

## **Fidelity Investments Canada to Launch its First Suite of Dividend Factor ETFs and Mutual Funds**

### *13 New Factor ETFs and Mutual Funds Leverage Fidelity's Extensive Fundamental and Quantitative Research Capabilities*

**Toronto, September 11, 2018** — Fidelity Investments Canada ULC, one of Canada's top investment management firms, today announced its plans to launch a suite of factor-based ETFs and mutual funds for financial advisors and individual investors. As part of a well-diversified portfolio, the Fidelity Dividend Factor ETFs and mutual funds are intelligently designed to deliver monthly income and provide a powerful, targeted investment approach. They are made up of a liquid, investable universe of stocks carefully constructed to avoid unintended risks and are monitored and rebalanced every year to ensure they hold the most attractive securities.

Fidelity's six new factor-based ETFs — Fidelity Canadian High Dividend Index ETF (FCCD), Fidelity U.S. Dividend for Rising Rates Index ETF (FCRR), Fidelity U.S. Dividend for Rising Rates Currency Neutral Index ETF (FCRH), Fidelity U.S. High Dividend Index ETF (FCUD), Fidelity U.S. High Dividend Currency Neutral Index ETF (FCUH) and Fidelity International High Dividend Index ETF (FCID) are expected to commence trading on the Toronto Stock Exchange on or about Tuesday, September 18, 2018. The new ETFs and mutual funds (Series F) will be competitively priced with management fees ranging from 0.35% to 0.45%.

"Factor investing offers tremendous opportunity to bring innovation to the Canadian marketplace. Launching our new Fidelity Dividend Factor ETFs and mutual funds reinforces our commitment to delivering an exceptional experience to our clients, an experience not just in terms of the quality and breadth of the offering but also our innovative approach to investment management," said Rob Strickland, President, Fidelity Investments Canada ULC.

In recent years, a new approach to index investing—factor investing—has started to gain traction among investors. Factor investing refers to an enhanced indexing strategy that seeks to exploit certain performance factors in an attempt to outperform a market cap-weighted benchmark index. In this sense, factor investing differs fundamentally from a traditional passive indexing strategy. A strategic allocation to a single or combination of factor-based strategies can help investors reap the potential

long-term benefits of factors, and should be determined based on individual investment styles and objectives.

“Fidelity’s Dividend Factor ETFs and mutual funds are designed to be an effective way for investors to obtain various exposures or to implement particular investment strategies,” said Andrew Clee, Vice President ETFs, Fidelity Investments Canada ULC.

There are several ways investors can incorporate factor-based strategies into their broader portfolios as tools to add incremental returns, reduce risk, or achieve a desired investment outcome:

**Strategic exposure to factors:** Strategic allocations to factors can enhance risk-adjusted returns over the long-term. Investors may consider exposure to one or a combination of factors to take advantage of their potential benefits.

**Portfolio construction and risk management tools:** Investors and advisors can use factor-based strategies to fine-tune their exposures and better align their broader portfolios with their intended investment objectives and risk profiles.

**Cyclical exposures that vary through time:** Because factor returns can vary through time, adjusting factor exposures using a cyclical framework may help investors express a shorter-term market or investment view.

## **New Factor ETFs and Mutual Funds Leverage Fidelity’s Extensive Investment Research Capabilities**

Fidelity’s new Dividend Factor ETFs and mutual funds seek to track the performance of tailor-made indices that are actively designed by FMR Co., Inc., who has considerable expertise in developing and designing tailor-made indices. These indices are differentiated through their security selection and portfolio construction methods. These two approaches help minimize unintended risks such as single company bias or sector concentration.

Fidelity is also launching the Fidelity Tactical Global Dividend ETF Fund, a single-ticket global dividend solution designed to generate income in various market environments. This fund leverages Fidelity’s rich history of active portfolio management and strong quantitative research capabilities, to deliver a powerful investment solution to fulfill Canadian investors’ income needs.

“By launching these products as ETFs and mutual funds, we are excited to make available our unique expertise in quantitative investing to both IIROC and MFDA licensed advisors,” added Strickland.

For more information please visit [www.fidelity.ca/etfs](http://www.fidelity.ca/etfs)

<b>New Fidelity Dividend Factor ETFs</b>	<b>New Fidelity Dividend Factor Mutual Funds</b>
Fidelity Canadian High Dividend Index ETF (FCCD)	Fidelity Canadian High Dividend Index ETF Fund
Fidelity U.S. Dividend for Rising Rates Index ETF (FCRR)	Fidelity U.S. Dividend for Rising Rates Index ETF Fund
Fidelity U.S. Dividend for Rising Rates Currency Neutral Index ETF (FCRH)	Fidelity U.S. Dividend for Rising Rates Currency Neutral Index ETF Fund
Fidelity U.S. High Dividend Index ETF (FCUD)	Fidelity U.S. High Dividend Index ETF Fund
Fidelity U.S. High Dividend Currency Neutral Index ETF (FCUH)	Fidelity U.S. High Dividend Currency Neutral Index ETF Fund
Fidelity International High Dividend Index ETF (FCID)	Fidelity International High Dividend Index ETF Fund

### **About Fidelity Investments Canada ULC**

Fidelity Investments Canada ULC is one of Canada’s top investment management firms managing a total of \$136 billion in mutual fund and institutional assets. This includes \$36 billion in assets for institutional clients including public and corporate defined benefit pension and defined contributions plans, sub-advised programs, endowments, foundations and other corporate assets on behalf of clients across Canada as at August 31, 2018.

Fidelity Investments Canada ULC provides Canadian investors a full range of domestic, international and income oriented mutual funds, as well as asset allocation, managed solutions, ETFs 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.

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.

**For more information, please contact:**

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