



Harnessing both fundamental and quantitative capabilities, Fidelity Investments launches new investing strategies

New U.S. equity and income quantitative products backed by Fidelity's Quantitative Research and Investment Team leveraging decades of research

TORONTO, January 28, 2025 – Fidelity Investments Canada ULC (Fidelity) today launched three new products built on Fidelity's robust quantitative and fundamental research.

New quantitative funds

- Fidelity Absolute Income Fund – including ETF Series (FCAB/FCAB.U)
- Fidelity Advanced U.S. Equity Fund – including ETF Series (FAUS/FAUS.U)
- Fidelity Core U.S. Bond ETF (FCUB/FCUB.U)

“A core advantage of investing with Fidelity is the access investors gain to the strength and scale of our global research, investment capabilities and innovation,” said Kelly Creelman, Senior Vice President, Products and Marketing, Fidelity. “I am very excited that with today’s launch, investors will be able to benefit from combining decades of Fidelity’s rich fundamental research with leading-edge quantitative investing strategies, leveraging the experience and insights of Fidelity’s Quantitative Research and Investments Team.”

In today's increasingly data-driven economy, quantitative or systematic investing is gaining traction among investors as they look to capitalize on strategies powered by data and innovative quantitative techniques.

Harnessing decades of in-house fundamental research data and traditional and alternative data sources, more than 200 technologists, developers and investment professionals make up Fidelity’s Quantitative Research and Investments Team, which empowers active portfolio managers and quantitative investing strategies with proprietary investment insights, techniques and models designed to generate alpha.

Listed on the Toronto Stock Exchange as of this morning, the new ETFs will be added to Fidelity’s growing ETF business, which consists of 48 investing strategies at \$12 billion in AUM (as at January 24, 2025).

Investment objectives of the funds

Fidelity Absolute Income Fund

- The Fund aims to achieve a high level of current income and the potential for capital gains.
- It invests primarily in a mix of fixed income securities of U.S. issuers and other issuers from around the world.
- The Fund uses a proprietary quantitative model based on advanced research capabilities in the construction of its portfolio.

Fidelity Advanced U.S. Equity Fund

- The Fund aims to achieve long-term capital growth.
- It invests primarily in equity securities of U.S. companies.
- The Fund uses a proprietary quantitative model based on advanced research capabilities in the construction of its portfolio.
- It also uses quantitative techniques that analyze fundamental research to systematically construct a broadly diversified portfolio.

Fidelity Core U.S. Bond ETF

- The Fund aims to provide a steady flow of income with the potential for capital gains.
- It invests primarily in U.S. fixed income securities, with an emphasis on investment grade fixed income securities.
- The Fund uses a proprietary quantitative model based on advanced research capabilities in the construction of its portfolio.

Fidelity Investments' Quantitative Research and Investments team

- **Extensive experience:** The team includes over 200 dedicated quantitative developers and technologists.
- **Systematic focus across asset classes:** Dedicated systematic investment teams are aligned by asset class, allowing for specialized and precise investment strategies tailored to the unique characteristics of each market.
- **Enhanced research capabilities:** The team has an expanded research toolkit that provides actionable insights to both fundamental and systematic investment teams.

- **Core platforms for innovation and scale:** The team has developed core platforms designed to enable continued innovation, support scalability and drive efficiency.

Quantitative or systematic investing

- **Portfolio diversification:** Offers low or negative correlation with fundamental strategies.
- **Repeatable processes:** Model-driven processes aim to offer more consistent outcomes.
- **Scalable customization:** Leverages quantitative techniques to drive portfolio construction.
- **Cost efficiency:** Generally offers lower costs relative to pure active fundamental strategies.

Learn more about the funds and get expert insights

- **Advisors:** [Tune into FidelityConnects](#) at 11:30 ET today (January 28) to hear Neil Constable, Head of Fidelity's Quantitative Research & Investment division, discuss the new strategies and Fidelity's systematic investing approach.
- **Investors and advisors:** Listen to the [FidelityConnects podcast](#) to learn more about our offerings directly from our portfolio managers.

About Fidelity Investments Canada ULC

At Fidelity Investments Canada, our mission is to build a better future for our clients. Our diversified business serves financial advisors, wealth management firms, employers, institutions and individuals. As the marketplace evolves, we are constantly innovating and offering our clients choice of investment and wealth management products, services and technological solutions all backed by the global strength and scale of Fidelity. With assets under management of \$290 billion (as at January 24, 2025), Fidelity Investments Canada is privately held and committed to helping our diverse clients meet their goals over the long term. Fidelity funds are available through financial advisors and online trading platforms.

Commissions, trailing commissions, management fees, brokerage fees and expenses may be associated with investments in mutual funds and ETFs. Please read the mutual fund's or ETF's prospectus, which contains detailed investment information, before investing. Mutual funds and ETFs are not guaranteed. Their values change frequently and investors may experience a gain or a loss. Past performance may not be repeated.

As part of Fidelity Absolute Income Fund and Fidelity Core U.S. Bond ETF's investment strategies, the Fund/ETF may use derivatives including swaps (e.g., interest rate swaps, credit default swaps, total return swaps) and futures (e.g. Treasury futures) for hedging and non-hedging purposes. A swap is a contract between two parties to exchange payments based on an agreed amount. A futures contract is an agreement between two parties to buy/sell an asset at a predetermined price on a future date. Swaps and futures, similar to other derivatives, are subject to additional risks, including counterparty risk (i.e., where one or more parties in a contract may default on their obligation or be unable to fulfill their obligation), liquidity risk (i.e., where the security cannot be traded quickly or easily due to financial market conditions), and market risk (i.e., where unfavourable market conditions negatively impact the value of the securities). There is no guarantee that the Fund/ETF's use of swaps and/or futures will enhance performance or reduce risk relative to the overall market.

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