

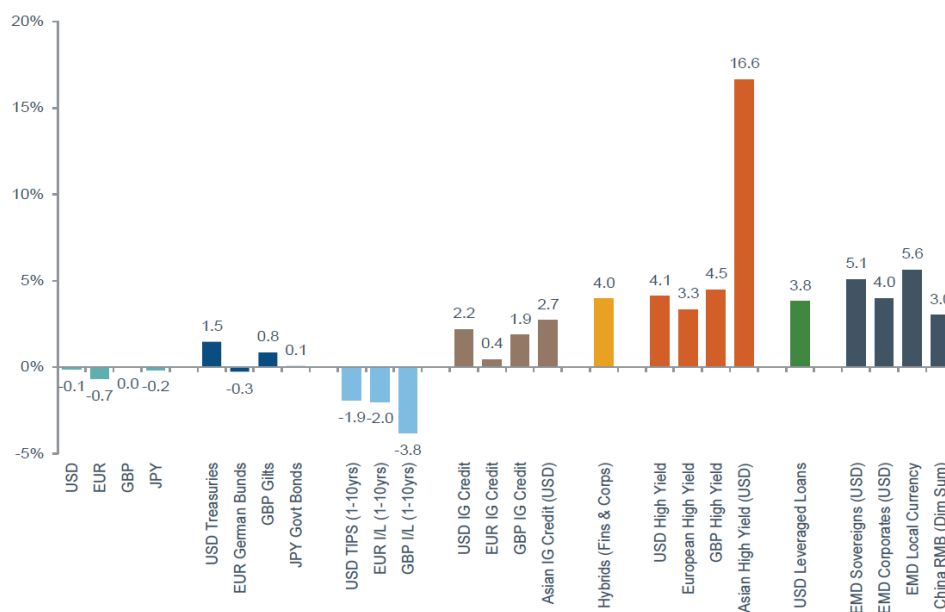
Fund in Focus: Fidelity Asian High Yield Fund

All data as of end October 2021 unless otherwise stated

- The Asian high yield market continued to be rattled by volatility in China’s property sector in October, with the JP Morgan JACI Non-Investment Grade Index falling a further -5.2% in USD terms during the month.
- Yields to worst on the Asian high yield market are higher than any other global high yield sectors. As of 5 November, yields to worst for Asian high yield bonds stood at 16.6% while yields to worst for USD high yield stood at 4.1%.
- Asia high yield currently offers an attractive income opportunity with some issuers currently trading at distressed levels, offering the opportunity for price returns on top of regular coupon payments.

Yields across fixed income asset classes

- Cash
- Government Bonds
- Inflation Linked
- Investment Grade Credit
- Hybrids
- High Yield
- Loans
- Emerging Market Debt



Past performance is not a reliable indicator of future results. The value of investments and the income from them can go down as well as up so you may get back less than the amount originally invested.

Source: Fidelity International, Bloomberg, JPM and ICE BofA Merrill Lynch bond indices. 5 November 2021. Shows yield to worst for high yield and EM, yield to 3yrs for USD Loans, real yield for inflation-linked bonds, yield to maturity for all other asset classes. The Yield to Maturity (also known as the Redemption Yield) is the anticipated return on a bond / fund expressed as an annual rate based on price / market value as at date shown, coupon rate and time to maturity. The redemption yield is gross of any charges and tax. Yield to Worst: is the lowest potential yield that can be received on a bond considering all potential call dates prior to maturity. Hybrids universe defined as 50% Corporate Hybrids and 50% Financial Hybrids indices.

Our Recommended Fund: Fidelity Asian High Yield

Category	Fund Size	Past Performance	
Asia High Yield Bond	USD 4,215.8 million	Fidelity Asian High Yield A Acc USD	ICE BofA Q490 Custom Index
Inception Date	Included under CPFIS	1 month	-6.4
2 April 2007	OA: No SA: No SRS: Yes	3 months	-8.6
		YTD	-11.3
		1 year	-5.0
		3 years p.a.	2.2
		5 years p.a.	1.6
			-3.2
			-4.1
			-4.8
			0.5
			5.4
			3.7

As of end October 2021

Time-tested, bottom-up credit selection. Launched in 2007, the strategy is positioned nearer the shorter end of the maturity curve, indicating its commitment to liquidity management. The fund currently has an effective maturity of 6.23 years as compared to its category average of 7.77 years.

Sector constrained approach, across Asian fixed income markets. The fund manages volatility prudently with its constrained approach on sector and issuer allocation. It has the ability to invest across all Asian fixed income markets, creating a diversified portfolio that aims to create a high level of income and capital appreciation.

Consistent outperformer amongst its peers. The fund has consistently outperformed other funds in its peer group. In the past 10 calendar years from 2011 to 2020, the fund delivered returns above its category average 8 out of 10 times. The fund is currently positioned at a better credit quality and yield to maturity than its peers.

Total Return %	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Investment	-7.54	20.07	2.89	3.49	1.47	13.56	6.95	-4.67	11.95	6.99
+/- Category	0.22	-1.46	3.58	1.50	0.48	3.14	-2.93	0.13	1.70	2.44

Trailing Returns

	1-Month	3-Month	YTD	1-Year	3-Year	5-Year	10-Year
Total Return %	-6.37	-8.63	-11.28	-4.97	2.17	1.55	4.54
+/- Category	0.29	-0.13	0.76	2.70	1.15	1.24	0.81

Fixed Income Style

	Ltd	Mod	Ext	Fixed Income Measures	Investment	Category Average
High				Effective Duration	2.90	2.88
Mid				Modified Duration	4.46	2.91
Low				Effective Maturity	6.23	7.77
				Credit Quality	B	BB
				Weighted Coupon	6.00	5.86
				Weighted Price	90.81	98.68
				Yield to Maturity	10.17	8.67

As of Oct 31, 2021 | Category: Asia High Yield Bond | Source: Manager-reported and holdings-based calculations.

Source: Morningstar, as of end October 2021

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