



Fidelity Tactical Credit 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 Tactical Credit 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 or SEDAR+ at 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

Fidelity Tactical Credit Fund, Series B, returned 3.6%, after fees and expenses, for the six-month period ended September 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. bonds, as represented by the Bloomberg U.S. Aggregate Bond Index - Hedged CAD, returned 4.8% (in Canadian dollar terms).

Market overview:

U.S. investment-grade bonds, as broadly represented by the Bloomberg U.S. Aggregate Bond Index, returned 5.1% in Canadian dollar terms and 5.3% in U.S. dollar terms, for the six-month period ended September 30, 2024.

U.S. investment-grade bonds advanced in Canadian and U.S. dollar terms over the period under review. High yield bonds continued to outperform their investment-grade peers, benefitting from higher all-in yields and distress levels near long-term averages. Headline inflation fell to 2.5% in August, the lowest level since February 2021. The U.S. Federal Reserve (the Fed) approved its first interest rate cut in four years, 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. Combined, this caused U.S. Treasury yields to trend lower through the period under review, after peaking in April. Continued geopolitical tensions and uncertainties around the upcoming election continued to weigh on investor sentiment.

Factors affecting performance:

The Fund underperformed its blended index, which returned 4.5% for the period under review. The blended index consists of 33.3% Bloomberg U.S. Intermediate Credit Bond Index — Hedged CAD, 33.3% ICE BofA BB-B U.S. High Yield Constrained Index — Hedged CAD and 33.3% Morningstar LSTA U.S. Leveraged Loan Index — Hedged CAD.

There were no significant detractors during the review period. The Fund's investment in high-yield corporate bonds and U.S. floating rate loans contributed to relative returns.

Portfolio changes:

During the review period, the portfolio managers increased exposure to cash and other assets, while decreasing exposure to floating rate debt.

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

The portfolio managers, Jeff Moore and Michael Plage are enjoying the compelling yield in the bond market but believe diversification remains key across sectors and securities. While the portfolio managers have historically looked to corporate bonds and other credit markets to add yield in the portfolio, the portfolio managers are currently excited about the value opportunity in risk-free U.S. Treasury securities. The portfolio managers believe that investment-grade corporate spreads are nearly as narrow as they have been in the past 25 years. The opportunity cost of an underweight position is now very low, in their view. With credit spreads in the investment grade bond market at historically tight levels, the portfolio managers prefer to instead own U.S. Treasury bonds as they can capture the vast majority of yield being offered by the sector without taking on the associated credit risk. The managers believe the U.S. presidential election is not an investable theme, and therefore are not expecting it to be a source of rate volatility in the near term.

Effective October 1, 2024, Brian Day, Celso Munoz and Stacie Ware were added as Portfolio Managers. Portfolio manager Jeff Moore has made the personal decision to retire at the end of 2024. Jeff will remain focused on co-managing the Fund until retirement and will play an instrumental role during the transition to help our clients be well positioned for the future. Fidelity is developing a transition plan and there are no expected changes to the investment objective and strategies as a result of Jeff's retirement.

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 \$346,000 for the period ended September 30, 2024.

Administration Fee

Fidelity Tactical Credit Fund

Management Discussion of Fund Performance – continued

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 \$61,000 for the period ended September 30, 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 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 Tactical Credit Fund Series B				
	Six months ended September 30, 2024	2024	Periods ended March 31, 2023	2022 ^A
The Series' Net Assets per Security ^B				
Net assets, beginning of period ^C	\$ 9.39	\$ 9.32	\$ 9.81	\$ 10.00
Increase (decrease) from operations:				
Total revenue	.33	.68	.59	.08
Total expenses (excluding distributions)	(.07)	(.13)	(.14)	(.03)
Realized gains (losses)	.07	(.05)	(.68)	.09
Unrealized gains (losses)	.01	.13	.59	(.27)
Total increase (decrease) from operations ^C	.34	.63	.36	(.13)
Distributions:				
From net investment income (excluding dividends)	(.25)	(.50)	(.35)	(.03)
From dividends	—	—	—	—
From capital gains	—	—	—	—
Return of capital	—	—	—	—
Total distributions ^{C,D}	(.25)	(.50)	(.35)	(.03)
Net assets, end of period ^C	\$ 9.46	\$ 9.39	\$ 9.32	\$ 9.81
Ratios and Supplemental Data				
Net asset value (000s) ^{E,F}	\$ 16,643	\$ 14,559	\$ 5,428	\$ 1,080
Securities outstanding ^E	1,758,714	1,551,003	582,288	110,120
Management expense ratio ^{G,H}	1.49%	1.52%	1.54%	1.53%
Management expense ratio before waivers or absorptions ^{G,H}	1.51%	1.54%	1.57%	1.56%
Trading expense ratio ^I	—%	—%	—%	—%
Portfolio turnover rate ^J	10.23%	11.97%	96.91%	6.87%
Net asset value per security, end of period	\$ 9.4643	\$ 9.3853	\$ 9.3234	\$ 9.8131

Fidelity Tactical Credit Fund Series F				
	Six months ended September 30, 2024	2024	Periods ended March 31, 2023	2022 ^A
The Series' Net Assets per Security ^B				
Net assets, beginning of period ^C	\$ 9.39	\$ 9.32	\$ 9.82	\$ 10.00
Increase (decrease) from operations:				
Total revenue	.33	.68	.51	.07
Total expenses (excluding distributions)	(.04)	(.08)	(.08)	(.02)
Realized gains (losses)	.07	(.11)	(.68)	.16
Unrealized gains (losses)	.02	.24	.23	(.32)
Total increase (decrease) from operations ^C	.38	.73	(.02)	(.11)
Distributions:				
From net investment income (excluding dividends)	(.28)	(.56)	(.41)	(.04)
From dividends	—	—	—	—
From capital gains	—	—	—	—
Return of capital	—	—	—	—
Total distributions ^{C,D}	(.28)	(.56)	(.41)	(.04)
Net assets, end of period ^C	\$ 9.46	\$ 9.39	\$ 9.32	\$ 9.82
Ratios and Supplemental Data				
Net asset value (000s) ^{E,F}	\$ 87,835	\$ 75,989	\$ 18,719	\$ 25,915
Securities outstanding ^E	9,283,992	8,096,802	2,008,080	2,639,013
Management expense ratio ^{G,H}	.93%	.93%	.93%	.93%
Management expense ratio before waivers or absorptions ^{G,H}	.93%	.93%	.93%	.93%
Trading expense ratio ^I	—%	—%	—%	—%
Portfolio turnover rate ^J	10.23%	11.97%	96.91%	6.87%
Net asset value per security, end of period	\$ 9.4624	\$ 9.3831	\$ 9.3216	\$ 9.8152

Financial Highlights – continued

Fidelity Tactical Credit Fund Series O

	Six months ended September 30, 2024		Periods ended March 31, 2024 2023 2022 ^A	
The Series' Net Assets per Security ^B				
Net assets, beginning of period ^C	\$ 9.38	\$ 9.32	\$ 9.82	\$ 10.00
Increase (decrease) from operations:				
Total revenue	.32	.66	.49	.09
Total expenses (excluding distributions)	—	—	—	—
Realized gains (losses)	.06	.03	(.76)	.05
Unrealized gains (losses)	.02	.02	.29	(.28)
Total increase (decrease) from operations ^C	.40	.71	.02	(.14)
Distributions:				
From net investment income (excluding dividends)	(.32)	(.64)	(.50)	(.05)
From dividends	—	—	—	—
From capital gains	—	—	—	—
Return of capital	—	—	—	—
Total distributions ^{C,D}	(.32)	(.64)	(.50)	(.05)
Net assets, end of period ^C	\$ 9.46	\$ 9.38	\$ 9.32	\$ 9.82
Ratios and Supplemental Data				
Net asset value (000s) ^{E,F}	\$ 1	\$ 1	\$ 1	\$ 1
Securities outstanding ^E	118	114	106	101
Management expense ratio	—%	—%	—%	—%
Management expense ratio before waivers or absorptions	—%	—%	—%	—%
Trading expense ratio ^I	—%	—%	—%	—%
Portfolio turnover rate ^J	10.23%	11.97%	96.91%	6.87%
Net asset value per security, end of period	\$ 9.4595	\$ 9.3808	\$ 9.3237	\$ 9.8214

Financial Highlights Footnotes

- ^A For the period January 12, 2022 (inception date) to March 31, 2022.
- ^B 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.
- ^C 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.
- ^D 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.
- ^E This information is provided as at period end of the year shown.
- ^F Prior period amounts may have been adjusted.
- ^G 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.
- ^H Effective January 25, 2022, 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.
- ^I 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.
- ^J 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.

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.

	Management Fees (%)	Dealer Compensation (%)	Investment management, administration and other (%)
Series B	1.200	41.67	58.33
Series F	0.700	-	100.00

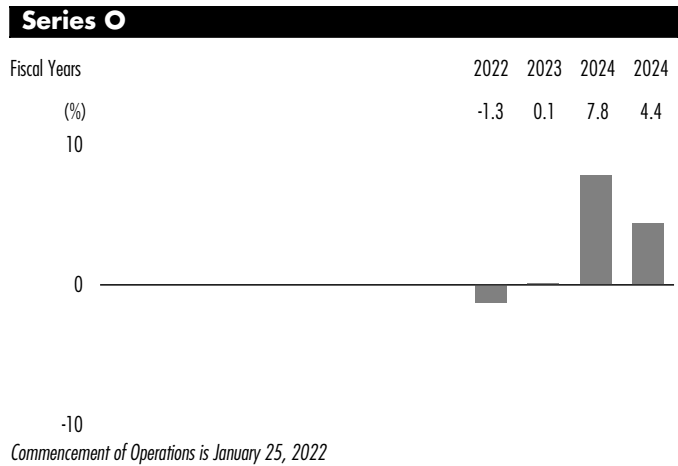
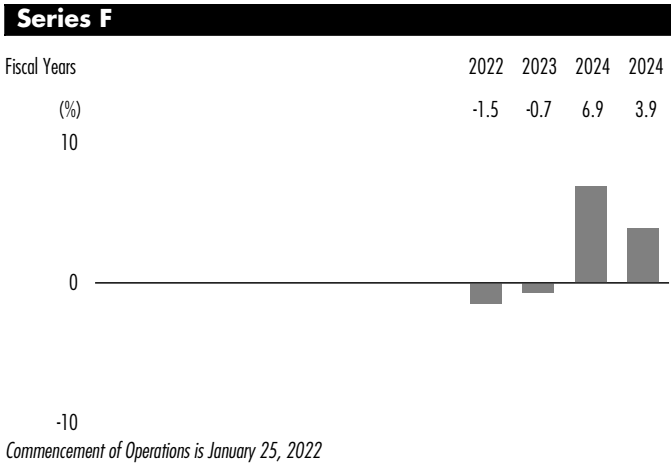
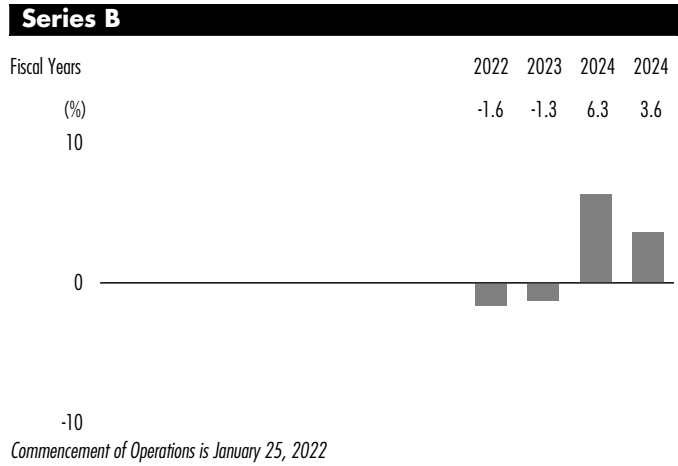
Fidelity Tactical Credit Fund

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 Tactical Credit 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
United States of America	67.0	72.4
Canada	1.3	1.5
United Kingdom	1.0	1.0
Others (Individually Less Than 1%)	4.2	5.3
Cash and Cash Equivalents	27.8	20.9
Net Other Assets (Liabilities)	(1.3)	(1.1)

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	29.0	21.5
1 – 3	6.3	8.6
3 – 5	25.5	30.0
Over 5	38.4	38.3

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	(0.3)	0.2

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	9.2	8.9
A	1.8	1.8
BBB	5.6	5.1
BB and Below	52.0	60.0
Not Rated	3.6	3.0
Equities	1.3	1.4
Short-Term Investments and Net Other Assets	26.5	19.8

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 or SEDAR+ at www.sedarplus.ca.

Top Issuers

	% of Fund's Net Assets
1. Fidelity Floating Rate High Income Multi-Asset Base Fund – Series O	30.2
2. Fidelity American High Yield Fund – Series O	28.9
3. Fidelity U.S. Money Market Investment Trust – Series O	24.7
4. U.S. Treasury Obligations	9.2
5. Charter Communications Operating LLC/Charter Communications Operating Capital Corp.	1.1
6. Prime Healthcare Foundation, Inc.	0.6
7. Colombian Republic	0.6
8. Bank of America Corp.	0.6
9. JPMorgan Chase & Co.	0.6
10. Wells Fargo & Co.	0.6
11. Subway Funding LLC	0.6
12. The Boeing Co.	0.5
13. DPL, Inc.	0.4
14. Planet Fitness Master Issuer LLC	0.3
15. AASET LLC	0.3
16. MPLX LP	0.2
17. Tapestry, Inc.	0.2
18. Fidelity Canadian Money Market Investment Trust – Series O	0.2
19. Capital One Financial Corp.	0.2
20. Toledo Hospital	0.1
21. Equitable Holdings, Inc.	0.1
22. BX Commercial Mortgage Trust	0.1
23. Prudential Financial, Inc.	0.1
24. Brandywine Operating Partnership LP	0.1
25. Columbia Pipelines Operating Company LLC	0.0
	<u>100.5</u>

Total Fund Net Assets \$104,479,000



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www.fidelity.ca

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

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

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