

Vision 2021 – Introducing Fidelity Portfolio Intelligence

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Cameron Chamberlain: Hello, and thank you for joining us. I'm excited to speak to you about Fidelity Portfolio Intelligence, a next generation portfolio construction and investment analytics platform brought to you by Fidelity. At its core Fidelity Portfolio Intelligence, or FPI for short, can help you optimize portfolios so that you and your clients can stay ahead. Whether you're analysing a model portfolio, a current or prospective investor's portfolio or even your entire book of business, Fidelity Portfolio Intelligence can provide insight that you may have never seen before. We partnered with MSCI, a world leader in portfolio risk and analysis, to build Fidelity Portfolio Intelligence to help meet your specific needs.

So what makes it so powerful? Fidelity Portfolio Intelligence uses the analytical power of MSCI Barra, MSCI's sophisticated portfolio-risk platform that our portfolio managers around the globe use to gain insight into the funds they manage. By partnering with MSCI, Fidelity Portfolio Intelligence empowers you to analyse portfolios similar to how our portfolio managers would.

There are many portfolio construction tools out there, so what makes ours different? Fidelity Portfolio Intelligence has a few distinct features that can add value to your business and help you optimize portfolios while it allows you to analyze historical performance, risk and positioning, like many other portfolio construction tools. What makes it stand out is its ability to look towards the future instead of focusing on the past. Fidelity Portfolio Intelligence gives you access to advanced risk analytics, factor analysis and stress testing that can help ensure your portfolios meet your expectations. While it can be helpful to look at historical risk and returns when building portfolios, Fidelity Portfolio Intelligence may uncover hidden risks in a portfolio by using advanced risk analytics based on predicted risk. You, just like our portfolio managers and analysts, always have a keen eye on the future and want to avoid being caught off-guard.

Fidelity Portfolio Intelligence can help you set expectations for portfolios and find areas where your current expectations may not be met. Factor analysis is one area where you might be surprised by how a portfolio's positioning may differ from your expectations. While factor investing has grown in popularity and sophistication in recent years, many portfolio construction tools have not kept up. You may invest in different funds because of their value or growth characteristics, but when you combine those funds in a diversified portfolio, how can you be sure that the portfolio has a bias to one factor or another? You may want your portfolios to have different factor biases during different times in the business cycle. The value and yield factors have historically outperformed early in the business cycle, whereas low volatility can help smooth the ride in more volatile markets.

Fidelity Portfolio Intelligence can help paint a clearer picture of how your portfolio is positioned from a factor perspective so that you have a better idea of what to expect from the portfolio in different market environments. As you look towards the future and set expectations for your portfolios, Fidelity Portfolio Intelligence can help you by stress-testing portfolios for you. Many of our portfolio managers, especially our fixed-income managers, stress test the funds they manage whenever they're considering making a positioning change. Stress testing their funds for changes in interest rates or rises and falls in equity markets helps them make sure their funds are staying true to their mandate. Fidelity Portfolio Intelligence gives you this same opportunity to stress test your portfolios in hypothetical environments like those I just mentioned, or in past market events like the European debt crisis or global financial crisis to help ensure that your portfolios behave as you expect them to. You can leverage the power of Fidelity Portfolio Intelligence to help optimize your portfolios using advanced risk analytics, factor analysis and stress-testing capabilities.

At Fidelity we're always thinking of ways to bring you the best and brightest from our portfolio managers and funds to state-of-the-art tools, like Fidelity Portfolio Intelligence. We want you and your clients to stay ahead with the help of our funds and our tools. I'd love for you to see what Fidelity Portfolio Intelligence can uncover in your portfolios to help make them better. Just reach out to your Fidelity sales team, and they'll help you get started with putting the power of Fidelity Portfolio Intelligence to work for you. Enjoy the rest of the day.

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