

Fidelity Canadian Opportunities Fund

Quarterly Investment Review

June 30, 2024

Contents

OVERVIEW 3

QUARTERLY FUND COMMENTARY 5

12 MONTH FUND COMMENTARY 5

POSITIONING AND OUTLOOK 5

PERFORMANCE ATTRIBUTION 6

FUND POSITIONING 7

INVESTMENT PROCESS 8

DISCLOSURE 9

Overview

INCEPTION DATE: October 01, 2003
BENCHMARK: S&P/TSX Completion Index
FUND MANAGER: Hugo Lavallée

OBJECTIVE

The Fund aims to achieve long term capital growth by investing primarily in the equity securities of Canadian companies. The Fund may at times have significant exposure to relatively few companies and industries. It may also invest up to 10% of its assets at the time of purchase in the securities of private companies.

APPROACH

- A contrarian strategy that aims to identify value in out-of-favour stocks.
- Focused on small- and mid-capitalization companies.
- Investments focused primarily in Canada.

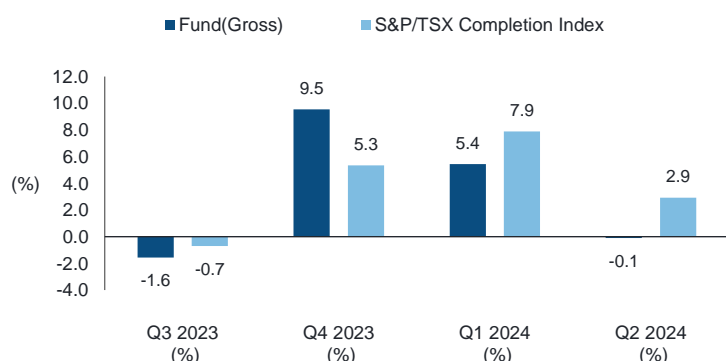
PERFORMANCE RETURNS (%)

	Cumulative					Annualized				
	Q3 2023	Q4 2023	Q1 2024	Q2 2024	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Fidelity Canadian Opportunities Fund - Series O	(1.56)	9.53	5.43	(0.10)	5.33	13.56	10.43	17.21	13.11	13.00
S&P/TSX Completion Index	(0.70)	5.34	7.88	2.92	11.04	16.15	6.21	8.99	5.33	7.49
Relative Return	(0.86)	4.19	(2.45)	(3.02)	(5.71)	(2.59)	4.22	8.22	7.78	5.51

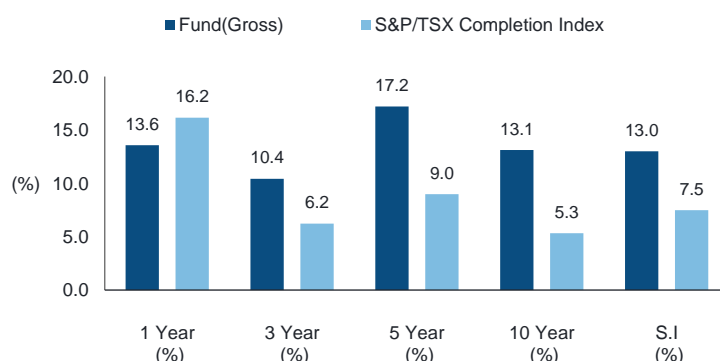
Performance returns are unaudited and time-weighted.

Note: Differences may be due to rounding.

Cumulative Quarterly Performance



Annualized as of June 30, 2024



Overview

PERFORMANCE RETURNS (%): CALENDAR YEAR RETURNS

	Calendar Year Returns									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fidelity Canadian Opportunities Fund - Series O	20.90	(0.07)	22.22	30.54	24.59	1.32	5.22	27.46	(6.77)	11.87
S&P/TSX Completion Index	10.44	(4.22)	14.86	5.97	26.12	(12.85)	7.04	20.50	(10.01)	5.74
Relative Return	10.46	4.15	7.36	24.57	(1.53)	14.17	(1.82)	6.96	3.24	6.13

Performance returns are unaudited and time-weighted.

Note: Differences may be due to rounding.

Quarterly Fund Commentary

- The Fund's underweight exposure to the real estate sector contributed the most to relative returns.
- In real estate, lack of exposure to a Canadian retail-focused real estate investment trust and a lower-than-benchmark exposure to Colliers International contributed to relative returns. In other sectors, out-of-benchmark exposure to Dollarama and lack of exposure to an American Canadian specialty pharmaceutical company were the primary contributors.
- The Fund's investments in the industrials and information technology sectors detracted from relative returns.
- In industrials, lack of exposure to a Canadian aircraft manufacturer and out-of-benchmark exposure to Canadian National Railway detracted the most from relative returns. In information technology, lack of exposure to a Canadian supply chain electronics manufacturing services company and out-of-benchmark exposure to OpenText detracted from relative performance. In other sectors, notable detractors included holdings in Onex and Spin Master.

12 Month Fund Commentary

- The Fund's investments in, and overweight exposure to the industrials sector contributed to relative performance, as did its lower-than-benchmark exposure to, real estate.
- In industrials, holdings in AtkinsRéalis and Air Canada made the primary contributions. In real estate, lack of exposure to a Canadian retail-focused real estate investment trust contributed, as did lack of exposure to a Canadian urban office developer. In other sectors, notable contributors included out-of-benchmark exposures to Dollarama and Constellation Software.
- The Fund's investments in the information technology sector detracted from relative returns, as did its lower-than-benchmark exposure to the energy sector.
- In information technology, lack of exposure to a Canadian supply chain electronics manufacturing services company and investments in LightSpeed Commerce detracted from performance. In energy, the Fund's lower-than-benchmark allocations to Meg Energy and Arc Resources detracted. In other sectors, notable detractors included out-of-benchmark exposure to Franco-Nevada and a lower-than-benchmark allocation to Fairfax Financial.

Positioning and Outlook

- Portfolio manager Hugo Lavallée remains selective when investing in the Canadian small- to mid-capitalization market, evaluating investment opportunities stock by stock.
- Hugo notes that equity markets remain highly concentrated especially in certain glamour tech stock, which highlights the need to remain flexible and tactical in positioning. As a contrarian investor who prefers companies that have temporarily fallen out of favour, the manager is not chasing the top winning stocks. Instead, he focuses on what has been left behind, because he believes that is where the relative value will be.
- Hugo believes it is crucial to ensure that companies in the portfolio can stand the test of time as interest rates remain elevated. Specifically, companies need to have strong balance sheets to support themselves through a slowing economic environment. In Hugo's opinion, having good business fundamentals, and often lots of cash on the balance sheet, can help a company's management team navigate this challenging environment.
- The companies Hugo buys for the Fund may currently have depressed earnings, but may not necessarily be permanently impaired. He believes that with patience, and over a two- to three-year horizon, there is a good probability of improvement, making these depressed entry points potentially strong compounders.
- Consumer spending has slowed as consumers digest higher prices, and the transportation industry, and more specifically railways and logistics companies, are facing leaner times – and are therefore trading at attractive valuations. Railways are losing market share to alternative delivery methods, such as trucking, as consumers and companies demand faster deliveries. However, Hugo believes that trucking will eventually prove to be more expensive and detrimental to the environment, and that as companies begin to prioritize costs and sustainable efficiency, rails could benefit from volume increases. He prefers transportation companies in the U.S., where cyclical dynamics appear to be recovering faster than in other markets.
- Hugo has been spending a considerable amount of time finding compelling ideas in cyclical parts of the markets that, in his view, look overly penalized in the current market environment. Specifically, he has identified select U.S. discount stores that have been trading at cheap valuations amid concerns about cautious consumer spending. As a result, certain stocks in this beaten-down group present attractive investment opportunities that could be strong compounders over the long term.
- Amid ongoing concerns about sticky inflation and high interest rates, Hugo has been adjusting his investment portfolio by increasing its exposure to royalty companies, particularly in copper and gold. As an investor who goes against the grain, he remains optimistic about the overlooked and forgotten copper industry, which has been experiencing temporarily depressed earnings over the past few years resulting in a lack of capital investment and mine supply constraints due to mine closures. However, demand remains elevated as electrification continues to grow, especially in the U.S., where AI data centres require significant power. He believes that with patience, and over a two- to three-year horizon, there is a possibility of improvement, making these strategically timed, discounted entry points a chance to acquire potentially strong compounders.
- Hugo is very familiar with the gold industry, as he was responsible for analyzing Canadian gold companies when he was a research analyst, making him a subject-matter expert on this precious metal. Although interest rates and gold are negatively correlated, central banks have been increasing their reserves of gold, due to the diversification and inflation-hedging benefits it offers. Hugo intends to take advantage of a potential surge in commodity prices; in his view, when they rally, they tend to do so strongly.

Performance Attribution

SECTOR ATTRIBUTION SUMMARY - 3 MONTHS									
Sector	Average Fund Weight (%)	Average Benchmark Weight (%)	Relative Weight (%)	Fund Return (%)	Benchmark Return (%)	Relative Return (%)	Security Selection (bps)	Sector Selection (bps)	Total Relative Contribution (bps)
REAL ESTATE	2.13	8.19	(6.06)	(9.95)	(5.89)	(4.05)	(12)	55	43
HEALTH CARE	1.43	1.49	(0.06)	(13.26)	(18.58)	5.32	5	3	8
ENERGY	10.98	18.15	(7.17)	0.13	1.02	(0.90)	(5)	0	(5)
MATERIALS	22.37	20.81	1.57	7.62	8.42	(0.80)	(10)	0	(10)
COMMUNICATION SERVICES	1.04	0.96	0.08	(8.27)	(4.35)	(3.92)	(6)	(7)	(13)
UTILITIES	2.34	6.92	(4.58)	8.66	6.06	2.60	5	(19)	(14)
CONSUMER STAPLES	7.11	2.84	4.26	0.94	10.37	(9.43)	(62)	24	(38)
CONSUMER DISCRETIONARY	9.37	2.27	7.10	(4.12)	(5.42)	1.31	12	(66)	(54)
FINANCIALS	11.26	15.39	(4.13)	(0.29)	4.66	(4.95)	(56)	(9)	(65)
INFORMATION TECHNOLOGY	11.42	4.82	6.60	(0.60)	9.68	(10.28)	(119)	46	(73)
INDUSTRIALS	19.38	18.17	1.21	(2.62)	1.59	(4.21)	(81)	(2)	(83)
SUBTOTAL	98.81	100.00	(1.19)	(0.14)	2.92	(3.06)	(328)	25	(303)
CASH AND OTHER	1.19	-	-	-	-	-	-	-	1
TOTAL	100.00	100.00	0.00	(0.10)	2.92	(3.02)	-	-	(302)

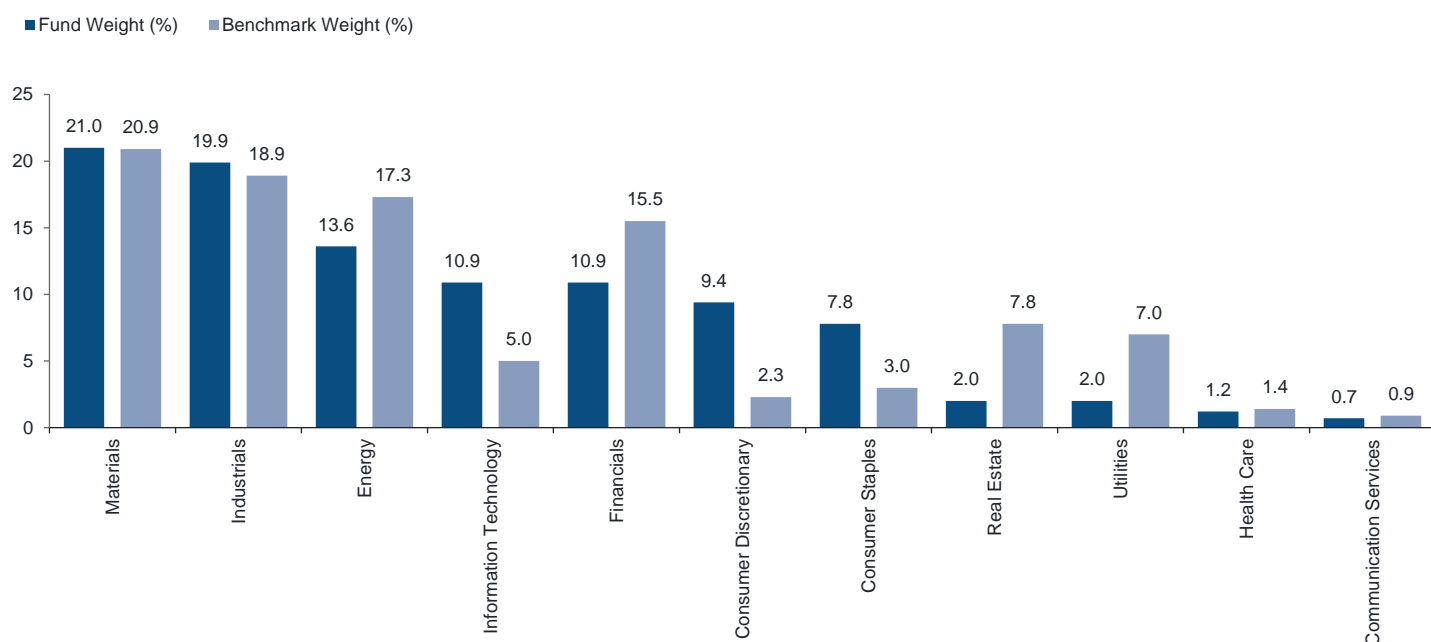
Note: Differences may be due to rounding.

SECTOR ATTRIBUTION SUMMARY - 1 YEAR									
Sector	Average Fund Weight (%)	Average Benchmark Weight (%)	Relative Weight (%)	Fund Return (%)	Benchmark Return (%)	Relative Return (%)	Security Selection (bps)	Sector Selection (bps)	Total Relative Contribution (bps)
INDUSTRIALS	18.80	18.26	0.54	21.97	13.16	8.81	149	14	163
REAL ESTATE	2.99	9.13	(6.15)	(3.65)	0.66	(4.31)	(16)	95	79
UTILITIES	3.02	7.36	(4.34)	(9.29)	(0.47)	(8.81)	(19)	75	56
MATERIALS	15.87	19.09	(3.22)	17.09	18.43	(1.34)	(24)	25	1
CONSUMER STAPLES	7.13	3.03	4.11	9.23	12.36	(3.14)	10	(41)	(31)
COMMUNICATION SERVICES	2.99	1.05	1.94	(8.94)	(10.98)	2.04	18	(56)	(38)
FINANCIALS	13.73	15.11	(1.37)	26.20	30.96	(4.76)	(43)	(5)	(48)
CONSUMER DISCRETIONARY	11.33	2.54	8.79	4.50	(10.98)	15.48	195	(243)	(49)
HEALTH CARE	1.95	1.54	0.41	(19.07)	12.55	(31.61)	(97)	20	(78)
ENERGY	6.59	18.23	(11.64)	33.16	28.20	4.96	3	(147)	(144)
INFORMATION TECHNOLOGY	12.02	4.67	7.35	3.65	21.01	(17.35)	(219)	44	(175)
SUBTOTAL	96.42	100.00	(3.58)	13.50	16.15	(2.65)	(44)	(219)	(263)
CASH AND OTHER	3.58	-	-	-	-	-	-	-	4
TOTAL	100.00	100.00	0.00	13.56	16.15	(2.59)	-	-	(259)

Note: Differences may be due to rounding.

Fund Positioning

SECTOR ALLOCATION



Sector breakdowns are only applied to equities and convertibles and the allocation percentages may not add to 100%.

Fund and benchmark weights are based on end weights as at each quarter end.

TOP 10 HOLDINGS

Holding	Sector
FRANCO-NEVADA CORP (CANA)	MATERIALS
ONEX CORP SUB-VTG	FINANCIALS
ATKINSREALIS GROUP INC	INDUSTRIALS
ARC RESOURCES LTD	ENERGY
PRAIRIESKY ROYALTY LTD	ENERGY
BOYD GROUP SVCS INC	INDUSTRIALS
CONSTELLATION SOFTWARE INC	INFORMATION TECHNOLOGY
TFI INTERNATIONAL INC	INDUSTRIALS
CANADIAN NATL RAILWAY CO	INDUSTRIALS
TECK RESOURCES LTD SUB VTG CLB	MATERIALS

Investment Process

Sources of information and investment ideas

- Notes from internal research (Team Canada & Global Sector Analysts), meetings with company management, conferences, broker research, Bloomberg, Newswire, trade publications, magazines, daily newspapers

Investment style and portfolio construction

- Fundamental, bottom-up stock selection is the primary driver of portfolio construction and performance.
- The Fund has a small-mid cap bias with a primary focus on Canadian stocks
- Employs a contrarian style, seeking value in out-of-favour stocks while also aiming to mitigate downside risk and manage fund volatility

Types of stocks targeted in the Fund:

1. Companies where the operating margin is bottoming and has lots of potential to expand and drive earnings higher
2. Companies with high substantial ROIC, where the stocks are cheap on EV/EBIT
 - Other key company fundamentals include positive earnings growth, and strong balance sheets and cash flow/ sales ratio
 - Considers the quality of management and management track record
 - Looks for companies with a competitive advantage in industry/sector
 - Emphasis on companies with valuation metrics which support downside protection
 - Key catalyst supporting future growth is not required
 - Will also actively pursue new opportunities in major secular trends and turnaround stories (e.g. secular growth stories with solid growth potential but also looks to take shorter term advantage of mispriced securities)
 - Employs a gradualist approach, tends to buy small positions and build as conviction in thesis increases
 - Sector weights result from bottom up stock selection
 - An element of top down enters the construction equation when assessing the attractiveness of the cyclical sectors
 - Within these cyclical sectors, bottom-up analysis is a primary decision making tool
 - Benchmark weights are a secondary consideration in the construction process
 - Buy/sell decisions are purely a function of relative valuation and company fundamentals; improvement/deterioration in fundamentals will trigger trading decisions
 - Target portfolio turnover is expected to be moderate
 - Comfortable being naked a sector or substantially overweight if conviction is high
 - Foreign exposure will typically be 10% or less (will utilize Fidelity's global research capabilities)
 - Will own attractive private company investments deemed to be approaching IPO status
 - Typical number of holdings: 75-100 stocks

Risk Control

- Looks for stocks offering the best risk/reward profile (upside/downside potential)
- Thoroughness of analysis is the key risk control measure
- Manager runs a diversified portfolio but is willing to have significant under/overweights at stock or sector level; position size is a function of conviction and is considered in relative terms
- Fund concentration is driven by market conditions and manager conviction
- Shifts portfolio beta based on market environment and whether market will pay for taking on a higher level of stock or portfolio risk
- Potentially wide sector deviations which may be driven by macro/sector views
- Up to 10% of Fund assets may be invested in private placements
- When there is a complete lack of attractive investment opportunities, cash position may build to a 30% maximum

Disclosure

Issued by Fidelity Investments Canada ULC (“FIC”). Read this important information carefully before making any investment. Speak with your relationship manager if you have any questions.

“Fidelity Investments” and/or “Fidelity” refers collectively to: i) FMR LLC, a US company, and its subsidiaries, such as Fidelity Management & Research Company (FMR Co.) and FIAM LLC (“FIAM”); and ii) Fidelity Investments Canada ULC (“FIC”) and its affiliates.

Fidelity Investments Canada ULC (“FIC”) is a firm claiming compliance with the Global Investment Performance Standards (GIPS®).

FIC has prepared this presentation for, and only intends to provide it to, institutional and sophisticated investors in one-on-one or comparable presentations. Do not distribute or reproduce this report.

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.

Risks

Past performance is no guarantee of future results. An investment may be risky and may not be suitable for an investor's goals, objectives and risk tolerance. Investors should be aware that an investment's value may be volatile and any investment involves the risk that you may lose money.

Performance results for individual accounts will differ from performance results for composites and representative accounts due to factors such as portfolio size, especially if currently only funded with affiliated fee paying seed capital, timing of investments, market conditions, account objectives and restrictions, and factors specific to a particular investment structure.

The value of a strategy's investments will vary day to day in response to many factors, including in response to adverse issuer, political, regulatory, market or economic developments. The value of an individual security or a particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. Nearly all accounts are subject to volatility in foreign exchange markets.

The performance of fixed income strategies will change daily based on changes in interest rates and market conditions and in response to other economic, political or financial developments. Debt securities are sensitive to changes in interest rates depending on their maturity, and may involve the risk that their prices may decline if interest rates rise or, conversely, if interest rates decline, their prices may increase. Debt securities carry the risk of default, prepayment risk and inflation risk. Changes specific to an issuer, which may involve its financial condition or economic environment, can affect the credit quality or value of an issuer's securities. Lower-quality debt securities (those of less than investment grade quality, also referred to as high yield debt securities) and certain types of other securities are more volatile and are often considered to be speculative and involve greater risk due to increased sensitivity to adverse issuer, political, regulatory and market developments, especially in periods of general economic difficulty. The value of mortgage securities may change due to shifts in the market's perception of issuers, changes in interest rates, or regulatory or tax changes.

Derivatives may be volatile and involve significant risk, such as, credit risk, currency risk, leverage risk, counterparty risk and liquidity risk. Using derivatives can disproportionately increase losses and reduce opportunities for gains in certain circumstances. Derivatives may have limited liquidity and may be harder to value, especially in declining markets. Derivatives involve leverage because they can provide investment exposure in an amount exceeding the initial investment. Leverage can magnify investment risks and cause losses to be realized more quickly. A small change in the value of an underlying asset, instrument, or index can lead to a significant loss. Assets segregated to cover these transactions may decline in value and are not available to meet redemptions. Government legislation or regulation could affect the use of these transactions and could limit the ability to pursue such investment strategies.

The performance of international strategies depends upon currency values, political and regulatory environments, and overall economic factors in the countries in which they invest. Foreign markets, particularly emerging markets, can be more volatile than the Canadian market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the Canadian market. Foreign exchange rates also can be extremely volatile. These risks may be particularly significant for strategies that focus on a single country or region.

The securities, derivatives and currency markets of emerging market countries are generally smaller, less developed, less liquid, and more volatile than the securities, derivatives and currency markets of the United States and other developed markets and disclosure and regulatory standards in many respects are less stringent. There also may be a lower level of monitoring and regulation of markets in emerging market countries and the activities of investors in such markets and enforcement of existing regulations may be extremely limited. Government enforcement of existing market regulations may be limited, and any enforcement may be arbitrary and the results may be difficult to predict. Emerging market countries are more likely than developed market countries to experience political uncertainty and instability, due to factors such as war, terrorism, nationalization, limitations on the removal of funds or other assets, or diplomatic developments that affect investments in these countries. In many cases, governments of emerging market countries continue to exercise significant control over their economies. In addition, there is a heightened possibility of expropriation or confiscatory taxation, imposition of withholding taxes on interest payments, or other similar developments that could affect investments in those countries.

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.

From time to time a manager, analyst or other Fidelity employee may express views regarding a particular company, security, and industry or market sector. The views expressed by any such person are the views of only that individual as of the time expressed and do not necessarily represent the views of Fidelity or any other person in the Fidelity organization. Any such views are subject to change at any time, based upon markets and other conditions, and Fidelity disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Fidelity Fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Fidelity Fund.

Certain statements in this commentary may contain forward-looking statements ("FLS") that are predictive in nature and may include words such as "expects," "anticipates," "intends," "plans," "believes," "estimates" and similar forward-looking expressions or negative versions thereof. FLS are based on current expectations and projections about future general economic, political and relevant market factors, such as interest, and assuming no changes to applicable tax or other laws or government regulation. Expectations and projections about future events are inherently subject to, among other things, risks and uncertainties, some of which may be unforeseeable and, accordingly, may prove to be incorrect at a future date. FLS are not guarantees of future performance, and actual events could differ materially from those expressed or implied in any FLS. A number of important factors can contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition and catastrophic events. You should avoid placing any undue reliance on FLS. Further, there is no specific intention of updating any FLS, whether as a result of new information, future events or otherwise.

Performance Data

Performance data is generally presented gross of any fees and expenses, including advisory fees, which when deducted will reduce returns. See the FIC GIPS® Composite Performance Data for performance figures that are net of the maximum investment advisory fee charged any client employing this strategy. Some clients may request a performance fee arrangement, which, if imposed, will also reduce returns when deducted. For additional information about advisory fees related to applicable advisory entities, speak with your relationship manager. All results reflect realized and unrealized appreciation and the reinvestment of dividends and investment income, if applicable. Taxes have not been deducted. In conducting its investment advisory activities, Fidelity Investments Canada ULC utilizes certain assets, resources and investment personnel of other Fidelity entities, which may not claim compliance with the Global Investment Performance Standards (GIPS®).

The index returns are shown for comparative purposes only. Indexes are unmanaged, and their returns do not include any sales charges or fees, as such costs would lower performance. It is not possible to invest directly in an index.

The rate of return shown is used to illustrate the effects of the compound growth rate and is not intended to reflect future values of the fund or returns on investment in any fund.

Certain data and other information in this presentation have been supplied by outside sources and are believed to be reliable as of the date of this document. Data and information from third-party databases, such as those sponsored by eVestment Alliance and Callan, are self-reported by investment management firms that generally pay a subscription fee to use such databases, and the database sponsors do not guarantee or audit the accuracy, timeliness or completeness of the data and information provided including any rankings. Rankings or similar data reflect information at the time rankings were retrieved from a third-party database, and such rankings may vary significantly as additional data from managers is reported. FIC has not verified and cannot verify the accuracy of information from outside sources, and potential investors should be aware that such information is subject to change without notice. Information is current as of the date noted.

If you buy other series of Fidelity Funds, the performance will vary, largely due to different fees and expenses.

Third party trademarks and service marks are the property of their respective owners. All other trademarks and service marks are the property of Fidelity Investments Canada ULC or its affiliated companies. FIC does not provide legal or tax advice and we encourage you to consult your own lawyer, accountant or other advisor before making an investment.