



# **Fidelity North American Equity Investment Trust**

**Annual Management  
Report of Fund  
Performance**  
June 30, 2024

## Caution Regarding Forward-looking Statements

Certain portions of this report, including, but not limited to, “Results of Operations” and “Recent Developments”, may contain forward-looking statements about the Fund, including its strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” and similar forward-looking expressions or negative versions thereof.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Fund and economic factors. Accordingly, assumptions concerning future economic and other factors may prove to be incorrect at a future date.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could 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, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

It should be stressed that the above-mentioned list of important factors is not exhaustive. You are encouraged to consider these and other factors carefully before making any investment decisions and you are urged to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Fund has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance.

# Annual Management Report of Fund Performance as at June 30, 2024

## Fidelity North American Equity Investment Trust

*This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements for the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1-800-263-4077, by writing to us at Fidelity Investments, 483 Bay St. Suite 300, Toronto ON M5G 2N7 or by visiting our website at [www.fidelity.ca](http://www.fidelity.ca) or SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).*

*Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure relating to the investment fund.*

## Management Discussion of Fund Performance

### Investment Objective and Strategies

Investment Objective: Fidelity North American Equity Investment Trust (Fund) aims to achieve long-term capital growth by investing primarily in equity securities of companies located in Canada and/or the U.S.

Strategies: When buying and selling equity securities for the Fund, the portfolio manager may examine each company's potential for success based on its current financial condition and industry position, as well as economic and market conditions. The portfolio manager may consider factors like growth potential, earnings estimates, and quality of management. The Fund may invest in companies of any size. Generally, the Fund will invest no more than approximately 50% of its net assets in Canadian equity securities and may invest up to approximately 20% of its net assets in equity securities of companies located outside of Canada and/or the U.S.

### Risk

The risks associated with investing in this Fund remain as discussed in the prospectus. Any changes to the Fund over the period have not affected the overall level of risk of the Fund.

The Fund is suitable for medium- to long-term investors who want to gain exposure to North American equity securities, and can handle the volatility of returns generally associated with equity investments. The Fund is not an appropriate investment for investors with a short-term investment horizon. To invest in the Fund, investors should be willing to accept a medium level of risk. The suitability of the investment has not changed from what has been disclosed in the prospectus.

### Results of Operations

Securities of this Fund are only available for purchase by other funds and accounts managed or advised by Fidelity, and are not available for public purchase.

Fidelity North American Equity Investment Trust, Series O, returned 31.0%, for the year ended June 30, 2024. During the review period, U.S. Equities, as represented by the S&P 500 Index, returned 28.8% (in Canadian dollar terms).

Market overview:

U.S. equities, as measured by the S&P 500 Index, returned 28.8% in Canadian dollar terms and 24.6% in U.S. dollar terms, for the one-year period ended June 30, 2024.

U.S. equities rose during the review period on the back of strong corporate earnings, persistent economic growth, and a potential peak in the interest rate hiking cycle. Select beneficiaries of developments in the artificial intelligence space, primarily in the communication services and information technology sectors, also contributed to gains. The continued strength in the U.S. economy and persistent inflation above the Federal Reserve's (the Fed) 2% target, however, led investors to lower their expectations for the magnitude of the Fed's rate cuts in 2024. The Fed's preferred measure of inflation, the core personal consumption expenditures index, came in at 2.8% for April on annual basis, while inflation as measured by the consumer price index, remained persistent at 3.3% in May. The labour market was also strong, with some signs of a potential slowdown towards the end of the review period. The U.S. economy created 272,000 new jobs in May (U.S. Nonfarm Payrolls), exceeding economists' estimates and defying observations that the labour market could be cooling off. Meanwhile, the unemployment rate rose slightly to 4.0% in May, from 3.9% in April 2024, ending a 27-month streak of unemployment below 4%. The U.S. Federal Open Markets Committee held the Federal Funds rate unchanged at 5.25%–5.50% in its May 2024 policy meeting.

Factors affecting performance:

The Fund's benchmark, a blend of 70.0% S&P 500 Index and 30.0% S&P/TSX Capped Composite Index, returned 23.7% for the period under review.

The Fund outperformed its benchmark primarily due to investments in, and a larger-than-benchmark allocation to, the communication services sector. In the sector, an investment in U.S.-based multinational technology conglomerate Meta Platforms, and lack of exposure to a Canada-based telecommunication services firm, contributed to relative returns. Investments in, and a larger-than-benchmark allocation to, the information technology sector also contributed to relative returns. In this sector, an investment in U.S.-based semiconductors and semiconductor equipment firm NVIDIA, and an investment in U.S.-based technology hardware and equipment firm Apple, both contributed to relative returns. In other sectors, an investment in U.S.-based ridesharing company Uber Technologies also contributed to relative returns.

In contrast, investments in, and higher-than-benchmark exposure to, the materials sector detracted from relative returns. In the sector, out-of-benchmark exposure to U.S.-based paint and coating manufacturing company Axalta Coating Systems, and lower-than-benchmark exposure to Canada-based precious metals streaming company Wheaton Precious Metals, detracted from relative returns. Investments in certain stocks in the financials sector also detracted from relative returns. In that sector, an investment in Canada-based financial services firm Brookfield Asset Management, and an out-of-benchmark allocation to U.S.-based brokerage firm Interactive Brokers, both detracted from relative returns. In other sectors, investments in U.S.-based eye health products company Baush & Lomb, and Canada-based software and services firm OpenText, also detracted from relative returns.

At the end of the review period, the Fund had no exposure to Axalta Coating Systems, Wheaton Precious Metals, Baush & Lomb and Interactive Brokers.

Portfolio changes:

During the review period, the Fund's exposure to the information technology and consumer discretionary sectors increased. In the information technology sector, the portfolio manager increased exposure to NVIDIA, owing to its attractive risk/reward outlook, in the portfolio manager's opinion. In the consumer discretionary sector, exposure was increased to U.S.-based

## **Fidelity North American Equity Investment Trust**

### **Management Discussion of Fund Performance – continued**

e-commerce firm Amazon.com, owing to its attractive risk/reward outlook, in the portfolio manager's view.

In contrast, exposure to the health care and materials sectors decreased. In the health care sector, the portfolio manager reduced exposure to U.S.-based medical devices and equipment firm Stryker. In the materials sector, a position in Axalta Coating Systems was exited to pursue opportunities with more attractive risk/reward potential elsewhere, in the manager's view. At the end of the review period, the Fund had its largest absolute exposure to the information technology sector, followed by the industrials sector. The Fund diverged most from its benchmark's sector weightings by having more exposure to the industrials sector and less exposure to the consumer staples sector.

#### **Recent Developments**

Portfolio manager Darren Lekkerkerker focuses on companies that they believe have solid business models and shareholder-oriented management teams, and that are trading at relatively attractive valuations. With headline inflation continuing to moderate, the portfolio manager notes that that central banks may not feel the need to have as stringent monetary policy as they have, in the portfolio managers view. Although it remains a debate on when interest rate cuts will happen and how many there may be, the manager notes that the direction of monetary policy is likely to be towards loosening. The portfolio manager believes a soft landing may be achieved in the U.S. amid easier financial conditions and a resilient consumer base. In Canada, however, a slowdown may be the more likely outcome, given the higher interest rate sensitivity of the economy, which has led to a divergence between the strength of Canadian and U.S. consumers. In addition, the portfolio manager notes that the corporate earnings outlook appears favourable for now. Companies may face fewer headwinds, with declining costs and interest rates in combination with potential revenue growth, in the managers view. The portfolio manager continues to focus on owning what is believed to be high-quality companies in the portfolio, along with stocks that may have more idiosyncratic catalysts and that could be less affected by a potential economic slowdown. The portfolio manager continues to focus on bottom-up security selection and aims to be fully invested in equity markets. The portfolio manager continues to find what appear to them to be attractive investment opportunities, and stresses the importance of investing in high-quality businesses.

Effective September 19, 2023, Anne Bell of Mississauga, Ontario, became a member of the Independent Review Committee (IRC).

#### **Related Party Transactions**

##### **Manager and Portfolio Adviser**

The Fund is managed by Fidelity Investments Canada ULC (Fidelity). Fidelity is part of a broader collection of companies collectively known as Fidelity Investments.

Fidelity provides or arranges for the provision of all general management and administrative services required by the Fund in its day-to-day operations, bookkeeping, record-keeping and other administrative services for the Fund.

Fidelity is the portfolio adviser to the Fund and it provides investment advisory services to the Fund. Fidelity provides investment advice with respect to the Fund's investment portfolio and arranges for the acquisition and disposition of portfolio investments, including all necessary brokerage arrangements. The Fund is only offered in Series O securities and is only available to: (i) institutional investors who may be individuals or financial institutions who have been approved by Fidelity and have entered into Series O fund purchase agreements with Fidelity; or (ii) other funds and accounts managed or advised by Fidelity. The Fund does not pay management and advisory fees, or other operating expenses, other than certain specified fund costs, including taxes, brokerage commissions and interest charges.

##### **Brokerage Commissions**

The Fund may place a portion of its portfolio transactions with brokerage firms which are affiliates of Fidelity, provided it determines that these affiliates' trade execution abilities and costs are comparable to those of non-affiliated, qualified brokerage firms, on an execution-only basis. Commissions paid to brokerage firms that are affiliates of Fidelity Investments were \$0 for the period ended June 30, 2024. Fidelity receives standing instructions from the IRC in respect of policies and procedures governing best execution of transactions with affiliates, which includes brokers affiliated to Fidelity Investments, at least once per year.

#### **Independent Review Committee, Cross-Trading and In specie Transactions**

##### **Independent Review Committee**

Fidelity has established an independent review committee (IRC) that acts as an impartial and independent committee to review and provide recommendations or, if appropriate, approvals respecting conflict of interest matters referred to it by Fidelity. The IRC prepares, at least annually, a report of its activities for securityholders of the Fund. The report is available at [www.fidelity.ca](http://www.fidelity.ca) or at the securityholder's request at no cost by contacting Fidelity, using the contact information available on the final page of this document.

##### **Cross-Trading and In specie Transactions**

The Fund received the approval and standing instructions from the IRC in order to:

- (i) engage in cross-trading, which is a form of interfund trading. A cross-trade occurs when the Fund purchases or sells portfolio securities from or to another Fund, a U.S. fund or a separately managed account, through a broker;
- (ii) permit the Fund, in certain circumstances, to purchase and redeem Fund securities in consideration for securities rather than cash of another investment fund not governed by NI 81-102, or a separately managed account, managed by Fidelity.

For each of the transactions in (i) and (ii) above, the IRC's standing instructions require Fidelity to act in accordance with its associated policies and procedures and applicable law, and comply with the conditions in each of the exemptive relief orders received, which, in the case of cross-trading, requires additional periodic reporting to the Ontario Securities Commission. The standing instructions also require that investment decisions in respect of these transactions (a) are free from any influence by an entity related to Fidelity and without taking into account any consideration relevant to an entity related to Fidelity; (b) represent the business judgment of Fidelity uninfluenced by considerations other than the best interests of the Fund; (c) comply with the applicable policies and procedures of Fidelity; and (d) achieve a fair and reasonable result for the Fund.

# Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the period end of the years shown. This information is derived from the Fund's audited annual and/or unaudited semi-annual financial statements. Please see the front page for information about how you can obtain the Fund's annual or semi-annual financial statements.

## Fidelity North American Equity Investment Trust Series O

Periods ended June 30, The Series' Net Assets per Security <sup>A</sup>	2024	2023	2022	2021	2020
Net assets, beginning of period <sup>B</sup>	\$ 17.04	\$ 14.51	\$ 17.81	\$ 14.69	\$ 13.70
<b>Increase (decrease) from operations:</b>					
Total revenue	.16	.22	.24	.15	.15
Total expenses (excluding distributions)	(.02)	(.02)	(.02)	(.02)	(.02)
Realized gains (losses)	1.23	.55	.58	3.32	.51
Unrealized gains (losses)	3.83	2.03	(2.02)	1.02	.92
<b>Total increase (decrease) from operations <sup>B</sup></b>	<b>5.20</b>	<b>2.78</b>	<b>(1.22)</b>	<b>4.47</b>	<b>1.56</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(.12)	(.16)	(.16)	(.14)	(.06)
From dividends	(.05)	(.07)	(.06)	(.05)	(.06)
From capital gains	(.54)	—	(2.32)	(1.17)	(.63)
Return of capital	—	—	—	—	—
<b>Total distributions <sup>B,C</sup></b>	<b>(.71)</b>	<b>(.23)</b>	<b>(2.54)</b>	<b>(1.36)</b>	<b>(.75)</b>
<b>Net assets, end of period <sup>B</sup></b>	<b>\$ 21.47</b>	<b>\$ 17.04</b>	<b>\$ 14.51</b>	<b>\$ 17.81</b>	<b>\$ 14.69</b>
<b>Ratios and Supplemental Data</b>					
Net asset value (000s) <sup>D,E</sup>	\$ 498,238	\$ 348,801	\$ 320,217	\$ 310,681	\$ 217,141
Securities outstanding <sup>D</sup>	23,202,265	20,471,677	22,061,297	17,448,017	14,786,326
Management expense ratio	—%	—%	—%	—%	—%
Management expense ratio before waivers or absorptions	—%	—%	—%	—%	—%
Trading expense ratio <sup>F</sup>	.04%	.05%	.05%	.08%	.07%
Portfolio turnover rate <sup>G</sup>	65.47%	81.62%	89.13%	147.23%	131.90%
Net asset value per security, end of period	\$ 21.4739	\$ 17.0400	\$ 14.5143	\$ 17.8047	\$ 14.6853

<sup>A</sup> This information is derived from the Fund's audited annual and/or unaudited interim financial statements. The net assets attributable to securityholders per security presented in the financial statements may differ from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to financial statements.

<sup>B</sup> Net assets and distributions are based on the actual number of securities outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of securities outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per security.

<sup>C</sup> Distributions were paid in cash or reinvested in additional securities of the Fund, or both, and excludes any applicable distributions of management fee reduction to securityholders. Distributions are presented based on management's best estimate of the tax character.

<sup>D</sup> This information is provided as at period end of the year shown.

<sup>E</sup> Prior period amounts may have been adjusted.

<sup>F</sup> The trading expense ratio represents total commissions, other portfolio transaction costs and dividends and interest expense on securities sold short expressed as an annualized percentage of daily average net asset value during the period, including the Fund's pro-rata share of estimated trading costs incurred in any underlying investment fund, if applicable.

<sup>G</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high portfolio turnover rate and the performance of the Fund. The portfolio turnover rate is calculated based on the lesser of purchases or sales of securities divided by the weighted average market value of portfolio securities owned by the Fund, excluding short-term securities. The portfolio turnover rate includes any proceeds from a short sale in the value of sales of securities and the cost of covering a short sale in the value of purchases of securities. For periods greater than six months, but less than a full fiscal year, the portfolio turnover rate is annualized. The portfolio turnover rate excludes any adjustment for in-kind transactions.

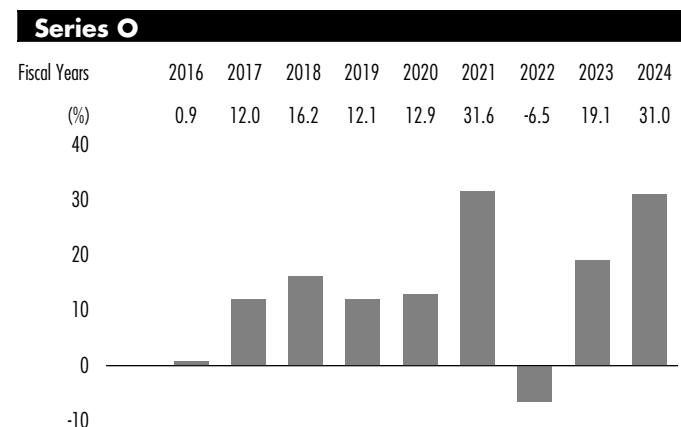
# Fidelity North American Equity Investment Trust

## Past Performance

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

### Year-by-Year Returns

The following bar chart shows the Fund's annual performance for each of the years shown, and illustrates how the Fund's performance was changed from year to year. In percentage terms, the bar chart shows how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.



Commencement of Operations is October 28, 2015

### Annual Compound Returns

This table shows the Fund's historical annual compound total returns for the periods indicated, compared with a broad-based index, the S&P 500 Index, and the Fund's benchmark, as described below.

Average Annual Total Returns	Past 1 year	Past 3 years	Past 5 years	Since Inception
Series O	31.0%	13.4%	16.7%	14.3%
S&P 500® Index	28.8%	13.7%	16.1%	14.3%
Fidelity North American Equity Investment Trust Blend Index	23.7%	11.5%	14.1%	12.7%

A discussion of Fund performance can be found in the Results of Operations section of this report.

The Fund's benchmark is a combination of approximately 30.0% S&P/TSX Capped Composite Index and the 70.0% S&P 500 Index.

The S&P 500 Index is a widely recognized index of 500 U.S. common stocks of large and mid - capitalization companies.

The S&P/TSX Capped Composite Index is an index of stocks generally considered to represent the Canadian equity market.

# Fidelity North American Equity Investment Trust

## Summary of Investment Portfolio as at June 30, 2024

### Sector Mix

	% of Fund's Net Assets as at June 30, 2024	% of Fund's Net Assets as at June 30, 2023
Information Technology	28.6	25.1
Industrials	15.0	16.2
Financials	12.7	13.7
Consumer Discretionary	12.2	9.4
Communication Services	11.7	9.1
Materials	8.1	10.1
Health Care	6.5	9.9
Energy	3.6	3.6
Others (Individually Less Than 1%)	0.4	1.2
Cash and Cash Equivalents	1.1	1.3
Net Other Assets (Liabilities)	0.1	0.4

Comparative balances, as applicable, have been reclassified to align with current period presentation.

### Geographic Mix

	% of Fund's Net Assets as at June 30, 2024	% of Fund's Net Assets as at June 30, 2023
United States of America	76.1	71.4
Canada	22.3	26.5
Others (Individually Less Than 1%)	0.4	0.4
Cash and Cash Equivalents	1.1	1.3
Net Other Assets (Liabilities)	0.1	0.4

### Top Issuers

	% of Fund's Net Assets
1. Microsoft Corp.	8.0
2. NVIDIA Corp.	6.6
3. Amazon.com, Inc.	6.2
4. Apple, Inc.	5.6
5. Alphabet, Inc.	5.0
6. Meta Platforms, Inc.	4.7
7. Constellation Software, Inc.	3.9
8. Boston Scientific Corp.	3.4
9. Visa, Inc.	2.3
10. Howmet Aerospace, Inc.	2.3
11. WSP Global, Inc.	2.3
12. Teck Resources Ltd.	2.3
13. Waste Connections, Inc.	2.1
14. Dollarama, Inc.	2.1
15. Canadian Natural Resources Ltd.	2.0
16. MasterCard, Inc.	2.0
17. Nutanix, Inc.	2.0
18. AtkinsRealis	1.8
19. Woodward, Inc.	1.8
20. Martin Marietta Materials, Inc.	1.8
21. Brookfield Asset Management Ltd.	1.7
22. Arthur J. Gallagher & Co.	1.6
23. Ivanhoe Mines Ltd.	1.6
24. JPMorgan Chase & Co.	1.4
25. The AZEK Co., Inc.	1.3
	<u>75.8</u>

Total Fund Net Assets \$498,238,000

Where applicable, the information in the above tables includes the Fund's pro-rata share of the investment in any Fidelity managed underlying fund.

## Summary of Investment Portfolio as at June 30, 2024 – continued

*All tables within the Summary of Investment Portfolio section, except the Top Issuers table, contain audited annual information.*

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund. The most recent annual report, semi-annual report, quarterly report, fund facts document or simplified prospectus for the investment fund and/or underlying fund is available at no cost, by calling 1-800-263-4077, by writing to us at Fidelity Investments Canada ULC, 483 Bay St. Suite 300, Toronto ON M5G 2N7 or by visiting our web site at [www.fidelity.ca](http://www.fidelity.ca) or SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).











Fidelity Investments Canada ULC  
483 Bay Street, Suite 300  
Toronto, Ontario M5G 2N7

**Manager, Transfer Agent and Registrar**

Fidelity Investments Canada ULC  
483 Bay Street, Suite 300  
Toronto, Ontario M5G 2N7

**Custodian**

State Street Trust Company of Canada  
Toronto, Ontario

**Portfolio Adviser**

Fidelity Investments Canada ULC  
Toronto, Ontario

Visit us online at

**[www.fidelity.ca](http://www.fidelity.ca)**

or call Fidelity Client Services  
at 1-800-263-4077

Fidelity's mutual funds are sold by registered Investment Professionals. Each Fund has a simplified prospectus, which contains important information on the Fund, including its investment objective, purchase options, and applicable charges. Please obtain a copy of the prospectus, read it carefully, and consult your Investment Professional before investing. As with any investment, there are risks to investing in mutual funds. There is no assurance that any Fund will achieve its investment objective, and its net asset value, yield, and investment return will fluctuate from time to time with market conditions. Investors may experience a gain or loss when they sell their securities in any Fidelity Fund. Fidelity Global Funds may be more volatile than other Fidelity Funds as they concentrate investments in one sector and in fewer issuers; no single Fund is intended to be a complete diversified investment program. Past performance is no assurance or indicator of future returns. There is no assurance that either Fidelity Canadian Money Market Fund, Fidelity Canadian Money Market Investment Trust, Fidelity U.S. Money Market Fund or Fidelity U.S. Money Market Investment Trust will be able to maintain its net asset value at a constant amount. The breakdown of Fund investments is presented to illustrate the way in which a Fund may invest, and may not be representative of a Fund's current or future investments. A Fund's investments may change at any time.

®Fidelity Investments is a registered trademark of Fidelity Investments Canada ULC.