

Future of Investment Trusts

Fidelity Asian Values Trust

June 2018

Nitin Bajaj

Portfolio Manager

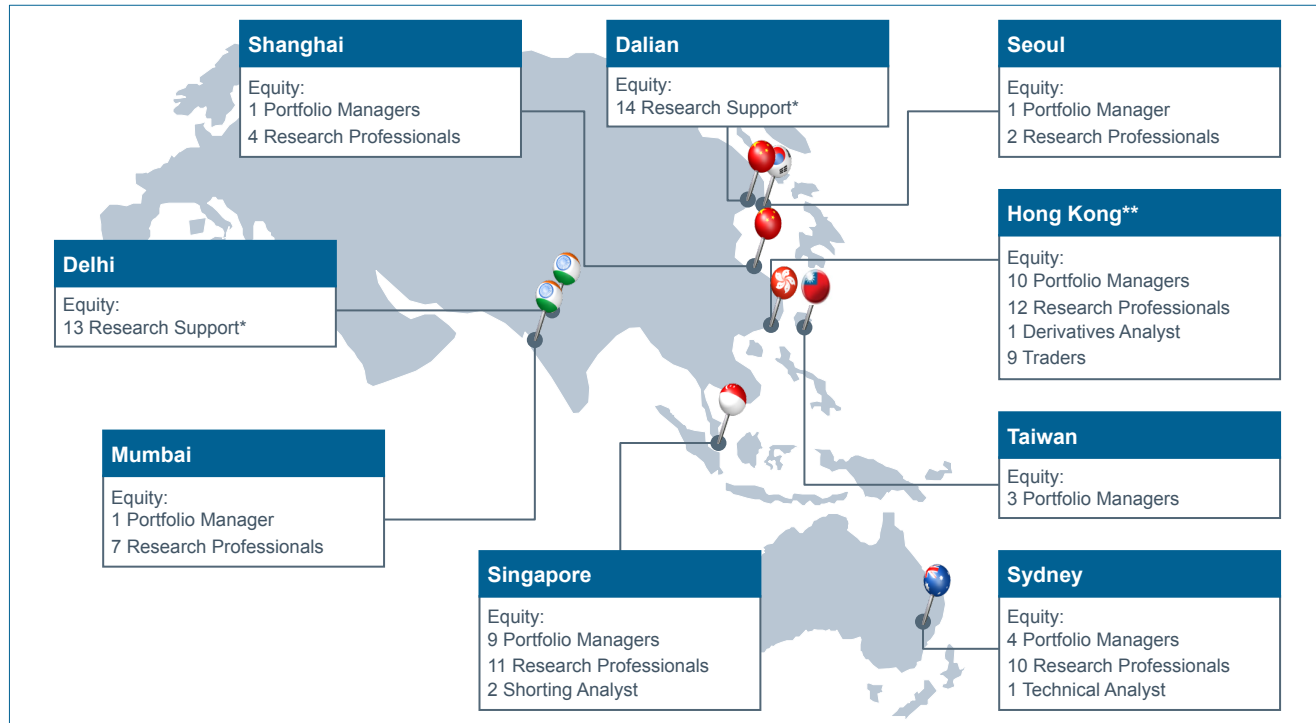
Dedicated and well-resourced Asian equity team

Significant breadth and depth across Asia Pacific ex Japan



5 Dedicated Small cap Analysts

- 1 Korea/Taiwan
- 1 China/HK
- 1 ASEAN
- 1 India
- 1 Australia



Source: Fidelity International, 31 March 2018. Data is un-audited. Research professionals include equity analysts and associates.

*Also referred to as Research specialist; ** Hong Kong: Portfolio managers include 2 multi asset portfolio managers.

Fidelity Asian Values

Asia

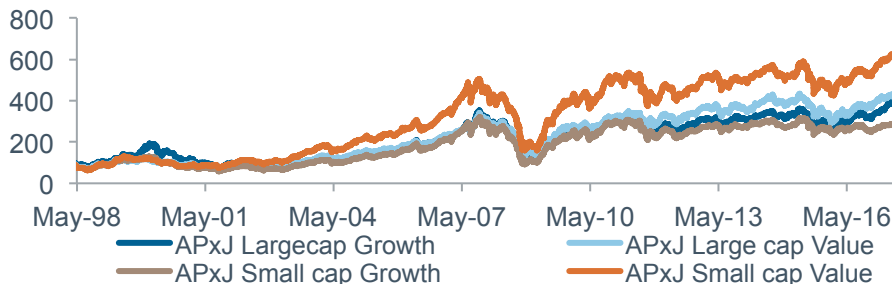


Small caps

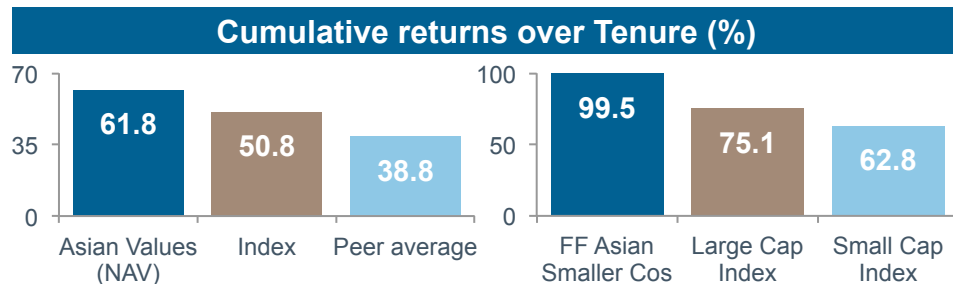


18,000 companies

Focus on “value”



Performance



Source: Fidelity International, Morningstar Direct, Thomson Financials DataStream, 31 May 2018. Basis for Asian Smaller Companies: nav-nav with gross income reinvested, in GBP terms. PM tenure from 2 September 2013. Index: MSCI AC Asia Pacific ex Japan Small Companies Index (10% cap on Australia). Basis for Asian Values PLC: Basis: bid-bid, income reinvested in GBP. PM tenure since 1 April 2015. Index: MSCI AC Asia ex Japan Index. Peer group: AIC Asia Pacific ex Japan sector. Holdings can vary from those in the index quoted. For this reason the comparison index is used for reference only. Past performance is not a guide to the future.

An Unconstrained Investment Process

Benchmark agnostic approach to investing

Buy a “**BUSINESS**” rather than a “**STOCK**”



CHARACTERISTICS

VALUATION

EXPECTATIONS

- Business Model
- Customers / Product
- Growth Opportunity
- Management Quality
- Historical Financial Performance (ROIC, Leverage, FCF)

“**Risk**” vs. “**Reward**” analysis



Back **CONVICTION** with
SUBSTANTIAL POSITION

What I avoid

- What I cannot understand
- High valuations Vs history
- High Debt
- High margins Vs history
- High % of contractual revenues from one theme

Checklist

- Do I understand it?
- Do I like the Industry Structure?
- Great, Good, Gruesome
- Is it run by people I trust?
- Is it available at a reasonable valuation?

Source: Fidelity International, 31 May 2018.

Top Ten Holdings

As on 31 May 2018

Top Ten Holdings	Description	Fund	Index	Active	12mth Forward PE	2017 Dividend Yield	ROE
Power Grid Corp of India	India's central transmission utility with regulated business model	3.3%	--	3.3%	9.3	3.2%	17.0%
China Mobile	Largest telecom company in China	2.9%	1.2%	1.7%	9.6	4.8	11.2%
Taiwan Semiconductor Mfg	Taiwan based manufacturer of integrated circuits	2.7%	3.9%	-1.3%	12.8	4.1%	22.9%
BOC Aviation	Largest aircraft leasing business based in Asia	2.4%	--	2.4%	5.7	5.5%	14.8%
LT Group	A holding company with interests in tobacco, banking, beverage, spirits & real estate	2.0%	--	2.0%	11.3	1.4%	10.4%
LIC Housing Finance	Fourth largest home financier in India	2.0%	0.0%	2.0%	8.7	1.7%	16.8%
Housing Development Finance	Housing finance company with stake in HDFC Bank and business interests in asset management & life and general insurance.	1.9%	0.9%	1.0%	13.1	1.2%	17.4%
HDFC Bank	Leading private sector bank in India	1.8%	--	1.8%	18.1	0.8%	18.4%
PT Bank Rakyat Indonesia	The 2nd largest bank by assets and the dominant micro lender in Indonesia	1.7%	0.3%	1.4%	9.4	3.7%	18.4%
Cognizant Technology Sol	US-listed leading Indian IT services company	1.6%	--	1.6%	13.7	1.1%	20.7%
Total:		22.2%	6.3%	16.0%			

Reference to specific securities should not be construed as a recommendation to buy or sell these securities and is included for the purposes of illustration only.

Source: Fidelity International, 31 May 2018. Index: MSCI AC Asia ex Japan.
Numbers may not total due to rounding.

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