



## Meeting client demand for innovative fixed income solutions: Fidelity Investments Canada introduces a suite of fixed income ETFs including new actively managed solutions

**TORONTO - September 25, 2019** - Fidelity Investments Canada ULC, one of Canada's top investment management firms, today launched an innovative suite of fixed income ETFs and ETF mutual funds including actively managed fixed income ETFs and ETF mutual funds. The ETFs will commence trading today (September 25, 2019) on the Toronto Stock Exchange.

Since Fidelity first entered the ETF marketplace in Canada in September 2018, investor demand for Fidelity ETFs and ETF mutual funds has continued to grow with over \$620 million in ETFs and ETF mutual funds' assets under management (as at September 23, 2019). Fidelity's ETF lineup includes 20 ETFs, including High Dividend, Low Volatility and High-Quality Factor ETFs, Fidelity Sustainable World ETF and now this new suite of fixed income ETFs.

Fidelity brings considerable investment expertise and resources to Canadian investors, including:

- **Global network:** A wide investment reach through Fidelity's extensive global network of fixed income specialists, equity analysts and asset allocation professionals. On average, fixed income investment professionals of FMR Co., Inc. and its affiliates make 13,000 company contacts, 5,000 in-house visits and produce 35,000 research notes per year, which are used to generate alpha potential and risk mitigation in investors' portfolios.
- **Integrated perspectives:** Our fixed income professionals work closely alongside Fidelity's equity team to gain a 360-degree view of a company's capital structure. Fidelity has access to both CEOs and CFOs in company meetings and gets a complete financial picture of a company from loans, senior debt, subordinated debt, high yield and convertible debt, preferred equity and common equity.
- **Proven, repeatable investment approach:** Fidelity employs a team-based investment approach to fixed income investing that is clearly defined, repeatable and fosters deep levels collaboration.

"With challenging markets, Canadian investors are increasingly looking for a leader in fixed income to help them stay ahead by protecting and growing their hard-earned savings and investments," said Kelly Creelman, Senior Vice President, Products, Fidelity Investments Canada ULC. "Our new fixed income ETFs and ETF mutual funds offer investors a range of fixed income solutions from short-term options to global mandates, all managed by Fidelity's highly experienced portfolio management team."

### New ETFs and ETF Funds

- **Fidelity Global Core Plus Bond ETF (FCGB):** Actively managed by experienced portfolio managers Jeffrey Moore and Michael Plage, this strategy invests in investment-grade and high yield securities from around the world. With the broad flexibility to invest tactically across sectors, this fund aims to provide a combination of income with the potential for capital gains.
- **Fidelity Canadian Short-Term Corporate Bond ETF (FCSB):** This mandate invests primarily in Canadian corporate fixed income securities, with an average term to maturity of five years or less. Actively managed by experienced portfolio managers Sri Tella and Catriona Martin, the fund aims to provide higher yield potential relative to government bonds and lower volatility relative to longer term credit strategies.

- **Fidelity Systematic U.S. High Yield Bond ETF (FCHY):** This mandate invests primarily in U.S. high yield securities leveraging a quantitative multi-factor model. The model looks for mispriced bonds through value and quality lenses. A combination of liquidity screens and active portfolio trading also seeks to reduce transaction costs typically associated with investing in high yield debt. In so doing, the mandate aims to achieve a high level of income with the potential for capital gains.
- **Fidelity Systematic U.S. High Yield Bond Currency Neutral ETF (FCHH):** This mandate provides the same underlying exposure as FCHY. However, it aims to minimize the exposure to currency fluctuations between U.S. and Canadian dollars.
- **Fidelity Systematic Canadian Bond Index ETF (FCCB):** This strategy seeks to replicate a proprietary index by investing in investment-grade bonds publicly issued in the Canadian market by both government and corporations. It seeks to outperform the broad benchmark and provide higher yield potential by replicating the Fidelity Canada Systematic Canadian Bond Index, which is designed to seek to capitalize on inefficiencies in the Canadian investment-grade bond universe by tilting towards securities with strong risk-adjusted return potential.

These new ETFs are available in competitively priced mutual fund versions. Series F management fee ranges between 0.25% to 0.53% and Series B management fee ranges between 0.75% and 1.03%.

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

### **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 \$139.7 billion in assets under management (as at September 23, 2019) 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 and a high net worth program. Fidelity is available through a number of advice-based distribution channels including financial planners, investment dealers, banks, and insurance companies.

Read a fund's prospectus and consult your financial advisor before investing. Mutual funds, including exchange-traded 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.

#### **For further information:**

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