

Fidelity for fixed income: Integrated perspective

Eric Mollenhauer: You walk upstairs and you see the CEOs of, you know, major companies and small companies, so you get a great access to management here, that you wouldn't have if you were just in some smaller, you know, high yield or bank loan-only shop.

Michael Plage: Generally, given our size, we're one of the top shareholders. So companies want to come see their top shareholders. We've grown now in fixed income to the point where if we own the debt, we're generally one of the largest creditors. So the fact that the CEO and CFO are sitting across the table from one of their largest shareholders and one of their largest creditors makes it very challenging for them to spin the story one way or the other. So we think we're getting a true picture of the company's financial policy and business outlook.

Carrie Saint Louis: If I was at a fixed income-only shop I'd just be hearing the canned kind of fixed income pitch, and not really gaining that differentiated insight into how a company might be thinking about its equity holders as well.

Colin Keenan: So one of the real benefits here at Fidelity is we have treasurers that make regular trips to come visit us here in Merrimack. We have a large U.S. dollar money market business here that's a big funder of the Canadian banks, and because of that we get a lot of access to the Canadian banks' management teams. So on a regular basis we're going to visit the Canadian banks, or the regulators in Ottawa, and that sort of access, particularly on the cadence or the recurrence of those visits, is something that a lot of my peers at other institutions don't get.

Kevin Nielsen: When making an investment decision, we try and leverage as many data points as we can get, and the advantage of Fidelity's resources are that they're broad both in terms of asset class and industry coverage. We're able to access the research done by analysts going back for a long period of time, even decades in some cases, which often helps inform our expectations for the company and the industry.

Jeff Moore: So our size and scale is our huge advantage for us. In addition to that, it allows us though to go really narrow and really deep and really understand a bond and a credit, and the opportunity set there, because we do have this 360-degree view of what we own and why we own it.

Read a fund's prospectus and consult your financial advisor before investing. Mutual funds are not guaranteed; their values change frequently and past performance may not be repeated. Investors will pay management fees and expenses, may pay commissions or trailing commissions, and may experience a gain or loss.

Views expressed regarding a particular company, security, industry or market sector are the views only of that individual as of the time expressed and do not necessarily represent the views of Fidelity or any other person in the Fidelity organization. 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 foreign exchange rates, equity and capital markets, and the general business environment, in each case 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.