



# **Fidelity Long/Short Alternative Fund**

**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 Long/Short Alternative Fund

*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 Long/Short Alternative Fund (Fund) aims to provide long-term capital appreciation by investing primarily in long and short positions of equity securities of companies located in Canada and/or the U.S. The Fund may use leverage by investing in derivatives and through the use of short selling, generally around 30% of its net asset value, but may short sell up to 50% of its net asset value.

**Strategies:** The portfolio manager's process is driven by research and bottom-up fundamental company analysis. This analysis seeks to identify trends or organizational changes that have the potential to lead to important business developments the market has ignored or mispriced. The Fund will maintain both long and short exposure to a diversified portfolio of primarily Canadian and U.S. equities. This involves simultaneously investing in equities (long) of companies that are expected to increase in value, and immediately selling equities (short) of companies that are expected to decrease in value relative to their comparables, and/or to seek to reduce the Fund's portfolio risk. The Fund will typically be structured so it holds between 100-150% of its net asset value long and generally around 30% of its net asset value short but may short up to 50% of its net asset value. The Fund may invest in companies of any size and may also invest up to 10% of its net assets in equity securities located outside of Canada and/or the United States.

### 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 North American equity exposure, are looking for a liquid alternative mutual fund strategy that utilizes short-selling where appropriate to complement their traditional portfolios, and can handle the volatility of returns generally associated with equity investments and short selling strategies. 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

Fidelity Long/Short Alternative Fund, Series B, returned 17.8%, after fees and expenses, for the one-year period ended June 30, 2024. The net returns of the other series of the Fund are similar to those of Series B, except for differences attributable to expense structures. 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.

#### Leverage:

The Fund is considered to be an alternative mutual fund, meaning it is permitted to use strategies generally prohibited by conventional mutual funds that may involve leverage. Leverage occurs when the Fund borrows money or securities, or uses derivatives, to generate investment exposure that would otherwise not be possible. The Fund may use leverage by investing in derivatives and through the use of short-selling, generally around 30% of its net asset value, although the Fund may short-sell up to 50% of its net asset value. The Fund's gross exposure to all sources of leverage, calculated as the sum of the following, must not exceed 300% of its net asset value: (i) the aggregate market value of securities sold short; (ii) the value of indebtedness under any borrowing arrangements for investment purposes; and (iii) the aggregate notional value of the Fund's derivatives positions excluding any derivatives used for hedging purposes.

During the review period, the Fund's aggregate exposure to sources of leverage ranged from 9.3% to 21.1% of the Fund's net asset value. At the end of the review period, the aggregate exposure to leverage was 21.1% of the Fund's net asset value. The sources of leverage were short positions in equity securities.

The portfolio manager expects to continue to engage in strategies which may involve leverage, and such strategies will be used in accordance with the Fund's investment objective. During certain market conditions, these strategies may accelerate the pace at which an investment decreases in value. Leveraged investment strategies can also be expected to increase a Fund's turnover, transaction and market impact costs, interest and other costs and expenses.

## **Fidelity Long/Short Alternative Fund Management Discussion of Fund Performance – continued**

### **Factors affecting performance:**

The Fund's benchmark, a composite of 50.0% S&P 500 Index and 50.0% S&P/TSX Capped Composite Index, returned 20.4% for the review period.

The Fund underperformed its benchmark, primarily due to the Fund's lower-than-benchmark exposure to the information technology sector, where an investment in U.S.-based client relationship management software provider Salesforce and a lower-than-benchmark exposure to U.S.-based semiconductor company Nvidia detracted from relative returns. In addition, certain investments in the materials sector, such as the Fund's long position in Canada-based gold-focused mining company Franco-Nevada, detracted from relative returns. In other sectors, a short position in the U.S.-based used car dealer Carvana and a long position in Irish American automotive technology supplier Aptiv detracted from relative returns.

In contrast, the Fund's investments in the communication services and consumer staples sectors contributed to relative returns. In the communication services sector, long positions in U.S.-based mass media and publishing company News Corporation and U.S.-based technology conglomerate Alphabet contributed to relative returns. In consumer staples, the Fund's long positions in Canada-based convenience store operator Alimentation Couche-Tard and Canada-based grocery chain operator Loblaw Companies contributed to relative returns.

At the end of the review period, the Fund covered the short position in Carvana and did not hold a position in Aptiv.

### **Portfolio changes:**

At the end of the review period, the Fund's largest absolute net exposure was to the financials sector, followed by the communication services sector. The utilities and real estate sectors accounted for the lowest net exposures.

During the review period, the portfolio manager initiated a long position in U.S.-based social media platform operator Meta Platforms, in the belief that the company has a good earnings growth outlook. The portfolio manager also initiated a long position in U.S.-based retail automotive services company Valvoline, believing the company has good potential to reaccelerate growth, delivering higher margins and improving free cash flow.

The portfolio manager exited a holding in Canada-based information technology consulting company CGI, believing there were opportunities with better risk/reward potential to be found elsewhere.

### **Recent Developments**

Portfolio manager David Way employs a style-agnostic approach to investing, focusing on picking what he believes to be the best ideas across the market, from fast-growing companies to cheaply valued out-of-favour businesses. The portfolio manager describes this investment approach as "finding the change before the change," seeking to identify investment trends in the market before they become mainstream. Currently, the manager is focused on long exposure to businesses that benefit from growing end markets, as well as companies gaining market share and launching new products in select pockets of the consumer and industrial end markets. The portfolio manager believes that investing success in 2024 will come from balancing optimism about a renewed economic cycle against appropriate caution regarding the 2024 U.S. election cycle and lingering interest rate and other economic uncertainties.

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 pays Fidelity a monthly management and advisory fee for their services, based on the net asset value of each Series, calculated daily and payable monthly. The Fund paid Fidelity management and advisory fees of \$5,108,000 for the period ended June 30, 2024.

#### **Administration Fee**

Fidelity charges the Fund a fixed administration fee in place of certain variable expenses. Fidelity, in turn, pays all of the operating expenses of the Fund, other than certain specified fund costs (e.g. the fees and expenses of the Independent Review Committee, taxes, brokerage commissions and interest charges). The Fund pays an annual rate, which is calculated on a tiered basis, based on the net asset value of each Series, calculated daily and payable monthly. The Fund paid Fidelity administration fees of \$712,000 for the period ended June 30, 2024.

#### **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 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 Long/Short Alternative Fund Series B

Periods ended June 30, The Series' Net Assets per Security <sup>B</sup>	2024	2023	2022	2021 <sup>A</sup>
Net assets, beginning of period <sup>C</sup>	\$ 13.57	\$ 11.68	\$ 12.43	\$ 10.00
<b>Increase (decrease) from operations:</b>				
Total revenue	.20	.13	.18	.07
Total expenses (excluding distributions)	(.40)	(.33)	(.34)	(.23)
Realized gains (losses)	.73	.09	(.41)	.77
Unrealized gains (losses)	1.92	2.17	(.94)	1.69
<b>Total increase (decrease) from operations <sup>C</sup></b>	<b>2.45</b>	<b>2.06</b>	<b>(1.51)</b>	<b>2.30</b>
<b>Distributions:</b>				
From net investment income (excluding dividends)	—	(.04)	—	—
From dividends	—	(.07)	—	—
From capital gains	—	—	—	—
Return of capital	—	—	—	—
<b>Total distributions <sup>C,D</sup></b>	<b>—</b>	<b>(.11)</b>	<b>—</b>	<b>—</b>
<b>Net assets, end of period <sup>C</sup></b>	<b>\$ 15.99</b>	<b>\$ 13.57</b>	<b>\$ 11.68</b>	<b>\$ 12.43</b>
<b>Ratios and Supplemental Data</b>				
Net asset value (000s) <sup>E,F</sup>	\$ 127,002	\$ 65,350	\$ 37,533	\$ 12,504
Securities outstanding <sup>E</sup>	7,946,121	4,816,445	3,216,200	1,006,721
Management expense ratio <sup>G,H</sup>	2.68%	2.68%	2.69%	2.71%
Management expense ratio before waivers or absorptions <sup>G,H</sup>	2.68%	2.68%	2.71%	2.78%
Trading expense ratio <sup>I</sup>	.53%	1.03%	.94%	.92%
Portfolio turnover rate <sup>J</sup>	139.10%	62.38%	166.95%	129.42%
Net asset value per security, end of period	\$ 15.9855	\$ 13.5734	\$ 11.6810	\$ 12.4339

## Fidelity Long/Short Alternative Fund Series F

Periods ended June 30, The Series' Net Assets per Security <sup>B</sup>	2024	2023	2022	2021 <sup>A</sup>
Net assets, beginning of period <sup>C</sup>	\$ 13.85	\$ 11.92	\$ 12.54	\$ 10.00
<b>Increase (decrease) from operations:</b>				
Total revenue	.21	.13	.17	.08
Total expenses (excluding distributions)	(.25)	(.21)	(.22)	(.16)
Realized gains (losses)	.81	.06	(.55)	.66
Unrealized gains (losses)	1.84	2.18	(.32)	.61
<b>Total increase (decrease) from operations <sup>C</sup></b>	<b>2.61</b>	<b>2.16</b>	<b>(.92)</b>	<b>1.19</b>
<b>Distributions:</b>				
From net investment income (excluding dividends)	—	(.10)	—	—
From dividends	(.03)	(.17)	—	—
From capital gains	—	—	—	—
Return of capital	—	—	—	—
<b>Total distributions <sup>C,D</sup></b>	<b>(.03)</b>	<b>(.27)</b>	<b>—</b>	<b>—</b>
<b>Net assets, end of period <sup>C</sup></b>	<b>\$ 16.47</b>	<b>\$ 13.85</b>	<b>\$ 11.92</b>	<b>\$ 12.54</b>
<b>Ratios and Supplemental Data</b>				
Net asset value (000s) <sup>E,F</sup>	\$ 411,092	\$ 137,966	\$ 102,123	\$ 37,289
Securities outstanding <sup>E</sup>	24,958,631	9,958,325	8,565,617	2,973,567
Management expense ratio <sup>G,H</sup>	1.48%	1.47%	1.47%	1.51%
Management expense ratio before waivers or absorptions <sup>G,H</sup>	1.49%	1.48%	1.48%	1.53%
Trading expense ratio <sup>I</sup>	.53%	1.03%	.94%	.92%
Portfolio turnover rate <sup>J</sup>	139.10%	62.38%	166.95%	129.42%
Net asset value per security, end of period	\$ 16.4725	\$ 13.8543	\$ 11.9263	\$ 12.5400

## Financial Highlights – continued

### Fidelity Long/Short Alternative Fund Series F5

Periods ended June 30, The Series' Net Assets per Security <sup>B</sup>	2024	2023	2022	2021 <sup>A</sup>
Net assets, beginning of period <sup>C</sup>	\$ 24.29	\$ 22.08	\$ 24.35	\$ 20.00
<b>Increase (decrease) from operations:</b>				
Total revenue	.35	.25	.37	.15
Total expenses (excluding distributions)	(.43)	(.37)	(.41)	(.31)
Realized gains (losses)	1.28	.22	(.65)	2.09
Unrealized gains (losses)	3.31	3.86	(2.24)	2.61
<b>Total increase (decrease) from operations <sup>C</sup></b>	<b>4.51</b>	<b>3.96</b>	<b>(2.93)</b>	<b>4.54</b>
<b>Distributions:</b>				
From net investment income (excluding dividends)	—	(.18)	—	—
From dividends	(.05)	(.29)	—	—
From capital gains	—	—	—	—
Return of capital	(1.27)	(1.29)	(1.15)	(.67)
<b>Total distributions <sup>D,C</sup></b>	<b>(1.32)</b>	<b>(1.76)</b>	<b>(1.15)</b>	<b>(.67)</b>
<b>Net assets, end of period <sup>C</sup></b>	<b>\$ 27.49</b>	<b>\$ 24.29</b>	<b>\$ 22.08</b>	<b>\$ 24.35</b>
<b>Ratios and Supplemental Data</b>				
Net asset value (000s) <sup>E,F</sup>	\$ 12,278	\$ 6,385	\$ 2,788	\$ 823
Securities outstanding <sup>E</sup>	446,627	262,939	126,304	33,822
Management expense ratio <sup>G,H</sup>	1.50%	1.49%	1.50%	1.55%
Management expense ratio before waivers or absorptions <sup>G,H</sup>	1.50%	1.50%	1.51%	1.57%
Trading expense ratio <sup>I</sup>	.53%	1.03%	.94%	.92%
Portfolio turnover rate <sup>J</sup>	139.10%	62.38%	166.95%	129.42%
Net asset value per security, end of period	\$ 27.4926	\$ 24.2859	\$ 22.0834	\$ 24.3476

### Fidelity Long/Short Alternative Fund Series F8

Periods ended June 30, The Series' Net Assets per Security <sup>B</sup>	2024	2023	2022	2021 <sup>A</sup>
Net assets, beginning of period <sup>C</sup>	\$ 23.01	\$ 21.25	\$ 23.91	\$ 20.00
<b>Increase (decrease) from operations:</b>				
Total revenue	.33	.26	.39	.14
Total expenses (excluding distributions)	(.41)	(.36)	(.40)	(.28)
Realized gains (losses)	1.44	.35	(.73)	1.23
Unrealized gains (losses)	2.54	3.66	(3.05)	4.97
<b>Total increase (decrease) from operations <sup>C</sup></b>	<b>3.90</b>	<b>3.91</b>	<b>(3.79)</b>	<b>6.06</b>
<b>Distributions:</b>				
From net investment income (excluding dividends)	—	(.18)	—	—
From dividends	(.05)	(.28)	—	—
From capital gains	—	—	—	—
Return of capital	(1.73)	(1.58)	(1.60)	(1.07)
<b>Total distributions <sup>C,D</sup></b>	<b>(1.78)</b>	<b>(2.04)</b>	<b>(1.60)</b>	<b>(1.07)</b>
<b>Net assets, end of period <sup>C</sup></b>	<b>\$ 25.49</b>	<b>\$ 23.01</b>	<b>\$ 21.25</b>	<b>\$ 23.91</b>
<b>Ratios and Supplemental Data</b>				
Net asset value (000s) <sup>E,F</sup>	\$ 12,142	\$ 1,947	\$ 710	\$ 31
Securities outstanding <sup>E</sup>	476,401	84,597	33,428	1,294
Management expense ratio <sup>G,H</sup>	1.50%	1.50%	1.51%	1.55%
Management expense ratio before waivers or absorptions <sup>G,H</sup>	1.50%	1.50%	1.52%	1.57%
Trading expense ratio <sup>I</sup>	.53%	1.03%	.94%	.92%
Portfolio turnover rate <sup>J</sup>	139.10%	62.38%	166.95%	129.42%
Net asset value per security, end of period	\$ 25.4891	\$ 23.0139	\$ 21.2524	\$ 23.9056

## Fidelity Long/Short Alternative Fund Series O

Periods ended June 30, The Series' Net Assets per Security <sup>B</sup>	2024	2023	2022	2021 <sup>A</sup>
Net assets, beginning of period <sup>C</sup>	\$ 14.21	\$ 12.23	\$ 12.67	\$ 10.00
<b>Increase (decrease) from operations:</b>				
Total revenue	.21	.13	.17	.06
Total expenses (excluding distributions)	(.03)	(.02)	(.02)	(.03)
Realized gains (losses)	1.00	.05	(.48)	.65
Unrealized gains (losses)	3.12	2.29	(.13)	2.55
<b>Total increase (decrease) from operations <sup>C</sup></b>	<b>4.30</b>	<b>2.45</b>	<b>(.46)</b>	<b>3.23</b>
<b>Distributions:</b>				
From net investment income (excluding dividends)	—	(.18)	—	—
From dividends	(.26)	(.29)	—	—
From capital gains	—	—	—	—
Return of capital	—	—	—	—
<b>Total distributions <sup>C,D</sup></b>	<b>(.26)</b>	<b>(.47)</b>	<b>—</b>	<b>—</b>
<b>Net assets, end of period <sup>C</sup></b>	<b>\$ 16.88</b>	<b>\$ 14.21</b>	<b>\$ 12.23</b>	<b>\$ 12.67</b>
<b>Ratios and Supplemental Data</b>				
Net asset value (000s) <sup>E,F</sup>	\$ 1	\$ 1	\$ 1	\$ 1
Securities outstanding <sup>E</sup>	88	86	83	83
Management expense ratio	—%	—%	—%	—%
Management expense ratio before waivers or absorptions	—%	—%	—%	—%
Trading expense ratio <sup>I</sup>	.53%	1.03%	.94%	.92%
Portfolio turnover rate <sup>J</sup>	139.10%	62.38%	166.95%	129.42%
Net asset value per security, end of period	\$ 16.8851	\$ 14.2098	\$ 12.2331	\$ 12.6745

## Fidelity Long/Short Alternative Fund Series S5

Periods ended June 30, The Series' Net Assets per Security <sup>B</sup>	2024	2023	2022	2021 <sup>A</sup>
Net assets, beginning of period <sup>C</sup>	\$ 23.78	\$ 21.63	\$ 24.15	\$ 20.00
<b>Increase (decrease) from operations:</b>				
Total revenue	.34	.24	.40	.16
Total expenses (excluding distributions)	(.70)	(.63)	(.69)	(.50)
Realized gains (losses)	1.25	.09	(.75)	1.71
Unrealized gains (losses)	3.36	3.84	(3.93)	1.19
<b>Total increase (decrease) from operations <sup>C</sup></b>	<b>4.25</b>	<b>3.54</b>	<b>(4.97)</b>	<b>2.56</b>
<b>Distributions:</b>				
From net investment income (excluding dividends)	—	(.07)	—	—
From dividends	—	(.12)	—	—
From capital gains	—	—	—	—
Return of capital	(1.25)	(1.28)	(1.14)	(.67)
<b>Total distributions <sup>C,D</sup></b>	<b>(1.25)</b>	<b>(1.47)</b>	<b>(1.14)</b>	<b>(.67)</b>
<b>Net assets, end of period <sup>C</sup></b>	<b>\$ 26.66</b>	<b>\$ 23.78</b>	<b>\$ 21.63</b>	<b>\$ 24.15</b>
<b>Ratios and Supplemental Data</b>				
Net asset value (000s) <sup>E,F</sup>	\$ 4,916	\$ 2,768	\$ 1,720	\$ 158
Securities outstanding <sup>E</sup>	184,397	116,393	79,514	6,535
Management expense ratio <sup>G,H</sup>	2.63%	2.66%	2.69%	2.70%
Management expense ratio before waivers or absorptions <sup>G,H</sup>	2.63%	2.66%	2.70%	2.77%
Trading expense ratio <sup>I</sup>	.53%	1.03%	.94%	.92%
Portfolio turnover rate <sup>J</sup>	139.10%	62.38%	166.95%	129.42%
Net asset value per security, end of period	\$ 26.6657	\$ 23.7846	\$ 21.6367	\$ 24.1466



## Financial Highlights – continued

### Fidelity Long/Short Alternative Fund Series S8

Periods ended June 30, The Series' Net Assets per Security <sup>B</sup>	2024	2023	2022	2021 <sup>A</sup>
Net assets, beginning of period <sup>C</sup>	\$ 22.48	\$ 20.80	\$ 23.70	\$ 20.00
<b>Increase (decrease) from operations:</b>				
Total revenue	.32	.22	.42	.13
Total expenses (excluding distributions)	(.67)	(.60)	(.65)	(.46)
Realized gains (losses)	1.19	.18	(.75)	1.05
Unrealized gains (losses)	3.34	4.06	(5.28)	3.38
<b>Total increase (decrease) from operations <sup>C</sup></b>	<b>4.18</b>	<b>3.86</b>	<b>(6.26)</b>	<b>4.10</b>
<b>Distributions:</b>				
From net investment income (excluding dividends)	—	(.07)	—	—
From dividends	—	(.11)	—	—
From capital gains	—	—	—	—
Return of capital	(1.71)	(1.59)	(1.60)	(1.07)
<b>Total distributions <sup>C,D</sup></b>	<b>(1.71)</b>	<b>(1.77)</b>	<b>(1.60)</b>	<b>(1.07)</b>
<b>Net assets, end of period <sup>C</sup></b>	<b>\$ 24.62</b>	<b>\$ 22.48</b>	<b>\$ 20.80</b>	<b>\$ 23.70</b>
<b>Ratios and Supplemental Data</b>				
Net asset value (000s) <sup>E,F</sup>	\$ 3,495	\$ 1,346	\$ 802	\$ 1
Securities outstanding <sup>E</sup>	141,957	59,861	38,578	44
Management expense ratio <sup>G,H</sup>	2.69%	2.69%	2.69%	2.70%
Management expense ratio before waivers or absorptions <sup>G,H</sup>	2.69%	2.69%	2.70%	2.77%
Trading expense ratio <sup>I</sup>	.53%	1.03%	.94%	.92%
Portfolio turnover rate <sup>J</sup>	139.10%	62.38%	166.95%	129.42%
Net asset value per security, end of period	\$ 24.6258	\$ 22.4837	\$ 20.8051	\$ 23.7044

### Fidelity Long/Short Alternative Fund ETF Series

Periods ended June 30, The Series' Net Assets per Security <sup>B</sup>	2024 <sup>K</sup>
Net assets, beginning of period <sup>C</sup>	\$ 10.00
<b>Increase (decrease) from operations:</b>	
Total revenue	.07
Total expenses (excluding distributions)	(.08)
Realized gains (losses)	.28
Unrealized gains (losses)	.04
<b>Total increase (decrease) from operations <sup>C</sup></b>	<b>.31</b>
<b>Distributions:</b>	
From net investment income (excluding dividends)	—
From dividends	—
From capital gains	—
Return of capital	—
<b>Total distributions <sup>C,D</sup></b>	<b>—</b>
<b>Net assets, end of period <sup>C</sup></b>	<b>\$ 10.82</b>
<b>Ratios and Supplemental Data</b>	
Net asset value (000s) <sup>E,F</sup>	\$ 65,663
Securities outstanding <sup>E</sup>	6,070,000
Management expense ratio <sup>G,I</sup>	1.50%
Management expense ratio before waivers or absorptions <sup>G,I</sup>	1.50%
Trading expense ratio <sup>I</sup>	.53%
Portfolio turnover rate <sup>J</sup>	139.10%
Net asset value per security, end of period	\$ 10.8186

## Financial Highlights Footnotes

<sup>A</sup> For the period October 5, 2020 (inception date) to June 30, 2021.

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

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

<sup>G</sup> Management expense ratio is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset values during the period, including the Fund's pro-rata share of estimated expenses incurred in any underlying investment fund, if applicable.

<sup>H</sup> Effective October 20, 2020, the manager of the Fund has waived a portion of its administration fee and as of the date of the MRFP has continued to provide the Fund with such waivers. The manager may terminate the waiver at any time, at its sole discretion. It is not known when such waivers will be terminated.

<sup>I</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>J</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.

<sup>K</sup> For the period February 1, 2024 (commencement of sale of securities) to June 30, 2024.

<sup>L</sup> Effective February 1, 2024, the manager of the Fund has waived a portion of its administration fee and as of the date of the MRFP has continued to provide the Fund with such waivers. The manager may terminate the waiver at any time, at its sole discretion. It is not known when such waivers will be terminated.

## Management and Advisory Fees

Fidelity serves as manager and investment advisor of the Fund. The Fund pays Fidelity a monthly management and advisory fee for its services, based on the net asset value of each Series, calculated daily and payable monthly. Fidelity uses these management fees to pay for sales and trailing commissions to registered dealers on the distribution of the Fund securities, as well as for the general investment management expenses. Dealer compensation represents cash commissions paid by Fidelity to registered dealers during the period and includes upfront deferred sales charge and trailing commissions. This amount may, in certain circumstances, exceed 100% of the fees earned by Fidelity during the period. For new Funds or Series the amounts presented may not be indicative of longer term operating periods.

	<b>Management Fees (%)</b>	<b>Dealer Compensation (%)</b>	<b>Investment management, administration and other (%)</b>
Series B	2.150	46.51	53.49
Series F	1.150	-	100.00
Series F5	1.150	-	100.00
Series F8	1.150	-	100.00
Series S5	2.150	46.51	53.49
Series S8	2.150	46.51	53.49
ETF Series	1.150	-	100.00

# Fidelity Long/Short Alternative Fund

## Past Performance

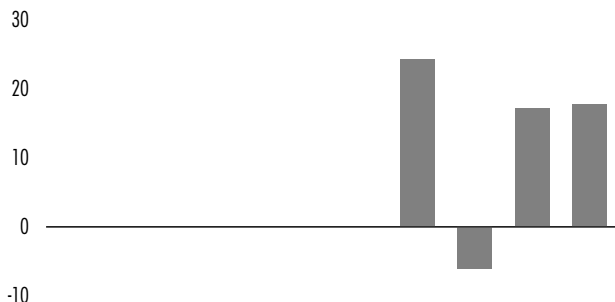
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns 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.

#### Series B

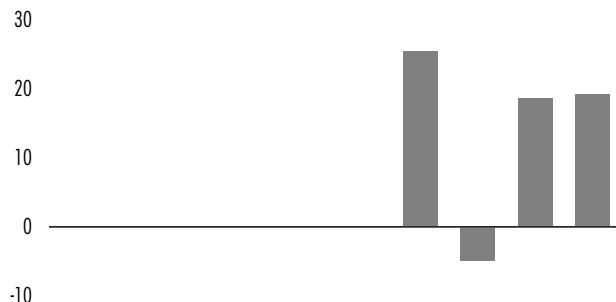
Fiscal Years	2021	2022	2023	2024
(%)	24.3	-6.1	17.2	17.8



Commencement of Operations is October 16, 2020

#### Series F

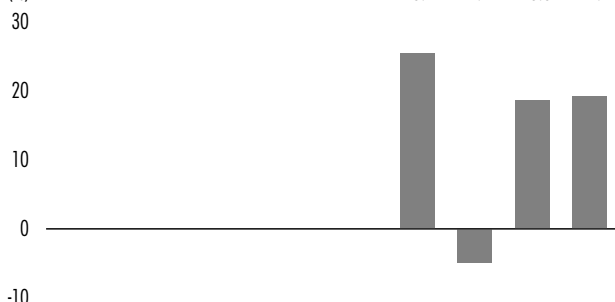
Fiscal Years	2021	2022	2023	2024
(%)	25.4	-4.9	18.6	19.2



Commencement of Operations is October 16, 2020

#### Series F5

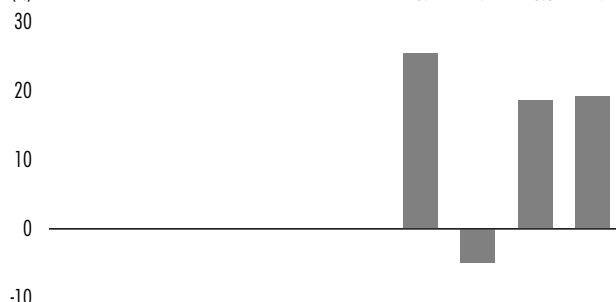
Fiscal Years	2021	2022	2023	2024
(%)	25.4	-4.9	18.6	19.2



Commencement of Operations is October 16, 2020

#### Series F8

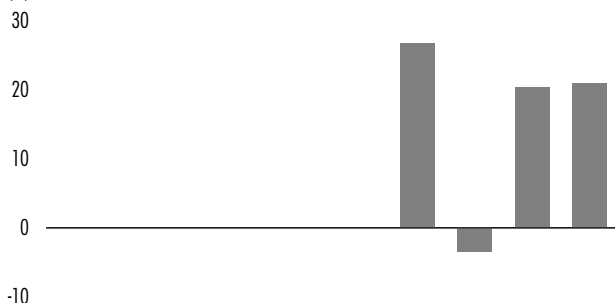
Fiscal Years	2021	2022	2023	2024
(%)	25.4	-4.9	18.6	19.2



Commencement of Operations is October 16, 2020

#### Series O

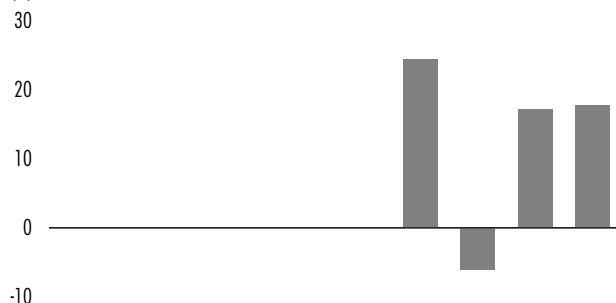
Fiscal Years	2021	2022	2023	2024
(%)	26.7	-3.5	20.4	20.9



Commencement of Operations is October 16, 2020

#### Series S5

Fiscal Years	2021	2022	2023	2024
(%)	24.4	-6.0	17.2	17.8



Commencement of Operations is October 16, 2020

## Fidelity Long/Short Alternative Fund Past Performance – continued

### Series S8

Fiscal Years	2021	2022	2023	2024
(%)	24.3	-6.0	17.2	17.8



Commencement of Operations is October 16, 2020

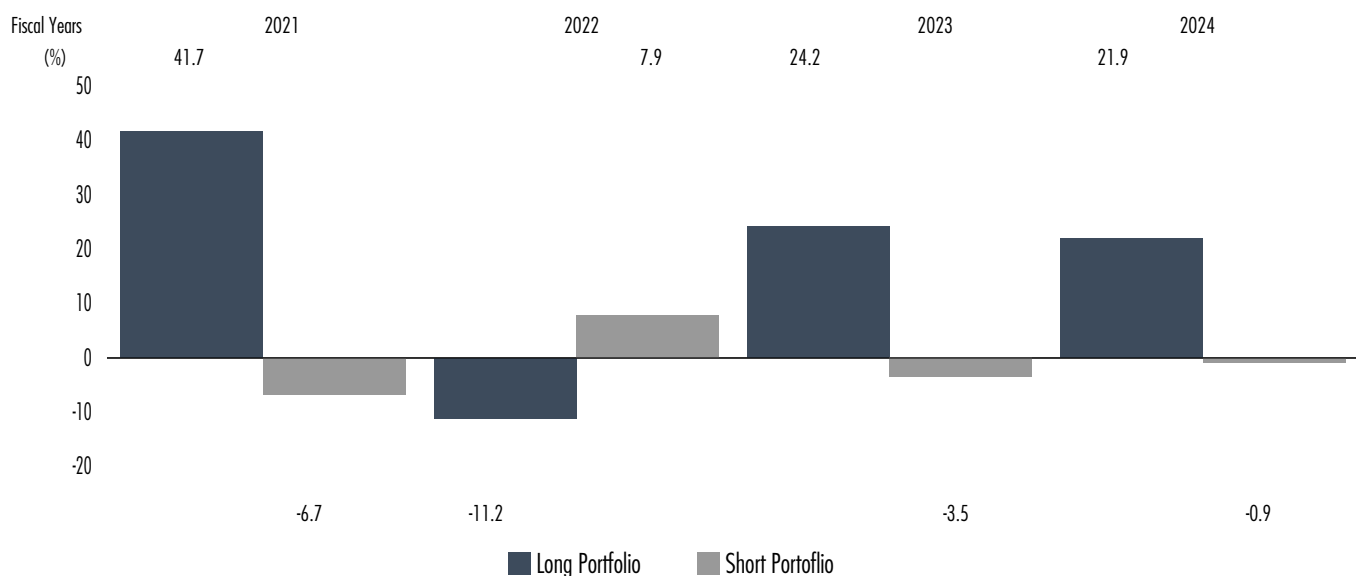
### ETF Series

Fiscal Years	2024
(%)	8.2



Commencement of Operations is February 1, 2024

The following bar chart illustrates the aggregate performance of the Fund's long portfolio separately from the performance of the Fund's short portfolio. The calculation of performance for each portfolio is done independently and represents the compound monthly total return for each of the long and short portfolios before deducting all fees and expenses except for transaction costs and short selling costs associated with the short portfolio. The performance of the long and short portfolios presented below will not equal the total return of any series of the Fund due to the differing effects of compounding of each portfolio and the different fees and expenses charged to each series of the Fund.



Commencement of Operations is October 16, 2020

## Annual Compound Returns

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

Average Annual Total Returns	Past 1 year	Past 3 years	Since Inception
Series B	17.8%	9.0%	13.7%
Series F	19.2%	10.4%	15.1%
Series F5	19.2%	10.3%	15.1%
Series F8	19.2%	10.3%	15.1%
Series O	20.9%	12.0%	16.8%
Series S5	17.8%	9.1%	13.8%

Series S8	17.8%	9.0%	13.7%
S&P 500 <sup>®</sup> Index	28.8%	13.7%	15.8%
North American Directional Blend Index	20.4%	9.9%	13.6%

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 50.0% S&P 500 Index and 50.0% S&P/TSX Capped Composite 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 Composite Index is an index of stocks that are generally considered to represent the Canadian equity market. The S&P/TSX Capped Composite Index is the same as the S&P/TSX Composite index except that it is adjusted quarterly so that no single stock has a relative weight in the index greater than 10.0%.

Each Series will have different returns because of differences in management fees and expenses.

**Fidelity Long/Short Alternative Fund**
**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
<b>Long Portfolio</b>		
Financials	23.0	28.1
Consumer Discretionary	17.0	13.2
Communication Services	15.9	8.4
Industrials	14.4	17.4
Information Technology	11.5	15.5
Consumer Staples	6.6	5.5
Materials	4.3	5.4
Energy	3.0	3.7
Health Care	2.9	3.5
Real Estate	2.0	2.8
Cash and Cash Equivalents	4.7	12.1
Net Other Assets (Liabilities)	(0.2)	0.2

	% of Fund's Net Assets as at June 30, 2024	% of Fund's Net Assets as at June 30, 2023
<b>Short Portfolio</b>		
Industrials	(4.9)	(3.3)
Consumer Discretionary	(4.9)	(4.1)
Financials	(4.2)	(4.1)
Information Technology	(3.0)	(1.7)
Consumer Staples	(1.4)	(1.5)
Communication Services	(1.6)	(1.0)
Real Estate	(1.1)	(0.3)
Others (Individually Greater Than (1%))	0.0	(1.2)
Net Other Assets (Liabilities)	15.9	1.6

**Geographic Mix**

	% of Fund's Net Assets as at June 30, 2024	% of Fund's Net Assets as at June 30, 2023
<b>Long Portfolio</b>		
United States of America	68.1	56.1
Canada	31.6	47.4
Others (Individually Less Than 1%)	0.9	0.0
Cash and Cash Equivalents	4.7	12.1
Net Other Assets (Liabilities)	(0.2)	0.2

	% of Fund's Net Assets as at June 30, 2024	% of Fund's Net Assets as at June 30, 2023
<b>Short Portfolio</b>		
United States of America	(15.9)	(9.9)
Canada	(4.6)	(6.1)
Others (Individually Greater Than (1%))	(0.6)	(1.2)
Net Other Assets (Liabilities)	15.9	1.6

**Top Issuers**

	% of Fund's Net Assets
<b>Long Positions</b>	
1. Fairfax Financial Holdings Ltd. (sub. vtg.)	4.6
2. Meta Platforms, Inc. Class A	3.7
3. Dollarama, Inc.	3.1
4. Valvoline, Inc.	3.1
5. Canadian Natural Resources Ltd.	3.0
6. Blackstone, Inc.	3.0
7. T-Mobile U.S., Inc.	3.0
8. Amazon.com, Inc.	2.9
9. Apple, Inc.	2.7
10. Alphabet, Inc. Class A	2.7
11. Microsoft Corp.	2.6
12. Alimentation Couche-Tard, Inc. (multi-vtg.)	2.6
13. Visa, Inc. Class A	2.5
14. Westinghouse Air Brake Tech Co.	2.3
15. News Corp. Class A	2.3
16. Franco-Nevada Corp.	2.2
17. Hilton Worldwide Holdings, Inc.	2.1
18. NVR, Inc.	2.1
19. Teck Resources Ltd. Class B (sub. vtg.)	2.1
20. Berkshire Hathaway, Inc. Class B	2.0
21. Loblaw Companies Ltd.	2.0
22. NVIDIA Corp.	2.0
23. The J.M. Smucker Co.	2.0
24. Progressive Corp.	2.0
25. MasterCard, Inc. Class A	2.0
	<u>64.6</u>

Total Fund Net Assets \$636,589,000

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

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

Short Portfolio Net Other Assets (Liabilities) includes deposits with brokers for securities sold short, where applicable.

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).



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Toronto, Ontario

**Portfolio Adviser**

Fidelity Investments Canada ULC  
Toronto, Ontario

**Custodian**

State Street Trust Company of Canada  
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