



# **Fidelity Strategic Income Fund**

**Annual Management  
Report of Fund  
Performance**  
March 31, 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 March 31, 2024

## Fidelity Strategic Income 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 Strategic Income Fund (Fund) aims to achieve a combination of a high level of current income and the potential for capital gains. The Fund invests primarily in fixed income securities of U.S. issuers and other issuers from around the world. Fixed income securities may include investment-grade fixed income securities, higher yielding lower quality fixed income securities, senior secured floating-rate debt securities, emerging markets debt securities, convertible securities, asset-backed securities, commercial mortgage-backed securities, and money market instruments. The Fund can invest in these securities either directly or indirectly through investments in underlying funds.

**Strategies:** The Fund's neutral mix is approximately 45% higher yielding lower quality fixed income securities, 25% U.S. government and investment grade fixed income securities, 15% emerging markets debt securities, and 15% foreign developed markets securities. The neutral mix is a guideline and can change in reaction to, or in anticipation of, market changes. The Fund's exposure to each category may vary by up to +/-10% from the neutral mix. The portfolio managers allocate the Fund's assets, either directly, or indirectly through investments in underlying funds, among different market segments such as corporate or government securities, different industry sectors such as financials and industrials, and different asset classes such as high-yield and floating rate, as well as different maturities based on the portfolio managers' view of the relative value of each segment, sector, industry, asset class or maturity.

### 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 fixed income securities from around the world, and want the potential for both income and capital gains. 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 low to medium level of risk. The suitability of the investment has not changed from what has been disclosed in the prospectus.

### Results of Operations

Fidelity Strategic Income Fund, Series B, returned 6.3%, after fees and expenses, for the one-year period ended March 31, 2024. The net returns of the other series of this Fund are similar to those of Series B, except for differences attributable to expense structures. During the review period, global bonds, as represented by the Bloomberg Global Aggregate Bond Index, returned 0.5% (in Canadian dollar terms).

#### Market overview:

Global investment-grade bonds, as broadly represented by the Bloomberg Global Aggregate Bond Index, returned 0.5% in Canadian dollar terms and 0.5% in U.S. dollar terms, for the one-year period ended March 31, 2024.

Global investment-grade bonds advanced modestly in Canadian and U.S. dollar terms over the period under review. Following historic global monetary tightening in some countries throughout 2022 and for most of 2023, investor sentiment shifted in the fourth quarter of 2023 to a view that policy rates had peaked, and policymakers may cut rates in 2024. This bolstered the global investment-grade and sovereign bonds market. Robust earnings, a slowing in the pace of inflation and resilient late-cycle expansion of the U.S. economy aided risk assets, including high-yield bonds which outperformed investment-grade bonds. Earlier in the review period, leading central banks in developed markets raised interest rates to combat rising inflation. Consequently, inflation declined at a steady pace across most of the developed world, falling from 5.0% in March 2023 to 3.2% in February 2024 in the U.S., and from 7.0% in April 2023 to 2.6% in February 2024 in Europe, prompting the U.S. Federal Reserve (the Fed) and European Central Bank (the ECB) officials to signal their willingness to lower interest rates. Elsewhere, the Bank of Japan remained an outlier and maintained its negative interest rate policy for most of the review period. However, it ended negative rates policy and enacted the first rate increase in 17-years, raising the interest rate from -0.1% to a target range of 0%-0.1% in March 2024. In contrast, the People's Bank of China reduced its benchmark lending rates and announced supportive policy measures to stimulate the economy which has experienced a prolonged real estate crisis, weak consumer spending and tumbling credit growth.

#### Factors affecting performance:

The Fund's benchmark returned 6.9% (in Canadian dollar terms) for the period under review. This blended benchmark is composed of 40.0% ICE BofA U.S. High Yield Constrained Index, 15.0% Bloomberg Global Aggregate Bond Index, 25.0% Bloomberg U.S. Government Bond Index, 15.0% J.P. Morgan Emerging Markets Bond Index Global Diversified Index, and 5.0% Morningstar LSTA U.S. Leveraged Loan Index.

The Fund underperformed its benchmark, primarily due to its higher-than-benchmark exposure to U.S. government debt. In contrast, investments in emerging markets debt, as well as lower-than-benchmark exposure to, and investments in, developed markets bonds, contributed to relative returns.

At the end of the period, the Fund had its highest absolute exposure to high-yield bonds, followed by U.S. government debt.

#### Portfolio changes:

Over the review period, the portfolio managers maintained higher-than-benchmark exposure to high-yield bonds. According to portfolio managers, high-yield bonds' yields, coupled with their limited duration, made them attractive. In addition, the portfolio managers maintained the Fund's higher-than-benchmark exposure to floating-rate debt. This position reflected the

## **Fidelity Strategic Income Fund**

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

managers' view that floating-rate loans are a good asset class to be in when rates are moving higher, because these securities see their income increase alongside interest rates.

#### **Recent Developments**

Portfolio managers Adam Kramer and Ford O'Neil remain mindful of investment opportunities, but also cautious about risk. The managers continue to maintain modest overweight in credit, given the more favourable income potential the asset class provides, in their view. The managers believe that so far in 2024, the market appears to have been somewhat disappointed that the U.S. Federal Reserve's long-anticipated rate cuts continue to be delayed, although the delays have not yet led to any meaningful dislocations in bond markets in their view. As always, the managers are monitoring market conditions and stand ready to quickly adjust the portfolio to take advantage of new opportunities they find.

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 has entered into sub-advisory agreements with a number of entities including Fidelity Management & Research Company LLC, to provide investment advice with respect to all or a portion of the investments of the Fund. The sub-advisors arrange for 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 \$722,000 for the period ended March 31, 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 \$103,000 for the period ended March 31, 2024.

#### **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 Strategic Income Fund Series A

Periods ended March 31, The Series' Net Assets per Security <sup>A</sup>	2024	2023	2022	2021	2020
Net assets, beginning of period <sup>B</sup>	\$ 9.55	\$ 9.62	\$ 10.15	\$ 10.16	\$ 10.66
<b>Increase (decrease) from operations:</b>					
Total revenue	.51	.47	.40	.43	.55
Total expenses (excluding distributions)	(.17)	(.17)	(.18)	(.19)	(.19)
Realized gains (losses)	(.26)	(.45)	(.25)	(.15)	.14
Unrealized gains (losses)	.38	.31	(.20)	.34	(.50)
<b>Total increase (decrease) from operations <sup>B</sup></b>	<b>.46</b>	<b>.16</b>	<b>(.23)</b>	<b>.43</b>	<b>—</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(.35)	(.31)	(.23)	(.25)	(.38)
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
<b>Total distributions <sup>B,C</sup></b>	<b>(.35)</b>	<b>(.31)</b>	<b>(.23)</b>	<b>(.25)</b>	<b>(.38)</b>
<b>Net assets, end of period <sup>B</sup></b>	<b>\$ 9.76</b>	<b>\$ 9.55</b>	<b>\$ 9.62</b>	<b>\$ 10.15</b>	<b>\$ 10.16</b>
<b>Ratios and Supplemental Data</b>					
Net asset value (000s) <sup>D,E</sup>	\$ 2,175	\$ 3,583	\$ 6,145	\$ 10,023	\$ 18,689
Securities outstanding <sup>D</sup>	222,851	375,155	638,747	987,449	1,839,500
Management expense ratio <sup>F,G</sup>	1.82%	1.82%	1.82%	1.82%	1.82%
Management expense ratio before waivers or absorptions <sup>F,G</sup>	1.85%	1.84%	1.85%	1.85%	1.84%
Trading expense ratio <sup>H</sup>	—%	—%	—%	—%	—%
Portfolio turnover rate <sup>I</sup>	42.33%	27.29%	33.02%	36.35%	32.91%
Net asset value per security, end of period	\$ 9.7609	\$ 9.5526	\$ 9.6233	\$ 10.1552	\$ 10.1611

## Fidelity Strategic Income Fund Series B

Periods ended March 31, The Series' Net Assets per Security <sup>A</sup>	2024	2023	2022	2021	2020
Net assets, beginning of period <sup>B</sup>	\$ 9.55	\$ 9.62	\$ 10.16	\$ 10.16	\$ 10.66
<b>Increase (decrease) from operations:</b>					
Total revenue	.52	.48	.41	.43	.57
Total expenses (excluding distributions)	(.14)	(.13)	(.15)	(.15)	(.16)
Realized gains (losses)	(.26)	(.44)	(.29)	(.17)	.13
Unrealized gains (losses)	.46	.33	(.37)	.19	(.62)
<b>Total increase (decrease) from operations <sup>B</sup></b>	<b>.58</b>	<b>.24</b>	<b>(.40)</b>	<b>.30</b>	<b>(.08)</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(.38)	(.35)	(.26)	(.29)	(.41)
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
<b>Total distributions <sup>B,C</sup></b>	<b>(.38)</b>	<b>(.35)</b>	<b>(.26)</b>	<b>(.29)</b>	<b>(.41)</b>
<b>Net assets, end of period <sup>B</sup></b>	<b>\$ 9.76</b>	<b>\$ 9.55</b>	<b>\$ 9.62</b>	<b>\$ 10.16</b>	<b>\$ 10.16</b>
<b>Ratios and Supplemental Data</b>					
Net asset value (000s) <sup>E,D</sup>	\$ 43,037	\$ 44,358	\$ 52,755	\$ 44,714	\$ 49,177
Securities outstanding <sup>D</sup>	4,409,057	4,643,724	5,483,876	4,401,020	4,840,303
Management expense ratio <sup>F,I</sup>	1.50%	1.49%	1.49%	1.50%	1.49%
Management expense ratio before waivers or absorptions <sup>F,I</sup>	1.53%	1.52%	1.52%	1.52%	1.52%
Trading expense ratio <sup>H</sup>	—%	—%	—%	—%	—%
Portfolio turnover rate <sup>I</sup>	42.33%	27.29%	33.02%	36.35%	32.91%
Net asset value per security, end of period	\$ 9.7597	\$ 9.5527	\$ 9.6238	\$ 10.1561	\$ 10.1622

## Financial Highlights – continued

### Fidelity Strategic Income Fund Series F

Periods ended March 31, The Series' Net Assets per Security <sup>A</sup>	2024	2023	2022	2021	2020
Net assets, beginning of period <sup>B</sup>	\$ 9.54	\$ 9.62	\$ 10.15	\$ 10.16	\$ 10.65
<b>Increase (decrease) from operations:</b>					
Total revenue	.52	.47	.41	.43	.56
Total expenses (excluding distributions)	(.08)	(.08)	(.09)	(.10)	(.10)
Realized gains (losses)	(.25)	(.44)	(.28)	(.16)	.13
Unrealized gains (losses)	.42	.33	(.33)	.21	(.58)
<b>Total increase (decrease) from operations <sup>B</sup></b>	.61	.28	(.29)	.38	.01
<b>Distributions:</b>					
From net investment income (excluding dividends)	(.44)	(.40)	(.32)	(.35)	(.47)
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
<b>Total distributions <sup>B,C</sup></b>	(.44)	(.40)	(.32)	(.35)	(.47)
<b>Net assets, end of period <sup>B</sup></b>	\$ 9.75	\$ 9.54	\$ 9.62	\$ 10.15	\$ 10.16
<b>Ratios and Supplemental Data</b>					
Net asset value (000s) <sup>D,E</sup>	\$ 28,845	\$ 33,843	\$ 44,628	\$ 43,810	\$ 64,488
Securities outstanding <sup>D</sup>	2,957,727	3,545,940	4,639,097	4,316,257	6,347,210
Management expense ratio <sup>F,G</sup>	.92%	.91%	.91%	.91%	.91%
Management expense ratio before waivers or absorptions <sup>F,G</sup>	.92%	.91%	.91%	.91%	.91%
Trading expense ratio <sup>H</sup>	—%	—%	—%	—%	—%
Portfolio turnover rate <sup>I</sup>	42.33%	27.29%	33.02%	36.35%	32.91%
Net asset value per security, end of period	\$ 9.7524	\$ 9.5459	\$ 9.6173	\$ 10.1497	\$ 10.1571

### Fidelity Strategic Income Fund Series O

Periods ended March 31, The Series' Net Assets per Security <sup>A</sup>	2024	2023	2022	2021	2020
Net assets, beginning of period <sup>B</sup>	\$ 9.55	\$ 9.62	\$ 10.15	\$ 10.16	\$ 10.65
<b>Increase (decrease) from operations:</b>					
Total revenue	.52	.47	.41	.43	.56
Total expenses (excluding distributions)	—	—	—	—	—
Realized gains (losses)	(.26)	(.44)	(.25)	(.16)	.13
Unrealized gains (losses)	.45	.31	(.19)	.23	(.52)
<b>Total increase (decrease) from operations <sup>B</sup></b>	.71	.34	(.03)	.50	.17
<b>Distributions:</b>					
From net investment income (excluding dividends)	(.52)	(.49)	(.42)	(.45)	(.57)
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
<b>Total distributions <sup>B,C</sup></b>	(.52)	(.49)	(.42)	(.45)	(.57)
<b>Net assets, end of period <sup>B</sup></b>	\$ 9.76	\$ 9.55	\$ 9.62	\$ 10.15	\$ 10.16
<b>Ratios and Supplemental Data</b>					
Net asset value (000s) <sup>D,E</sup>	\$ 19,814	\$ 22,585	\$ 30,372	\$ 40,714	\$ 56,870
Securities outstanding <sup>D</sup>	2,030,734	2,365,306	3,157,216	4,011,274	5,597,484
Management expense ratio	—%	—%	—%	—%	—%
Management expense ratio before waivers or absorptions	—%	—%	—%	—%	—%
Trading expense ratio <sup>H</sup>	—%	—%	—%	—%	—%
Portfolio turnover rate <sup>I</sup>	42.33%	27.29%	33.02%	36.35%	32.91%
Net asset value per security, end of period	\$ 9.7512	\$ 9.5461	\$ 9.6176	\$ 10.1501	\$ 10.1587

## Financial Highlights Footnotes

- <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> 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>G</sup> Effective May 8, 2015, 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>H</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>I</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>J</sup> Effective October 1, 2015, 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 A	1.450	14.34	85.66
Series B	1.200	41.67	58.33
Series F	0.700	-	100.00



# Fidelity Strategic Income Fund

## Past Performance

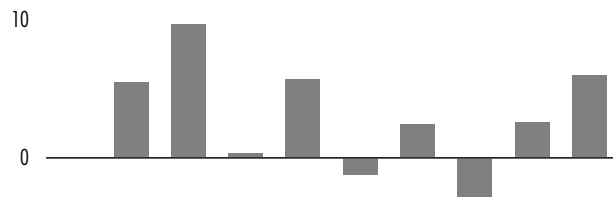
The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns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

Fiscal Years	2016	2017	2018	2019	2020	2021	2022	2023	2024
(%)	5.5	9.7	0.3	5.7	-1.2	2.4	-3.1	2.6	6.0

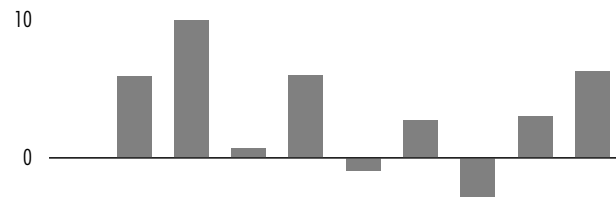


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Commencement of Operations is May 6, 2015

#### Series B

Fiscal Years	2016	2017	2018	2019	2020	2021	2022	2023	2024
(%)	5.9	10.0	0.7	6.0	-0.9	2.7	-2.8	3.0	6.3

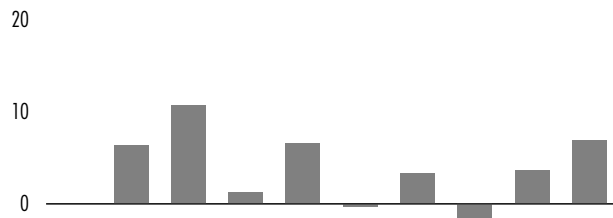


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Commencement of Operations is May 6, 2015

#### Series F

Fiscal Years	2016	2017	2018	2019	2020	2021	2022	2023	2024
(%)	6.4	10.7	1.3	6.6	-0.3	3.3	-2.2	3.6	6.9

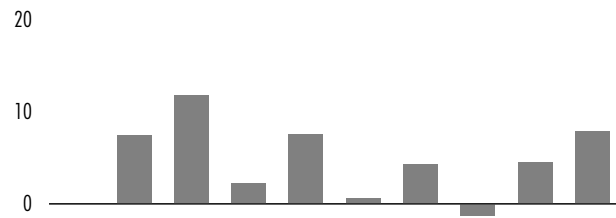


-10

Commencement of Operations is May 6, 2015

#### Series O

Fiscal Years	2016	2017	2018	2019	2020	2021	2022	2023	2024
(%)	7.4	11.8	2.2	7.6	0.6	4.3	-1.3	4.5	7.9



-10

Commencement of Operations is May 6, 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 Bloomberg Global Aggregate Bond Index, and the Fund's blended benchmark, as described below.

Average Annual Total Returns	Past 1 year	Past 3 years	Past 5 years	Since Inception
Series A	6.0%	1.8%	1.3%	3.1%
Series B	6.3%	2.1%	1.6%	3.4%
Series F	6.9%	2.7%	2.2%	4.0%
Series O	7.9%	3.6%	3.1%	5.0%
Bloomberg Global Aggregate Bond Index	0.5%	(2.4)%	(0.9)%	1.7%
Fidelity Strategic Income Fund Blend Index	6.9%	2.0%	2.1%	4.1%

A discussion of Fund performance can be found in the Results of Operations section of this report. The Fund's blended benchmark consists of 40.0% ICE BofA U.S. High Yield Constrained Index, 25.0% Bloomberg U.S. Government Bond Index, 15.0% Bloomberg Global Aggregate Bond Index, 15.0% J.P. Morgan Emerging Markets Bond Index Global Diversified Index, and 5.0% Morningstar LSTA U.S. Leveraged Loan Index. The Bloomberg Global Aggregate Bond Index covers the most liquid portion of the global investment grade fixed-rate bond market, including government, credit, and collateralized securities. The ICE BofA U.S. High Yield Constrained Index is a market value weighted index of U.S. currency high-yield bonds issued by U.S.

## **Fidelity Strategic Income Fund**

### **Past Performance – continued**

and non-U.S. issuers, including deferred interest bonds and payment-in-kind securities. Issues included in the Index have maturities of one year or more and have a credit rating lower than BBB-/Baa3 but are not in default. The Index imposes a fixed limit on the maximum concentration of any individual issuer to 2.0%. The Morningstar LSTA U.S. Leveraged Loan Index is a market capitalization-weighted index designed to represent the performance of U.S. dollar-denominated institutional leveraged loan portfolios using current market weightings, spreads, and interest payments. The EMBI (Emerging Markets Bond Index) is J.P. Morgan's index of dollar-denominated sovereign bonds issued by a selection of emerging market countries and is the most widely used and comprehensive emerging market sovereign debt benchmark. The J.P. Morgan Emerging Markets Bond Index Global Diversified Index limits the weights of those index countries with larger debt stocks by only including a specified portion of those countries eligible current face amounts of debt outstanding. The Bloomberg U.S. Government Bond Index is composed of U.S. Treasury and U.S. Agency Indexes, and included securities must be rated investment grade, with a minimum of \$250 million par amount outstanding. On August 24, 2016, Bloomberg purchased the Barclays family of benchmark indices. As part of this transaction, all Barclays benchmark indices have been co-branded as the Bloomberg Barclays Indices for an initial period of 5 years. Effective August 24, 2021, the Bloomberg Barclays fixed income benchmark indices were rebranded as the Bloomberg Indices. This change occurred as planned at the end of the five-year period following Bloomberg's acquisition of Barclays Risk Analytics and Index Solutions (BRAIS) in August of 2016. In 2017, Intercontinental Exchange acquired the BofAML Global Research FICC Index platform. This has resulted in all Bank of America Merrill Lynch benchmarks being rebranded as ICE BofAML indices. Effective January 1, 2020, the ICE BofAML indices were rebranded as ICE BofA indices. The BofA Merrill Lynch US High Yield Constrained Index is renamed ICE BofA U.S. High Yield Constrained Index. Each series of the Fund will have different returns due to differences in management fees and expenses.

## Fidelity Strategic Income Fund

# Summary of Investment Portfolio as at March 31, 2024

### Asset Mix

	% of Fund's Net Assets as at March 31, 2024	% of Fund's Net Assets as at March 31, 2023
Foreign Bonds	91.1	92.1
Foreign Preferred Securities	2.2	2.9
Canadian Bonds	1.5	1.2
Foreign Equities	1.5	1.7
Canadian Preferred Securities	0.0	0.1
Cash and Cash Equivalents	3.8	1.4
Net Other Assets (Liabilities)	(0.1)	0.6

### Geographic Mix

	% of Fund's Net Assets as at March 31, 2024	% of Fund's Net Assets as at March 31, 2023
United States of America	70.2	71.1
United Kingdom	1.7	1.5
Canada	1.5	1.3
Mexico	1.4	1.7
Germany	1.2	2.1
Others (Individually Less Than 1%)	20.3	20.3
Cash and Cash Equivalents	3.8	1.4
Net Other Assets (Liabilities)	(0.1)	0.6

### Maturity Diversification

Years	% of Fund's Net Assets as at March 31, 2024	% of Fund's Net Assets as at March 31, 2023
0 – 1	5.1	3.0
1 – 3	15.2	15.0
3 – 5	26.7	21.4
Over 5	48.4	54.7

### Derivative Exposure

	% of Fund's Net Assets as at March 31, 2024	% of Fund's Net Assets as at March 31, 2023
Futures Contracts	0.0	0.2
Forward Foreign Currency Contracts	0.0	0.0

Futures Contracts percentage is calculated by dividing the sum of the notional amount by total net assets.

Forward Foreign Currency Contracts percentage is calculated by dividing the net unrealized gain/loss of all contracts held by total net assets.

### Quality Diversification

	% of Fund's Net Assets as at March 31, 2024	% of Fund's Net Assets as at March 31, 2023
AAA	27.3	27.6
AA	1.1	1.1
A	1.5	1.4
BBB	8.0	9.4
BB and Below	48.7	48.6
Not Rated	8.2	8.2
Equities	1.5	1.7
Short-Term Investments and Net Other Assets	3.7	2.0

We have used ratings from Moody's Investors Service, Inc. Where Moody's® ratings are not available, we have used S&P® ratings. All ratings are as of the date indicated and do not reflect subsequent changes.

### Top Issuers

	% of Fund's Net Assets
1. Fidelity American High Yield Fund – Series O	41.2
2. U.S. Treasury Obligations *	21.1
3. Fidelity Emerging Markets Debt Multi-Asset Base Fund – Series O	15.2
4. Fidelity Global Bond Multi-Asset Base Fund – Series O	11.8
5. Fidelity Floating Rate High Income Multi-Asset Base Fund – Series O	6.2
6. Freddie Mac *	1.5
7. Fannie Mae *	1.5
8. Fidelity U.S. Money Market Investment Trust – Series O	0.5
9. Ginnie Mae guaranteed REMIC pass-thru certificates *	0.4
10. Fidelity Canadian Money Market Investment Trust – Series O	0.3
11. Private Export Funding Corp. *	0.3
12. Ginnie Mae *	0.2
13. Tennessee Valley Authority *	0.1
14. Federal Home Loan Bank *	0.0
15. Freddie Mac Multi-family Structured pass-thru certificates *	0.0
	<u>100.3</u>

\* Bond Issuer

Total Fund Net Assets \$93,871,000

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

Comparative balances, as applicable, have been reclassified from country of incorporation to country of risk to align with current period presentation.

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).



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