMENTS

For the period ended February 28, 1994

1. SIGNIFICANT ACCOUNTING

POLICIES.

Spartan California Municipal High Yield Portfolio, Spartan California Intermediate Municipal Portfolio and Spartan California Municipal Money

Market Portfolio (the funds) are funds of Fidelity California Municipal Trust (the trust). 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 (see Note 6). On November 19, 1992, the Trustees approved a change in the fiscal year-end of the trust to February 28. Each fund is authorized to issue an unlimited number of shares. The following summarizes the significant accounting policies of the funds:

SECURITY VALUATION.

HIGH YIELD AND INTERMEDIATE FUNDS. Securities are valued based upon a computerized matrix system and/or appraisals by a pricing service, both of which consider market transactions and dealer-supplied valuations. Short-term securities maturing within sixty days are valued either at amortized cost or original cost plus accrued interest, both of which approximate current value. Securities for which quotations are not readily available through the pricing service are valued at their fair value as determined in good faith under consistently applied procedures under the general supervision of the Board of Trustees.

MONEY MARKET FUND. As permitted under Rule 2a-7 of the 1940 Act, and certain conditions therein, securities are valued initially at cost and thereafter assume a constant amortization to maturity of any discount or premium.

INCOME TAXES. The intermediate fund intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code. The high yield and money market funds are each qualified as a regulated investment company under Subchapter M of the Internal Revenue Code. By so qualifying, each fund is not subject to income taxes to the extent that it distributes all of its taxable income for the fiscal year. The schedules of investments include information regarding income taxes under the caption "Income Tax Information."

INTEREST INCOME. Interest income, which includes amortization of premium and accretion of original issue discount, is accrued as earned. For the money market fund, accretion of market discount represents unrealized gain until realized at the time of a security disposition or maturity.

EXPENSES. Most expenses of each trust can be directly attributed to a fund. Expenses which cannot be directly attributed are apportioned between the funds in the trust.

DISTRIBUTIONS TO SHAREHOLDERS. Dividends are declared daily and paid monthly from net interest income. Distributions to shareholders from realized capital gains on investments, if any, are recorded on the ex-dividend date.

Income and capital gain distributions are determined in accordance with income tax regulations which may differ from generally accepted accounting principles. These differences are primarily due to differing

1. SIGNIFICANT ACCOUNTING

POLICIES - CONTINUED

DISTRIBUTIONS TO SHAREHOLDERS - CONTINUED

treatments for futures and options transactions, excise tax regulations and losses deferred due to wash sales.

REDEMPTION FEES. Shares held in the high yield fund less than 180 days are subject to a redemption fee equal to .50% of the proceeds of the redeemed shares. The fee, which is retained by the fund is accounted for as an addition to paid in capital.

SECURITY TRANSACTIONS. Security transactions are accounted for as of trade date. Gains and losses on securities sold are determined on the basis of identified cost.

CHANGE IN ACCOUNTING FOR DISTRIBUTIONS TO SHAREHOLDERS. Effective February 1, 1993, the money market and high yield funds adopted Statement of Position 93-2: Determination, Disclosure, and Financial Statement Presentation of Income, Capital Gain, and Return of Capital Distributions by Investment Companies. As a result, the funds changed the classification of distributions to shareholders to better disclose the differences between financial statement amounts and distributions determined in accordance with income tax regulations. Accordingly, amounts as of February 28, 1993 have been restated to reflect an increase in paid in capital and a decrease in accumulated net realized gain of \$45,643 for the high yield fund. No adjustments were necessary for the money market fund.

2. OPERATING POLICIES.

DELAYED DELIVERY TRANSACTIONS. Each fund may purchase or sell securities on a when-issued or forward commitment basis. Payment and delivery may take place a month or more after the date of the transaction. The price of the underlying securities and the date when the securities will be delivered and paid for are fixed at the time the transaction is negotiated.

FUTURES CONTRACTS AND OPTIONS. The high yield and intermediate funds may invest in futures contracts and write options. These investments involve to varying degrees, elements of market risk and risks in excess of the amount recognized in their Statements of Assets and Liabilities. The face or contract amounts reflect the extent of the involvement the high yield and intermediate funds have in the particular classes of instruments. Risks may be caused by an imperfect correlation between movements in the price of the instruments and the price of the underlying securities and interest rates.

Risks also may arise if there is an illiquid secondary market for the instruments, or due to the inability of counterparties to perform. Futures contracts are valued at the settlement price established each day by the board of trade or exchange on which they are traded. Options traded on an exchange are valued using the last sale price or, in the absence of a sale, the last offering price. Options traded over-the-counter are valued using dealer-supplied valuations.

3. PURCHASES AND SALES OF INVESTMENTS.

HIGH YIELD FUND. Purchases and sales of securities, other than short-term securities, aggregated \$315,008,869 and \$283,241,767, respectively. The gross market value of futures contracts opened and closed amounted to \$237,948,678 and \$258,547,360, respectively.

INTERMEDIATE FUND. Purchases of securities, other than short-term securities, aggregated \$17,416,283; there were no sales of securities.

4. FEES AND OTHER TRANSACTIONS WITH AFFILIATES.

MANAGEMENT FEE. As each fund's investment adviser, Fidelity Management & Research Company (FMR) pays all expenses except the compensation of the non-interested Trustees and certain exceptions such as interest, taxes, brokerage commissions and extraordinary expenses. FMR receives a fee that is computed daily at an annual rate of .55%, .55% and .50% of average net assets for the high yield, intermediate and money market funds, respectively.

SUB-ADVISER FEE. As the money market fund's investment sub-adviser, FMR Texas Inc., a wholly owned subsidiary of FMR, receives a fee from FMR of 50% of the management fee payable to FMR. The fee is paid prior to any voluntary expense reimbursements which may be in effect, and after reducing the fee for any payments by FMR pursuant to the fund's Distribution and Service Plan.

FMR also bears the cost of providing shareholder services to each fund. For the period, FMR or its affiliates collected certain transaction fees from shareholders which aggregated \$11,725, \$95 and \$34,156 for the high yield, intermediate and money market funds, respectively.

5. EXPENSE REDUCTIONS

HIGH YIELD FUND. For the period, FMR voluntarily agreed to reimburse the fund's operating expenses (excluding interest, taxes, brokerage commissions and extraordinary expenses) above a specified percentage of average net assets. This expense limitation ranged from an annual rate of .50% to .55% of average net assets and the reimbursement reduced expenses by \$202,856.

INTERMEDIATE FUND. For the period, FMR voluntarily agreed to reimburse all of the fund's operating expenses (excluding interest, taxes, brokerage commissions and extraordinary expenses) and the reimbursement reduced expenses by \$7,123.

MONEY MARKET FUND. For the period, FMR voluntarily agreed to reimburse all of the fund's operating expenses (excluding interest, taxes, brokerage commissions and extraordinary expenses) above a specified percentage of average net assets. This expense limitation ranged from an annual rate of .20% to .35% of average net assets and the reimbursement reduced expenses by \$2,767,561.

6. SHAREHOLDER MEETING.

At a special meeting of shareholders of the high yield and money market funds held on February 16, 1994, shareholders approved amendments to certain fundamental investment limitations of the funds.

6. SHAREHOLDER MEETING - CONTINUED

In addition, shareholders of the money market fund approved an Agreement and Plan of Conversion and Termination (the Plan of Conversion), providing for the conversion of the money market fund (the current fund) from a separate series of Fidelity California Municipal Trust, a Massachusetts business trust, to a separate series (the successor fund) of Fidelity California Municipal Trust II, a Delaware business trust, effective April 20, 1994. The individual investment objective, policies and limitations of the successor fund will be identical to those of the current fund. In connection with the Plan of Conversion, a new management contract, new sub-advisory agreement and new distribution plan identical to those currently in effect for the current fund will take effect on April 20, 1994.

REPORT OF INDEPENDENT ACCOUNTANTS

To the Trustees of Fidelity California
Municipal Trust and Shareholders of:
Spartan California Municipal
High Yield Portfolio
Spartan California
Intermediate Municipal Portfolio
Spartan California
Municipal Money Market Portfolio:

In our opinion, the accompanying statements of assets and liabilities, including the schedules of investments (except for Moody's and Standard & Poor's ratings), and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all

material respects, the financial position of Spartan California Municipal High Yield Portfolio, Spartan California Intermediate Municipal Portfolio and Spartan California Municipal Money Market Portfolio at February 28, 1994, the results of their operations, the changes in their net assets and the financial highlights for the periods indicated, in conformity with generally accepted accounting principles. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of each portfolio's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities owned at February 28, 1994 by correspondence with the custodian and brokers and the application of alternative auditing procedures where confirmations from brokers were not received, provide a reasonable basis for the opinion expressed above.

/s/Price Waterhouse
PRICE WATERHOUSE
Boston, Massachusetts
March 30, 1994
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