



Fidelity Investments Canada ULC Launches New Hedged Solution

Additionally, Fidelity's new ClearPath® 2065 Portfolio provides a targeted retirement investment solution

January 25, 2023, Toronto - Fidelity Investments Canada ULC ("Fidelity") launched Fidelity SmartHedge™ U.S. Equity Fund ("the Fund"), to help investors navigate continued market volatility while seeking growth.

The Fund aims to achieve long-term capital growth, investing primarily in equity securities of some of America's largest companies. The Fund uses an options-based derivatives strategy to hedge market exposure to help mitigate downside risk while providing upside participation.

"Expanding investors' choice and access to diversified investment options is a key priority – including delivering products designed to help them stay invested amid volatile markets," said Kelly Creelman, Senior Vice President, Products and Marketing, Fidelity. "Our new Fidelity SmartHedge™ U.S. Equity Fund will aim to balance risk while offering potential for savings to grow, helping to support investor resiliency during challenging conditions."

This new Fund will be managed by Zach Dewhirst, Mitch Livstone, and Eric Granat, and will leverage Fidelity's global research network and investment expertise.

Key investor benefits:

- **Constant defensiveness:** The Fund offers an options-based derivatives strategy to help provide downside risk mitigation with upside participation.
- **Reduced risk exposure:** a built-in options overlay helps to mitigate downside risk when stock prices fall, reducing negative and emotional market timing decisions
- **Lower risk equity market exposure:** Lower risk and dampened drawdowns can help offer a smoother investment experience and help investors stay invested.

Fidelity ClearPath® 2065 Portfolio

[The 2022 Fidelity Retirement Report](#) shows that Canadians with a written retirement plan feel more financially, socially, physically, and emotionally prepared for retirement than those without one. To help meet investor and advisor demand, Fidelity launched its ClearPath® 2065 Portfolio, adding to the firm's suite of target date funds. The portfolio aims to achieve high total investment return, using a dynamic asset allocation strategy and investing primarily in underlying funds. These underlying funds generally invest in equity securities, fixed income securities and/or money market instruments.

Products like Fidelity ClearPath® 2065 Portfolio can help support Canadians in planning for their retirement, with a long-term investment strategy designed to become lower risk over time, shifting to a focus on fixed income as the investor approaches retirement.

Fidelity now provides [ClearPath® portfolios](#) for target dates from 2005 to 2065, in five-year increments, allowing investors to match their time horizon with the appropriate portfolio.

Fidelity SmartHedge™ U.S. Equity Fund Portfolio Managers

Zach Dewhirst

Zach Dewhirst is a portfolio manager and team leader of the quantitative equity research team.

Over the past 10 years, Zach has managed a broad array of equity portfolios spanning different disciplines, objectives, and geographies.

Before joining Fidelity in 2007, Dewhirst held various positions within quantitative research at Pan Agora Asset Management and Putnam Investments. He has been in the financial industry since 1999.

Mitch Livstone

Mitch Livstone is the chief investment officer of Arbitrage and Hedging Solutions, responsible for leading a team that develops and runs alternatives investment vehicles, focusing primarily on relative value arbitrage strategies and defensive hedging solutions.

Mitch started his career at Fidelity in 1996. Additionally, he worked as a portfolio manager at Harvard Management and Geode Capital Management, where he also led the arbitrage team, and served as CIO and portfolio manager of a biotechnology-focused hedge fund.

Eric Granat

Eric Granat currently serves as portfolio manager for a number of pilot options-based strategies. Additionally, he is responsible for the design and implementation of derivative-based products and provides market analysis and customized derivative solutions to portfolio management teams to enhance portfolio performance and risk attributes.

Prior to re-joining Fidelity in 2012, Eric was a portfolio manager and a trader at Rampart Investment Management, and a principal analyst/programmer at Sun Life Financial. He has been in the financial industry since 1997.

For more information, visit [fidelity.ca](https://www.fidelity.ca)

About Fidelity Investments Canada ULC

At Fidelity, our mission is to build a better future for Canadian investors and help them stay ahead. We offer investors and institutions a range of innovative and trusted investment portfolios to help them reach their financial and life goals.

As a privately-owned company, our people and world class resources are committed to doing what is right for investors and their long-term success. Our clients have entrusted us with \$196 billion in assets under management (as at January 19, 2023) and they include individuals, financial advisors, pension plans, endowments, foundations and more.

We are proud to provide investors a full range of domestic, international and global equity and income-oriented mutual funds, ETFs, asset allocation strategies, managed portfolios, sustainable investing products, alternative mutual funds and a high net worth program. Fidelity Funds are available through a number of advice-based distribution channels including financial planners, investment dealers, banks and insurance companies.

Commissions, trailing commissions, management fees, brokerage fees and expenses may be associated with investments in mutual funds and ETFs. Please read the mutual fund 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.

Fidelity SmartHedge™ U.S. Equity Fund uses derivatives to implement a disciplined options-based strategy designed to provide downside risk mitigation. The strategy used by the fund, while designed to offset or mitigate a decrease in the value of the fund's investments, does not completely eliminate downside risk. Using an options-based strategy carries no guarantees, and options can expire worthless, meaning that the fund can lose the entire amount of the premiums that are paid to purchase those options.

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