



# **Fidelity Emerging Markets Local Currency Debt Multi-Asset Base Fund**

**Semi-Annual  
Management Report  
of Fund Performance**  
September 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.

# Semi-Annual Management Report of Fund Performance as at September 30, 2024

## Fidelity Emerging Markets Local Currency Debt Multi-Asset Base Fund

*This semi-annual management report of fund performance contains financial highlights but does not contain the complete semi-annual financial statements for the investment fund. You can get a copy of the semi-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

### 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 Emerging Markets Local Currency Debt Multi-Asset Base Fund, Series O, returned 7.2%, for the six-month period ended September 30, 2024. During the review period, global bonds, as represented by the Bloomberg Global Aggregate Bond Index, returned 5.6% (in Canadian dollar terms).

Market overview:

Global investment-grade bonds, as broadly represented by the Bloomberg Global Aggregate Bond Index, returned 5.6% in Canadian dollar terms and 5.8% in U.S. dollar terms, for the six-month period ended September 30, 2024.

Global investment-grade bonds advanced in Canadian and U.S. dollar terms over the period under review. Government bond yields declined in response to a shift in macroeconomic indicators, and geopolitical tensions continued to weigh on investors' sentiment. In the U.S., annual headline inflation eased to 2.5% in August 2024, while in Europe, the harmonized index of consumer prices fell to 2.2% in August 2024, the lowest level since 2021. The U.S. Federal Reserve (the Fed) approved its first interest rate cut in four years in September 2024, lowering the benchmark policy rate by 50 basis points to 4.75–5.0%. The August jobs report was weaker than expected, indicating a softening U.S. labour market. The European Central Bank reduced its benchmark interest rates by 25 basis points in June and September, bringing the rate down to 3.50%. In contrast, the Bank of Japan announced an increase in its benchmark rate of interest in March and July, marking its first interest rate increase in 17 years. In China, investors were concerned about an uncertain economic outlook, despite supportive policy measures announced by the People's Bank of China.

Factors affecting performance:

The Fund's benchmark, J.P. Morgan Government Bond Index - Emerging Markets Global Diversified Ex-China Index, returned 7.4% for the review period. The Fund underperformed its benchmark primarily due to the Fund's lower-than-benchmark exposure to bonds issued by Thailand. In contrast, lower-than-benchmark exposure to bonds issued by Mexico contributed to relative returns.

Portfolio changes:

During the review period, the portfolio managers continued to favour issuers that had enough stand-alone creditworthiness to pay their own debts, but remained cautious about fundamentally impaired sovereign issuers.

By the end of the review period, the portfolio managers increased exposure to the bonds issued by Turkey. Conversely, exposure to Poland and Brazil was decreased.

Derivatives disclosure:

During the period, the Fund engaged in forward foreign currency contracts, in a manner consistent with its investment objectives and strategies, to hedge against the effect of currency fluctuations on the investment returns of the Fund. The use of forward contracts in this manner does not completely eliminate the impact of currency fluctuations on returns.

### Recent Developments

Portfolio managers Constantin Petrov, Nader Nazmi and Timothy Gill believe that while global monetary tightening appears to be over, now that many central banks have started to reduce their policy rates, the pace and magnitude of further easing remains uncertain. Alternative scenarios to the soft-landing consensus include both upside inflation risk and the possibility of a greater-than-expected economic slowdown. Moreover, central banks in emerging markets have continued to adjust monetary policy to near-term inflation trends more quickly than many other regions around the globe. In the managers' view, further global rate cuts could prove positive for emerging markets. In addition, geopolitical risk remains elevated, with the Russia - Ukraine and Israel - Hamas wars, U.S. - China relations, U.S. elections and economic uncertainty in a number of emerging markets, all of which the portfolio managers are monitoring closely.

### 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 FMR Investment Management (UK) Limited 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 is only offered in Series O securities and is only available to: (i) institutional investors who

## **Fidelity Emerging Markets Local Currency Debt Multi-Asset Base Fund Management Discussion of Fund Performance – continued**

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.

### **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 Emerging Markets Local Currency Debt Multi-Asset Base Fund Series O

	Six months ended September 30, 2024		2024		Periods ended March 31, 2023		2022		2021		2020	
<b>The Series' Net Assets per Security <sup>A</sup></b>												
Net assets, beginning of period <sup>B</sup>	\$	7.65	\$	7.62	\$	7.37	\$	8.48	\$	9.20	\$	9.91
<b>Increase (decrease) from operations:</b>												
Total revenue		.28		.51		.46		.43		.47		.61
Total expenses (excluding distributions)		—		(.01)		(.01)		(.01)		(.01)		(.02)
Realized gains (losses)		.01		(.10)		(.55)		(.40)		.13		.19
Unrealized gains (losses)		.24		.10		.80		(.87)		(.57)		(1.24)
<b>Total increase (decrease) from operations <sup>B</sup></b>		.53		.50		.70		(.85)		.02		(.46)
<b>Distributions:</b>												
From net investment income (excluding dividends)		(.25)		(.47)		(.44)		(.44)		(.43)		(.59)
From dividends		—		—		—		—		—		—
From capital gains		—		—		—		—		(.42)		(.01)
Return of capital		—		—		—		—		—		—
<b>Total distributions <sup>B,C</sup></b>		(.25)		(.47)		(.44)		(.44)		(.85)		(.60)
<b>Net assets, end of period <sup>B</sup></b>	\$	7.93	\$	7.65	\$	7.62	\$	7.37	\$	8.48	\$	9.20
<b>Ratios and Supplemental Data</b>												
Net asset value (000s) <sup>D,E</sup>	\$	1,181,075	\$	1,102,149	\$	850,884	\$	786,816	\$	523,435	\$	380,898
Securities outstanding <sup>D</sup>		148,930,187		144,011,785		111,633,008		106,759,298		61,725,788		41,402,006
Management expense ratio		—%		—%		—%		—%		—%		—%
Management expense ratio before waivers or absorptions		—%		—%		—%		—%		—%		—%
Trading expense ratio <sup>F</sup>		—%		—%		—%		—%		—%		—%
Portfolio turnover rate <sup>G</sup>		20.23%		41.07%		45.80%		44.89%		62.45%		62.56%
Net asset value per security, end of period	\$	7.9298	\$	7.6380	\$	7.6219	\$	7.3720	\$	8.4784	\$	9.2019

<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.

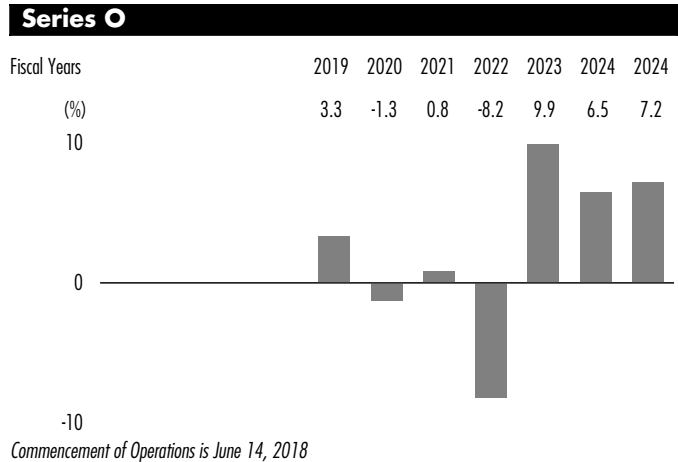
# Fidelity Emerging Markets Local Currency Debt Multi-Asset Base Fund

## 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. For each Series in the Year-by-Year Returns table below, the most recent returns stated are for the current six month period.



# Fidelity Emerging Markets Local Currency Debt Multi-Asset Base Fund

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

### Geographic Mix

	% of Fund's Net Assets as at September 30, 2024	% of Fund's Net Assets as at March 31, 2024
Malaysia	10.1	9.3
Indonesia	9.5	9.0
South Africa	8.9	8.7
Brazil	8.6	9.7
Mexico	8.3	9.1
Thailand	7.8	7.3
Poland	7.1	9.5
Czech Republic	5.8	6.3
Colombia	5.5	5.6
Romania	4.8	4.6
Peru	3.3	2.9
Hungary	3.2	3.2
Multi-National	2.8	0.8
Chile	2.3	1.6
Turkey	2.0	0.5
Others (Individually Less Than 1%)	2.2	2.2
Cash and Cash Equivalents	5.8	7.1
Net Other Assets (Liabilities)	2.0	2.6

### Maturity Diversification

Years	% of Fund's Net Assets as at September 30, 2024	% of Fund's Net Assets as at March 31, 2024
0 – 1	9.5	12.5
1 – 3	14.5	15.7
3 – 5	18.4	13.9
Over 5	55.6	55.3

### Derivative Exposure

	% of Fund's Net Assets as at September 30, 2024	% of Fund's Net Assets as at March 31, 2024
Forward Foreign Currency Contracts	0.1	0.0

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 September 30, 2024	% of Fund's Net Assets as at March 31, 2024
AAA	2.4	0.8
AA	6.2	6.3
A	9.3	8.9
BBB	22.6	23.0
BB and Below	13.0	13.4
Not Rated	38.7	37.9
Short-Term Investments and Net Other Assets	7.8	9.7

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.

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

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).

### Top Issuers

	% of Fund's Net Assets
1. Malaysian Government	10.1
2. Indonesian Republic	9.5
3. South African Republic	8.9
4. United Mexican States	8.3
5. Kingdom of Thailand	7.8
6. Polish Government	7.1
7. Czech Republic	5.8
8. Fidelity U.S. Money Market Investment Trust – Series O	5.8
9. Colombian Republic	5.5
10. Brazilian Federative Republic	5.1
11. Romanian Republic	4.8
12. Brazil Letras Do Tesouro Nacio	3.5
13. Peruvian Republic	3.3
14. Hungarian Republic	3.2
15. Chilean Republic	2.3
16. Turkish Republic	2.0
17. Inter-American Development Bank	1.6
18. Arab Republic of Egypt	0.7
19. U.S. Treasury Bills	0.5
20. Uruguay Republic	0.5
21. European Bank for Reconstruction & Development	0.4
22. Corporacion Andina de Fomento	0.4
23. Dominican Republic	0.3
24. International Bank for Reconstruction & Development	0.2
25. Republic of Paraguay	0.2
	<u>97.8</u>

Total Fund Net Assets \$1,181,075,000



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**Custodian**

State Street Trust Company of Canada  
Toronto, Ontario

**Portfolio Adviser**

Fidelity Investments Canada ULC  
Toronto, Ontario

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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.

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