

### Fund Details

ISIN	LU0346390940
Domicile	Luxembourg
Currency	USD
Asset Class	Equity
Ongoing Charges (OC)	1.08%
Management Fee (Included in OC)	0.80%
AUM, as of Aug 31, 2020 (USD, mn)	5,042

Figure 1: Sector Allocation, August 2020

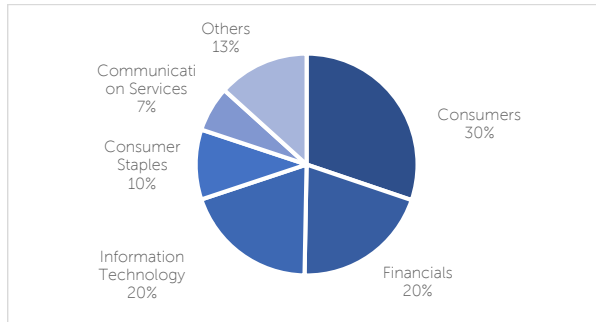
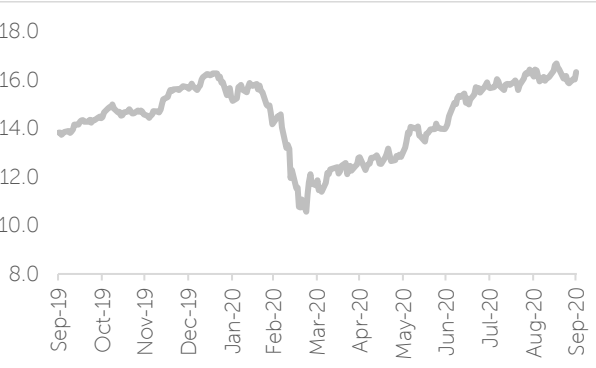


Figure 2: Fund's 1 year Performance (USD)



Source: Figure 1 – Fund's Fact Sheet (31 Aug 2020), Figure 2 - Factset (01 Oct 2020)

### Fund Management

FIL Investment Management (Luxembourg) S.A. is a private investment manager, owned as a subsidiary by Fidelity International. Fidelity International manages USD565.7bn of total client assets across Asia Pacific, Europe, the Middle East, and South America and caters to more than 2.52 million clients as of June 30, 2020.

### Fund

**Investment Objective:** The Fidelity Emerging Markets Fund seeks to achieve long-term capital growth with the level of income expected to be low. The Fund invests in high quality, attractively priced emerging market companies, preferably those with strong market positions and competitive advantages. Such companies typically deliver attractive earnings throughout the economic cycle. Companies with well capitalized balance sheets and higher returns on equity are preferred. The Fund invests across Latin America, the Emerging Europe Middle East and Africa (EMEA) region and Emerging Asia.

**Investment Process:** The Fund is managed by Nick Price, who leads the Fidelity's Emerging Markets Equity investment team, along with specialist portfolio managers and two Investment Directors. The team adopts a bottom-up, fundamental approach to build the universe. The investment process includes,

- Idea generation: Recognizing stocks based on a detailed operational analysis and a regional assessment including comparison with the peers
- Idea validation and stock selection: Selecting companies which are of high quality, are well capitalized and have sustainable competitive advantage with attractive valuations
- Portfolio construction and risk management: Assessing risk of the overall portfolio and residual systematic risk exposures
- Portfolio monitoring and oversight: Continuous monitoring of the portfolio to ensure attractive levels of expected shareholder return are maintained along with appropriate levels of risk

**Investment Parameters:** The key investment parameters of the Fund are,

- At least 70% of the Fund's assets must be invested in companies listed in or deriving majority of profits from or having majority of operating assets in the 24 countries listed within MSCI Emerging Index
- The portfolio is reasonably concentrated, maintaining a high level of active money (c. 70-90%)
- Portfolio includes only those stocks which satisfy the fundamental selection criteria and offer a level of expected total shareholder return in excess of c. 20%
- Individual position sizes typically do not exceed c.5% active weight
- No index stocks are held for risk mitigation purposes
- Although there's no specific target, tracking error should remain in the range of 4-7%
- The Fund may invest its net assets directly in China A and B shares
- The Fund may make use of derivatives to manage risk or cost

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*Sources: 1. Fund's Prospectus and RFP (28/2/2019), 2. Fund's Fact Sheet (31/08/2020), 3. Fidelity International Website, 4. Factset*