

# Fidelity Global Low Volatility Equity Fund

## Monthly report

As at 31/01/2023

### 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\$36.22M

**Management cost:** 0.65% p.a.

**Buy/sell spread:** 0.20%/0.20%

### Portfolio guidelines

**Cash:** Maximum 5% cash allocation

### Top 10 holdings (%)

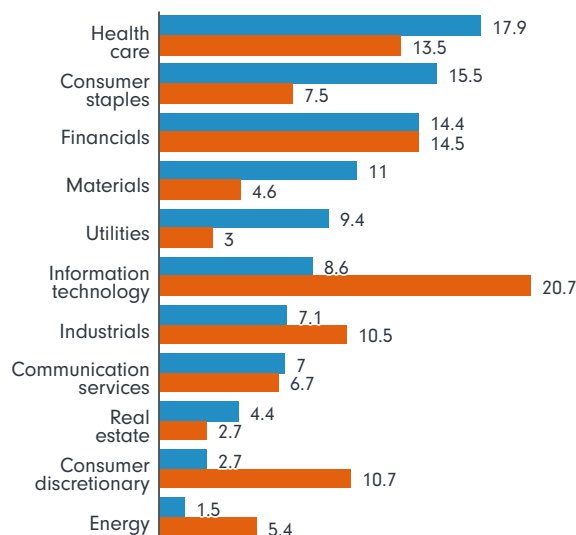
	Fund	B'mark
T-mobile US Inc	1.1	0.2
Marsh & McLennan Cos Inc	1.1	0.2
Merck & Co Inc	1.1	0.5
Vertex Pharmaceuticals Inc	1.0	0.2
Sumitomo Mitsui Finl Grp Inc	1.0	0.1
Cboe Global Markets Inc	1.0	0.0
Berkshire Hathaway Inc Del	1.0	0.8
AIA Group Ltd	1.0	0.3
Regeneron Pharmaceuticals Inc	1.0	0.2
Unitedhealth Group Inc	1.0	0.9

### Performance %

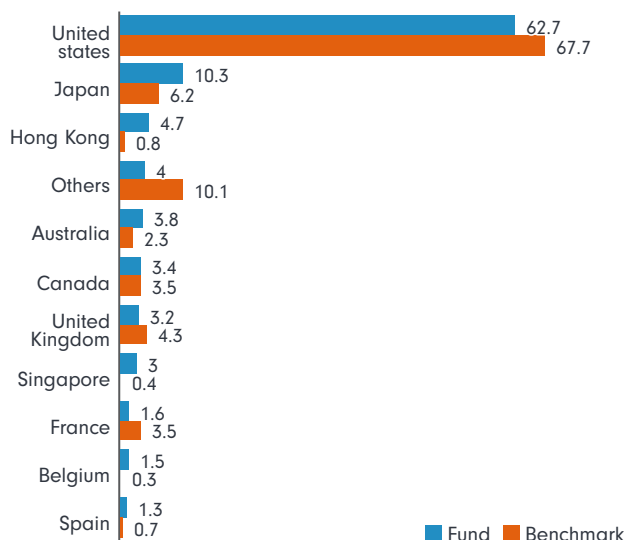
	1 mth	3 mth	6 mth	1 yr	3 yrs p.a.	5 yrs p.a.	Since Inception p.a (15/12/2017)
Fidelity Global Low Volatility Equity Fund	-0.77	-1.45	1.28	-2.07	0.93	7.18	6.53
MSCI World Index NR	3.05	-0.49	1.16	-7.47	5.76	9.50	9.33
<b>Excess return</b>	<b>-3.82</b>	<b>-0.96</b>	<b>0.12</b>	<b>5.40</b>	<b>-4.83</b>	<b>-2.32</b>	<b>-2.80</b>

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](http://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

## Market performance

The Fund underperformed the MSCI World Index during the month. Nine out of eleven sectors detracted from relative performance. The consumer discretionary and financials sectors were among the largest detractors from relative performance, while the energy and materials sectors contributed.

## Fund performance

The consumer discretionary and financials sectors detracted from performance. In the consumer discretionary sectors, not owning Amazon.com and electric vehicle manufacturer Tesla detracted from performance. Amazon.com shares rose after a Wall Street analyst lowered its price target but maintained the outperform rating on the

company. Tesla shares rose after a consumer price index report showed inflation cooled for the month of December and on hopes that a reopening in China would boost its business. Shares of Tesla also rose after the company released quarterly earnings and revenue that topped consensus estimates. Additionally, the company said recent price cuts have buoyed demand for its vehicles. In the Financials sector, the overweight to exchange operator CBOE Global Markets detracted from performance. Shares of CBOE Global Markets declined after the company reported in-line quarterly results that were weighed down by heavy investments in its business.

The energy and materials sectors contributed to performance. In the energy sector, being underweight in the sector and not owning US oil producer Chevron contributed to performance. While Chevron posted profit for the full-year that topped consensus forecasts,

shares declined after its fourth-quarter earnings missed analysts' estimates, due to higher expenses and weaker oil profits. In the materials sector, the investment in Canadian precious metals streaming company Wheaton Precious Metals contributed to performance. Shares of Wheaton Precious Metals rose as the price of gold increased during the month on concern of rising recession expectations and elevated inflation.

Among individual holdings, not owning US pharmaceutical company Pfizer contributed to performance. Shares of Pfizer declined as Wall Street analysts downgraded the stock on concern of its Covid business. Additionally, while Pfizer announced quarterly results that topped consensus estimates, shares also declined after the company lowered its 2023 guidance as the pandemic eases and demand for its Covid portfolio falls.

Signatory of:



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