



# **Fidelity North American Equity Investment Trust**

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

# Semi-Annual Management Report of Fund Performance as at December 31, 2024

## Fidelity North American Equity Investment Trust

*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 North American Equity Investment Trust (Fund), Series O, returned 14.9%, for the six-month period ended December 31, 2024. During the review period, U.S. equities, as represented by the S&P 500 Index, returned 14.0% (in Canadian dollar terms).

Market overview:

U.S. equities, as measured by the S&P 500 Index, returned 14.0% in Canadian dollar terms and 8.4% in U.S. dollar terms, for the six-month period ended December 31, 2024.

U.S. equities rose over the review period as expectations of monetary policy easing and continued corporate earnings growth supported investor sentiment. An anticipation of further tax cuts, expansionary fiscal policy, and possibilities of a protectionist trade stance further supported equity markets. The consumer discretionary and financials sectors gained the most from these developments. Additionally, cyclical sectors, including real estate and industrials, also generated positive returns. Investor optimism in the artificial intelligence initially boosted gains in the information technology and communication services sectors but faced volatility in the latter part of the review period due to concerns about stretched valuations. Defensive sectors, such as utilities and consumer staples, also gained as investors looked for stability amidst ongoing market volatility. The U.S. economy exhibited healthy growth, expanding by an annualized rate of 2.8% in the third quarter, supported by robust consumer and government spending. However, geopolitical risks, mixed economic signals in the U.S., and the U.S. Federal Reserve's (the Fed) adoption of a more cautious approach to its monetary policy easing cycle introduced some volatility. Over the period under review, the Fed reduced its benchmark interest rate (the Fed Funds Rate) thrice in subsequent meetings, from 5.5% to 5.0% in the September meeting, from 5.0% to 4.75% in the November meeting, and from 4.75% to 4.5% in the December meeting. U.S. inflation, as measured by the consumer price index, increased to 2.9% in December 2024, however headline inflation remains lower than the reported 3.0% in June 2024.

Factors affecting performance:

The Fund's benchmark returned 14.2% during the period under review. This blended benchmark consists of 70.0% S&P 500 Index and 30.0% S&P/TSX Capped Composite Index.

The Fund outperformed its benchmark primarily due to lower-than-benchmark exposure to, and certain investments in, the health care sector. In the sector, higher-than-benchmark exposure to U.S.-based health care equipment and services firm Boston Scientific, and lack of exposure to a U.S.-based pharmaceuticals firm, contributed to relative returns. In addition, exposure to certain stocks in the consumer staples sector contributed to relative performance. In this sector, an investment in U.S.-based consumer staples distribution and retail firm Walmart, and lack of exposure to a U.S.-based food and beverage firm, both contributed to relative returns. In other sectors, investments in U.S.-based aerospace company Howmet Aerospace, Canadian-based financial services firm Brookfield Asset Management, and Sweden-based media and entertainment firm Spotify, all contributed to relative returns.

In contrast, investments in certain stocks in the consumer discretionary sector detracted from relative performance. In the sector, lack of exposure to a U.S.-based automobiles and components firm, and an investment in U.S.-based retail automotive services company Valvoline, detracted from relative returns. Investments in certain stocks in the information technology sector also detracted from relative returns. In that sector, an investment in U.S.-based software and services firm Microsoft, and lack of exposure to a U.S.-based semiconductors and semiconductor equipment firm, both detracted from relative returns. In other sectors, an investment in U.S.-based aircraft engine manufacturer Woodward Inc. detracted from relative returns.

At the end of the review period, the Fund had no exposure to Valvoline.

Portfolio changes:

During the review period, the Fund's exposure to the financials and industrials sectors increased. In the financials sector, the portfolio manager increased exposure to U.S.-based financial services firm Morgan Stanley, based on its attractive risk/reward outlook, in the portfolio manager's view. In the industrials sector, exposure was increased to Canada-based auction company RB Global, owing to its attractive fundamental outlook in the manager's view.

In contrast, exposure to the energy and materials sectors decreased. In the energy sector, the portfolio manager exited a position in Canada-based oil and gas exploration and production firm Canadian Natural Resources, in favour of more attractive opportunities elsewhere. In the materials sector, a position was exited from Canada-based diversified metals and mining firm Teck Resources to pursue opportunities with more potential elsewhere.

At the end of the review period, the Fund had its largest absolute exposure to the information technology sector, followed by the industrials sector. The Fund diverged most from its benchmark's sector weightings by having more exposure to the industrials sector and less exposure to the energy sector.

### Recent Developments

Portfolio Manager Darren Lekkerkerker focuses on companies believed to have solid business models and shareholder-oriented management teams, and that are trading at relatively attractive valuations. The manager continues to monitor the macroeconomic environment, but remains focused on ideas driven by bottom-up fundamentals. The portfolio manager points to key macroeconomic tailwinds, including the normalization of inflation, global monetary easing and broad-based resilience in corporate earnings, as indicating a supportive backdrop for equities. The manager believes Canada offers particularly strong investment prospects, due to its robust innovation pipeline, favourable demographics, lower geopolitical risk, and resource self-sufficiency. Despite the positive landscape, the portfolio manager continues to emphasize the importance of understanding what you own and focusing on higher-quality companies.

# **Fidelity North American Equity Investment Trust**

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

### **Related Party Transactions**

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

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

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

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

#### **Brokerage Commissions**

The Fund may place a portion of its portfolio transactions with brokerage firms which are affiliates of Fidelity, provided it determines that these affiliates' trade execution abilities and costs are comparable to those of non-affiliated, qualified brokerage firms, on an execution-only basis. Commissions paid to brokerage firms that are affiliates of Fidelity Investments were \$0 for the period ended December 31, 2024. Fidelity receives standing instructions from the IRC in respect of policies and procedures governing best execution of transactions with affiliates, which includes brokers affiliated to Fidelity Investments, at least once per year.

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

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

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

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

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

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

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

# Financial Highlights

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

## Fidelity North American Equity Investment Trust Series O

	Six months ended December 31, 2024		2024	Periods ended June 30, 2023		2022	2021	2020				
<b>The Series' Net Assets per Security <sup>A</sup></b>												
Net assets, beginning of period <sup>B</sup>	\$	21.47	\$	17.04	\$	14.51	\$	17.81	\$	14.69	\$	13.70
<b>Increase (decrease) from operations:</b>												
Total revenue		.07		.16		.22		.24		.15		.15
Total expenses (excluding distributions)		(.01)		(.02)		(.02)		(.02)		(.02)		(.02)
Realized gains (losses)		1.76		1.23		.55		.58		3.32		.51
Unrealized gains (losses)		1.35		3.83		2.03		(2.02)		1.02		.92
<b>Total increase (decrease) from operations <sup>B</sup></b>		3.17		5.20		2.78		(1.22)		4.47		1.56
<b>Distributions:</b>												
From net investment income (excluding dividends)		(.05)		(.12)		(.16)		(.16)		(.14)		(.06)
From dividends		(.04)		(.05)		(.07)		(.06)		(.05)		(.06)
From capital gains		(1.72)		(.54)		—		(2.32)		(1.17)		(.63)
Return of capital		—		—		—		—		—		—
<b>Total distributions <sup>B,C</sup></b>		(1.81)		(.71)		(.23)		(2.54)		(1.36)		(.75)
<b>Net assets, end of period <sup>B</sup></b>	\$	22.85	\$	21.47	\$	17.04	\$	14.51	\$	17.81	\$	14.69
<b>Ratios and Supplemental Data</b>												
Net asset value (000s) <sup>D,E</sup>	\$	589,329	\$	498,238	\$	348,801	\$	320,217	\$	310,681	\$	217,141
Securities outstanding <sup>E</sup>		25,788,760		23,202,265		20,471,677		22,061,297		17,448,017		14,786,326
Management expense ratio		—%		—%		—%		—%		—%		—%
Management expense ratio before waivers or absorptions		—%		—%		—%		—%		—%		—%
Trading expense ratio <sup>F</sup>		.04%		.04%		.05%		.05%		.08%		.07%
Portfolio turnover rate <sup>G</sup>		50.89%		65.47%		81.62%		89.13%		147.23%		131.90%
Net asset value per security, end of period	\$	22.8521	\$	21.4739	\$	17.0400	\$	14.5143	\$	17.8047	\$	14.6853

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

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

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

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

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

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

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

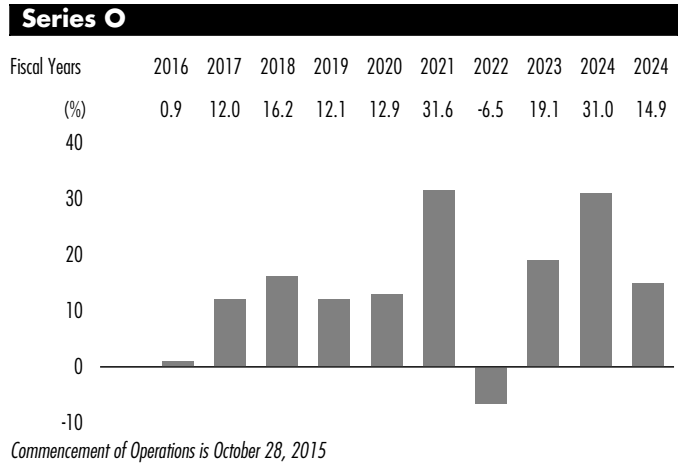
# Fidelity North American Equity Investment Trust

## Past Performance

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

### Year-by-Year Returns

The following bar chart shows the Fund’s annual performance for each of the years shown, and illustrates how the Fund’s performance was changed from year to year. In percentage terms, the bar chart shows how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year. For each Series in the Year-by-Year Returns table below, the most recent returns stated are for the current six month period.



# Fidelity North American Equity Investment Trust

## Summary of Investment Portfolio as at December 31, 2024

### Sector Mix

	% of Fund's Net Assets as at December 31, 2024	% of Fund's Net Assets as at June 30, 2024
Information Technology	24.3	28.6
Industrials	19.0	15.0
Financials	17.9	12.7
Consumer Discretionary	12.0	12.2
Communication Services	11.6	11.7
Materials	4.7	8.1
Health Care	4.0	6.5
Consumer Staples	3.0	0.0
Real Estate	2.3	0.4
Others (Individually Less Than 1%)	0.4	3.6
Cash and Cash Equivalents	1.5	1.1
Net Other Assets (Liabilities)	(0.7)	0.1

### Geographic Mix

	% of Fund's Net Assets as at December 31, 2024	% of Fund's Net Assets as at June 30, 2024
United States of America	73.9	76.1
Canada	25.3	22.3
Others (Individually Less Than 1%)	0.0	0.4
Cash and Cash Equivalents	1.5	1.1
Net Other Assets (Liabilities)	(0.7)	0.1

### Top Issuers

	% of Fund's Net Assets
1. Amazon.com, Inc.	6.1
2. Microsoft Corp.	5.9
3. NVIDIA Corp.	5.4
4. Meta Platforms, Inc.	4.0
5. Alphabet, Inc.	3.6
6. Constellation Software, Inc.	3.6
7. Boston Scientific Corp.	3.5
8. Morgan Stanley	3.1
9. Walmart, Inc.	3.0
10. Brookfield Asset Management Ltd.	2.9
11. Apollo Global Management, Inc.	2.9
12. Howmet Aerospace, Inc.	2.6
13. Spotify Technology SA	2.6
14. Shopify, Inc.	2.6
15. WSP Global, Inc.	2.6
16. JPMorgan Chase & Co.	2.5
17. Apple, Inc.	2.5
18. RB Global, Inc.	2.5
19. AtkinsRealis	2.4
20. Woodward, Inc.	2.4
21. CBRE Group, Inc.	2.3
22. Waste Connections, Inc.	2.2
23. Sherwin-Williams Co.	2.1
24. Martin Marietta Materials, Inc.	1.6
25. Celestica, Inc.	1.5
	<u>76.4</u>

Total Fund Net Assets \$589,329,000

## Summary of Investment Portfolio as at December 31, 2024 – continued

*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).









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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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