

2012 Pan-European Equities Portfolio Manager Outlooks



Alexander Scurlock is portfolio manager of Fidelity Funds European Growth Fund

“The market has been driven by macroeconomic and political considerations as the eurozone debt crisis has deteriorated further. The steps taken by European leaders still fall short of addressing critical issues, including Greece’s debt situation, the implementation of bank recapitalisation, the details concerning European Central Bank policy and how the European Financial Stability Facility will be leveraged. Therefore, I expect more volatility going forward. I continue to look for companies with pricing power and those operating in stronger domestic economies, such as Germany, and firms with major overseas earnings exposure, either directly or through exports.”

Alexander Scurlock, Portfolio Manager, FF European Growth Fund



Alexandra Hartmann is portfolio manager of Fidelity Funds Euro Blue Chip Fund

“Global growth concerns and the sovereign debt crisis have dominated investor sentiment lately. Recent actions by European leaders brought some stability and showed political willingness to avoid the Greek crisis from spreading to other eurozone countries. However, a number of headwinds remain and it continues to be my task, as always, to undertake thorough company analysis and understand how a firm is positioned for growth. I continue to look for companies that are driving growth from internal sources such as very strong product positioning and hence pricing power. I also favour firms with strong balance sheets and sustainable positive free cash flows. Companies that are able to weather adverse market conditions in the best possible way through relatively flexible cost structures are equally important.”

Alexandra Hartmann, Portfolio Manager, FF Euro Blue Chip Fund



Colin Stone is portfolio manager of Fidelity Funds European Smaller Companies Fund

“The market hates uncertainty, and the outcome of the Eurozone sovereign debt crisis is highly uncertain. Europe’s politicians and central bankers are playing a very high stakes game of poker amid a deteriorating economic outlook. Ultimately I believe sanity will prevail, the Eurozone will be more tightly bound together and the ECB will ease more aggressively, but in the near term we can expect continued volatility. The market’s response to uncertainty and lower growth forecasts has been classic “Risk-off” since the summer with defensives outperforming and small caps lagging. As we saw in 2008, this is creating some great investment opportunities, although investors will require strong nerves to avoid being panicked out of equities when the headlines are gloomy. It is also important for investors to distinguish between European economies and European companies. While European economies are weakening, Europe is also home to many of the world’s best global businesses and these form the core of my portfolios.

As always, when economic conditions get tough, strong companies get stronger and I remain focused, despite the macro uncertainty on picking winning companies. Whether in the European smaller companies universe or in the overall European equity market, valuations are attractive and we currently have a rare opportunity to buy outstanding long term growth businesses on the cheap. With the assistance of Fidelity’s large and outstanding research team, I aim to choose the best ones for the funds across the same investment themes I have been looking at over the last few years, including the Internet, Technology, Health care, Emerging Market Consumer, Outsourcing, Commodities and Oil and Gas. As in 2010 and 2011, for 2012 I believe economic activity in the Core Eurozone will significantly outperform the periphery and so I have very little exposure to the periphery of Europe. One silver lining for Europe is that the Eurozone crisis will continue to hold down the Euro, helping European exporters which should also benefit from the monetary policy easing that is now occurring globally. Finally, when sanity prevails and macro stops being the only consideration of investors; and because we are in an environment of sluggish world economic growth, we should see those companies that continue to deliver on their earnings outperforming substantially whether that be small, mid or large caps.”

Colin Stone, Portfolio Manager, FF European Smaller Companies Fund

In Perspective



Sam Morse is portfolio manager of Fidelity European Fund

"2011 has been an unpredictable, if not erratic, year for European equity investors. Unfortunately, I do not foresee this pattern changing as we enter 2012. Question marks over the Euro, the sovereign debt crisis and slow economic growth will all continue to dominate the headlines and investor behaviour. Crisis, however, can bring opportunity too: I have been able to find consistent dividend growers at cheap valuations, that will, I believe, serve my investors well in 2012 and beyond.

My base case scenario for Europe remains the same, although my confidence in this has reduced. I think that all nations within the Eurozone will strive to keep the euro together because the pain of leaving the euro will be too high, both financially and politically, both for countries leaving and those remaining.

If a country were to leave the Eurozone, its citizens will experience a dramatic decline in wealth and buying power. Imports of food, fuel and pharmaceuticals are essential to the well-being of people in countries like Greece and Italy. Leaving the Eurozone would reduce the affordability of these goods because prices would automatically inflate as an inevitable consequence of a devalued Drachma or Lira. Furthermore, individuals and companies that owe money on euro loans will see their debts jump, overnight, in size. The technical and legal costs will be massive because when joining the euro no-one planned or expected that they would leave again: there is no exit play-book. There is also a crucial political angle that must be considered by those countries mulling a Eurozone exit – under current treaty rules they would also have to leave the European Union and lose all the benefits that entails. Austerity measures have created much distress, especially in those countries worst affected, but the pain of austerity will seem bearable compared to the pain of exiting the euro – it is the lesser of two evils.

If a country were to leave the Eurozone, considerable pain would be inflicted on those countries that remain. Contagion fears would be the first effect – if one leaves who will be next? Given the loss of wealth for a country that exits, there will be a significant negative impact on any companies that export to that country and also on any financial institutions that have lent money to that country. Needless to say, the other Eurozone members would feel the effect of a fellow member's exit more than other nations.

So what can be done? We have seen a few (so far unsuccessful and disjointed) attempts by policy makers to stem the current problems, but there are a few, more extreme, measures that can be taken. For example, anything that boosts growth in the euro area as a whole would make spending cuts in the south easier to absorb. Quantitative easing – or printing money – is an option that has been taken in the US and UK but not so far in Europe (due to long German memories of the hyper-inflation of the Weimar Republic). We have seen a sterilised form of QE, but policy makers could print money (unsterilised) to weaken the euro and buy time in the hope that global economic growth will improve.

Political change is sweeping across Southern Europe which could herald new governments that are more willing to take radical action in terms of reform, privatisations and other measures. Ultimately, Germany and other nations could agree to guarantee the debts of weaker countries, if they are satisfied that those weaker nations are taking appropriate steps towards structural reform.

From an investment point of view the key question for me is: what to do now? I always look at company fundamentals and try to find attractively valued companies that will be able to grow their dividends in good times and bad times. I think this strategy will continue to deliver relative strength, even if a Eurozone break-up becomes more likely. If there is a break-up, there will be direct and indirect effects on nearly all European companies so it is essential that we 'turn the stones' to assess what will happen to each company in different scenarios. As I have said, my base case remains that the Eurozone will survive, but I must be prepared, even for a potential break-up, and understand and anticipate the likely effect on each company, whether held in the portfolio or not. In the event of a break-up, the market is likely to be volatile and weak, but there will be relative winners and losers. As always, good stock picking will be crucial."

Sam Morse, Portfolio Manager, Fidelity European Fund

In Perspective



Firmino Morgado is portfolio manager of Fidelity Funds European Aggressive Fund

“This year Europe has been at the centre of much of the negative news flow due to the sovereign debt crisis and this has resulted in disappointing returns for equity investors. There is much negative sentiment in the market but I believe that given the magnitude of the problems and the implications for world trade if the Euro broke up politicians are finally understanding that they need to deliver a long-term solution. It is very difficult to predict when the solution will be announced or in what precise format it will be but given the seriousness of the situation, and market’s demands for a response (as demonstrated by the elevated bond yields for Spain and Italy) a substantial announcement will be in made by Q1 or Q2 of 2012. This announcement will be positive for equities as the uncertainty will be lifted. Therefore those investors who have been sitting on the sidelines due to the lack of clarity would be willing to invest as valuations are attractive by long term measures.”

Therefore I am positioning the fund for a market recovery for next year by having a significant overweight in Consumer Discretionary sector and Information Technology and a slight underweight position in the pro-cyclical Materials sector. The fund also has significant holdings in the Financials sector, although it is slightly underweight. The sector looks cheap on historical valuation measurements and I believe there are select opportunities which offer an attractive risk reward profile. Given the strong performance over the past year for consumer staples I believe the sector looks stretched and the fund is underweight this traditional defensive sectors. I have been using the recent volatility and weakness in share prices to add to more cyclical names such as Adecco and Arcelor Mittal.”

Firmino Morgado, Portfolio Manager, FF European Aggressive Fund



Matt Siddle is portfolio manager of Fidelity Funds European Larger Companies Fund

“The macro environment at the moment is extremely uncertain. While the situation in the US and China may look more like a normal mid-cycle slowdown today, the eurozone sovereign crisis raises significant uncertainty, not only within Europe, but also globally. The key problem is the level of debt and fears over the inability of Southern European countries to be able to deliver the GDP growth required to repay it.”

There are five key actions governments in Europe can choose to take, none of which are without their problems. Firstly, they can choose austerity and cuts; secondly, they can choose structural reforms; thirdly, they can choose money printing or QE; fourthly, they can choose to default; and finally, they can choose to leave the Euro and default. European governments are hoping that the first two actions are sufficient, but we may be nearing the point where markets force further action.

Which of the options politicians choose is going to be key to markets and the economy – and this is a political decision. QE would provide the most immediate stimulus to a market trading on low valuations. Structural reforms will help European companies to compete better and lead to stronger long-term returns, but take time to work. Default or exit for a major nation would lead to significant volatility and a very poor economic outlook globally.

In this environment, I believe that investing in high quality companies that are able to weather any potential squalls and volatility in the near term is important, and such companies have been delivering strong relative performance over the past year. Areas I like include consumer staples such as Danone, which has strong growth and cash generation on an lower than usual valuation; media stocks such as Reed Elsevier, which has strong annual subscriptions in academic publishing and a valuation at 20-year lows; and other individual ideas such as Sanofi, which has strong underlying growth in most of its businesses but its valuation is cheap due to patent fears on a minority of its business.

Areas where I am more cautious include financials, especially those with weak balance sheets or levered exposure to the eurozone. I am also wary of utilities where overinvestment in renewable energies in many countries is putting pressure on the profitability of the industry. Elsewhere, traditional cash cows like nuclear are facing taxes and other regulatory pressures, all at a time when balance sheets are stretched due to the recent significant investment phase.”

Matt Siddle, Portfolio Manager, FF European Larger Companies Fund

In Perspective



Fabio Riccelli is portfolio manager of Fidelity Funds European Dynamic Growth Fund

“2011 has been a disappointing year for equity investors. The European sovereign debt crisis, the economic impact of the Japanese earthquake, the US debt downgrade and lower global GDP growth all contributed to weak performance of global equity markets. Europe, together with other developed market economies like US and Japan, faces some significant challenges ahead. Decades of reckless credit fuelled spending have left European countries with an outstanding stock of debt (and the cost of servicing that debt) that is unsustainable. Couple this with an ageing population and overly generous welfare means the European social security model is broken. The only way forward is de-leveraging. “Rescue packages” such as the EFSF and ESM do not change the need for debt reduction, but only provide a means of doing this in a orderly fashion and perhaps spreading the cost of this de-leveraging over a longer time period. Given these challenges in Europe and other developed economies, my expectation is that we will see many years of low economic growth.

In an environment of slow economic growth, genuine growth companies- i.e. companies that are not dependant on an economic tailwind to grow their businesses are likely to become “prized assets”. The good news for European equity investors is that I think Europe has many such companies. Global leaders with businesses that are positioned to benefit from structural growth factors such as ageing population, the growth of digital world (internet and mobile), the rise of an emerging market middle class consumer and many other themes. These are businesses that are not dependant on economic growth in Europe, but because they are “listed in Europe” may sell today at prices significantly below their intrinsic value.

The economic crisis, the high correlation of stocks and the often indiscriminate treatment of companies irrespective of their fundamentals continues to provide good opportunity for stock picking. In the fund I own a significant position in European based consumer brands that have a global appeal and are “rolling out” their products to new regions. Companies like retailers H&M and Inditex, as well as the luxury goods companies. Europe has some great technology companies that will benefit from product cycles like mobility, internet and the ever increasing need for automation and information processing. I therefore also have an overweight in the fund in technology. Media is another sector where I am finding significant opportunities. The market consensus view is that media is a cyclical and economic dependant sector, which is only partly correct as there are segments of it that are very resilient and benefit from digitalization/internet. Companies like GfK, Schibsted and Informa all have great long term growth prospects but trade at PE multiples below 10x.

Despite all the challenges Europe faces and the prospect of slow economic growth for many years, European equity markets still offer many good investment opportunities for the diligent investor. Consensus today is downbeat and worried, but it’s important to remember that stock markets will discount the economic outlook well ahead. So while I do think the next few years will be challenging, with the help of the large analyst team that we have here at Fidelity I think we are very well placed to find good opportunities for investment.”

Fabio Riccelli, Portfolio Manager, FF European Dynamic Growth Fund

In Perspective



Parus Shah is portfolio manager of Fidelity Funds European Special Situations Fund

“The economic outlook for 2012 remains mixed with Europe likely to suffer a mild recession but other parts of the world remaining resilient. In Europe I expect a mild recession but with a deeper one in southern European countries whilst the northern European countries will be flat. In the US the economy is doing well with forward indicators like the ISM readings getting better, unemployment slowly falling, the housing markets showing signs of recovery and cargo data for the railroads getting better. In Asia the economies are strong with inflation under control. In China and the emerging markets inflation is starting to fall, in particular food price inflation in China, which has allowed central banks to start cutting interest rates which will help stock markets.”

Regarding the European sovereign debt I believe politicians finally understand the seriousness of the situation and the chances of a successful resolution are high. However, I do not believe there will be one “big announcement” or a single day when everyone the Euro is fixed. Instead I believe it will be a series of events as politics dictates and economic policy become clearer. However, there are still challenges ahead and therefore I assign a 25% probability of there being no resolution which will ultimately lead to a change of countries in the Euro or a complete break up. As a result I expect there to be continued high levels of volatility on the stock market over the year but the good news is valuations are low and sentiment is weak which means any good news will be well received by the market.”

Given the macro backdrop, I believe there will be two types of shares which will do well in 2012. The first are the steady compound growth companies with good visibility. Good examples would be WPP, BAT & SAP. At present these companies trade on attractive valuations relative to the market, given their ability to produce steady returns. The second group are those which are cyclical (and therefore less stable) but with structural drivers. At present many of these companies are beaten up because they are cyclical but given that they are structurally growing companies they should not be on the same multiple as purely cyclical companies. Purely cyclical companies like cement or metal companies grow and shrink in line the economy but structurally growing companies will be have bigger market capitalisations in 10 years time regardless of the economic situation. Good example of cyclical companies which are structurally growing would be the freight forwarders or some of the staffing companies. At present many of these types of companies are disliked, because they are slightly cyclical and therefore they are on cheap multiples which offer an attractive entry point over the medium term. However, as these companies are cyclical and therefore get sold off when the market comes down I am only adding to them in small positions to average the price rather than take big positions at present.”

Given that I believe there is still a probability of no resolution in Europe I do not own any companies in the PIIGS with the exception of Saipem, which is an Italian oil services company. However, their earnings are effectively in USD will offer them protection. However, it will suffer with other Italian companies if Italy pulls out but will bounce back a lot quicker. Within financials I am underweight the sectors are they are still too risky, given the very limited visibility on their earnings. However, I own the companies which I believe are the strongest financial institutions in the core countries. As a result I own BNP Paribas in France, Allianz in Germany and ING in the Netherlands. I also own Zurich Financial services and UBS in Switzerland. Regarding the second-order effects of a potential break-up I have gone through every company in my portfolio to assess how much earnings they have much the PIIGS. For most of the companies it is very small, for example BAT has around 10% of their earnings from the PIIGS and therefore if these countries come out of the euro and their currency devalues by 30%, the hit to earnings will be 3%, which is not material. However, I am avoiding German industrials as I expect a new German currency to be strong and this would affect their earnings ability, as a result I prefer Schneider over Siemens as the new French currency would be weaker and this would give them a competitive advantage.”

Parus Shah, Portfolio Manager, FF European Special Situations Fund

In Perspective



Christian von Engelbrechten is portfolio manager of Fidelity Funds Germany Fund

"I expect that equity markets will remain volatile but see good chances for a positive return over the coming year based on an attractive risk-return profile (moderate valuations, high dividends, high liquidity), global growth driven by the emerging markets and the US, low interest rates and healthy corporate balance sheets. I am optimistic that the political decision makers understand the gravity of the current situation and will implement structural reforms so that confidence returns. As these reforms will take time and involve austerity measures I think that revenue and bottom line growth will remain moderate in general. Against this background it is important to employ scenario analyses and identify on one hand those companies whose share price have come down very significantly but can surprise positively even in an adverse environment as they have improved since the last crisis, e.g. by reducing debt and cutting fixed costs. On the other hand it is important to invest into those companies that can grow even in a weak macroeconomic environment. Within the latter bucket I still find interesting opportunities of companies with high exposure to the emerging markets as end customer, exposure to the US and companies which grow due to innovation and their high competitiveness. I am convinced that many German companies are highly competitive to gain market share and emerge as winners from the crisis due to their brand strength, quality of product offering, healthy balance sheets and innovation. In the current environment of weak growth I also invest into companies with sustainable high dividend yields."

Christian von Engelbrechten, Portfolio Manager, FF Germany Fund



Firmino Morgado is portfolio manager of Fidelity Funds Iberia Fund

"The outlook for the macro situation in both Spain and Portugal remains challenging for 2012 and I do not expect to see any real pick up throughout the year. However, my base case remains that Spain will not default on its debts and the fund remains positioned for this outcome. Since the introduction of the euro, Spain has experience a large construction and property bubble which is now being worked off and this adjustment will be painful. Spain does have some advantages such as its public debt to GDP ratio is low by comparison to some other European countries and has a new government with a strong mandate for change. The Portuguese economy is still struggling but it is sticking to the troika plan and this will make it stronger in the medium term.

However, despite all the negative headline I do believe there is hope for the Iberian economies and the stock market. There are three reasons I would seize for Spain as potentially being positive for the economy. First the government is addressing the problems in the financial sector, there have already been some nationalisation of the Caja's (savings banks) and there will be more announcements in 2012. This is essential so the banks can start lending again and businesses can grow and create employment. Secondly the new government has indicated they will make the labour market more flexible, which will help the countries long-term competitiveness. Thirdly the government is sorting out the regions debts and making them have tighter fiscal constraints which will help bring down the overall level of debt.

Within the fund I have 3 types of companies: 1) cyclical companies which have limited debt and where the bad news has been more than discounted. At some next over the next year I believe these companies will start to stabilise, as the pace of the earnings downgrades slows down. 2) Companies with limited domestic exposure which are global leaders such as Inditex and Amadeus 3) Small cap companies, with are very stock specific ideas, which are being ignoring by the market simply because they are small caps."

Firmino Morgado, Portfolio Manager, FF Iberia Fund

In Perspective



Alberto Chiandetti is portfolio manager of Fidelity Funds Italy Fund and Fidelity Funds Switzerland Fund

“Since the end of summer and within a few weeks, the peripheral crisis turned into a Euro crisis. As the true epicentre of the crisis lies in Europe, markets are pushing European Institutions to either get to a stronger fiscal unification and coordination or raise a white flag in accepting a potential end to the Euro exercise. My 2012 outlook depends on how this situation unfolds. The December 9 meeting, which is another effort at the European level to solve this crisis, could very well be the last chance in providing an answer to the market as to what European authorities are willing to accomplish.

In the meantime, the accelerating credit crunch among the financial institutions in Europe has already set the scene for a recession. 4Q will report negative GDP growth in the periphery while potentially already factoring in core Europe. Thus, we have quickly moved from considering how to avoid a mild recession to start pondering between a guaranteed recession and an even worse outcome. The European credit crunch is already spilling over to world trade financing as many European banks are now constrained for liquidity reasons.

My outlook for 2012 is binary and depends heavily on the European Institutions making the right choices to stop the crisis. If successful, these would achieve big and quick steps toward fiscal integration in Europe, coupled with the umbrella financing for peripheral government from the ECB or IMF. The latter would provide peripheral countries with 2-3 years in achieving their fiscal consolidation as the anticipated result should therefore stop market contagion. The failure to achieve this would potentially lead to the Euro break up, which ultimately would bring world GDP to a sharp slowdown.

Given this environment, I am taking a defensive stance in the FF Italy Fund through my barbell approach. By increasing liquidity and cash on one side, I am adding onto my GARP stocks that have their own internal growth drivers (such as Saipem) and global cyclical stocks that are already factoring in some macro downturn (including Fiat Industrial, Fiat Auto through Exor, Autogrill and STMicroelectronics, a restructuring story as well) while reducing domestic exposure (banks and utilities which are levered and linked to local demand). I am moving further away from banks, which suffer from a recession, rise in loan loss provisions and on top of the funding cost squeezed in their margins. As we are already in a recession, banks are not winners even in a scenario of a resolution to the Euro crisis. In this case, I will be prepared for either outcome by having strong, fresh powder to buy into beaten down, good quality companies as well as to quickly regain a more pro-cyclical positioning in case things turn out to be more sanguine.

The 2012 market scenario for Swiss stocks will strongly depend on global GDP trends as Swiss equities are, for the majority, truly global business. In this respect, we have entered a moment of strong deterioration in global GDP expectations in the past few months, driven by the peripheral crisis and the potential risks connected to the deficit stalemate in the US. The latter potentially resulting in fiscal contraction for the US after 2012 and further downgrades to global GDP expectations.

Within the FF Switzerland Fund, I am moving towards a more defensive approach and adopting little by little a barbell approach. In order to overcome the structural underweight in the defensive sectors (pharmaceuticals and staples), I am raising the cash level and waiting to deploy it in self-help GARP stories, which currently includes Sika, Aryzta and the most recent names entering the fund being Tecan and Galenica. On the cyclical side, I have built a position in some undervalued cyclical/restructuring names that are factoring in a negative scenario, like Temenos or Clariant. Additionally, I have built a position in Panalpina that is finally achieving some turnaround in margins while trading at much cheaper valuation than peers. My maintained position in Kuoni, despite being a very cyclical business, has gone through a tremendous restructuring recently after the acquisition of destination management business GTA. In terms of cyclical exposure, I tend to prefer financials to capital goods as the private banking business, although suffering from a strong CHF, benefits from the Swiss safe haven status through strong inflows. In this respect, I am invested in UBS, Bank Sarasin and VZ Holding.”

Alberto Chiandetti, Portfolio Manager, FF Italy Fund and FF Switzerland Fund

In Perspective



Vincent Durel is portfolio manager of Fidelity Funds France Fund

"In 2012, I expect the French equity market to remain difficult and volatile. There is a lack of visibility on the economic outlook for the euro zone over the coming years, which shall be pressurised by European central bank's de-leveraging, austerity measures but shall be partly offset by a European monetary accommodation policy.

Sovereign bond stress will likely remain until we will finally see an improvement in net debt to GDP ratios from the most indebted European countries. In this context, I will continue to mainly focus on defensive growth stocks, with healthy balance sheets, benefiting from emerging market exposure and which have historically been resilient during economic downturns."

Vincent Durel, Portfolio Manager, FF France Fund



Bertrand Puiffe is portfolio manager of Fidelity Funds Nordic Fund

"In 2011 Nordic equities underperformed European equities by 5.5% (YTD to 31/11/2011). Nordic small caps underperformed even more, relative to the MSCI Europe by 11%. In 2011, leading indicators rolled over and then collapsed. It has been a "risk off" year, and unsurprisingly Nordic equities have underperformed as the beta is higher than Europe's.

I am a bottom-up stock picker but because the macro has been so important to explain the market moves since mid August, I shall tackle this point first. There is huge macro uncertainty due to the Eurozone sovereign debt crisis. And there is still a small chance that the Euro could break-up. Denmark would be the country where the consequences would be the worst, as the Danish krona would be pegged to the Deutsche Mark as it was the case before the Euro. Hence an appreciating DM vs USD would be negative for exports. Sweden has a lot of exporters as well and their currency would appreciate impacting these types of stocks. For Norway and Finland, irrespective of Eurozone membership I would say it is neutral.

My primary concern is to invest in the best ideas the region has. Because of the region's higher beta, I monitor the absolute volatility of stocks I put in the portfolio and the end result, the fund's. My investment approach is unconstrained, that is with no reference to a Nordic index but with an aim to outperform indices and peers over the medium to long-term. I hold a portfolio where, individual stock size weight could be up to 5% but volatility of the portfolio has to be below/or in line with the index. I invest in either in turnaround stories, undervalued compound growth and/or special situations. The fund is unconstrained with a tracking error at 6% and an Active Money at 80%. This is balanced by a beta at 0.92x.

Leading indicators such as the ISM seem to have stabilised since August. Historically, Nordic equities have performed well and better than mainstream Europe when leading indicators rise and/or stay above 50. Moreover, many of the Nordic companies I hold should have better 2012 and 2013 eps growth than European average especially given their high direct exposure to China and Emerging Market economies."

Bertrand Puiffe, Portfolio Manager, FF Nordic Fund

In Perspective

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