

Navigating through the new normal: An alternative perspective

Brett Dley
Portfolio Manager

David Way
Portfolio Manager

December 2022

Fidelity Market Neutral Alternative Fund



Brett Dley

Portfolio Manager

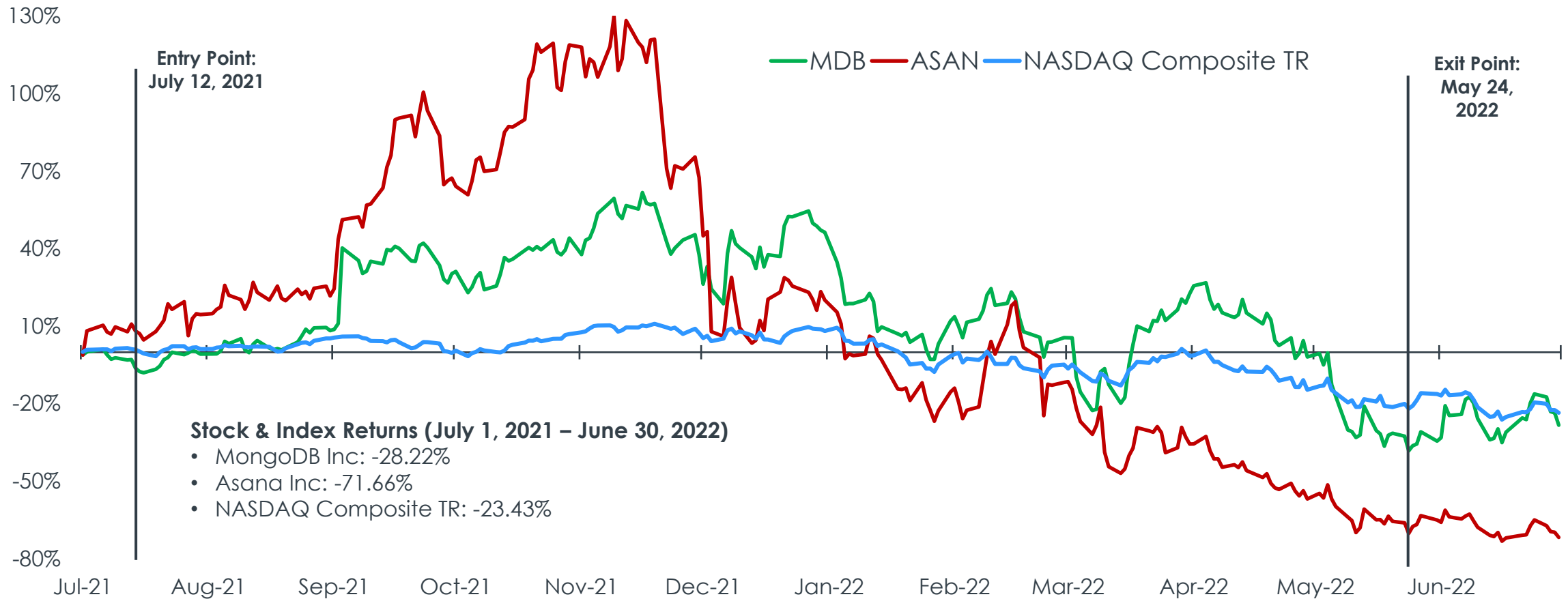
Joined Fidelity in 2008

STRATEGY	Market neutral
TARGET BETA	0 ± 0.1
TYPICAL % SHORT	Up to 100%
NO. OF STOCKS	c. 100–150 (40–50 long)
BENCHMARK	FTSE Canada 91-Day T-Bill Index
REFERENCE INDEX	50/50 S&P/TSX Capped Composite/S&P 500 Index
MANAGEMENT FEE*	Series F: 1.15% Series B: 2.15%
MINIMUM INVESTMENT	CDN\$ 500
RISK RATING	Low to medium

*The Fund also pays a fixed fund administration fee and certain fund costs as described in the Fund's simplified prospectus.

Example: Hedging valuation risk to focus on fundamentals

Long: MongoDB Inc (MDB), **Short:** Asana Inc (ASAN)



Source: Morningstar Direct. For illustration purposes only. This graph shows the performance returns for each issuer and index indicated for the period from July 1, 2021 to June 30, 2022. While the issuers were selected because the Fund held them in the portfolio, the Fund did not hold the issuers for the entire period shown nor is the return stated meant to indicate current Fund investments. Past performance is no guarantee of future results. Any reference to an issuer or index is for illustrative purposes only and a point-in-time case study; it is not a recommendation to buy or sell, nor is it necessarily an indication of how the portfolio of the Fund is invested. The statements and opinions are subject to change at any time, based on market and other conditions. Short selling includes additional costs such as cost of borrowing securities and dividend expenses which are not considered in this example. Returns are represented by the total return of the issuer securities and not the returns earned by the Fund.

Fidelity Long/Short Alternative Fund



David Way

Portfolio Manager

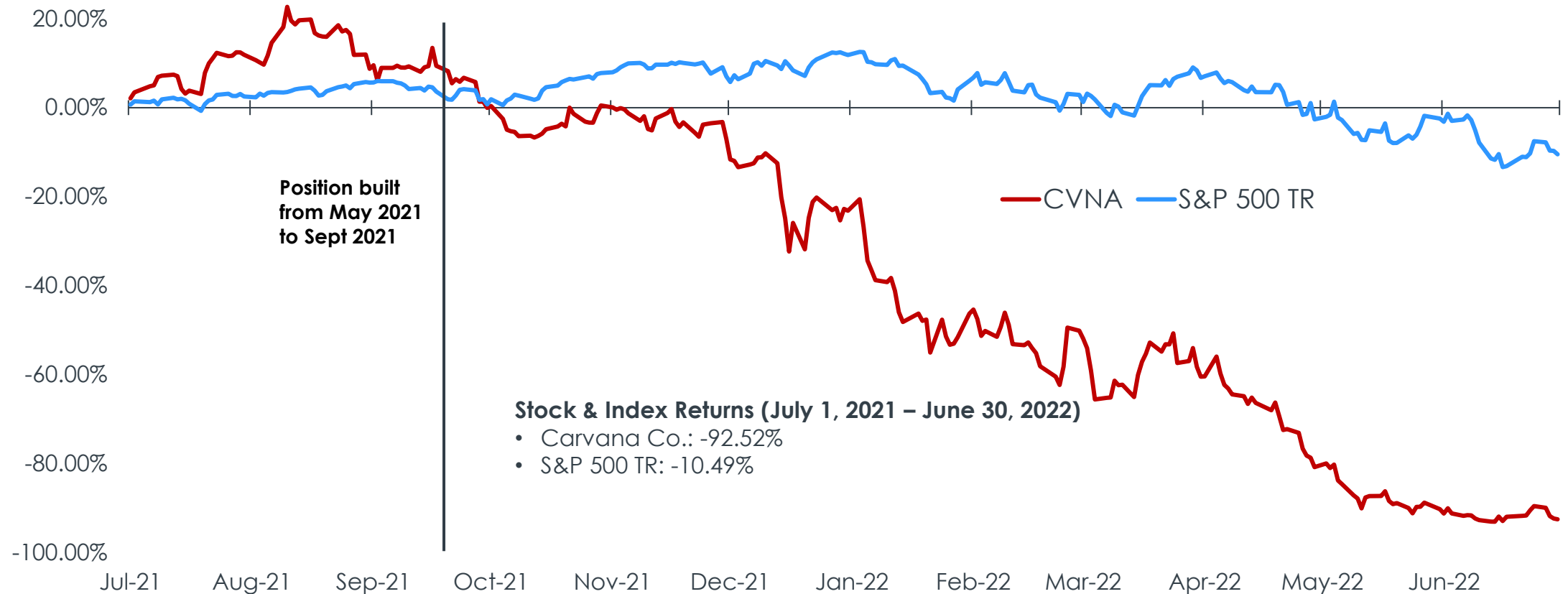
Joined Fidelity in 2008

STRATEGY	Long/short equity
TARGET BETA	0.0–1.0
TYPICAL % SHORT	30%
NO. OF STOCKS	c. 30–60 per side
BENCHMARK	50/50 S&P/TSX Capped Composite/S&P 500 Index
MANAGEMENT FEE*	Series F, F5, F8: 1.15% Series B, S5, S8: 2.15%
MINIMUM INVESTMENT	CDN\$ 500
RISK RATING	Medium

*The Fund also pays a fixed fund administration fee and certain fund costs as described in the Fund's simplified prospectus.

Example: Overvalued pandemic winners

Short: Carvana Co (CVNA)



Source: Morningstar Direct. For illustration purposes only. This graph shows the performance returns for each issuer and index indicated for the period from July 1, 2021 to June 30, 2022. While the issuers were selected because the Fund held them in the portfolio, the Fund did not hold the issuers for the entire period shown nor is the return stated meant to indicate current Fund investments. Past performance is no guarantee of future results. Any reference to an issuer or index is for illustrative purposes only and a point-in-time case study; it is not a recommendation to buy or sell, nor is it necessarily an indication of how the portfolio of the Fund is invested. The statements and opinions are subject to change at any time, based on market and other conditions. Short selling includes additional costs such as cost of borrowing securities and dividend expenses which are not considered in this example. Returns are represented by the total return of the issuer securities and not the returns earned by the Fund.

Important notice

For advisor use only. No recipient is authorized to pass this communication on to any other person whatsoever or reproduce it by any means without the prior written consent of Fidelity.

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. The indicated rates of return are historical annual compounded total returns for the period indicated including changes in unit value and reinvestment of distributions. The indicated rates of return do not take into account sales, redemption, distribution or option charges or income taxes payable by any unitholder that would have reduced returns. 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. If you buy other series of Fidelity Funds, the performance will vary, largely due to different fees and expenses. Investors who buy Series F pay investment management fees and expenses to Fidelity. Investors will also pay their dealer a fee for financial advice services in addition to the Series F fees charged by Fidelity.

The statements contained herein are based on information believed to be reliable and are provided for information purposes only. Where such information is based in whole or in part on information provided by third parties, we cannot guarantee that it is accurate, complete or current at all times. It does not provide investment, tax or legal advice, and is not an offer or solicitation to buy. Graphs and charts are used for illustrative purposes only and do not reflect future values or returns on investment of any fund or portfolio. Particular investment strategies should be evaluated according to an investor's investment objectives and tolerance for risk. Fidelity Investments Canada ULC and its affiliates and related entities are not liable for any errors or omissions in the information or for any loss or damage suffered.

The Funds are alternative mutual funds. They have the ability to invest in asset classes or use investment strategies that are not permitted for conventional mutual funds. The specific strategies that differentiate these Funds from conventional mutual funds may include: increased use of derivatives for hedging and non-hedging purposes, 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.

Fidelity Market Neutral Alternative Fund has obtained exemptive relief to permit it to engage in short-selling strategies in excess of the short-selling limits permitted under applicable securities legislation for both alternative mutual funds and conventional mutual funds. Consistent with the Fund's investment objectives, the Fidelity Market Neutral Alternative Fund may engage in the short-selling of securities and/or cash borrowing with a combined limit of 100% of its net asset value.

The breakdown of fund investments is presented to illustrate the way in which a fund may invest and may not be representative of a fund's current or future investments. A fund's investments may change at any time.

© 2022 Fidelity Investments Canada ULC. All rights reserved. Fidelity Investments is a registered trademark of Fidelity Investments Canada. The presenter is not registered with any securities commission and therefore cannot provide advice regarding securities.

