

Fidelity Global Low Volatility Equity Fund

Monthly report

As at 31/08/2022

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Fund description

A diversified core portfolio of 100-250 global equities the fund aims to achieve long-term capital growth with lower risk than the market. The Fund invests in a portfolio of 100-250 global stocks which we believe will exhibit lower volatility, selected through a unique combination of Fidelity's research from our 400 investment experts and quantitative tools. By reducing the effect of down markets, the fund aims to outperform the index with improved compound returns over time.

Fund facts

Portfolio manager: Zach Dewhirst

Benchmark: MSCI World Index NR

Inception date: 15/12/2017

Fund size: AU\$34.66M

Management cost: 0.65% p.a.

Buy/sell spread: 0.20%/0.20%

Portfolio guidelines

Cash: Maximum 5% cash allocation

Top 10 holdings (%)

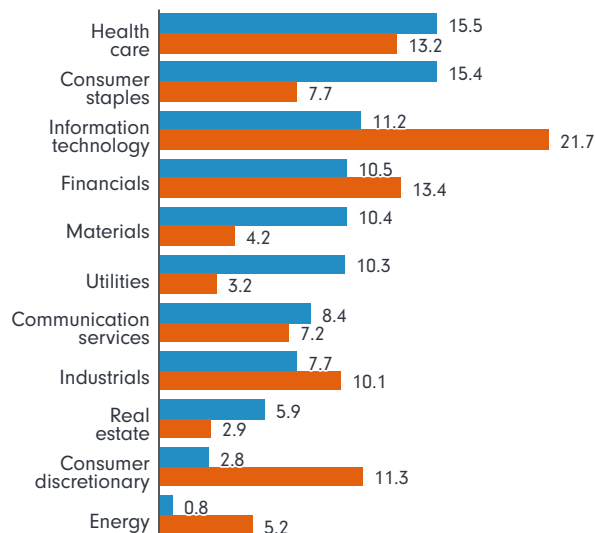
	Fund	B'mark
T-mobile US Inc	1.1	0.2
Southern Company	1.1	0.2
Unitedhealth Group Inc	1.1	1.0
Lilly (Eli) & Co	1.1	0.5
Marsh & McLennan Cos Inc	1.1	0.2
Cboe Global Markets Inc	1.0	0.0
Nisource Inc	1.0	0.0
Coca Cola Co	1.0	0.5
Vertex Pharmaceuticals Inc	1.0	0.1
Keurig Dr Pepper Inc	1.0	0.1

Performance %

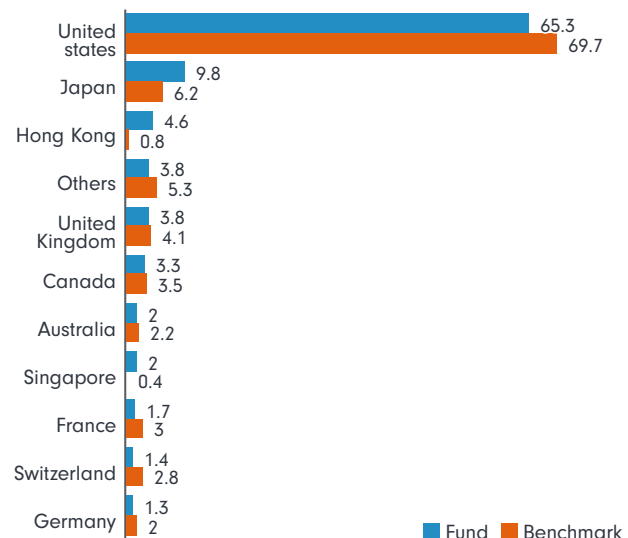
	1 mth	3 mth	6 mth	1 yr	3 yrs p.a.	5 yrs p.a.	Since Inception p.a (15/12/2017)
Fidelity Global Low Volatility Equity Fund	-1.88	-0.83	-1.30	-7.87	2.21	-	6.42
MSCI World Index NR	-2.47	-1.15	-5.73	-9.46	8.15	-	9.35
Excess return	0.59	0.32	4.43	1.59	-5.94	-	-2.93

Total net returns represent past performance only. **Past performance is not a reliable indicator of future performance.** Total returns (net) have been calculated using exit prices and take into account the applicable buy/sell spread and are net of Fidelity's management costs, transactional and operational costs and assumes reinvestment of distributions. No allowance has been made for taxation or for any fees charged by operators of master trusts or wrap accounts through which the products are offered. Returns of more than one year are annualised. Returns of the Fund can be volatile and in some periods may be negative. The return of capital is not guaranteed.

Industry breakdown %



Geographic breakdown %



Fidelity funds are available on platforms and mastertrusts via financial advisers. Investors who wish to place at least \$25,000 in a single fund can invest with us directly. For further information, please visit www.fidelity.com.au or call Client Services on 1800 044 922.

This Fund is unhedged and is subject to the risk of fluctuations in international stock markets and currencies. Management costs and the buy/sell spread are current as at the date shown above but may be subject to change in the future. Management costs include GST but exclude abnormal expenses and transactional and operational costs. Investors accessing the Fund through a master trust or wrap account will also bear any fees charged by the operator of such master trust or wrap account. Any apparent discrepancies in the numbers are due to rounding.

Monthly report

Fund performance

Six out of eleven sectors contributed to relative performance. The information technology (IT), utilities, and industrials sectors were among the largest contributors to relative performance, while the energy and materials sectors detracted from performance.

In the IT sector, not owning **Nvidia**, maker of graphics chips used in cloud computing, artificial intelligence and autonomous driving contributed to performance. Shares of Nvidia declined after the company reported quarterly earnings and revenue that missed consensus estimates as chip demand slowed. Additionally, shares declined after comments from the U.S. Federal Reserve Chairman indicated plans to continue to keep monetary policy tight until inflation is under control. In the utilities sector, our overweight to the sector

contributed to performance as the sector outperformed the market. In the industrials sector, the investment in U.S. fertilizer manufacturers **CF Industries** and **Mosaic** contributed to performance. Shares of both companies rose in anticipation of global price increases of fertilizer due to decreased supply. Prices are expected to rise as some European fertilizer manufacturers had to halt production since it had become no longer economically viable to produce, as gas prices rose in Europe due to sanctions imposed against Russia.

In the energy sector, the underweight to the sector and not owning U.S. independent oil producer **ConocoPhillips** detracted from performance. Shares of ConocoPhillips rose after the company announced quarterly results that topped consensus expectations. In the materials sector, the investment in U.S. aluminium producer **Ball** detracted from performance. Ball shares declined after the

company announced quarterly profit that fell short of analysts' expectations, due primarily to a one-time impairment charge as the company divested its Russian assets. Additionally, demand slowed in the company's North American beverage segment.

Among individual holdings, the investment in discount retailer **Dollar Tree** detracted from performance. While Dollar Tree announced quarterly same-store-sales and profit that were in-line with consensus estimates, shares declined as the company lowered its full-year profit forecast as it competes with other retailers that have been increasing discounts to draw in consumers. Due to rising inflation, Dollar Tree has had to compete with companies like Walmart and Target that increased discounts due to elevated inventory as consumers cut back on discretionary purchases.

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