

# Fidelity Global Equities

## Quarterly Investment Option Update

31 March 2017

### Availability

Product Name	APIR
AMP FLEXIBLE SUPER – CHOICE (RETIREMENT)	AMP1342AU
AMP FLEXIBLE SUPER – CHOICE (SUPER)	AMP1471AU
CUSTOMSUPER	AMP1291AU
FLEXIBLE LIFETIME – ALLOCATED PENSION	AMP1298AU
FLEXIBLE LIFETIME – INVESTMENTS (SERIES 1)	AMP0846AU
FLEXIBLE LIFETIME – INVESTMENTS (SERIES 2)	AMP1432AU
FLEXIBLE LIFETIME – SUPER	AMP1291AU
FLEXIBLE LIFETIME – TERM PENSION	AMP1638AU
SIGNATURE SUPER	AMP1305AU
SIGNATURE SUPER – ALLOCATED PENSION	AMP1312AU

### Investment Option Performance

Investment performances are subject to product fees and where relevant tax as outlined in the product PDS. Therefore investment performance may differ between Products. In addition, activity on your account such as contributions and deductions will also impact the investment performance specific to you. To view the latest investment performances for each product, please visit [www.amp.com.au](http://www.amp.com.au). You can also view the last investment performance specific to you by visiting your My Portfolio account.

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### Overview

**Aim & Strategy:** To achieve returns in excess of the MSCI All Country World Index (Net) over a period of 5 years. The portfolio takes a "go-anywhere" approach – it is managed with broad geographic and sector parameters to allow the portfolio manager to build a portfolio of the best opportunities uncovered by the investment manager's strength in global research in a core international investment. The portfolio may invest in a variety of securities including shares, options, the equity linked

notes, convertible notes and debt securities. Unlisted international equities may also be held where they are reasonably expected to be listed within 6 months. Exposure to international assets is not hedged back to Australian dollars, therefore the value of an investment will also be affected by movements in exchange rates. Derivatives may also be used.

**Investment Category:** Global equities

**Suggested Investment Timeframe:** 5+ years

**Relative Risk Rating:** High

**Investment Style:** Core

Asset Allocation	Benchmark (%)	Range (%)
Global Shares	97.07	90-100
Cash	2.93	0-10

### Holdings

Industry Exposure	%
Information Technology	19.36
Financials	16.43
Consumer Staples	10.07
Industrials	9.91
Consumer Discretionary	9.48
Health Care	9.29
Materials	8.60
Energy	7.60
Real Estate	4.46
Telecommunication Services	1.86
Utilities	0.00
Cash & Ona	2.93

Regional Exposure	%
North America	55.73
Europe Ex Uk	15.60
Japan	9.65
Emerging Markets	7.43
Uk	6.64
Pacific Ex Japan	1.25
Middle East	0.77
Cash & Ona	2.93

Top Ten Securities	%
Apple Inc	2.54
Jpmorgan Chase & Co	2.15
Alphabet Inc	2.10
Sap Se	1.89
Microsoft Corp	1.72
Philip Morris Intl Inc	1.70
Wells Fargo & Co New	1.66
Roche Holding Ltd	1.61
Sony Corp	1.53
Coca Cola Co	1.48

## Market Commentary

Your portfolio outperformed the index over the quarter. Positive global economic data, encouraging corporate results and receding protectionism fears from the new US administration boosted investor sentiment. However, concerns over the execution of Donald Trump's pro-growth policies and uncertainty surrounding oil prices weighed on investor sentiment. Against this backdrop, certain industrials, information technology (IT) and consumer staples holdings boosted performance. Conversely, energy stocks tracked oil prices lower.

## Investment Option Commentary

### Defensive positions boosted performance

Certain consumer staples positions benefited from positive news flow. In particular, the holding in infant food manufacturer Mead Johnson Nutrition rallied on news that it is being acquired by UK consumer products major Reckitt Benckiser. US tobacco company Philip Morris International, which has key strengths in Europe and Asia, also added value. Investors remain positive about the strong potential in its reduced-risk products (RRP) portfolio.

### Industrials and IT holdings added value

Recruit Holdings reported strong third quarter results, driven by a significant increase in income from overseas recruiting operations as small and medium enterprise (SME) clients are increasingly using its services. Danish wind turbine maker Vestas Wind Systems benefited from strong order intake.

Semiconductor-related holdings including Sumco and Lam Research added value, given the growing addressable markets for their products.

### Certain energy stocks declined

Shares in Anadarko Petroleum, Baker Hughes, Halliburton and Suncor Energy fell on weak crude oil prices.

## Outlook

The uncertainty around US fiscal easing and business deregulation under Trump, as well as the implications of US interest rate rises and the strength of the US dollar will impact markets. Ongoing negotiations for the UK's exit from the European Union and the political climate in Europe will also influence equity markets. Meanwhile, Japan is expected to benefit from stronger global growth and a weak yen, which supports corporate earnings. Looking ahead, I believe that stock-specific fundamentals will remain the key driver of equity returns.

## What you need to know

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