

Fidelity Global Equities Fund



With a global universe of over 40,000 listed companies you'd have to have eyes and ears everywhere to pick the best stock ideas for your portfolio. At Fidelity, we do. In fact, our portfolio managers and analysts attend 17,000 company meetings a year – that's one every 10 minutes. More research means we're better informed to make investment decisions to benefit you.

A 360-degree view gives us the edge



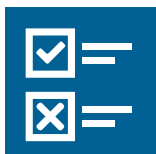
It starts with ideas

There are more than 40,000 publicly listed companies around the world. Every piece of information counts as we look for insights into companies we believe show unrecognized potential.



Taking a 360-degree view

We don't just meet with a company's management. We visit factory floors, shopfronts and suppliers, and investigate customers and competitors. This three-dimensional view helps us rate companies and filter recommendations from around the world via Fidelity's research platform.



Stock selection

Final stock selection decisions are made by the Portfolio Manager, Amit Lodha. Amit selects around 100 of the best ideas drawn from Fidelity's global research and financial modelling. Informed by our 360-degree view, Amit looks for companies with sustainable pricing power and strong management.



Monitoring

Every 120 days we have contact with the companies that have stock in the Fund. If things change, we can react quickly.

The team

The Fund is managed by Amit Lodha. Amit has 15 years' experience and joined Fidelity in 2004. Prior to becoming a portfolio manager, Amit was a research analyst and an accountant. He's passionate about generating long-term risk-adjusted returns for investors.

Amit is supported by our global research team of 140 equity analysts and 400 investment professionals worldwide.

Why invest?

1

Access a diversified portfolio of around 100 of our best ideas globally

2

19-year track record with a proven investment approach to identify sustainable pricing power

3

A global team providing unique insights into investment themes and ideas backed by 400 Fidelity investment professionals

The Fidelity difference

Established in 1969, Fidelity International offers world-class investment solutions and retirement expertise. As a privately owned, independent company, investment is our only business and we're driven by the needs of our clients, not by shareholders. Our vision is to deliver innovative client solutions for a better future.

We're an active manager focused on global research, and have one of the largest buy side research teams in the world. It's our obsession with research, and with insights globally and locally, which enable us to evaluate complex businesses and make better investment decisions for our clients.

Fund facts

Objective	To outperform the MSCI ACWI Index NR* over the suggested minimum investment time period of five to seven years
Benchmark	MSCI All Country World (ACWI) Index NR
Inception	15 April 1998
Number of stocks	80-120
Buy/sell spread	± 0.30%
Management costs	1.15% pa

* 'NR' at the end of the benchmark name indicates the return is calculated including reinvesting net dividends. The dividend is reinvested after deduction of withholding tax, applying the withholding tax rate to non-resident individuals who do not benefit from double taxation treaties.

www.fidelity.com.au



All information is as at 06/03/2017 unless otherwise stated. Investments in overseas markets can be affected by currency exchange and this may affect the value of your investment. Investments in small and emerging markets can be more volatile than investments in developed markets. This document is issued by FIL Responsible Entity (Australia) Limited ABN 33 148 059 009, AFSL No. 409340 ('Fidelity Australia'). Fidelity Australia is a member of the FIL Limited group of companies commonly known as Fidelity International. **This document is intended for use by advisers and wholesale investors. Retail investors should not rely on any information in this document without first seeking advice from their financial adviser.** This document has been prepared without taking into account your objectives, financial situation or needs. You should consider these matters before acting on the information. You also should consider the Product Disclosure Statements ('PDS') for respective Fidelity products before making a decision whether to acquire or hold the product. The relevant PDS can be obtained by contacting Fidelity Australia on 1800 119 270 or by downloading from our website at www.fidelity.com.au. The issuer of Fidelity's managed investment schemes is FIL Responsible Entity (Australia) Limited ABN 33 148 059 009. Details about Fidelity Australia's provision of financial services to retail clients are set out in our Financial Services Guide, a copy of which can be downloaded from our website at www.fidelity.com.au. © 2017 FIL Responsible Entity (Australia) Limited. Fidelity, Fidelity International and the Fidelity International logo and F symbol are trademarks of FIL Limited. FD17060 052017

Fund description

Designed to be a core international holding of 80-120 of Fidelity's best global ideas, researched by our 400 experienced investment professionals located around the world. A truly active manager, we take a 360 view of every company we invest in, refreshing our views every 120 days to ensure we take advantage of the best opportunities globally and have a portfolio built with conviction. Stock selection favours mis-valued businesses and structural growth stories.

Fund facts

Portfolio manager: Amit Lodha
Benchmark: MSCI All Country World Index NR
Inception date: 15 April 1998
Fund size: AU\$247.69M
Number of stocks: 80 to 120
Management cost: 1.15% p.a.
Buy/sell spread: 0.30%/0.30%

Portfolio guidelines

Stocks: +/-4% from benchmark
Industry: +/-10% from benchmark
Region: +/-20% from benchmark
Country: No constraints
Emerging markets: maximum 20% of the portfolio (typically less than 10%)
Cash: Target range between 0% and 10%

Top 10 holdings %

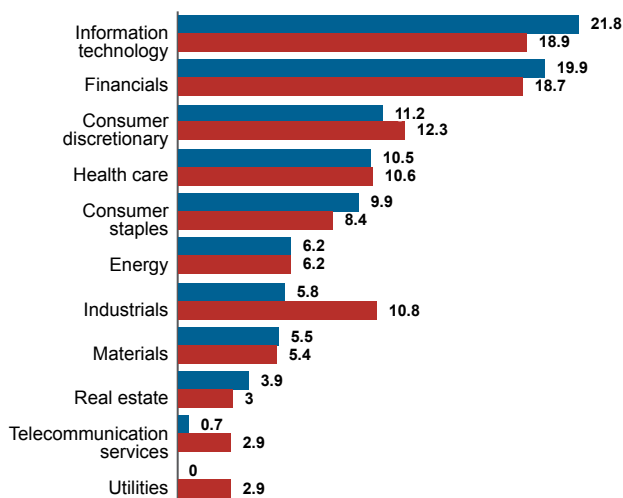
	Fund	B'mk
MICROSOFT CORP	1.9	1.5
ALPHABET INC	1.8	1.4
OCADO GROUP PLC	1.7	0.0
JPMORGAN CHASE & CO	1.6	0.8
ROYAL DUTCH SHELL PLC	1.6	0.6
SARTORIUS STEDIM BIOTECH	1.5	0.0
INTEL CORP	1.5	0.5
IBM CORPORATION	1.4	0.3
BEAZLEY PLC/UK	1.3	0.0
WELLS FARGO & CO NEW	1.3	0.5

Past performance %

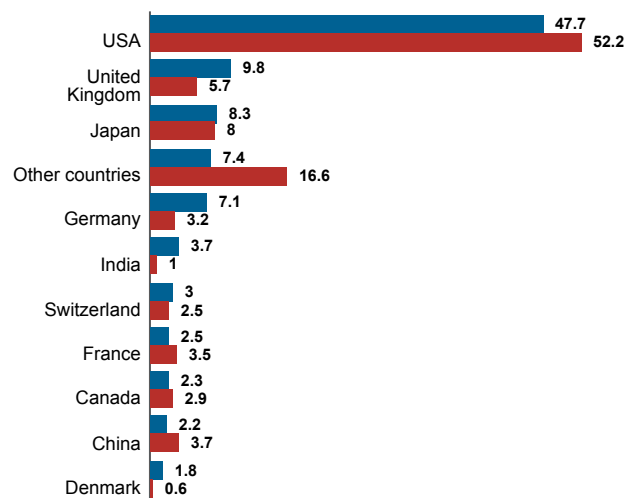
	1 mth	3 mth	6 mth	1 yr	3 yrs p.a.	5 yrs p.a.	7 yrs p.a.	10 yrs p.a.	15 yrs p.a.	Since Inception p.a (15.04.1998)
Fidelity Global Equities Fund	0.15	1.56	8.81	16.17	9.28	17.08	13.74	8.70	8.71	5.74
MSCI All Country World Index NR	-0.58	0.99	7.12	14.22	7.97	16.11	12.76	7.34	7.10	3.97
Excess return	0.73	0.57	1.69	1.95	1.31	0.97	0.98	1.36	1.61	1.77

Past performance is not a reliable indicator of future performance. Total returns (net) have been calculated using mid prices and are net of Fidelity's management costs, transactional and operational costs and assumes reinvestment of distributions. No allowance has been made for tax or the buy/sell spread. Returns of more than one year are annualised. The return of capital is not guaranteed. **The benchmark is the MSCI ACWI (All Country World Index) Index (effective 1 November 2011). The benchmark before 1 November 2011 was the MSCI World (All Country World Index) Index. The major difference between the two indices is the inclusion of 21 emerging market country indices in the the MSCI ACWI Index. In December 2006, the benchmark for the fund changed from MSCI World Index ex Australia to the MSCI World Index.

Industry breakdown %



Geographic breakdown %



■ Fund ■ Benchmark

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.

Market performance

Global equities advanced over a volatile quarter. The period started on a strong note, boosted by the robust outlook for global economic growth, positive earnings and the confirmation of a major tax reform in the US. The latter part of the quarter was characterised by a spike in market volatility. Higher US wage growth led to fears of faster interest rate hikes by the US Federal Reserve (Fed), while the increase in tariffs by the US government sparked concerns about the possibility of trade wars. Against this backdrop, US equities declined in local currency terms. The Fed increased the interest rate range to 1.50–1.75% at its March meeting. Technology stocks were also sold-off in March, led by a sharp fall in the value of Facebook following an investigation into a data privacy breach. Eurozone equities posted negative returns due to worries over US interest rates and global trade. While political risks subsided in Germany, the general election in Italy resulted in a hung parliament, but had limited impact on the market. UK equities were negatively impacted by a strong sterling amid expectations that the Bank of England may lift interest rates sooner and faster than previously expected. Japanese stocks declined in local currency terms as the yen held its gains against the US dollar and domestic political risks emerged. Meanwhile, investors welcomed the government's decision to extend Bank of Japan Governor Haruhiko Kuroda's term for another five years after his current term ends in April. Emerging markets outperformed developed market equities. Upbeat economic growth in China and robust US manufacturing data boosted investors' appetite for riskier assets. At a sector level, information technology (IT) and consumer discretionary outperformed, while telecommunications and consumer staples were the biggest laggards.

Fund performance

The Fund outperformed the index over the quarter by 0.57%.

UK online grocery firm Ocado Group entered into a deal with Canadian food supermarket group Sobeys, which will use Ocado's e-commerce platform as it continues to transform itself into a provider of retail technology solutions. Indian restaurant company Jubilant FoodWorks reported strong quarterly profits on higher same store sales and better cost management. Conversely, the lack of exposure to online retailer Amazon.com hurt relative returns, as its shares rose on strong quarterly results.

Sartorius Stedim Biotech, a leading international equipment supplier for the biopharmaceuticals industry, continues to witness a rebound in order intake. Japanese video games maker Nintendo reported strong third-quarter operating profits, driven by robust demand for its new Switch games console. The company also raised its annual earnings estimates.

Despite reporting solid results and an acceleration in organic growth, shares in tooling and industrial materials supplier Kennametal declined. However, it is one of the earliest/shortest cycle names in the US capital goods sector and machine tool demand is likely to increase with higher industrial production and capital spending. The holding in Scotts Miracle-Gro Company, which provides branded lawn and garden products, declined. It lowered the sales forecast for its business that serves legalised cannabis producers, citing disappointing growth in California due to regulatory changes. We expect this impact to be temporary. The company has a strong business model with a premium product line and a domestic market share of approximately 50%. It continues to expand its product offerings and is expected to undertake more acquisitions in hydroponics.

Major contributors to quarterly performance %

As at 31/03/2018

	Active Positions	Contribution
Ocado Group	1.78	0.62
Sartorius Stedim Biotech	1.38	0.32
Jubilant Foodworks	0.82	0.23
Nintendo Co	0.97	0.19
Deutsche Boerse	1.08	0.18

Major detractors to quarterly performance %

As at 31/03/2018

	Active Positions	Contribution
Amazon.com	-1.24	-0.26
Kennametal	0.97	-0.18
Scotts Miracle	0.65	-0.17
Cabot Oil & Gas Corp	0.84	-0.14
CBOE Global Markets	0.55	-0.14

Outlook

Continued strength in the global economy and positive earnings growth outlook support global equities. The outlook for US equities appears positive, supported by the passage of the tax reform bill. Eurozone growth remains strong and relative valuations are attractive. Japan continues to make economic progress and should benefit from a pickup in global demand. However, central banks are expected to raise interest rates and tighten their monetary policies, which may weigh on markets. Increased concerns about global trade wars also pose a risk.

Past performance is not a reliable indicator of future performance. The benchmark is the MSCI All Country World Index. Net returns are calculated using mid-prices and are net of Fidelity's management costs, transactional and operational costs. The calculation assumes reinvestment of distributions. No allowance has been made for tax or the buy-sell spread. The return of capital is not guaranteed. Please visit fidelity.com.au for detailed information on the performance of the Fund mentioned in this document.

downloading it from our website at www.fidelity.com.au. This document may include general commentary on market activity, sector trends or other broad-based economic or political conditions that should not be taken as investment advice. Information stated herein about specific securities is subject to change. Any reference to specific securities should not be taken as a recommendation to buy, sell or hold these securities. While the information contained in this document has been prepared with reasonable care, no responsibility or liability is accepted for any errors or omissions or misstatements however caused. This document is intended as general information only. The document may not be reproduced or transmitted without prior written permission of Fidelity Australia. The issuer of Fidelity's managed investment schemes is FIL Responsible Entity (Australia) Limited ABN 33 148 059 009. Reference to (\$) are in Australian dollars unless stated otherwise. © 2018 FIL Responsible Entity (Australia) Limited. Fidelity, Fidelity International and the Fidelity International logo and F symbol are trademarks of FIL Limited.

Fidelity Global Emerging Markets Fund



Investing in emerging markets can provide a unique opportunity to tap into some of the fastest growing economies in the world. But what if the best opportunities are the ones that are harder to see? We prefer a more prudent approach, designed to provide more sustainable results over time.

Longer term sustainability

A five-stage investment process that seeks to firstly mitigate risk and then concentrate on areas that we can really add value.

Mitigate risk



Prudent corporate governance

We consider ownership, shareholder structure and management compensation to ensure the interest of investors are properly aligned with the major decision makers.



Balance sheet health

Balance sheet analysis ensures the balance sheet is robust enough to fund the growth of the company across the economic cycle. The team also pay close attention to accounting standards.

Add value



Understanding the return profile

Understanding how a company makes money and the key drivers of returns is crucial. We stress test against a range of assumptions to understand the underlying resilience of a company's cash flow generation across an economic cycle.



Valuations

We start by looking at cash flow generation in Year 1. We then look at reinvestment opportunities and examine the compounding potential over the 3-5 year time horizon.



Portfolio construction

Final stock selections are made by Portfolio Manager Alex Duffy. Alex's approach is absolute in nature and decisions are made according to his conviction of the quality and return, without reference to an underlying index.

Why invest?

1

Access to a prudent, focused investment process designed to provide investors with attractive returns over time, while minimising any loss of capital

2

A strong track record backed by more than 20 years' experience investing in emerging markets, informed by over 50 on-the-ground analysts

3

A concentrated portfolio with low turnover and a patient approach, which allows opportunities time to come to fruition

The approach

The Fund is managed by Alex Duffy. Alex has 11 years' experience and joined Fidelity in 2004. Prior to becoming a portfolio manager, Alex was a research analyst. He's passionate about generating sustainable returns for investors and mitigating the risk of capital loss.

Put simply, Alex wants to own good businesses that he really understands. He wants to avoid areas of risk he's not comfortable with – namely, poor corporate governance and inferior balance sheets. And focus on areas that he can add value, such as understanding business drivers, reinvestment returns and compounding over time.

Alex is supported by our global research team of 140 equity analysts and 400 investment professionals worldwide.

The Fidelity difference

Established in 1969, Fidelity International offers world-class investment solutions and retirement expertise. As a privately owned, independent company, investment is our only business and we're driven by the needs of our clients, not by shareholders. Our vision is to deliver innovative client solutions for a better future.

We're an active manager focused on global research, and have one of the largest buy side research teams in the world. It's our obsession with research, and with insights globally and locally, which enable us to evaluate complex businesses and make better investment decisions for our clients.

Fund facts

Objective	To outperform the MSCI Emerging Markets Index NR over the suggested minimum investment time period seven years plus
Benchmark	MSCI Emerging Markets Index NR
Inception	16 December 2013
Number of stocks	30–50
Buy/sell spread	± 40%
Management costs	1.31% pa

* 'NR' at the end of the benchmark name indicates the return is calculated including reinvesting net dividends. The dividend is reinvested after deduction of withholding tax, applying the withholding tax rate to non-resident individuals who do not benefit from double taxation treaties.

www.fidelity.com.au



All information is as at 07/03/2017 unless otherwise stated. Investments in overseas markets can be affected by currency exchange and this may affect the value of your investment. Investments in small and emerging markets can be more volatile than investments in developed markets. This document is issued by FIL Responsible Entity (Australia) Limited ABN 33 148 059 009, AFSL No. 409340 ('Fidelity Australia'). Fidelity Australia is a member of the FIL Limited group of companies commonly known as Fidelity International. **This document is intended for use by advisers and wholesale investors. Retail investors should not rely on any information in this document without first seeking advice from their financial adviser.** This document has been prepared without taking into account your objectives, financial situation or needs. You should consider these matters before acting on the information. You also should consider the Product Disclosure Statements ('PDS') for respective Fidelity products before making a decision whether to acquire or hold the product. The relevant PDS can be obtained by contacting Fidelity Australia on 1800 119 270 or by downloading from our website at www.fidelity.com.au. The issuer of Fidelity's managed investment schemes is FIL Responsible Entity (Australia) Limited ABN 33 148 059 009. Details about Fidelity Australia's provision of financial services to retail clients are set out in our Financial Services Guide, a copy of which can be downloaded from our website at www.fidelity.com.au. © 2017 FIL Responsible Entity (Australia) Limited. Fidelity, Fidelity International and the Fidelity International logo and F symbol are trademarks of FIL Limited. FD17060 032017

Fund description

Invests in a portfolio of 30 to 50 emerging markets securities that we believe are positioned to generate returns through market cycles and have demonstrated a track record of strong corporate governance.

Fund facts

Portfolio manager: Alex Duffy
Benchmark: MSCI Emerging Markets Index NR
Inception date: 16 December 2013
Fund size: AU\$10.12M
Number of stocks: 30 to 50
Management cost: 1.31% p.a.
Buy/sell spread: 0.40%/0.40%

Portfolio guidelines

Stocks: +/- 10% from benchmark
Industry: +/- 15% from benchmark
Region: +/-20% from benchmark
Country: +/-15 % from benchmark
Cash: Target range between 0% and 10%

Top 10 holdings %

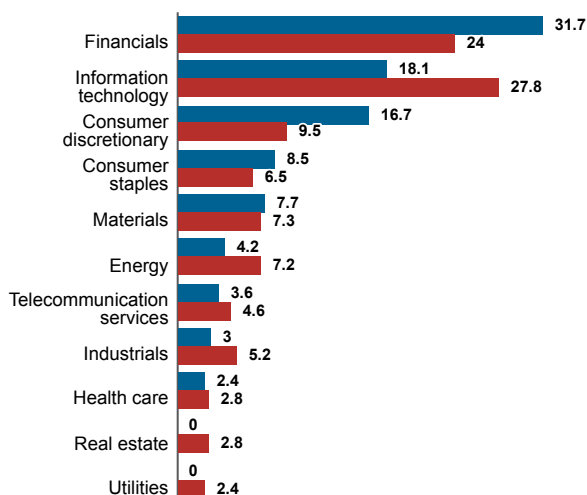
	Fund	B'mk
HDFC BANK LTD	5.3	0.0
AIA GROUP LTD	5.2	0.0
TAIWAN SEMICONDUCTR MFG CO LTD	5.1	3.8
NASPERS LTD	3.8	1.9
BANK CENTRAL ASIA TBK PT	3.7	0.3
HOUSING DEV FINANCE CORP LTD	3.3	0.8
SAMSUNG ELECTRONICS CO LTD	3.0	4.7
ITAU UNIBANCO HOLDING SA	2.9	0.9
AVI LTD	2.9	0.0
INTERNATIONAL FLAVS & FRAG INC	2.7	0.0

Past performance %

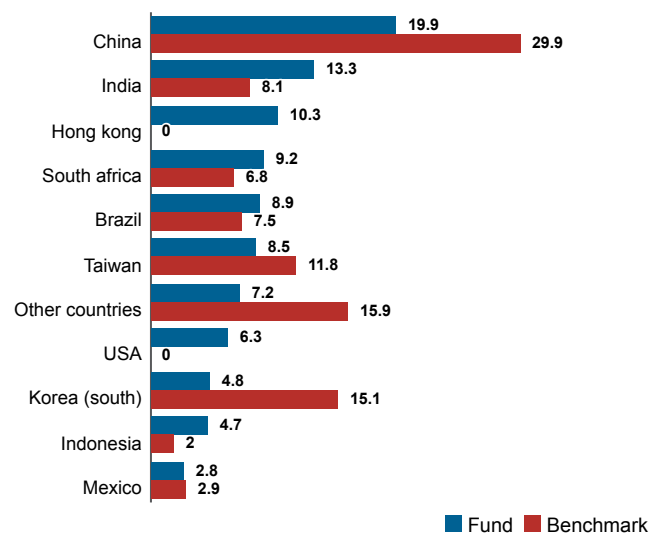
	1 mth	3 mth	6 mth	1 yr	3 yrs p.a.	5 yrs p.a.	Since Inception p.a (16.12.2013)
Fidelity Global Emerging Markets Fund	-0.13	1.73	10.91	24.66	8.57	-	11.03
MSCI Emerging Markets Index NR	-0.30	3.41	11.46	24.25	8.66	-	10.33
Excess return	0.17	-1.68	-0.55	0.41	-0.09	-	0.70

Past performance is not a reliable indicator of future performance. Total returns (net) have been calculated using mid prices and are net of Fidelity's management costs, transactional and operational costs and assumes reinvestment of distributions. No allowance has been made for tax or the buy/sell spread. Returns of more than one year are annualised. 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.

The Fund is unhedged and is subject to the risk of fluctuations in international stock markets and currencies. Management costs and they 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.

Market performance

Emerging market equities rose over the quarter. Upbeat economic growth in China and robust US manufacturing data boosted investors' appetite for riskier assets. However, gains were limited due to concerns over a trade war between the US and China. Expectations of a higher-than-expected number of interest rate hikes by the US Federal Reserve (Fed) also weighed on sentiment. The new Fed Chairman Jerome Powell raised rates in March and indicated the possibility of two more hikes in 2018. In Asia, China removed term limits on the presidency, clearing the way for Xi Jinping to rule the country indefinitely. Chinese stocks rose as the government's plan to reform H-shares of companies listed in Hong Kong was well-received by markets. Elsewhere, Brazilian equities advanced on encouraging political news and expectations of an economic recovery in 2018.

Fund performance

The Fund delivered positive absolute returns but underperformed the index over the quarter due to stock selection in the consumer staples, energy and information technology (IT) sectors. On a positive note, telecommunication services and health care holdings added value. From a country perspective, South African names fell, whereas stock selection in Brazil supported returns.

The position in Shanghai Flyco Electrical Appliance detracted from performance due to concerns over high selling expenses. In addition, the stock's relatively small free-float makes it vulnerable to high volatility. However, we retain exposure to this company as it is likely to benefit from the strong growth in the small personal-care appliance market. The holding in X5 Retail Group hurt performance as it released mixed quarterly results. While its quarterly sales fell as there are signs of increasing competition in the market, the decline in margins was lower than expectations. The management also announced a high dividend.

The exposure to internet company NetEase hampered returns as it reported weak quarterly operating profits. Earnings from the ecommerce business weighed on overall profits and the company also spent more than expected on advertising. However, the investment thesis remains intact owing to the value of its strong gaming franchise.

Sports company Li Ning advanced on strong quarterly results. Its long-term outlook remains positive owing to better management of its South China operations, the development of its children's wear business and further industry consolidation. Elsewhere, the allocation to Brazil-based pulp company Fibria Celulose added value. The stock rose on news of its merger with Suzano Papel e Celulose, making the combined entity the world's largest pulp market player. Within health care, CSPC Pharmaceutical released robust annual results driven by performance of its Vitamin C business.

Major contributors to quarterly performance %

As at 31/03/2018

	Active Positions	Contribution
CSPC Pharmaceutical Group	2.07	0.57
ITAU Unibanco Holding SA	1.98	0.41
Li Ning Co Ltd	2.00	0.41
Fibria Celulose SA	1.13	0.34
Safaricom Ltd	1.61	0.26

Major detractors to quarterly performance %

As at 31/03/2018

	Active Positions	Contribution
Shanghai F A MMA	1.73	-0.52
Techtronic Industries	2.71	-0.40
Netease Inc Adr	1.62	-0.39
International Flavors & Fragra	2.86	-0.38
Cummins India	1.38	-0.38

Outlook

Emerging markets are likely to be impacted by domestic reform efforts, monetary policy decisions, geopolitical tensions and commodity prices. Investors will continue to monitor US President Donald Trump's policies and the impact that moderate Chinese economic growth will have on developing countries. In addition, a supportive environment for commodities may benefit commodity exporting countries, but selectivity is critical. From a long-term perspective, emerging markets continue to offer numerous structural growth opportunities, supported by purchasing power, lifestyle changes and associated consumer spending.

For over 40 years, Fidelity has been active and on-the-ground in Asia. Over this time, our understanding and knowledge of the region has compounded to provide our portfolio managers with a truly unique and independent view of the factors shaping returns from Asian companies.

A 360-degree view gives us the edge



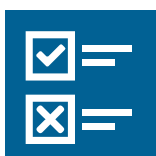
It starts with ideas

Every piece of information counts as we look for insights into companies we believe show unrecognised potential.



Taking a 360-degree view

We don't just meet with a company's management. We visit factory floors, shopfronts and suppliers, and investigate customers and competitors. This three-dimensional view helps us rate companies and filter recommendations from around the world via Fidelity's research platform.



Stock selection

Final stock selection decisions are made by the Portfolio Manager, Anthony Srom. Anthony will test the investment thesis and financial models on which analysts' stock recommendations are based, and he meets personally with company executives before making a final decision and selecting around 35 of the best ideas.



Monitoring

Every 90 days we have contact with the companies that have stock in the Fund. If things change, we can react quickly.

The approach

The Fund is managed by Anthony Srom. Anthony has 18 years' experience and joined Fidelity in 2006. Anthony runs a concentrated portfolio with no more than 35 stocks and has a 'one stock in, one stock out' policy. This approach generally increases the prospect of relative outperformance while not compromising diversification and risk management.

Anthony uses scenario analysis to help prepare for unexpected situations and opportunities while continually asking key questions such as, 'What's not priced into the stock?' and, 'How am I thinking differently to the market?' He favours companies that demonstrate a compelling business model, above-average earnings growth rate, increasing returns on equity over time and attractive valuations.

Anthony is supported by our global research team of 140 equity analysts and 400 investment professionals worldwide.

Why invest?

1

Access the growth opportunities of this region via a concentrated, high conviction portfolio that has delivered relatively strong performance since its inception in 2005

2

A strong ten-year track record backed by more than 40 years' experience investing in Asia, informed by 30 dedicated research professionals and 50 on-the-ground analysts

3

This concentrated approach allows the portfolio manager to focus more time on specific stocks and thereby generates a greater chance of creating meaningful contribution

The Fidelity difference

Established in 1969, Fidelity International offers world-class investment solutions and retirement expertise. As a privately owned, independent company, investment is our only business and we're driven by the needs of our clients, not by shareholders. Our vision is to deliver innovative client solutions for a better future.

We're an active manager focused on global research, and have one of the largest buy side research teams in the world. It's our obsession with research, and with insights globally and locally, which enable us to evaluate complex businesses and make better investment decisions for our clients.

Fund facts

Objective	To outperform the MSCI AC Asia (ex-Japan) Index NR* over the suggested minimum investment time period of five to seven years
Benchmark	MSCI AC Asia (ex-Japan) Index NR
Inception	29 September 2005
Number of stocks	25–35
Buy/sell spread	± 40%
Management costs	1.19% pa

* 'NR' at the end of the benchmark name indicates the return is calculated including reinvesting net dividends. The dividend is reinvested after deduction of withholding tax, applying the withholding tax rate to non-resident individuals who do not benefit from double taxation treaties.

www.fidelity.com.au



All information is as at 07/03/2017 unless otherwise stated. Investments in overseas markets can be affected by currency exchange and this may affect the value of your investment. Investments in small and emerging markets can be more volatile than investments in developed markets. This document is issued by FIL Responsible Entity (Australia) Limited ABN 33 148 059 009, AFSL No. 409340 ('Fidelity Australia'). Fidelity Australia is a member of the FIL Limited group of companies commonly known as Fidelity International. **This document is intended for use by advisers and wholesale investors. Retail investors should not rely on any information in this document without first seeking advice from their financial adviser.** This document has been prepared without taking into account your objectives, financial situation or needs. You should consider these matters before acting on the information. You also should consider the Product Disclosure Statements ('PDS') for respective Fidelity products before making a decision whether to acquire or hold the product. The relevant PDS can be obtained by contacting Fidelity Australia on 1800 119 270 or by downloading from our website at www.fidelity.com.au. The issuer of Fidelity's managed investment schemes is FIL Responsible Entity (Australia) Limited ABN 33 148 059 009. Details about Fidelity Australia's provision of financial services to retail clients are set out in our Financial Services Guide, a copy of which can be downloaded from our website at www.fidelity.com.au. © 2017 FIL Responsible Entity (Australia) Limited. Fidelity, Fidelity International and the Fidelity International logo and F symbol are trademarks of FIL Limited. FD17060 032017

Fund description

A concentrated high conviction portfolio, investing in no more than 35 companies across developed and emerging Asia (ex-Japan) and draws on the research capabilities of Fidelity's analysts based on the ground in Asia.

Fund facts

Portfolio manager: Anthony Srom
Benchmark: MSCI AC Asia ex-Japan Index NR
Inception date: 29 September 2005
Fund size: AU\$126.62M
Number of stocks: Up to 35
Management cost: 1.19% p.a.
Buy/sell spread: 0.40%/0.40%

Portfolio guidelines

Stocks: 3-4% underweight to 6-8% overweight from benchmark
Industry: +/-20% from benchmark
Country: +/-20% from benchmark
Cash: Target range between 0% and 10%

Top 10 holdings %

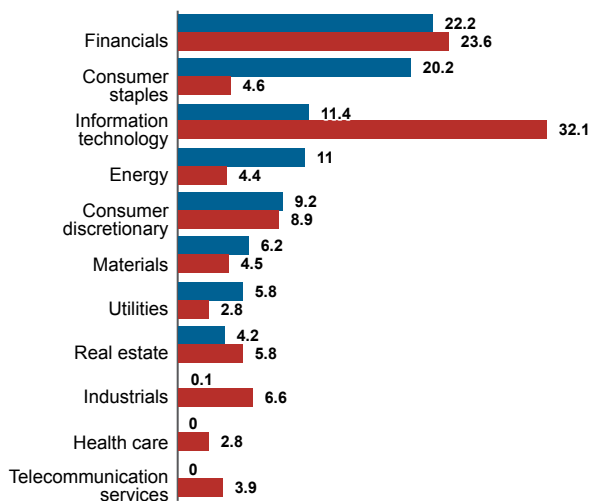
	Fund	B'mk
AIA GROUP LTD	9.3	2.2
TAIWAN SEMICONDUCTR MFG CO LTD	9.3	4.4
HDFC BANK LTD	8.8	0.0
KWEICHOW MOUTAI CO LTD	8.8	0.0
FOSHAN HAITIAN FLAVOURING & FOOD COMPANY LTD	6.6	0.0
CHINA PETROLEUM & CHEM CORP	5.6	0.5
MIDEA GROUP CO LTD	4.4	0.0
SUN HUNG KAI PROPERTIES LTD	4.2	0.5
SK INNOVATION CO LTD	4.2	0.3
BANK RAKYAT INDONESIA TBK PT	4.1	0.3

Past performance %

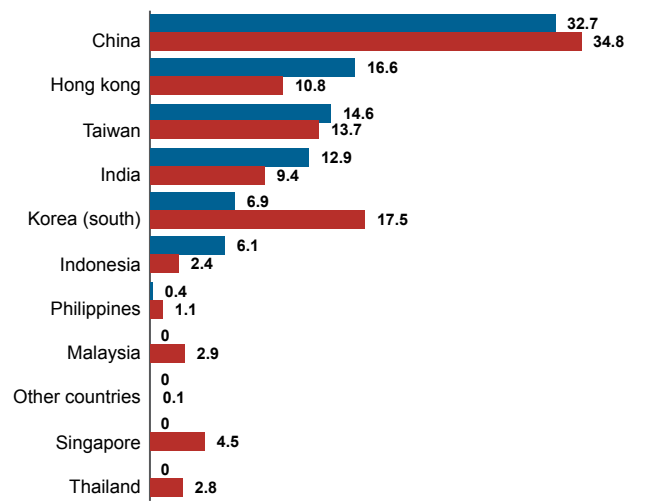
	1 mth	3 mth	6 mth	1 yr	3 yrs p.a.	5 yrs p.a.	7 yrs p.a.	10 yrs p.a.	Since Inception p.a (29.09.2005)
Fidelity Asia Fund	0.80	1.97	14.95	25.76	13.84	18.75	14.00	8.60	10.59
MSCI AC Asia ex-Japan Index NR	0.06	2.65	11.45	25.13	9.07	15.05	10.33	7.36	8.68
Excess return	0.74	-0.68	3.50	0.63	4.77	3.70	3.67	1.24	1.91

Past performance is not a reliable indicator of future performance. Total returns (net) have been calculated using mid prices and are net of Fidelity's management costs, transactional and operational costs and assumes reinvestment of distributions. No allowance has been made for tax or the buy/sell spread. Returns of more than one year are annualised. The return of capital is not guaranteed. **The benchmark is the MSCI AC Asia ex-Japan Index, effective 1 January 2010. Benchmark data prior to 1 January 2010 is a blend of the MSCI AC Asia ex-Japan Index and the MSCI AC Far East ex-Japan Index. The major difference between the two indices is the inclusion of India in the MSCI AC Asia ex-Japan Index.

Industry breakdown %



Geographic breakdown %



■ Fund ■ Benchmark

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.

Market performance

Asia ex Japan equities started the quarter on a positive note, amid better-than-expected earnings and optimism towards global growth. However, investor confidence weakened towards the latter half of the quarter amid fears over a global trade war between the US and China, and risks of faster interest rate hikes in the US. Broadly positive economic data and improved corporate earnings forecasts buoyed Chinese equities. Meanwhile, Hong Kong equities underperformed the index, amid weakness in consumer staples and real estate stocks. Gains in health care, telecommunications and information technology (IT) stocks supported Taiwanese equities. The Singaporean market ended higher, mainly due to gains in financials. Gains in energy, materials and utilities stocks helped Thai equities. The Malaysian market also rose, led by the financials, health care and consumer staples. The Indian market slid following the introduction of a long-term capital gain tax on equities and the emergence of a debt fraud at a state-owned lender. South Korean and Indonesian equities also lagged regional equities as corporate earnings missed estimates. Selling activity by foreign institutional investors weighed on equities in the Philippines. Sentiment towards the Philippines market further weakened amid concerns over inflation, which rose above the central bank's target range in February.

Fund performance

The Fund underperformed the index over the quarter, as selected materials and consumption-led holdings held back gains. Conversely, security selection in the energy sector contributed to performance.

In materials, dividend disappointment and short-term pressures held back gains in Taiwan Synthetic Rubber Corporation. Among consumer stocks, the exposure to Tata Motors hampered performance as a weak product mix, increased variable marketing expenses and high model launch costs weighed on the operating profits of Jaguar Land Rover. However, the stock is held for its strong fundamentals, and in anticipation of market share gains given Jaguar Land Rover's strong product line up. Indonesian clove cigarette maker Gudang Garam retreated amid investor concerns over its plans to construct an airport in 2018.

Oil and gas company China Petroleum and Chemical Corporation rose as the strong performance of its refining and chemical segments resulted in robust earnings. The allocation to China Oilfield Services also added value as it reported robust earnings, supported by aggressive cost controls, technology improvements and higher utilisation levels. Elsewhere, global semiconductor foundry leader Taiwan Semiconductor Manufacturing advanced in light of better-than-expected earnings, buoyed by increased demand for cryptocurrency mining, higher capacity utilisation and faster cost reduction.

Major contributors to quarterly performance %

As at 31/03/2018

	Active Positions	Contribution
China Petrol & Chem Corp	4.92	0.89
Foshan Haitian Flavouring & Fo	6.03	0.50
Taiwan Semiconduct	4.96	0.40
China Oilfield Services	1.44	0.34
LT Group	0.37	0.21

Major detractors to quarterly performance %

As at 31/03/2018

	Active Positions	Contribution
Taiwan Synthetic Rubber Corp	3.27	-0.64
Tata Motors	1.48	-0.44
Gudang Garam	2.31	-0.39
Shanghai Flyco Electrical	0.82	-0.36
Korea Electric Power Corp	2.48	-0.36

Outlook

We remain cautious on the outlook for Asian markets in light of elevated global risks and the sharp rally over the past year. Global economic growth appears to be satisfactory, but attempts by global central banks to raise interest rates could hamper market performance. Chinese 'de-leveraging' attempts are risky and the currency appears to be vulnerable due to capital outflow pressure. Year-on-year Chinese economic growth is likely to weaken in the second half of 2018, unless the government implements further stimulus measures.

www.fidelity.com.au



This document is intended for the general information of financial advisers and wholesale clients only. This document is issued by FIL Responsible Entity (Australia) Limited ABN 33 148 059 009, AFSL No. 409340 ("Fidelity Australia"). Fidelity Australia is a member of the FIL Limited group of companies commonly known as Fidelity International. **Prior to making an investment decision, retail clients should seek advice from their financial advisers.** This document has been prepared without taking into account your objectives, financial situation or needs. You should consider these matters before acting on the information. You should also consider the relevant Product Disclosure Statements ("PDS") for any Fidelity Australia product mentioned in this document before making any decision about whether to acquire the product. The PDS can be obtained by contacting Fidelity Australia on 1800 044 922 or by downloading it from our website at www.fidelity.com.au. This document may include general commentary on market activity, sector trends or other broad-based economic or political conditions that should not be taken as investment advice. Information stated herein about specific securities is subject to change. Any reference to specific securities should not be taken as a recommendation to buy, sell or hold these securities. While the information contained in this document has been prepared with reasonable care, no responsibility or liability is accepted for any errors or omissions or misstatements however caused. This document is intended as general information only. The document may not be reproduced or transmitted without prior written permission of Fidelity Australia. The issuer of Fidelity's managed investment schemes is FIL Responsible Entity (Australia) Limited ABN 33 148 059 009. Reference to (\$) are in Australian dollars unless stated otherwise. © 2018 FIL Responsible Entity (Australia) Limited. Fidelity, Fidelity International and the Fidelity International logo and F symbol are trademarks of FIL Limited.