

Fidelity Australian Equities Fund

Product series



The Fidelity Australian Equities Fund is designed to be a core holding for investors seeking the growth and diversification benefits of Australian equities. Since 2003, the Fund has been using the same portfolio manager, the same unique global research network, and the same disciplined investment process through the highs and the lows and everything in between.

Why invest?

- 1** Long-term experience – same portfolio manager since 2003, with a track record of strong returns through the market’s cycles.
- 2** A core holding of actively managed, hand-picked Australian companies.
- 3** One of Australia’s largest equities teams, leveraging insights from 170 research professionals globally.¹

What are the risks?

All investments involve risk; however, Fidelity actively manages risk within its investment portfolios and employs a range of monitoring procedures with the aim of reducing overall portfolio risk. The main risks of investing in this Fund are market risk, specific security risk and derivative risk. For further details on the specific risks of investing in this Fund, please refer to the Product Disclosure Statement.

“ The portfolio is invested in large-cap, highly liquid, blue-chip stocks. We remain mindful of company fundamentals and focus on the experience and competence of management teams, which is crucial to their ability to manage through the current uncertainty. Australia remains home to innovative companies that are well positioned to deliver long-term growth. We favour high-quality companies with a sustainable competitive edge, strong free cash flow generation and robust earnings growth. ”

Paul Taylor, Portfolio Manager
Fidelity Australian Equities Fund

Actively managed by one of Australia's most experienced investors

The Fidelity Australian Equities Fund gives investors access to a diversified selection of 30 to 50 quality Australian companies. The Fund is actively managed, which means we use our bottom-up research approach to choose quality companies, with the aim to provide investors consistent returns across market cycles.

We use insights from our large team of Australian equity analysts, as well as leveraging our global research platform, which benefits from insights from around 170 research professionals around the world. We seek companies with superior management, strong free cash flow, a competitive edge and low gearing.

Paul Taylor has a 19-year track record when it comes to managing Australian equities and has experienced the highs and lows of investing in the domestic market, and everything in between.

The objective of the Fund is to achieve returns in excess of the benchmark over the medium to long term.

Our process uses a global perspective on Australian companies

1 Best ideas screened through intensive research – Capturing insights that we believe show unrecognised potential.

2 Applying a unique 360-degree view – We don't just meet with a company's management team. We visit factory floors, shopfronts, suppliers, customers and competitors. We have the advantage of being able to research Australian companies not just locally, but globally too. This means we can understand Australian companies from a global perspective.

We build a 360-degree view of every company we invest in, based on our deep knowledge of local and global factors built over many years. Our analysts filter and recommend stocks based on their analysis, rating a stock between 1 (strong buy) and 5 (strong sell).

3 Hand-picked stock selection – Final stock selection decisions are made by the portfolio manager, who looks for stocks that he believes are undervalued and likely to generate growth. The companies selected for the portfolio must demonstrate good management, undiscovered earnings potential, value and growth.

In the final stages, the portfolio manager will hand-pick a diversified selection of between 30 and 50 Australian companies.

4 Monitoring – The portfolio is actively managed, so we conduct regular company, factory and competitor visits to assess business strength, earnings quality and the long-term growth outlook. If things change, we can react quickly.

The Manager



Paul Taylor
Portfolio Manager
Fidelity Australian
Equities Fund

Paul Taylor is the head of Australian equities and Portfolio Manager of the Fidelity Australian Equities Fund.

Paul joined Fidelity in London in 1997 as an investment analyst. He initially covered the European diversified industrials/engineering sector before becoming the lead European bank analyst. He then assumed the role of European Financial Sector Research Leader, where he was responsible for coordinating all European financial sector research as well as managing the European Financial Services Fund. Paul was then promoted to take on global financial services research as well as manage Fidelity's Global Financial Services Fund. He returned to Sydney in 2003 to establish Fidelity's Australian equities team. Paul has managed the Fidelity Australian Equities Fund since inception.

The Fidelity Australian Equities Fund has won numerous industry awards, including *Money Magazine* Fund Manager of the Year, Australian Equities, 2014, 2015, 2016, the 2012 Fund Manager of the Year – Asia, S&P Fund Manager of the Year 2011, Lonsec Fund Manager of the Year 2011, Fund Manager of the Year, Australian Equities 2007 and 2011, INSTO Australian Equities Fund Manager of the Year 2010, and Morningstar Fund Manager of the Year, Australian Equities, 2006.*

Paul was inducted into the Australian Fund Managers' Hall of Fame in 2015.

Paul holds a Master of Finance from the London Business School and a Bachelor of Commerce and Business from the University of Queensland.

The Fidelity difference

Fidelity specialises in active fund management, and with one of the largest buy-side research teams in the world, we have the unique ability to identify investment themes and ideas across different market cycles.



Foresight

We have a team of more than 400 investment professionals connecting ideas across asset classes, sectors and regions to see things others may miss.



Further

We believe that by going further, we gain better insights and knowledge, to make better investment decisions.



Future

Our purpose is to build better futures. We believe that by investing in companies which operate with high standards of sustainability we can protect and enhance returns for our clients, and build a better future for society as a whole.

Fund facts

Objective	To outperform the benchmark over the medium to long term
Benchmark	S&P/ASX 200 Accumulation Index
Inception	30 June 2003
Number of stocks	30 to 50
Buy/sell spread	±0.15%
Management costs	0.85% p.a.

How to invest

Whether you're a first-time investor or an investment professional, you can access Fidelity's investment expertise in the way that best suits your individual needs:

Direct investment

You can invest directly with Fidelity as an investor or adviser. Fidelity accepts direct investments with a minimum of \$25,000. You can apply online or using our paper application.

Invest via mFund

Most of our managed funds are available on mFund Settlement Service. This service allows you to buy, hold and sell units in Fidelity managed funds through a process similar to buying and selling shares.

You can easily buy (apply for) and sell (redeem) units via a broker and the transactions are settled using CHESSE, the ASX electronic settlement system.

Invest via a platform

You can invest with Fidelity via a platform, which is generally offered through a financial planner.

A platform bundles a range of managed funds and investments as one single product to provide consolidated administration, tax, and distribution reporting.

2020 Morningstar Australia Fund Manager of the Year

[fidelity.com.au](https://www.fidelity.com.au)



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1. As at December 2021.

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