

Fidelity Alternative Bond Fund takes a tactical approach to fixed income investing by using both long and short positions to help navigate the ever-changing bond markets.



### Added flexibility as bond markets evolve

Can adapt to changing interest rates and evolving credit markets through a combination of long and short positions.



### Investment grade+

A focus on higher quality bonds with the ability to selectively invest in higher-yielding forms of debt when opportunities arise.



### Global insight, managed close to home

A Toronto-based portfolio management team that combines local expertise with Fidelity's global research network to support investment decisions for Canadian investors.

## Adding value across different market scenarios

Traditional bond funds may perform well in certain market environments. Fidelity Alternative Bond Fund is designed to offer greater flexibility, helping it adapt as conditions change.

MARKET SCENARIO	FIDELITY ALTERNATIVE BOND FUND
<b>Rising interest rates</b>	Aims to reduce or move below zero interest-rate exposure, which may help limit the impact of rising rates.
<b>Falling interest rates</b>	Aims to capture the "upside" of falling interest rates.
<b>Low-income environment</b>	Has flexibility to invest in higher-yielding bonds and utilize the liquid alternative framework, which can support income potential.
<b>Market stress</b>	Uses short positions to help manage credit risk during volatile periods.

## Portfolio Managers



**PETER KHAN**  
*Portfolio Manager*  
 Joined Fidelity in 2000



**OLIVIER SIMON-VERMOT**  
*Portfolio Manager*  
 Joined Fidelity in 2008

## Mandate summary

<b>Strategy</b>	Long/short fixed income
<b>Target long/short ratio<sup>1</sup></b>	110% long/10% short to 150% long/50% short
<b>Target number of holdings</b>	50-150 active positions
<b>Target duration<sup>2</sup></b>	<2.5 to 5 years
<b>Benchmark</b>	ICE BofA 1-3 Year Global Corporate Index – CAD Hedged
<b>Risk rating</b>	Low
<b>Management fee<sup>3</sup></b>	Series F: 0.75% Series B: 1.25% ETF Series (FFAB): 0.75%
<b>Performance fee</b>	None
<b>Purchase options</b>	CDN\$, US\$, ETF Series

While the Fund is typically managed to these constraints, the portfolio managers retain the discretion to deviate from them.

- 1 The Fund will typically be structured so that it holds between 100-150% of its net asset value long and up to 50% of its net asset value short.
- 2 The Fund will target duration of <2.5 to 5 years on an absolute basis, over the full investment cycle.
- 3 The Fund also pays a fixed fund administration fee and certain fund costs as described in the Fund's simplified prospectus. Past performance is no guarantee of future results.

## Fund codes

	SERIES B	SERIES F
<b>FUND NAME</b>	<b>ISC</b>	<b>NL</b>
<b>Fidelity Alternative Bond Fund</b>	7590	7782
<b>Fidelity Alternative Bond Fund – US\$</b>	7790	7998

## Ticker code

<b>Fidelity Alternative Bond Fund – ETF Series</b>	<b>FFAB</b>
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For more information, speak to your financial advisor today  
or visit [fidelity.ca/alternatives](https://fidelity.ca/alternatives)



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. 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.

This Fund is an alternative mutual fund. It has the ability to invest in asset classes or use investment strategies that are not permitted for conventional mutual funds. The specific strategies that differentiate this Fund 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 investment objectives and strategies, and during certain market conditions, may accelerate the pace at which the Fund decreases in value.

Unlike traditional mutual fund series, exchange-traded series (ETF series) are traded on stock exchanges. In the event of a disruption or a halt in trading of the ETF series on a stock exchange or marketplace on which the ETF series of a fund are traded, the trading price of the ETF series may be affected. As a result, the disruption or halting of such trading may cause a performance variance between the ETF series and the traditional mutual fund series because the ETF series may trade in the market at a premium or discount to the net asset value (NAV) per unit. There can be no assurance that the ETF series trading price will behave similar to the NAV per unit. The trading price of the ETF series will fluctuate in accordance with changes in a fund's NAV, as well as market supply and demand on the exchange or marketplace on which the ETF series are traded. As such, the performance between the ETF series and the traditional mutual fund series of a fund may vary. In addition, there are other factors that could lead to performance variances between the ETF series and the traditional mutual fund series, such as, for example, brokerage commissions and HST.

The investment risk level indicated is required to be determined in accordance with the Canadian Securities Administrators standardized risk classification methodology, which is based on the historical volatility of a fund, as measured by the ten-year annualized standard deviation of the returns of a fund or those of a reference index, in the case of a new fund.

This information is for general knowledge only and should not be interpreted as tax advice or recommendations. Every individual's situation is unique and should be reviewed by his or her own personal legal and tax consultants.