

# Fidelity Global Equities

## Quarterly Investment Option Update

31 December 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.

### Contact Us

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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	Actual (%)	Range (%)
INTERNATIONAL SHARES	97.78	90-100
CASH & ONA	2.22	0-10

### Holdings

Industry Exposure	%
INFORMATION TECHNOLOGY	21.59
FINANCIALS	20.83
CONSUMER DISCRETIONARY	10.42
CONSUMER STAPLES	10.38
HEALTH CARE	9.39
MATERIALS	6.99
INDUSTRIALS	6.52
ENERGY	6.39
REAL ESTATE	4.02
TELECOMMUNICATION SERVICES	1.25
UTILITIES	0.00
CASH & ONA	2.22

Regional Exposure	%
NORTH AMERICA	52.55
EUROPE EX UK	16.39
EMERGING MARKETS	10.80
UK	8.70
JAPAN	8.55
PACIFIC EX JAPAN	0.80
MIDDLE EAST	0.00
CASH & ONA	2.22

Top Ten Securities	%
JPMORGAN CHASE & CO	2.24
ALPHABET INC	1.93
MICROSOFT CORP	1.76
OCADO GROUP PLC	1.59
WELLS FARGO & CO NEW	1.56
ROYAL DUTCH SHELL PLC	1.51
SAP SE	1.49
APPLE INC	1.48
ROCHE HOLDING LTD	1.46
QUALCOMM INC	1.38

## Market Commentary

Your portfolio outperformed the index over the quarter. Optimism towards a sustained recovery in global economic growth and strengthening corporate data across markets supported stocks. Investor sentiment was also buoyed by the smooth passage of the tax reform bill in the US, favourable election results in Japan, and a recovery in metal prices. Against this backdrop, while the exposure to conviction information technology (IT) franchises boosted returns, certain holdings were weighed down by challenging business conditions.

## Investment Option Commentary

### Positive news flow boosted certain positions

UK online grocery firm Ocado Group rose following a deal with French retailer Groupe Casino to help it build a robotic warehouse facility. Mylan's shares rallied after it received long-awaited US regulatory approval for its generic version of rival Teva's multiple sclerosis treatment Copaxone.

### IT holdings performed well

Akamai Technologies forecast current-quarter revenue and profit above estimates as it benefits from an aggressive push into cloud security and a stabilising media content delivery business. Qualcomm rose on news that Broadcom offered to acquire the company for \$105 billion. Qualcomm's board rejected Broadcom's offer, believing that it undervalued the company.

### Subdued earnings results hurt selected stocks

Newell Brands posted third-quarter earnings that fell short of consensus estimates, due to disappointing organic revenue growth and margins. Vestas Wind Systems slid as its earnings disappointed due to tougher competition. Medical equipment maker Elekta witnessed flat order intake, which weighed on its share price.

## Outlook

Going in to 2018, continued strength in the global economy, positive earnings growth outlook and receding macroeconomic risks support global equities. However, central banks are expected to raise interest rates and tighten their monetary policies, which may negatively impact markets. The outlook for US equities appears positive, with the passage of the tax reform bill. Growth in the eurozone remains strong and relative valuations are attractive. Japan continues to make economic progress and should benefit from a pickup in global demand.

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