

Portfolio manager: Dominic Griffin

Performance for 12 month periods in USD (%)

Performance over quarter in USD (%)

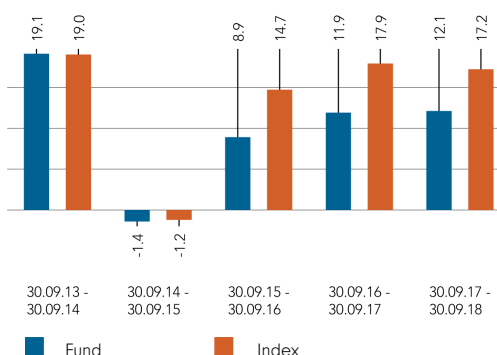
Fund 6.4

Market index 7.6

S&P 500 Index (Net)

Market index is for comparative purposes only.

Source of fund performance is Fidelity. Basis: nav-nav with income reinvested, in USD, net of fees. Other share classes may be available. Please refer to the prospectus for more details.



Market Environment

US equities rallied in the third quarter and posted the highest gains since the fourth quarter of 2013. Stock prices were supported by strong economic growth, robust corporate earnings, rising crude oil prices and easing tensions over global trade frictions. Meanwhile, Canada, Mexico and the US reached a new trade deal called the United States-Mexico-Canada Agreement (USMCA) to replace the North American Free Trade Agreement (NAFTA) just before the September 30 deadline. As widely expected, the US Federal Reserve (Fed) raised the interest rate range by 0.25 percentage points in September, and signalled one more rate hike this year. The interest rate range is now 2.00-2.25%. Moreover, the central bank removed the term "accommodative" from its policy statement, which marked a rhetorical shift in its monetary policy outlook. In terms of market capitalisation, large-cap companies outperformed their mid-cap peers.

Fund Performance

The fund delivered positive absolute returns but underperformed the index, largely due to stock selection in the consumer discretionary sector. However, security selection in information technology (IT) and an overweight in health care added value.

Industrials detracted

The holding in MasTec declined as it released mixed quarterly results with lower-than-expected revenues. Subsequently, I sold the position due to concerns over its long-term growth potential. The allocation to Nielsen Holdings fell after it released weak revenues and earnings, and lowered its annual guidance. The company also decided to replace its CEO. The position was sold on ambiguity over its near-term plans and doubts related to its turnaround.

Consumer discretionary stocks fell

Shares in eBay fell as it reported disappointing quarterly results. However, I retain this position owing to its turnaround strategy, based on increased focus on user experience, better products and the roll out of new payments systems. Elsewhere, Facebook hampered performance as it lowered its guidance for top line growth. Markets seem to have overreacted to the news, which presented a buying opportunity. The company continues to receive positive reviews from advertisers and its increased engagement levels with users is likely to lead to better monetisation.

IT and health care were positive

Payment processing company Worldpay released better-than-expected quarterly earnings and raised its full-year guidance, driven by its cost saving efforts. Within health care, hospital operator HCA Healthcare reported robust quarterly earnings and raised its annual guidance.

Fund Positioning

I focus on investing in attractively valued, high quality companies that can provide sustainable capital growth through characteristics such as a dominant market share. I also look for companies where management incentives are well-aligned with shareholder interests.

Key positions in IT

I like Leidos Holdings, which is the largest player in the pure-play government services industry. It provides IT services such as cyber, intelligence, sensors, data collection and analysis to the US government. I also hold Microsoft, which has been successfully transitioning its business towards software as a service (SaaS), cloud and subscription-based models. Mastercard is likely to benefit from the global trend of an increase in card-based payments.

Favour health care holdings

Abbott Laboratories is a diversified company with multiple income streams from its consumer, medical technology and diagnostics businesses. Health care benefits company Aetna is being acquired by CVS, and is attractive both on a standalone basis and as part of the combined group, given its well-diversified revenue streams.

Selective exposure to financials and communication services

Well-managed financial companies should gain from an easing regulatory environment. I hold JPMorgan Chase given its strong balance sheet and well-diversified business mix, with industry leading positions. Within communication services, Alphabet is a key holding on account of its dominant market position. The company benefits from its high-margin advertising business, which forms a major part of its overall revenues.

Important Information

Past performance is not a reliable indicator of future results. The fund's returns can be affected by fluctuations in currency exchange rates.

The value of investments and any income from them may go down as well as up and an investor may not get back the amount invested. The use of financial derivative instruments may result in increased gains or losses within the fund.

Attribution

Performance attribution is produced in the currency shown below. For funds with multiple share classes, the attribution return reflects the aggregate performance across all the share classes. It may therefore deviate from the published return for a particular share class. When using the analysis for hedged share classes, please consider that the attribution is shown before the impact of hedging.

The contributions shown in the tables are before the impact of charges. If charges are applied, their effect is captured in the "Other" category in the tables and will also be reflected in the fund return.

All investments, including derivatives, linked to a particular issuing company have been combined to form a total percentage for each issuing company.

The sector/industry and country contribution tables (where relevant) display a maximum of eleven individual sectors/industries or countries. For funds investing in more than eleven sectors/industries or countries, only top five and bottom five are listed, with the contribution from other sectors/industries or countries shown in the "Other Sectors" or "Other Countries" category.

Currency of attribution US Dollar (USD)

Three month relative return (%) -1.05

Position Contribution (%)

3 months

	Average Relative Weight	Relative Performance Contribution		Average Relative Weight	Relative Performance Contribution
TOP CONTRIBUTORS			TOP DETRACTORS		
HCA HEALTHCARE INC	1.0	0.22	FACEBOOK INC	0.8	-0.20
ABBOTT LABORATORIES	1.7	0.19	NASDAQ INC	1.5	-0.19
WORLDPAY INC	1.1	0.17	SUNCOR ENERGY INC NEW	1.4	-0.17
WELLS FARGO & CO NEW	-1.0	0.13	MASTEC INC	0.4	-0.15
HARRIS CORP DEL	1.3	0.12	INTEL CORP	1.1	-0.15
ANDEAVOR	1.4	0.12	EBAY INC	0.7	-0.14
LEIDOS HLDGS INC	1.6	0.11	HERON THERAPEUTICS INC	0.4	-0.13
CHEVRON CORP NEW	-1.0	0.11	NIELSEN HOLDINGS PLC	0.1	-0.12
CIGNA CORP	0.7	0.10	FMC CORP	1.0	-0.12
MERCK & CO INC NEW	1.1	0.09	BERKSHIRE HATHAWAY INC DEL	-1.6	-0.11

Positions in other funds - including ETFs (Exchange Traded Funds) - can appear in this table, but index derivatives form part of an "Index / Unclassified" category which will appear in the table(s) below when relevant.

Sector/Industry Contribution (%)

3 months

Country Contribution (%)

3 months

CONTRIBUTIONS TO RELATIVE RETURN

	Average Relative Weight	Security Selection	Sector/ Industry Selection	Total Relative Contribution
GICS Sector				
Information Technology	1.1	0.24	0.01	0.25
Energy	-0.6	0.14	0.10	0.25
Health Care	4.4	-0.14	0.30	0.17
Utilities	-1.1	0.09	0.06	0.15
Real Estate	-1.8	-0.01	0.13	0.12
Consumer Staples	-3.2	-0.19	0.11	-0.08
Communication Services	0.4	0.06	-0.16	-0.10
Materials	2.7	-0.17	-0.05	-0.22
Financials	-1.8	-0.04	-0.24	-0.28
Industrials	-1.6	-0.18	-0.12	-0.31
Consumer Discretionary	-0.5	-0.64	0.21	-0.43
Total Primary Assets	-2.1	-0.83	0.36	-0.47
Other*	2.1			-0.58
TOTAL	0.0			-1.05

CONTRIBUTIONS TO RELATIVE RETURN

	Average Relative Weight	Security Selection	Country Selection	Total Relative Contribution
Israel	0.4	0.05	0.00	0.05
Canada	1.4	-0.17	0.00	-0.17
United States	-3.9	-0.35	0.00	-0.35
Total Primary Assets	-2.1	-0.47	0.00	-0.47
Other*	2.1			-0.58
TOTAL	0.0			-1.05

*Other includes portfolio components not already listed such as cash, expenses and other miscellaneous items.

Important Information

This information must not be reproduced or circulated without prior permission. Fidelity International refers to the group of companies which form the global investment management organisation that provides information on products and services in designated jurisdictions outside of North America. Fidelity only offers information on its own products and services and does not provide investment advice based on individual circumstances. This communication is not directed at, and must not be acted upon by persons inside the United States and is otherwise only directed at persons residing in jurisdictions where the relevant funds are authorised for distribution or where no such authorisation is required. Unless otherwise stated all products and services are provided by Fidelity International, and all views expressed are those of Fidelity International. Fidelity, Fidelity International, the Fidelity International logo and F symbol are registered trademarks of FIL Limited.

Morningstar annualised growth rates, total return, sector median performance and ranks - Data Source - © 2018 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Before investing you should read the key information document, which is available in your local language through the website www.fidelityinternational.com or from your distributor.

Austria: Investments should be made on the basis of the current prospectus/Key Investor Information Document (KIID), which is available along with the current annual and semi-annual reports free of charge from our European Service Centre in Luxembourg, FIL (Luxembourg) S.A. 2a, rue Albert Borschette BP 2174 L-1021 Luxembourg as well as with the Austrian paying agent UniCredit Bank Austria AG, Schottengasse 6-8, 1010 Wien, FIL (Luxembourg) S.A. - Zweigniederlassung Wien, Mariahilfer Strasse 36, 1070 Wien or www.fidelity.at. Issued by FIL (Luxembourg) S.A.

Czech Republic: Investments should be made on the basis of the current prospectus/Key Investor Information Document (KIID), which is available in your local language along with the current annual and semi-annual reports free of charge from our paying agent UniCredit Bank Czech Republic a.s., Železovská 1525/1, 14092 Prag 4 - Michle, Czech Republic. Issued by FIL (Luxembourg) S.A.

Denmark: Investments should be made on the basis of the current prospectus/Key Investor Information Document (KIID), which is available in your local language along with the current annual and semi-annual reports free of charge from your financial advisor or from the branch of your bank or from www.fidelity.dk. Issued by FIL (Luxembourg) S.A.

Finland: Investments should be made on the basis of the current prospectus/Key Investor Information Document (KIID), which is available along with the current annual and semi-annual reports free of charge from your financial advisor or from the branch of your bank and from www.fidelity.fi. Issued by FIL (Luxembourg) S.A.

France: Investments should be made on the basis of the current prospectus/Key Investor Information Document (KIID), which is available along with the current annual and semi-annual reports free of charge from your financial advisor or from the branch of your bank or visit the Fidelity website. Issued by FIL Gestion, a portfolio management company approved by the AMF under the number GP03-004, 29 rue de Berni, 75008 Paris.

Germany: Investments should be made on the basis of the current prospectus/Key Investor Information Document (KIID), which is available along with the current annual and semi-annual reports free of charge from FIL Investment Services GmbH, Postfach 200237, 60606 Frankfurt/Main or www.fidelity.de. Issued by FIL Investment Services GmbH.

Hungary: Investments should be made on the basis of the current prospectus/Key Investor Information Document (KIID), which is available along with the current annual and semi-annual reports free of charge from our distributor Raiffeisenbank Zentralbank Österreich AG, Akademia u. 6, 1054 Budapest. Issued by FIL (Luxembourg) S.A.

Iceland: Investments should be made on the basis of the current prospectus/Key Investor Information Document (KIID), which is available along with the current annual and semi-annual reports free of charge from your financial advisor or from the branch of your bank. Issued by FIL (Luxembourg) S.A.

Italy: Investments should be made on the basis of the current prospectus/Key Investor Information Document (KIID), which is available along with the current annual and semi-annual reports free of charge from your financial advisor or from the branch of your bank. Issued by FIL (Luxembourg) S.A.

Luxembourg: Investments should be made on the basis of the current prospectus/Key Investor Information Document (KIID), which is available along with the current annual and semi-annual reports free of charge from our distributors or www.fidelity.lu. Issued by FIL (Luxembourg) S.A.

Malta: Investments should be made on the basis of the current prospectus/Key Investor Information Document (KIID), which is available along with the current annual and semi-annual reports free of charge from Growth Investments Limited (which is licensed by the MFSA). Fidelity Funds are promoted in Malta by Growth Investments Ltd in terms of the EU UCITS Directive and Legal Notices 207 and 309 of 2004. The Funds are regulated in Luxembourg by the Commission de Surveillance du Secteur Financier. Issued by FIL (Luxembourg) S.A.

Netherlands: Investments should be made on the basis of the current prospectus/Key Investor Information Document (KIID), which is available along with the current annual and semi-annual reports free of charge from FIL (Luxembourg) S.A., Netherlands Branch (registered with the AFM), World Trade Centre, Tower H, 6th Floor, Zuidplein 52, 1077 XV Amsterdam (tel. 0031 20 79 77 100) or from www.fidelity.nl. Fidelity Funds is authorised to offer participation rights in The Netherlands pursuant to article 2:66 (3) in conjunction with article 2:71 and 2:72 Financial Supervision Act. Issued by FIL (Luxembourg) S.A.

Norway: Investments should be made on the basis of the current prospectus/Key Investor Information Document (KIID), which is available along with the current annual and semi-annual reports free of charge from your financial advisor or from the branch of your bank or from www.fidelity.no. Issued by FIL (Luxembourg) S.A.

Portugal: Investments should be made on the basis of the current prospectus/Key Investor Information Document (KIID), which is available along with the current annual and semi-annual reports free of charge. Fidelity Funds is registered with the CMVM and the legal documents can be obtained from locally authorised distributors. Issued by FIL (Luxembourg) S.A.

Slovakia: Investments should be made on the basis of the current prospectus/Key Investor Information Document (KIID), which is available along with the current annual and semi-annual reports free of charge from our paying agent UniCredit Bank Slovakia, a.s., Sančova 1/A 81333, Slovakia. Issued by FIL (Luxembourg) S.A.

Spain: Investments should be made on the basis of the current prospectus/Key Investor Information Document (KIID), which is available along with the current annual and semi-annual reports free of charge. For the purposes of distribution in Spain, Fidelity Funds is registered with the CNMV Register of Foreign Collective Investment Schemes under registration number 124, where complete information is available from Fidelity Funds authorised distributors. The purchase of or subscription for shares in Fidelity Funds shall be made on the basis of the KIID that investors shall receive in advance. The KIID is available for inspection at the offices of locally authorised distributors as well as at the CNMV. Issued by FIL (Luxembourg) S.A.

Sweden: Investments should be made on the basis of the current prospectus/Key Investor Information Document (KIID), which is available along with the current annual and semi-annual reports free of charge from your financial advisor or from the branch of your bank, from our European Service Centre in Luxembourg, FIL (Luxembourg) S.A. 2a, rue Albert Borschette BP 2174 L-1021 Luxembourg or from www.fidelity.se. Issued by FIL (Luxembourg) S.A.

Switzerland: Investments should be made on the basis of the current prospectus and KIID (key investor information document), which are available along with the current annual and semi-annual reports free of charge from our distributors, from FIL Luxembourg S.A. and from our legal representative and paying agent in Switzerland: BNP Paribas Securities Services, Paris, succursale de Zurich, Selnastrasse 16, 8002 Zurich. Issued by FIL Investment Switzerland AG authorised and regulated in Switzerland by the Swiss Financial Market Supervisory Authority FINMA.

United Kingdom: Investments should be made on the basis of the KIID (key investor information document) which is available at www.fidelity.co.uk. The full prospectus may also be obtained from Fidelity. Please note that not all funds in the SICAV fund range are suitable for UK investors and tax advice should be sought before investing. Fidelity Funds is recognised under section 264 of the Financial Services and Markets Act 2000. Investors should note that loss caused by such recognised funds will not be covered by the provisions of the Financial Services Compensation Scheme (or by any similar scheme in Luxembourg) if the fund is unable to meet its obligations, however claims for loss in regards to such recognised funds against a Financial Conduct Authority authorised firm such as Fidelity will be. Issued by FIL Pensions Management, authorised and regulated by the Financial Conduct Authority and Financial Administration Services Limited, authorised and regulated by the Financial Conduct Authority.

United Arab Emirates: For the United Arab Emirates, the DIFC branch of FIL Distributors International Limited, is regulated by the DFSA for the provision of Arranging Deals in Investments only. All communications and services are directed at Professional Clients only. Persons other than Professional Clients, such as Retail Clients, are NOT the intended recipients of our communications or services. Investments should be made on the basis of the current prospectus and KIID (key investor information document), which are available along with the current annual and semi-annual reports free of charge from our distributors.

CI3631 CL1305203/NA English 11a



FidelityTM
INTERNATIONAL