

Fidelity Global Value Long/Short Fund

A fundamental alternatives strategy that aims to deliver low-volatility equity-like returns through the use of both long and short equity exposures. It may offer benefits to those who wish to complement their traditional portfolios.

1

Seeks to exploit mispricing of value-oriented stocks.

2

Uses a combination of long and short positions.

3

Aims to deliver an equity-like return with lower volatility.

Investment philosophy

Fidelity Global Value Long/Short Fund (the "Fund") has an investment philosophy based on four core principles, built on the portfolio manager's decades of investment experience and research.

Aim to protect capital first and foremost.	Aim to buy great companies.
Be infinitely patient on price.	Don't try to predict the unpredictable.

Investment strategy

The Fund expands upon traditional long-only investing by identifying a combination of long and short opportunities across a global stock universe.

LONG OPPORTUNITIES

Find quality companies
Sustainable business models
Don't overpay for the stock



Merger arbitrage
Opportunistic short

SHORT OPPORTUNITIES



Dan Dupont

Portfolio manager
Joined Fidelity in 2001.

Experience covering the following sectors:

- consumer products
- food and drug retailing industries
- gold industry
- banks

Dan manages Fidelity Canadian Large Cap Fund, Fidelity Concentrated Value Private Pool and, alongside Joel Tillinghast and Kyle Weaver, Fidelity NorthStar® Fund and Fidelity NorthStar® Balanced Fund. He also manages the equity subportfolios of Fidelity Monthly Income Fund and Fidelity Income Allocation Fund.

Mandate summary

Strategy	Long/short equity
Target beta	0.3–0.7
% Short limit	50%
No. of stocks	Typically 40–50 (30–40 long)
Benchmark	MSCI World (CAD) Index
Risk rating	Medium
Minimum investment	C\$ 500

Dan Dupont's standalone mandates

	LIQUID ALTERNATIVE	TRADITIONAL MUTUAL FUNDS
	Global Value Long/Short	Canadian Large Cap and Concentrated Value
Regional focus	Global (up to 100% foreign)	Canadian focused (up to 49% foreign)
Market cap focus	All cap	Large cap
Number of holdings	Typically 40–50 Approx. 30–40 long; remainder will be short	Typically 30–50
Leverage	May use leverage through the use of cash borrowings or short sales; typically no more than 200% gross exposure*	None
Stock selection approach	Fundamental bottom-up analysis	Fundamental bottom-up analysis
Attributes in security selection	Long: Positive free cash flow, high earnings visibility, stable sales growth, low P/E, high ROE Short: Merger arbitrage and opportunistic shorting	Positive free cash flow, high earnings visibility, stable sales growth, low P/E, high ROE
Target volatility	Lower, absolute return focus	Higher

* Gross exposure refers to the sum of long and short positions in relation to net asset value.

For more information, speak to your financial advisor today, or visit fidelity.ca/Alternatives



Commissions, trailing commissions, management fees, brokerage fees and expenses may be associated with investments in mutual funds and ETFs. Please read the mutual fund's or ETF's prospectus, which contains detailed investment information, before investing. Mutual funds and ETFs are not guaranteed. Their values change frequently, and investors may experience a gain or a loss. Past performance may not be repeated.

This Fund is an alternative mutual fund. It has the ability to invest in asset classes or use investment strategies that are not permitted for conventional mutual funds. The specific strategies that differentiate this Fund from conventional mutual funds may include the increased use of derivatives for hedging and non-hedging purposes, the increased ability to sell securities short and the ability to borrow cash to use for investment purposes. If undertaken, these strategies will be used in accordance with the Fund's objectives and strategies, and during certain market conditions, may accelerate the pace at which the Fund decreases in value.

The investment risk level indicated was determined in accordance with the Canadian Securities Administrators standardized risk classification methodology, which is based on the historical volatility of a fund, as measured by the ten-year annualized standard deviation of the returns of a fund or those of a reference index, in the case of a new fund.

