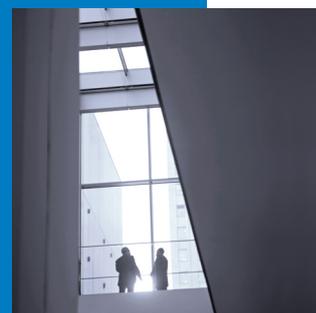


Interim Short Report

For the six month period ended
31 August 2013



FIDELITY INVESTMENT FUNDS INTERIM SHORT REPORT FOR THE SIX MONTH PERIOD ENDED 31 AUGUST 2013

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FIDELITY INVESTMENT FUNDS INTERIM SHORT REPORT FOR THE SIX MONTH PERIOD ENDED 31 AUGUST 2013

INTRODUCTION

In order to provide the shareholders with regular and relevant information about the progress of the Fidelity Investment Funds (the Company), the Financial Conduct Authority (FCA) requires the Authorised Corporate Director (ACD) to send a short report to all shareholders.

This document is a short report of the Company covering the six month period ended 31 August 2013. The information in this report is designed to inform shareholders on the activities of the funds during the period it covers and the result of those activities at the end of the period. The results for each sub-fund are set out in detail in the relevant section of the report.

A more detailed long form version of the report is available free of charge on request to the ACD. The independent Auditors' report on the annual report and financial statements of the Company for the year ended 28 February 2013 was unqualified.

For more information about the activities and performance of the funds during this and the previous period, please contact the ACD.

CHANGES TO THE PROSPECTUS

For the six month period ended 31 August 2013 the following significant changes were made to the Prospectus and Instrument of Incorporation:

- Fidelity Asian Dividend Fund launched on 19 August 2013.
- Y Accumulation share class was launched on 26 June 2013 for Fidelity MoneyBuilder Income Fund.

FIDELITY INVESTMENT FUNDS INTERIM SHORT REPORT FOR THE SIX MONTH PERIOD ENDED 31 AUGUST 2013

GENERAL INFORMATION

FIDELITY INVESTMENT FUNDS

REGISTERED OFFICE

Oakhill House
130 Tonbridge Road
Hildenborough
Tonbridge
Kent TN11 9DZ
United Kingdom
www.fidelity.co.uk
Authorised and regulated in the UK by the Financial Conduct Authority.

INVESTMENT ADVISERS

For funds managed wholly or principally in the United Kingdom:
FIL Investment Services (UK) Limited
Oakhill House
130 Tonbridge Road
Hildenborough
Tonbridge
Kent TN11 9DZ
United Kingdom
Authorised and regulated in the UK by the Financial Conduct Authority.
Registered in England and Wales No 2016555.

For other funds:

FIL Fund Management Limited
Pembroke Hall
42 Crow Lane
Pembroke HM19
Bermuda
Licensed by the Bermuda Monetary Authority under the Investment
Business Act to conduct investment business.

AUTHORISED CORPORATE DIRECTOR (ACD), GENERAL DISTRIBUTOR, ADMINISTRATOR AND REGISTRAR

FIL Investment Services (UK) Limited
Oakhill House
130 Tonbridge Road
Hildenborough
Tonbridge
Kent TN11 9DZ
United Kingdom
The ACD is FIL Investment Services (UK) Limited and is the sole director.
Registered in England and Wales No 2016555.

SUB-DISTRIBUTOR

Financial Administration Services Limited
Oakhill House
130 Tonbridge Road
Hildenborough
Tonbridge
Kent TN11 9DZ
United Kingdom
By a separate sub-distribution agreement dated 1 March 2012 the ACD
has appointed Financial Administration Services Limited to distribute
shares in the United Kingdom.
Authorised and regulated in the UK by the Financial Conduct Authority.

DEPOSITARY

J.P. Morgan Trustee and Depositary Company Limited
Registered Office:
25 Bank Street
London EC14 5JP
United Kingdom

Head Office:
Chaseside
Bournemouth
Dorset BH7 7DA
United Kingdom
Authorised and regulated in the UK by the Financial Conduct Authority.

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT
United Kingdom

FUND MANAGER'S COMMENTARY

MARKET REVIEW

US equities rose over a period that was characterised by sharp swings in investor confidence. The US employment and housing market continued to show signs of sustained recovery. However, investors reacted nervously to US Federal Reserve (Fed) chairman Ben Bernanke's remarks indicating that the central bank could taper its quantitative easing programme sooner than expected. Following these remarks, US Treasury yields rose sharply, prompting investors to switch out of equities, particularly from sectors offering high dividend yields. Speculation about US military action against Syria following allegations of chemical weapons usage also subdued sentiment, as it prompted fears about another potentially long drawn out conflict. Encouragingly, despite these near term headwinds, investors favoured the long term prospects of US equities, which are supported by robust corporate balance sheets and reasonable valuations.

PORTFOLIO ACTIVITY

The fund underperformed the comparative index (S&P 500 Index (Net))* over the period. I completed the transition of the portfolio during the review period, with a shift away from holdings geared to emerging markets growth, towards beneficiaries of the US economic recovery. Selected financials detracted from performance. I sold existing positions in mergers and takeover advisors Greenhill & Co and Lazard as they were affected by weakness in global deal volumes. A new holding in Weyerhaeuser, a timber real estate investment trust with strong linkages to the US housing recovery, hampered returns. The stock came under pressure amid the sell off of high dividend yielding equities following the sharp rise in Treasury yields. Elsewhere, I reduced the exposure to semiconductor manufacturer Maxim Integrated Products, which is heavily reliant on Samsung Electronics. I bought a new holding in Micron Technology instead as the company benefits from its strong presence in the more buoyant dynamic random access memory segment. Meanwhile, selected biotechnology companies were noteworthy contributors to performance. New positions in Vertex Pharmaceuticals and Celgene added value. Vertex, the market leader in cystic fibrosis therapies, reported positive data and a good response for its combination drug, which materially increased its revenue potential. Celgene raised its full year earnings forecast as its cancer drugs continued to deliver strong sales growth. I took profits in Onyx Pharmaceuticals, another oncology specialist, after a takeover offer from Amgen boosted its shares.

OUTLOOK

The US economic recovery is now widely acknowledged. The US consumer is likely to be on firmer ground going into 2014 given the positive trends seen in the housing market and unemployment. However, in the short term, several macroeconomic level events, such as the start of Fed tapering and geopolitical issues in the Middle East, could lead to increased uncertainty among global investors. Furthermore, the impending renewal of the US debt ceiling and its October deadline is also likely to cause some volatility given the lack of clarity about how this would be addressed. Nonetheless, domestic growth themes such as non residential construction recovery and beneficiaries of the US shale gas related renaissance, as well as the strength of the US dollar are positives.

Peter Kaye
Fund Manager
31 August 13

PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 5.5% with net income reinvested, underperforming its comparative index return of 6.7%.

PERFORMANCE SINCE LAUNCH

17 December 79 to 31 August 13



■ Fidelity American Fund ■ Comparative Index¹

1. Comparative Index: S&P 500 Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-3.8	6.0	11.3	12.0	19.4
Comparative Index	-9.0	10.8	11.4	20.5	21.5

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 9,771.4%. Over 5 years the fund has returned 51.8% compared with the comparative index return of 64.4%. Performance prior to 29/08/98 has been recalculated to take account of the conversion from Unit Trust to OEIC fund. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

INVESTMENT OBJECTIVE AND POLICY

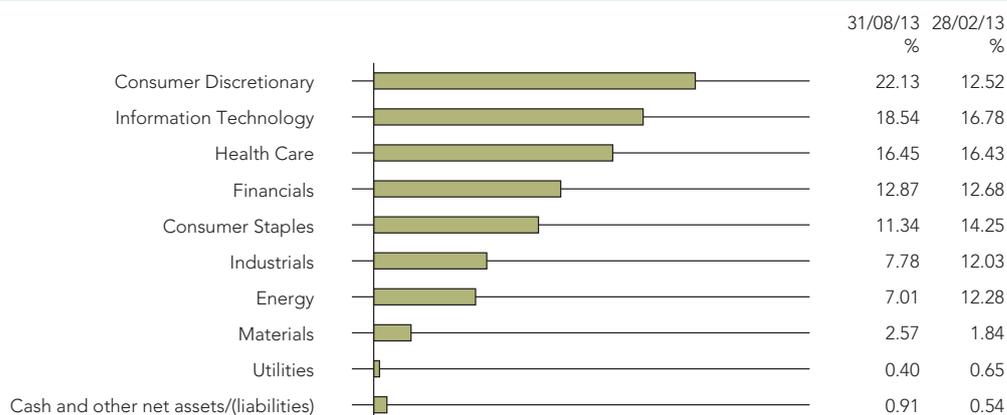
The fund's investment objective is to achieve long term capital growth from a portfolio primarily made up of the shares of US companies. The portfolio is likely to have a bias towards larger and medium-sized companies, although the ACD is not restricted in its choice of company by either size or industry.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Johnson & Johnson	3.01
Home Depot	2.83
Google (A)	2.53
Gilead Sciences	2.29
EOG Resources	2.05
Halliburton	1.95
Celgene	1.94
General Mills	1.89
NetApp	1.86
Harley-Davidson	1.83

Top holdings as at 28/02/13	% of total net assets
Johnson & Johnson	3.71
ExxonMobil	3.69
Procter & Gamble	3.29
Pfizer	3.24
Microsoft	3.04
Merck & Co	2.74
Home Depot	2.27
ChevronTexaco	2.20
Google (A)	2.17
Danaher	2.02

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares	Y Accumulation Shares
31/08/13	1.69	1.16
31/08/12	1.70	1.17
	W Accumulation Shares	
31/08/13	0.94	
31/08/12	-	

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Accumulation Shares			Y Accumulation Shares		
31/08/13	1,042.5	2,220.86	46,939,734	13.7	157.73	8,659,021
	W Accumulation Shares					
31/08/13	26.2	2,168.15	1,209,847			

FUND MANAGER'S COMMENTARY

MARKET REVIEW

US equities rose over a period that was characterised by sharp swings in investor confidence. The US employment and housing market continued to show signs of sustained recovery. However, investors reacted nervously to US Federal Reserve (Fed) chairman Ben Bernanke's remarks indicating that the central bank could taper its quantitative easing programme sooner than expected. Following these remarks, US Treasury yields rose sharply, prompting investors to switch out of equities, particularly from sectors offering high dividend yields. Speculation about US military action against Syria following allegations of chemical weapons usage also subdued sentiment, as it prompted fears about another potentially long drawn out conflict. Encouragingly, despite these near term headwinds, investors favoured the long term prospects of US equities, which are supported by robust corporate balance sheets and reasonable valuations.

PORTFOLIO ACTIVITY

The fund outperformed the comparative index (S&P 500 Index (Net))* over the period. Selected technology holdings were among the key contributors to returns. Electronic Arts, a video game software producer, delivered better than estimated earnings. Strong cost controls and higher margin digital sales offset weak revenue from packaged games. I increased the exposure to the company as it is a beneficiary of the upcoming next generation console cycle. A position in Microsoft benefited from improving earnings over the course of last year, highlighting the strength of its franchises. News that CEO Steve Ballmer would retire within 12 months also prompted expectations of a more proactive growth strategy. I took some profits in Microsoft. Meanwhile, I increased the overweight stance in semiconductor manufacturer NVIDIA. Its encouraging results reflected record gross margins despite a slowdown in the personal computing space. Information services and publishing company Wolters Kluwer also added value as its net profits for the first half of the year grew at an encouraging rate. The company also reiterated its full year guidance for 2013. Within the health care sector, I increased the exposure to managed health care provider Humana. Its performance had lagged due to worries about the impact of legislation on its business. However, over the review period, the company benefited from investors' preference for value opportunities. A new holding in Forest Laboratories also added value. The company focused on developing new therapies to offset losses stemming from former blockbuster drugs that have gone off patent and are facing generic competition. Meanwhile, I sold Johnson & Johnson and Gilead Sciences.

OUTLOOK

The US economic recovery is now widely acknowledged. The US consumer is likely to be on firmer ground going into 2014 given the positive trends seen in the housing market and unemployment. However, in the short term, several macroeconomic level events, such as the start of Fed tapering and geopolitical issues in the Middle East, could lead to increased uncertainty among global investors. Furthermore, the impending renewal of the US debt ceiling and October deadline is also likely to cause some volatility given the lack of clarity about how this would be addressed. Nonetheless, domestic growth themes such as non residential construction recovery and beneficiaries of the US shale gas related renaissance, as well as the strength of the US dollar are positives.

Angel Agudo
Fund Manager
31 August 13

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

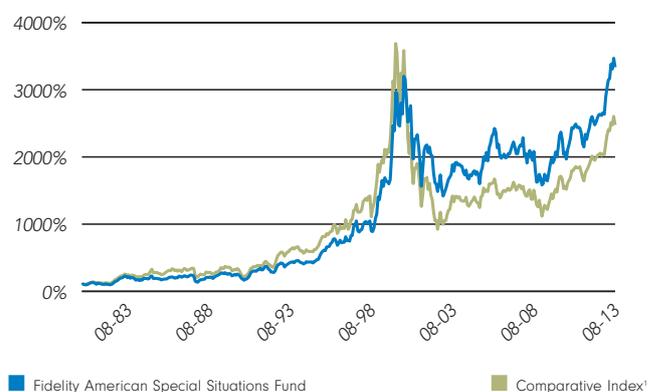
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 10.4% with net income reinvested, outperforming its comparative index return of 6.7%.

PERFORMANCE SINCE LAUNCH

10 November 80 to 31 August 13



■ Fidelity American Special Situations Fund

■ Comparative Index¹

1. Comparative Index: S&P 500 Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-9.8	4.8	11.7	19.7	26.8
Comparative Index	-9.0	10.8	11.4	20.5	21.5

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 3,234.8%. Over 5 years the fund has returned 60.1% compared with the comparative index return of 64.4%. Performance prior to 29/08/98 has been recalculated to take account of the conversion from Unit Trust to OEIC fund. Benchmark to 31/08/06 was NASDAQ Comp. ex dividend Index. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

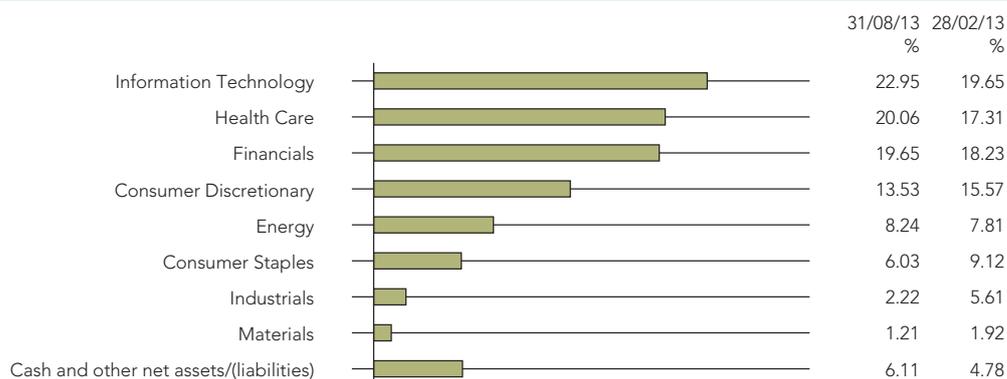
INVESTMENT OBJECTIVE AND POLICY

The fund's investment objective is to achieve long term capital growth from a portfolio primarily made up of the shares of US companies. The portfolio is likely to have a bias towards medium-sized and smaller companies, although the ACD is not restricted in its choice of company by either size or industry.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. This fund invests in a relatively small number of companies, which can make it more volatile than funds that are more diversified. This fund invests more heavily than others in smaller companies, which can carry a higher risk because their share prices may be more volatile than those of larger companies. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Some funds invest more heavily than others in smaller companies, which can carry a higher risk because their prices may be more volatile than those of larger companies. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Merck & Co	4.36
Microsoft	4.17
Huntington Bancshares	3.58
Oracle	3.40
NVIDIA	3.29
Bank of New York Mellon	3.17
Wolters Kluwer	3.03
Astrazeneca ADR	3.00
Express Scripts	2.95
Cisco Systems	2.89

Top holdings as at 28/02/13	% of total net assets
Microsoft	5.02
Johnson & Johnson	4.77
Bank of New York Mellon	3.81
Merck & Co	3.68
Google (A)	3.14
Cisco Systems	2.92
Towers Watson	2.80
Citigroup	2.76
News Corporation	2.70
Check Point Software Technologies	2.59

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares	Y Accumulation Shares
31/08/13	1.70	1.17
31/08/12	1.71	1.19
	W Accumulation Shares	
31/08/13	0.93	
31/08/12	-	

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Accumulation Shares			Y Accumulation Shares		
31/08/13	272.5	833.62	32,692,044	1.3	789.86	165,396
	W Accumulation Shares					
31/08/13	5.3	762.83	698,176			

FUND MANAGER'S COMMENTARY

MARKET REVIEW

Asia Pacific ex Japan stocks declined in August. Worries that the US Federal Reserve may start winding down its bond buying programme as early as September sparked a general risk aversion weighing on both Asian equities and currencies. Lacklustre data in some emerging Asian economies and geopolitical risks surrounding Syria further added to the volatility. However, positive economic data from Europe and signs of stabilisation in China supported the market somewhat. At a sector level, utilities, telecommunications and health care were among the worst performers as rising US Treasury bond yields make these high dividend stocks look less attractive. On a positive note, materials and energy outperformed the market owing to a rise in commodity and oil prices. Information technology stocks also advanced.

PORTFOLIO ACTIVITY

The fund outperformed the comparative index (MSCI All Countries Asia Pacific ex Japan (Net))* over the period since its launch on 19 August 2013. The fund seeks to provide investors with sustainable yields, targeting a yield of around 110% of the MSCI All Countries Asia Pacific ex Japan Index (Net). It is an unconstrained, actively managed equity fund that provides exposure to 60-80 of our best income generating investment ideas in the Asia Pacific ex Japan region. The investment strategy targets companies that offer stable dividends as well as those that have solid dividend growth potential. These companies should have strong cash flows, sustainable business models and high quality management teams. Under the stable dividend category, I focus on market leading companies that have reached a mature level of development. These companies would typically have paid out dividend consistently over an extended period of time and have a business model that has been proven over multiple cycles. For instance, I hold leading Australian telecommunications operator Telstra, which offers solid and growing earnings and cash flows. Under the dividend growth category, the fund focuses on companies that are increasing their market share by tapping into a growing domestic consumer base or even through international expansion. Their business model gives them an edge over their peers and will have enabled them to grow at a pace that outstrips their peer group average. For instance, I have a high conviction position in China's largest vertically integrated knitwear manufacturer Shenzhou International. Solid demand from key customers and expansion plans are likely to buoy its earnings.

OUTLOOK

Overall, the long term outlook for Asia remains positive given solid structural growth drivers such as favourable demographics, rising consumption and increasing income levels. Companies in the region are in good shape, with healthy cash flows and balance sheets. This has resulted in a large number of listed companies paying dividends, and dividend growth is rising at a faster pace than in the developed markets. Notwithstanding volatility arising from the potential scaling back of stimulus measures in the US, I believe that a dividend focused strategy offers a return cushion and should outperform in the medium to long term.

Polly Kwan
Fund Manager
31 August 13

PERFORMANCE RECORD

PERFORMANCE SINCH LAUNCH

The fund was launched on 19 August 2013. Since its launch the fund returned 0.1% with net income reinvested outperforming its comparative index return of -0.3%.

Comparative Index: MSCI All Countries Asia Pacific ex Japan (Net)

A discrete 1 year performance table has not been included as the fund was launched in August 2013 and does not have a full twelve month performance record.

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 0.1%. Performance excludes initial charge.

Due to the short period since launch, a performance graph is not applicable and has not been included.

INVESTMENT OBJECTIVE AND POLICY

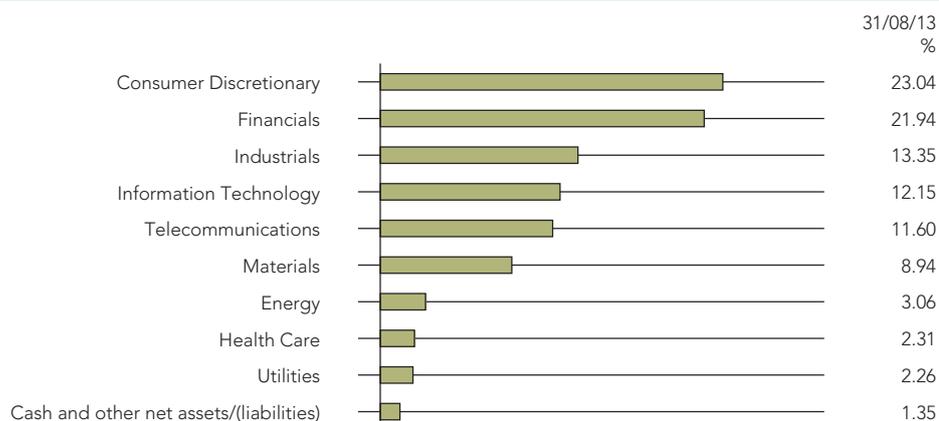
The Fund's investment objective is to achieve a combination of income and long term capital growth from a portfolio made up primarily of the securities of companies in the Asia Pacific region, including ordinary shares, preference shares, convertibles and fixed interest securities.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. Investments in small and emerging markets can be more volatile than other more developed markets. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. This fund invests in a relatively small number of companies, which can make it more volatile than funds that are more diversified. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money into cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 is shown below.

Top holdings as at 31/08/13	% of total net assets
Xinyi Glass	4.72
Shenzhou International	3.66
Telstra	3.66
GWA International	3.36
Hyundai Motor	3.31
ANZ Banking (AU)	3.21
Kingsoft	2.76
BHP Billiton (AU)	2.71
SK Telecom	2.61
Fletcher Building	2.51

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

	XD date	A Income Shares	W Income Shares
Interim distribution	01/09/13	0.1129	0.1121

ONGOING CHARGES (%)

	A Income Shares	W Income Shares
31/08/13	1.83	1.08
	A Accumulation Shares	W Accumulation Shares
31/08/13	1.83	1.08

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
		A Income Shares			W Income Shares	
31/08/13	-	100.70	25,698	1.0	100.68	960,577
		A Accumulation Shares			W Accumulation Shares	
31/08/13	-	100.86	26,377	1.0	100.79	964,359

FUND MANAGER'S COMMENTARY

MARKET REVIEW

Chinese equities endured high levels of volatility during the six month period. Fears that the US Federal Reserve would taper its buy back programme and weak economic recovery in China weighed on stocks. Concerned over the aggressive lending by banks, the People's Bank of China (PBoC) intervened by injecting funds into the market. Consequently, there was a sharp rise in interbank rates, which exacerbated the decline in the domestic equity market. Meanwhile, economic data pointed to early signs of a recovery. Towards the end of the period, economic data stabilised, and China outperformed its emerging markets peers. Whilst the market is trading at extremely depressed valuations, consumer stocks continue to command a premium due to their higher return on equity and stronger growth prospects.

PORTFOLIO ACTIVITY

The fund significantly outperformed the comparative index (MSCI China Index (Net))* over the period, driven by both stock and sector selection. Internet companies delivered strong results. Kingsoft was favoured for its successful transition to a leading internet player with a strong position in cloud computing and security. Online games and networking portal owner Tencent beat both revenue and profit expectations. It remains among the top active bets in the portfolio given its strong organic growth. Within consumer related sectors, casino operators in Macau continued to be profitable. Galaxy Entertainment benefited from its acquisition of the Grand Waldo casino complex in the Cotai region. In the staples segment, the allocation to skin care and cosmetics products manufacturer Magic advanced as the company added more capacity. The fund remains focused on consumer related stocks, including consumer oriented technology companies. Here, I bought a position in New Oriental Education & Technology, an educational services and training company. I believe that it is a resilient growth story and will start to see the benefits of new learning centres opened over the last year. Elsewhere, the underweight stance in telecommunications and utilities stocks detracted from performance as these sectors were preferred amid volatility. During the period, I purchased small positions in wind energy companies Huaneng Renewables and China Longyuan Power. Both these companies are poised to benefit from strong growth due to policy emphasis on cleaner sources of fuel. Meanwhile, I sold selected positions in property and banks. These included Longfor Properties, Industrial and Commercial Bank of China and Hong Kong Exchanges and Clearing.

OUTLOOK

The consumer sectors are likely to continue to benefit from solid domestic demand and should deliver stronger growth than the rest of the economy over the medium term. Going forward, I will focus on companies that could benefit from new drivers, including alternative sources of energy; new catalysts such as mergers and consolidation; new policy; and new media trends to attain growth.

Raymond Ma
Fund Manager
31 August 13

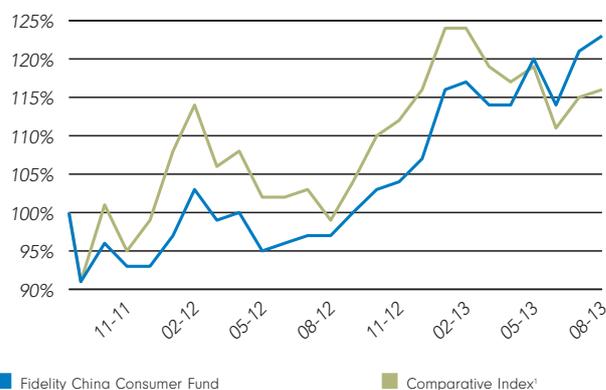
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 4.7% with net income reinvested, outperforming its comparative index return of -7.0%.

PERFORMANCE SINCE LAUNCH

14 September 11 to 31 August 13



■ Fidelity China Consumer Fund ■ Comparative Index¹

1. Comparative Index: MSCI China Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-	-	-	-	26.8
Comparative Index	-	-	-	-	17.1

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 22.7%. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

INVESTMENT OBJECTIVE AND POLICY

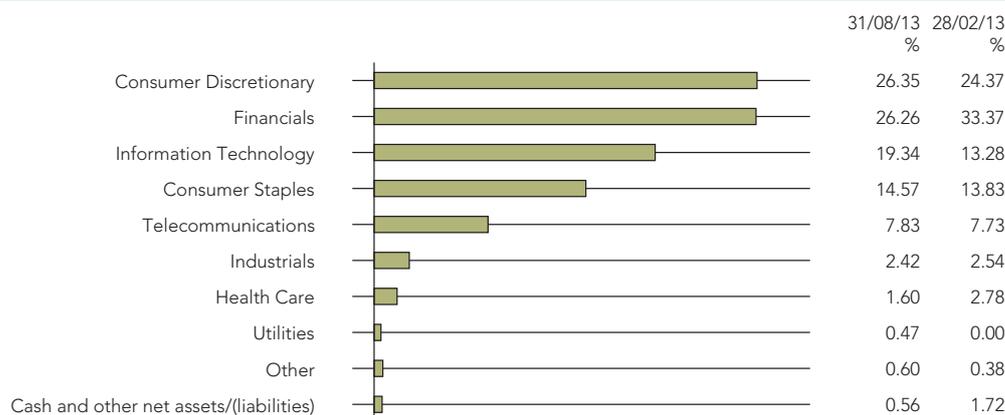
The Fund's investment objective is to achieve long term capital growth from a portfolio primarily made up of the shares of companies listed in China and which are involved in the development, manufacture or sale of goods or services to consumers. The Fund may also invest in other transferable securities, units in collective investment schemes, money market instruments, cash and deposits.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. Investments in small and emerging markets can be more volatile than other more developed markets. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. This fund invests in a relatively small number of companies, which can make it more volatile than funds that are more diversified. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money into cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Tencent	9.56
AIA	8.82
K Wah Construction Materials	4.30
China Life Insurance	3.98
Sands China	3.75
China Mobile	3.65
Hengan	3.04
Cathay Financial	3.02
Kingsoft	2.98
China Pacific Insurance	2.95

Top holdings as at 28/02/13	% of total net assets
AIA	8.65
Tencent	8.54
China Life Insurance	5.26
Ping An Insurance	5.17
China Mobile	3.54
China Pacific Insurance	3.16
Belle International	2.67
Hengan	2.65
K Wah Construction Materials	2.52
Sands China	2.15

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares	Y Accumulation Shares
31/08/13	1.83	1.30
31/08/12	1.83	1.22

The ongoing charges figure is the ratio of total costs to average net assets.

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
			A Accumulation Shares			Y Accumulation Shares
31/08/13	7.1	122.44	5,821,857	0.3	123.74	214,304

FUND MANAGER'S COMMENTARY

MARKET REVIEW

Stocks in emerging Asia endured a sell off during the six month period. Fears that the US Federal Reserve would taper its quantitative easing programme, a sluggish recovery in global trade and volatile Chinese interbank rates hurt markets. Furthermore, the Philippines and Thailand succumbed to profit taking as investors became concerned about high valuations and withdrew assets from the region. India and Indonesia were plagued by concerns over their current account deficits. In contrast, Malaysian stock markets were muted, due to the defensive nature of stocks and the ruling coalition's victory in the general elections. Chinese equities also remained resilient as economic data stabilised. In a volatile market, cyclical sectors, including materials and energy suffered the most.

PORTFOLIO ACTIVITY

The fund outperformed the comparative index (MSCI Emerging Asia Composite Index (Net))* over the period, largely due to strong stock selection. Notably, high conviction positions in Chinese technology stocks performed well. Social networking portal and WeChat owner Tencent beat expectations on both revenues and profit margins due to growth in its online gaming and ecommerce business. In the consumer discretionary sector, strong earnings lifted Chinese sports utility vehicle manufacturer Great Wall Auto and Macau based casino operator Sands China. The exposure to renewable energy companies also added value amid a positive policy backdrop. Conversely, limited exposure to China Mobile and CNOOC hurt returns as these stocks rose on the back of better than expected returns. I lowered the exposure to the energy and materials sectors in China to purchase positions in other growth areas. For instance, I sold holdings in China Petroleum & Chemical and China Shenhua Energy. I also sold cement stocks, including Anhui Conch Cement and China National Building Material due to a weaker outlook for the sector. Meanwhile, the underweight stance in Malaysia held back returns, although I did add some positions during the period. For instance, I bought shares in construction company Gamuda to gain exposure to the rising infrastructure spending in the country, especially the planned upgrade of the rail transport network. I also purchased a holding in Malayan Banking due to its strong market position and healthy balance sheet amid a pick up in credit growth. Elsewhere, I bought positions in India based HDFC Bank and mortgage company HDFC given their strong franchise and quality management.

OUTLOOK

I am positive about China and am finding interesting opportunities in internet, renewable energy, consumer and pharmaceuticals companies. Valuations in the country are still reasonable compared to the rest of the region, especially given their long term growth prospects. The secular growth story in India is intact, but I remain concerned about the country's twin deficits, the depreciating currency and upcoming elections in the middle of next year. Similar issues are a concern for Indonesia. Meanwhile, economic growth in Thailand is likely to remain sluggish, but I think industries such as telecommunications look interesting. I believe the Philippines is in a sweet spot, with rising consumption supporting growth.

Teera Chanpongsang
Fund Manager
31 August 13

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

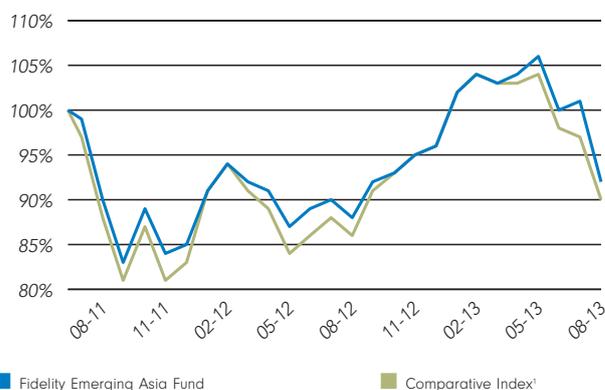
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned -11.3% with net income reinvested, outperforming its comparative index return of -13.9%.

PERFORMANCE SINCE LAUNCH

11 July 11 to 31 August 13



■ Fidelity Emerging Asia Fund ■ Comparative Index¹

1. Comparative Index: MSCI Emerging Asia Composite Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-	-	-	-2.5	4.2
Comparative Index	-	-	-	-2.6	4.5

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned -8.2% Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

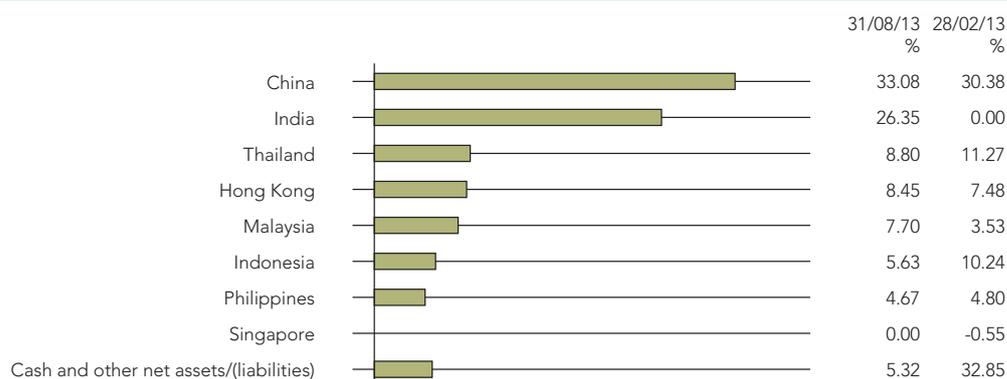
INVESTMENT OBJECTIVE AND POLICY

The Fund's investment objective is to achieve long term capital growth through investing principally in securities of companies having their head office or exercising a predominant part of their activity in less developed countries of Asia that are considered as emerging markets according to the MSCI Emerging Markets Asia Index. The Fund may also invest in other transferable securities, units in collective investment schemes, money market instruments, cash and deposits. Derivatives and forward transactions may also be used for investment purposes.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. Investments in small and emerging markets can be more volatile than other more developed markets. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. For this fund, derivatives and forward transactions may be used for investment purposes, as well as for hedging and other efficient management purposes as permitted for all funds. Where this is the case, their use may lead to higher volatility in the fund's share price. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Tencent	4.49
Infosys Technology	3.76
China Mobile	3.43
Tata Consultancy Services	3.26
Industrial & Commercial Bank of China	3.17
Reliance Industries (Dematerialised)	3.04
Housing Development Finance	2.93
China Construction Bank	2.55
HDFC Bank (Dematerialised)	2.07
ITC	2.04

Top holdings as at 28/02/13	% of total net assets
Industrial & Commercial Bank of China	3.32
China Construction Bank	3.17
Tencent	2.91
Petrochina	2.06
Kasikornbank	1.93
Bank Rakyat Indonesia	1.69
Ping An Insurance	1.52
Bangkok Bank Public NVDR	1.50
Advanced Information Services (F)	1.46
Bank Central Asia	1.45

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares	Y Accumulation Shares
31/08/13	1.82	1.20
31/08/12	1.82	1.39

The ongoing charges figure is the ratio of total costs to average net assets.

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Accumulation Shares			Y Accumulation Shares		
31/08/13	8.3	91.65	9,070,415	0.5	92.71	515,981

FUND MANAGER'S COMMENTARY

MARKET REVIEW

Equities in the emerging Europe, Middle East and Africa (EMEA) region declined due to concerns over stimulus reduction by the US Federal Reserve. Markets in Russia, Hungary and Turkey ended the period in negative territory. Russian shares slid owing to pessimism surrounding the country's GDP growth and weak oil demand from Europe. Stocks in Turkey plunged when a relatively small protest against the government's development plans in Istanbul turned into a bigger movement opposing the authoritarian nature of the government's approach. In contrast, South African equities rose on the back of optimism around China's move to encourage construction activity. Markets in Nigeria and Kenya also ended the period on a positive note.

PORTFOLIO ACTIVITY

The fund outperformed the comparative index (MSCI Emerging EMEA Index (Capped 5% Net))* over the period. Performance was driven by stock selection in the financials and consumer discretionary sectors, as well as by an underweight stance in materials. However, the bias against the energy sector held back returns. At a country level, selected holdings in Russia and South Africa enhanced gains. Within consumer discretionary, the holding in media company Naspers contributed to performance. The company reported robust earnings for the year ended March 2013, driven by its pay TV division and ecommerce businesses across a variety of emerging markets. The fund is defensively positioned, as reflected by the significant exposure to the consumer discretionary and consumer staples sectors. The allocation to the discretionary sector was raised by adding to the holding in Naspers. I also bought a new position in furniture retailer Steinhoff International, which has a strong presence in the European and African markets. Its integrated business model allows for significant cost control across the supply chain, making it a key player in the low-cost furniture segment. Meanwhile, in consumer staples, I bought shares in Russia-based Magnit owing to its fast growing food retail network in the country. In contrast, the exposure to the financials sector was decreased by selling the position in Turkiye Halk Bankasi as the low interest rate environment in Turkey is likely to pressurise bank margins. Elsewhere, in materials, I reduced the holding in Harmony Gold Mining. The continued demand for wage increases and subsequent labour unrests are negatively affecting the company's production. In the energy sector, shares in Lukoil were sold owing to a downbeat outlook for oil production.

OUTLOOK

The region benefits from a vast array of natural resources, notably energy and precious metals, which are helping to boost investment and economic growth. However, the more cyclical areas within the emerging EMEA region may struggle in the near term given the Chinese slowdown. Nevertheless, I see the region remaining strong. In particular, the outlook for Africa remains attractive, as domestic consumption on the continent grows strongly due to rising incomes. The continent is likely to see positive growth globally over the next five years. According to consensus forecasts, the 5% real compound GDP growth of the last decade will continue.

Nick Price
Fund Manager
31 August 13

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

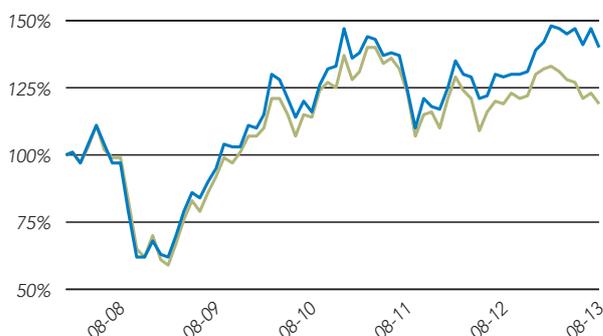
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned -5.4% with net income reinvested, outperforming its comparative index return of -11.1%.

PERFORMANCE SINCE LAUNCH

14 January 08 to 31 August 13



■ Fidelity Emerging Europe Middle East and Africa Fund ■ Comparative Index¹

1. Comparative Index: MSCI Emerging EMEA Index (Capped 5% Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-1.7	21.9	6.8	4.4	7.7
Comparative Index	-6.9	24.0	7.9	-2.9	-0.5

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 39.5%. Over 5 years the fund has returned 44.0% compared with the comparative index return of 20.2%. There was a fixed-offer period from 14/01/08 to 04/02/08. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

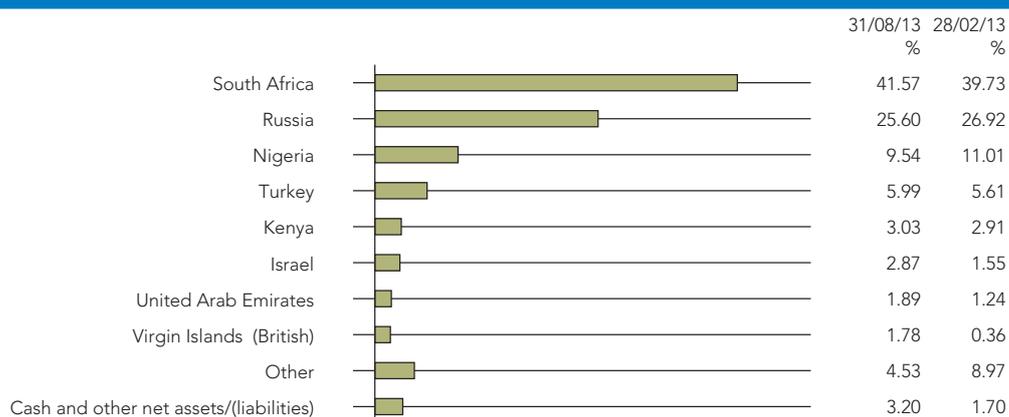
INVESTMENT OBJECTIVE AND POLICY

The fund's investment objective is to achieve long term capital growth through a portfolio primarily in securities of companies having their head office or exercising a predominant part of their activity in less developed countries of Central, Eastern and Southern Europe (including Russia), Middle East and Africa that are considered as emerging markets according to the MSCI EM Europe, Middle East and Africa Index. The fund may also invest in other transferable securities, units in collective investment schemes, money market instruments, cash and deposits. Derivatives and forward transactions may also be used for investment purposes.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. Investments in small and emerging markets can be more volatile than other more developed markets. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. For this fund, derivatives and forward transactions may be used for investment purposes, as well as for hedging and other efficient management purposes as permitted for all funds. Where this is the case, their use may lead to higher volatility in the fund's share price. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Naspers	9.86
MTN	4.77
OAQ Gazprom	3.96
Novatek Reg S	3.88
Nigerian Breweries	3.65
Magnit GDR	3.54
Sberbank of Russia	3.49
Mobile Telesystems ADR	3.35
Remgro	3.30
Surgutneftegaz (Pref'd)	3.02

Top holdings as at 28/02/13	% of total net assets
MTN	7.31
Naspers	7.08
Sberbank of Russia	5.71
LUKOIL	5.02
Nigerian Breweries	3.82
Surgutneftegaz (Pref'd)	3.45
Remgro	3.38
SABMiller (SA)	2.78
Discovery	2.77
Novatek Reg S	2.61

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares	Y Accumulation Shares
31/08/13	1.89	1.29
31/08/12	1.91	1.41

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Accumulation Shares			Y Accumulation Shares		
31/08/13	109.4	139.30	78,565,620	1.1	131.42	819,002

FUND MANAGER'S COMMENTARY

MARKET REVIEW

The UK stock market advanced over the six month period. Positive economic data in the UK as well as leading economies such as the US and China helped improve investor sentiment. Meanwhile, policy actions from global central banks indicated their commitment to keep the recovery moving forward. Stocks rose in four of the six months under review. Declines in June and August, amid worries that the US Federal Reserve will start to taper its bond buying programme, capped overall market returns. As such, the improvement in risk appetite resulted in strong gains in the small and mid cap segments. At the sector level, returns were broad based with retailers, telecommunications and consumer services companies in the media and travel & leisure sectors among the leading gainers. However, demand concerns and worries about cyclical earnings and cost inflation undermined shares in mining companies.

PORTFOLIO ACTIVITY

The fund outperformed the comparative index (FTSE All Share Index (Net))* over the period, driven by our focus on companies that deliver consistent dividend growth. Holdings in BT Group and BAE Systems were among the main contributors to performance at the stock level. Telecommunications major BT Group reported an increase in its annual profits and also raised its dividends. The holding in defence company BAE Systems added value as it announced an increase in its half year dividend and is expected to produce double digit earnings growth in 2013. The long standing underweight stance in the materials sector also supported relative returns as demand concerns and high cost inflation undermined these shares. On the downside, the position in Imperial Tobacco detracted from performance. Strong sales growth from the company's key strategic brands was not enough to prevent a fall in its first half revenue. However, growth in its interim dividend remained in line with our expectations. The exposure to a number of our higher yielding positions was increased with a view to generating dividend growth. For instance, we raised the allocation to SSE, Provident Financial, KCOM and National Grid Transco. On the other hand, we sold the position in Vodafone in view of the difficult conditions in the European telecommunications sector. The holding in specialty chemicals company Akzo Nobel was also sold, whilst the exposure to leading gas producer BG Group was reduced slightly. The core portfolio will maintain a balance between an emphasis on high yield and flexibility for capital growth over the medium term. Within the derivatives segment, the fund uses covered call options, which will enhance the income from the core portfolio by selling covered call options on a portion of the fund's UK equity holdings. We ended the period with around 62% of the portfolio overwritten, which is towards the lower end of our longer term average.

OUTLOOK

The UK economy continues to make progress, and the outlook appears increasingly positive now than it was at the start of the year. Overall, we see equity yields as attractive and dividend payout ratios are low relative to history. Most importantly, after the dividend crisis of 2008 and 2009, we think that dividends now remain largely secure.

Michael Clark & David Jehan
Fund Managers
31 August 13

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

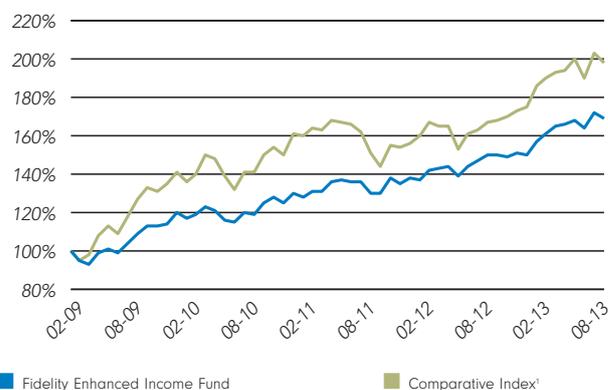
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 5.0% with net income reinvested, outperforming its comparative index return of 4.1%.

PERFORMANCE SINCE LAUNCH

02 February 09 to 31 August 13



■ Fidelity Enhanced Income Fund

■ Comparative Index¹

1. Comparative Index: FTSE All Share Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-	10.4	9.1	15.0	13.0
Comparative Index	-	10.6	7.3	10.2	18.9

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 69.9%. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

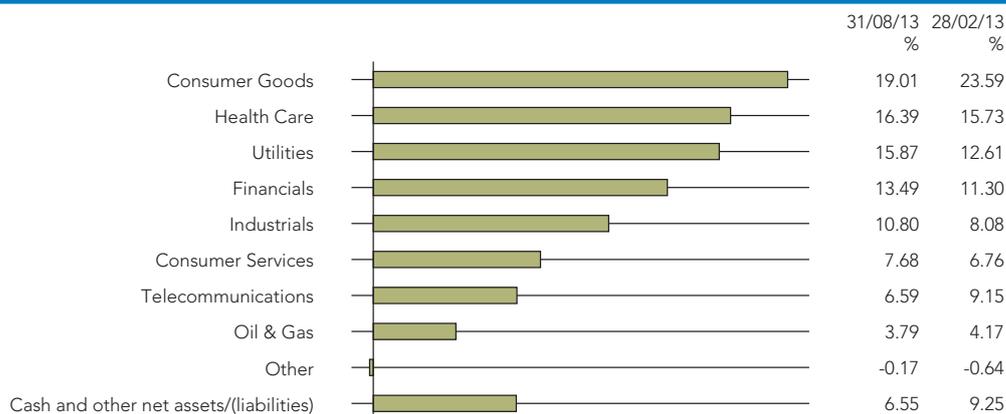
INVESTMENT OBJECTIVE AND POLICY

The fund's investment objective is to achieve income with the potential for some capital growth from a portfolio made up mainly of the securities of UK companies. Derivatives and forward transactions may be used for investment purposes and this may include using derivative instruments to generate additional income, for example, by the writing of call options. The fund may also invest in other transferable securities, units in collective investment schemes, money market instruments, cash and deposits.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment and the income from it can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. The main aim of the fund is to produce income. When this income is paid out instead of being reinvested, there is little prospect of any real capital growth. The fund takes its annual management charge from your capital and not from the income generated by the fund. This means that any capital growth in the fund will be reduced by the charge and your capital may be reduced over time if the fund's growth does not compensate for it. For this fund, derivatives and forward transactions may be used for investment purposes, as well as for hedging and other efficient management purposes as permitted for all funds. Where this is the case, their use may lead to higher volatility in the fund's share price. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
GlaxoSmithKline	7.46
AstraZeneca (UK)	6.33
BT	4.89
Imperial Tobacco	3.96
BG	3.79
Reckitt Benckiser	3.77
Centrica	3.43
British American Tobacco	3.30
Tesco	3.07
Scottish & Southern Energy	2.78

Top holdings as at 28/02/13	% of total net assets
GlaxoSmithKline	6.79
AstraZeneca (UK)	5.87
BT	4.59
Reckitt Benckiser	4.41
Imperial Tobacco	4.35
BG	4.17
British American Tobacco	4.01
Centrica	3.63
Tesco	3.52
Unilever (UK)	3.27

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

	XD date	A Income Shares	Y Income Shares
Interim distribution	01/09/13	1.4000	1.2000
Interim distribution	01/06/13	1.4000	1.2000
	XD date	W Income Shares	A Accumulation Shares
Interim distribution	01/09/13	1.2000	1.8000
Interim distribution	01/06/13	1.2000	1.8000
	XD date	Y Accumulation Shares	W Accumulation Shares
Interim distribution	01/09/13	1.2000	1.2000
Interim distribution	01/06/13	1.2000	1.2000

ONGOING CHARGES (%)

	A Income Shares	Y Income Shares
31/08/13	1.71	1.18
31/08/12	1.75	1.22
	W Income Shares	A Accumulation Shares
31/08/13	0.96	1.71
31/08/12	-	1.74
	Y Accumulation Shares	W Accumulation Shares
31/08/13	1.17	0.96
31/08/12	1.27	1.04

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
A Income Shares			Y Income Shares			
31/08/13	101.9	123.52	82,535,068	15.4	109.74	14,050,321
W Income Shares			A Accumulation Shares			
31/08/13	31.6	108.47	29,121,686	39.0	169.07	23,071,988
Y Accumulation Shares			W Accumulation Shares			
31/08/13	1.8	123.50	1,490,983	8.5	115.99	7,321,797

FUND MANAGER'S COMMENTARY

MARKET REVIEW

European equities advanced over the six month period due to expectations of continued accommodative monetary policies by global central banks. However, investors globally worried that the US Federal Reserve (Fed) could begin tapering its stimulus programme later in the year if economic data remains in line with expectations. Fears about military action against Syria following the use of chemical weapons against rebel held enclaves outside Damascus also hurt investor sentiment.

PORTFOLIO ACTIVITY

The fund underperformed the comparative index (MSCI Europe (ex-UK) Index (Net))* over the period. The exposure to the industrials and health care sectors detracted from performance, whilst financials added value. In industrials, Schindler declined after it lowered its earnings guidance citing margin pressure due to expansion in China and India. Among financials, shares in Türkiye Garanti Bankasi slid as Turkish bond yields rose amid protests against the government. Conversely, the holding in UBS performed well on the back of strong earnings, driven by its wealth management and investment banking units. Shares in KBC also rose in view of its consensus beating second quarter results. Elsewhere, the position in Nestle, was negatively impacted by rising bond yields that made its dividend pay outs relatively unattractive. The allocation to Umicore held back returns; I reduced the holding. Meanwhile, the position in Atlantia was sold after its diversification into airport management as that business may not be very lucrative. The exposure to SAP was also lowered. However, I remain positive on the stock as the company still receives substantial recurring maintenance revenues and trades at an attractive valuation relative to peers. During the period, I purchased shares in Volkswagen. It has a strong balance sheet and a cash generative business with a cost leadership position in both the mass and luxury markets. Its dividends are also expected to grow strongly in the future. Elsewhere, I bought a position in CHR Hansen, a leading global player in cultures and enzymes for dairy products. The company has the potential to register strong earnings growth. I also added to the holding in elevator and escalator company Kone as it has a strong track record of earnings growth and benefits from a large and highly profitable aftermarket business, which accounts for almost half of its sales.

OUTLOOK

Relative valuations between equity and bond yields are an important comparator for investment decisions. Bond yields may fall if the US economic data is not robust and the Fed does not begin reducing its asset purchases. Going forward, the environment is likely to remain fluid because it is uncertain whether global economies come out of the crisis and return to a more normal rate of growth. Against this backdrop, I will continue to focus on attractively valued companies with sound balance sheets, which can deliver consistent dividend growth.

Samuel Morse
Fund Manager
31 August 13

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

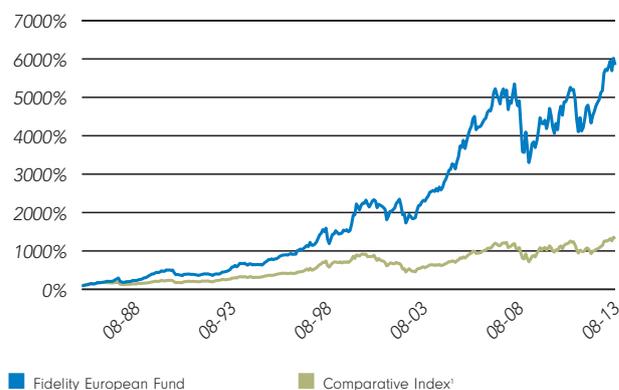
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 2.0% with net income reinvested, underperforming its comparative index return of 3.5%.

PERFORMANCE SINCE LAUNCH

04 November 85 to 31 August 13



■ Fidelity European Fund ■ Comparative Index¹

1. Comparative Index: MSCI Europe (ex-UK) Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-15.8	0.6	6.2	8.3	22.3
Comparative Index	-7.2	-0.5	2.4	1.0	26.1

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 5,740.0%. Over 5 years the fund has returned 19.0% compared with the comparative index return of 20.4%. Performance prior to 29/08/98 has been recalculated to take account of the conversion from Unit Trust to OEIC fund. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

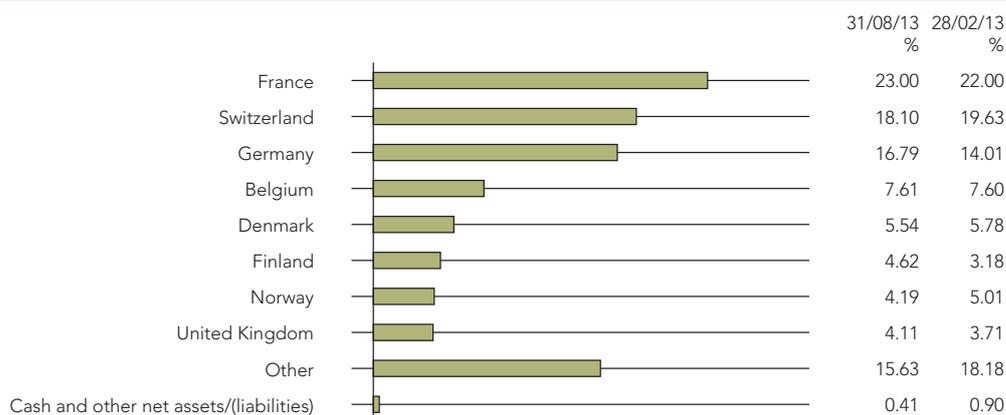
INVESTMENT OBJECTIVE AND POLICY

The fund's investment objective is to achieve long term capital growth from a portfolio primarily made up of the shares of continental European companies. The portfolio is likely to have a bias towards medium-sized and smaller companies. However, the ACD is not restricted in the choice of company either by size or industry, or in terms of the geographical split of the portfolio, which is largely determined by the availability of attractive investment opportunities rather than the outlook for each market.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. This fund invests more heavily than others in smaller companies, which can carry a higher risk because their share prices may be more volatile than those of larger companies. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Nestle (Reg'd)	7.13
Sanofi-Aventis	5.23
UBS (Reg'd)	4.44
Novo Nordisk (B)	4.30
Schneider Electric	3.69
Anheuser-Busch InBev	3.39
SAP	3.36
BNP Paribas	3.04
Sampo Insurance (A)	2.87
Christian Dior	2.86

Top holdings as at 28/02/13	% of total net assets
Nestle (Reg'd)	7.67
Sanofi-Aventis	5.45
Novo Nordisk (B)	4.62
SAP	4.39
Schneider Electric	4.02
UBS (Reg'd)	3.89
Anheuser-Busch InBev	3.17
Zurich Financial	3.08
Umicore	2.81
BNP Paribas	2.74

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

	XD date	A Income Shares	W Income Shares
Interim distribution	01/09/13	1.0713	11.7083

ONGOING CHARGES (%)

	A Income Shares	W Income Shares
31/08/13	1.71	0.96
31/08/12	1.71	-
	A Accumulation Shares	Y Accumulation Shares
31/08/13	1.71	1.18
31/08/12	1.72	1.19

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
A Income Shares			W Income Shares			
31/08/13	3.1	131.91	2,348,617	3.3	1,174.02	279,745
A Accumulation Shares			Y Accumulation Shares			
31/08/13	2,550.1	1,458.82	174,805,769	28.4	1,296.67	2,186,669

FUND MANAGER'S COMMENTARY

MARKET REVIEW

European equities advanced over the six month period due to expectations of continued accommodative monetary policies by global central banks and encouraging economic data. However, there were intermittent worries that the US Federal Reserve could begin tapering its stimulus programme later in the year if economic data remains in line with expectations.

PORTFOLIO ACTIVITY

The fund underperformed the comparative index (FTSE World Europe ex-UK Index (Net))* over the period. Early in the period, basic materials and oil & gas stocks tracked commodity and oil prices lower due to concerns about slowing growth in emerging markets. At a stock level, shares in Aker Solutions fell. The company reported weak profits stemming from losses at two of its divisions and increased costs at a major North Sea oil project. Although execution risks remain, the bad news already seems to be priced in. In terms of contributors, selected industrials, financials and technology holdings outperformed. Shares in UBS were supported by better than expected earnings as the company's investment banking and wealth management divisions performed strongly. I increased the allocation to financials, although I remain underweight in the sector. For instance, I bought a position in Credit Suisse. The group's weak balance sheet issue has been resolved by a capital raise and management is focusing on improving its once neglected private bank business. Shares in Swiss private bank Julius Baer Gruppe were also purchased given its strong franchise, solid balance sheet and diminishing execution risk from a strategic acquisition. Elsewhere, German broadband provider United Internet added significant value. The company published first half 2013 results that were well above analysts forecasts, driven primarily by the mobile business. I prefer Northern Europe over the periphery and European listed companies that are exposed to global economic trends. I also remain positive on stocks that stand to benefit from rising middle class consumption in emerging markets. This is because despite the recent currency volatility in the region, the long term investment case for these companies remains intact. In this area, I found opportunities in attractively valued consumer goods companies such as DaimlerChrysler. The automobile group's new model launches are encouraging, whilst growth in the Chinese market should boost its earnings. Elsewhere, I sold the position in SAP due to a slowdown in its corporate information technology spending. I also sold some key portfolio contributors, such as Gemalto and Schibsted (B), as current valuation levels offered limited upside.

OUTLOOK

Although many developing countries suffer from structural problems, overall they should support global growth. In Europe, the reduced focus on austerity and improved labour competitiveness is helping some peripheral economies to stabilise, although France remains a worry.

Colin Stone
Fund Manager
31 August 13

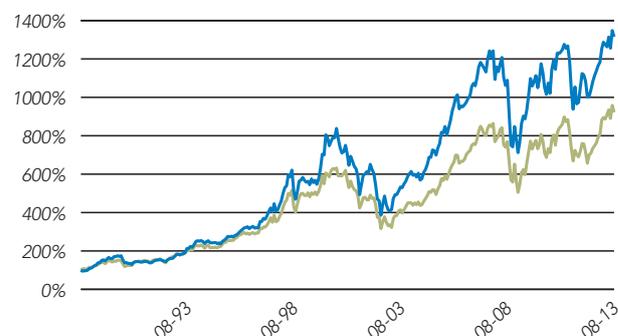
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 2.1% with net income reinvested, underperforming its comparative index return of 3.1%.

PERFORMANCE SINCE LAUNCH

12 September 88 to 31 August 13



■ Fidelity European Opportunities Fund ■ Comparative Index¹

1. Comparative Index: FTSE World Europe ex-UK Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-6.8	0.6	1.1	4.8	21.5
Comparative Index	-6.5	-0.9	2.7	0.5	25.5

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 1,214.8%. Over 5 years the fund has returned 20.8% compared with the comparative index return of 20.0%. Performance prior to 29/08/98 has been recalculated to take account of the conversion from Unit Trust to OEIC fund. Benchmark to 31/12/93 was FTSE World Europe Index (Net). Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

INVESTMENT OBJECTIVE AND POLICY

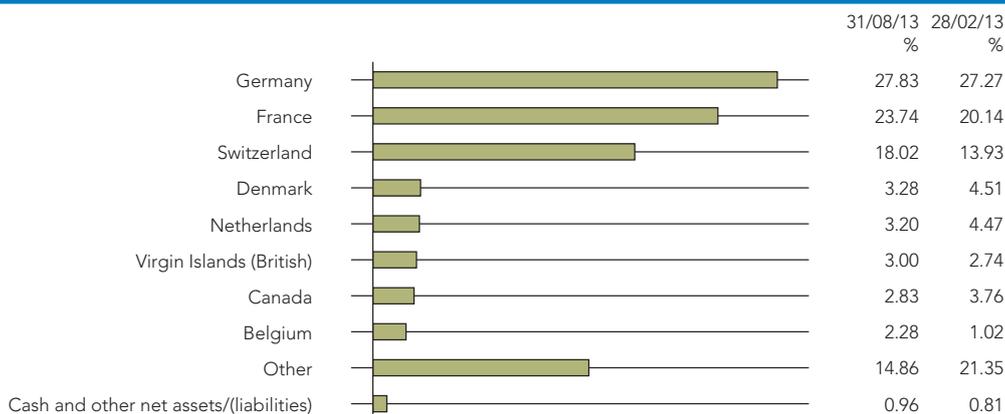
The fund's investment objective is to achieve long term capital growth from a portfolio primarily made up of the shares of continental European companies. The portfolio will be made up of a blend of larger, medium and smaller sized companies. The ACD is not restricted in the choice of company either by size or industry, or in terms of the geographical split of the portfolio, which is largely determined by the availability of attractive investment opportunities rather than the outlook for each market.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. Investments in small and emerging markets can be more volatile than other more developed markets. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Sanofi-Aventis	5.06
UBS (Reg'd)	4.95
Volkswagen (Pref'd)	4.54
Bayer	4.39
LVMH	3.30
Novo Nordisk (B)	3.28
Credit Suisse	3.06
Schneider Electric	2.82
Aareal Bank	2.77
DaimlerChrysler (Reg'd)	2.73

Top holdings as at 28/02/13	% of total net assets
Sanofi-Aventis	4.88
Novo Nordisk (B)	4.51
UBS (Reg'd)	4.10
Volkswagen (Pref'd)	3.34
LVMH	3.29
Bayer	3.06
Schneider Electric	2.91
Linde	2.90
Essilor International	2.71
ASSA ABLOY (B)	2.56

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares	Y Accumulation Shares
31/08/13	1.72	1.18
31/08/12	1.72	1.19
	W Accumulation Shares	
31/08/13	1.72	
31/08/12	-	

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Accumulation Shares			Y Accumulation Shares		
31/08/13	437.6	328.14	133,364,579	2.8	125.72	2,205,784
	W Accumulation Shares					
31/08/13	2.5	294.98	853,493			

FUND MANAGER'S COMMENTARY

MARKET REVIEW

UK corporate bonds generated positive returns and outperformed UK government bonds (Gilts) over the period. High yield was the best performing asset class and outperformed both government and investment grade corporate bonds as the extra coupon income these bonds offer provided a buffer against volatile credit spreads. However, core government bonds, including Gilts were sold off from the end of May amid fears that the era of abundant global liquidity support for capital markets could come to a premature end. In addition, positive growth signs fuelled bets on higher rates as the UK's economic growth accelerated in the second quarter. In August, the Bank of England promised to keep interest rates low for an extended period. Its so called 'forward guidance' tied interest rate increases to unemployment. A rise in rates would not be considered until unemployment drops to 7%.

PORTFOLIO ACTIVITY

The fund underperformed the comparative index (60% BofA ML Euro-Sterling Index (Net), 15% BofA ML Euro High Yield Cons GBP Hedged Index (Net), 25% BofA ML Sterling High Yield Index (Net))* over the period. The interest rate strategy hampered performance, particularly the cross market exposure to US duration (a measure of the sensitivity of a bond, bond market, index or portfolio to changes in interest rates) as Treasury yields rose. Over the period, the fund maintained a short duration position versus the comparative index. Losses from the interest rate strategy were partially offset by gains from the credit strategy. Specifically, the overweight allocation to high yield bonds such as Labco and Infinis buoyed returns. Around 55% of the fund remains invested in investment grade bonds with a bias towards BBB rated corporate bonds, which further added value. For instance, the overweight stance in transportation securities Gatwick and FirstGroup enhanced gains. At the sector level, favourable selection in banks, particularly subordinated debt, also buoyed returns. Through the period, I retained a long credit beta (a measure of the fund's sensitivity to credit spreads) in anticipation of lower credit spreads. The fund remains biased towards sectors that are less sensitive to the economic cycle such as consumer staples, telecommunications, transportation and utilities. For instance, I bought a position in Findus and in the recently issued bond from roadside assistance firm AA. Within insurance, I participated in the new issue of Scottish Widows. Elsewhere, I took profits in First Hydro, Boparan and Altice as they reached full value.

OUTLOOK

The outlook for the global economy has brightened recently, but significant structural weaknesses remain. This fragility likely limits how far bond yields can rise before they start hurting the recovery and encourages central banks to err on the side of caution when planning the tapering of their monetary stimulus. Expectations for core government bonds are particularly low, although inflation linked bonds retain the benefit of hedging against an inflationary tail risk. However, value can be found in investment grade corporate bonds and some parts of the high yield market as corporate fundamentals remain healthy and valuations generally compensate investors for the historical probability of default, price volatility and poor market liquidity.

Ian Spreadbury
Fund Manager
31 August 13

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

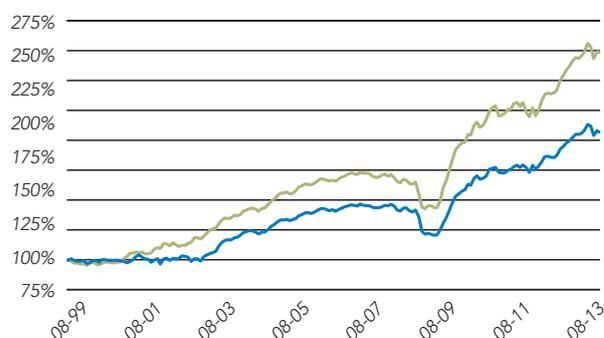
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 0.2% with net income reinvested, underperforming its comparative index return of 0.8%.

PERFORMANCE SINCE LAUNCH

17 March 99 to 31 August 13



Fidelity Extra Income Fund

Comparative Index¹

1. Comparative Index: Comprises 60% BofA ML Euro-Sterling Index (Net), 15% BofA ML Euro High Yield Cons GBP Hedged Index (Net), 25% BofA ML Sterling High Yield Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	4.2	19.2	0.7	10.1	6.0
Comparative Index	11.0	22.4	-0.4	13.8	7.4

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 106.4%. Over 5 years the fund has returned 45.8% compared with the comparative index return of 65.5%. There was a fixed-offer period from 25/02/99 to 17/03/99. Benchmark to 30/08/02 was SB Euro Sterling Investment Grade 5+ Index (Net). Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

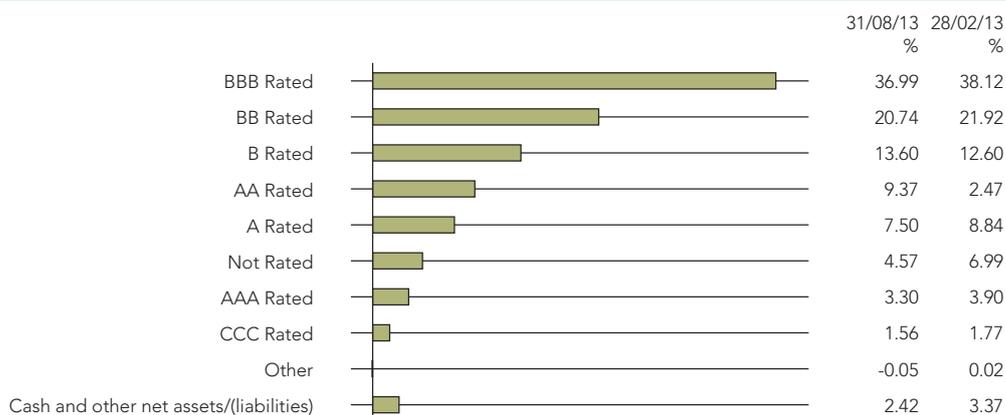
INVESTMENT OBJECTIVE AND POLICY

The fund's investment objective is to achieve a relatively high level of income from a portfolio primarily invested in a combination of UK corporate and government bonds and other fixed income and money market securities, preference shares and convertibles.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment and the income from it can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. The main aim of the fund is to produce income. When this income is paid out instead of being reinvested, there is little prospect of any real capital growth. A portion of this fund will invest in 'sub-investment grade' bonds. These bonds may produce a higher level of income than 'investment grade' bonds but at a higher risk to your capital. With funds that invest in bonds, there is a risk that the issuer of the bond may default on its repayments. The likelihood of this happening will depend on the credit-worthiness of the issuer. The risk of default is usually greatest with bonds that are classed as sub-investment grade. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
UK Gilt Treasury 2.25% 07/03/2014	5.81
Enterprise Inns 6.375% 26/09/2031	1.31
Aviva 6.125% VRN (Perpetual)	1.22
Great Rolling Stock 6.25% 27/07/2020	1.16
Infinis 7.00% 15/02/2019 Reg S	1.16
Ondeo Services UK 6.875% 06/02/2023	1.12
Imperial Tobacco Finance 9.00% 17/02/2022	1.10
Lafarge 8.75% 30/05/2017	1.01
Russian Railways 7.487% 25/03/2031	1.01
Aspire Defence Finance 4.674% 31/03/2040 (A)	0.99

Top holdings as at 28/02/13	% of total net assets
Enterprise Inns 6.375% 26/09/2031	1.26
Great Rolling Stock 6.25% 27/07/2020	1.15
Aviva 6.125% VRN (Perpetual)	1.15
Ondeo Services UK 6.875% 06/02/2023	1.11
Imperial Tobacco Finance 9.00% 17/02/2022	1.11
RZD Capital 7.487% 25/03/2031	1.10
Infinis 7.00% 15/02/2019 Reg S	1.07
EDF 5.50% 17/10/2041	1.03
Gala Finance 8.875% 01/09/2018 Reg S	1.00
Lafarge 8.75% 30/05/2017	1.00

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

	XD date	A Income Shares	Gross paying A Income Shares
Interim distribution	01/09/13	0.0691	0.0861
Interim distribution	01/08/13	0.0700	0.0876
Interim distribution	01/07/13	0.0703	0.0879
Interim distribution	01/06/13	0.0743	0.0929
Interim distribution	01/05/13	0.0739	0.0924
Interim distribution	01/04/13	0.0745	0.0934

	XD date	Y Income Shares	Gross paying Y Income Shares
Interim distribution	01/09/13	0.3694	0.4626
Interim distribution	01/08/13	0.3738	0.4688
Interim distribution	01/07/13	0.3745	0.4689
Interim distribution	01/06/13	0.3961	0.4941
Interim distribution	01/05/13	0.3925	0.4894
Interim distribution	01/04/13	0.4057	0.4966

ONGOING CHARGES (%)

	A Income Shares	Gross paying A Income Shares
31/08/13	1.46	1.46
31/08/12	1.45	1.45

	Y Income Shares	Gross paying Y Income Shares
31/08/13	0.78	0.78
31/08/12	0.78	0.77

	A Accumulation Shares	Gross paying A Accumulation Shares
31/08/13	1.46	1.46
31/08/12	1.45	1.45

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Income Shares			Gross paying A Income Shares		
31/08/13	195.9	25.17	778,162,133	208.9	25.17	829,788,941
	Y Income Shares			Gross paying Y Income Shares		
31/08/13	9.7	115.45	8,362,804	10.3	115.46	8,915,230
	A Accumulation Shares			Gross paying A Accumulation Shares		
31/08/13	15.7	147.28	10,629,678	8.5	154.77	5,486,280

FUND MANAGER'S COMMENTARY

MARKET REVIEW

US equities rose over the six month period, outperforming most other world markets. Investor confidence was dampened by indications that the US Federal Reserve (Fed) would taper its quantitative easing measures earlier than expected. Renewed geopolitical concerns amid speculation about US military action against Syria also prompted worries about global growth. Subsequently, however, investor confidence was bolstered by the Fed's indication that it was willing to support the bond purchase programme in the near future. Signs of improvement in Chinese production activity and encouraging data releases from the US further supported the market.

PORTFOLIO ACTIVITY

The fund provides access to Fidelity managers who may not be available to UK clients via UK funds. It was launched in order to enhance the investment universe available to the Investment Solutions Group (ISG), the investment team that manages "funds of funds" within Fidelity Worldwide Investment. The process of choosing one manager over another is called "manager selection". It is an important part of the ISG investment process as it aims to add value over the comparative index. With effect from 1 May 2013, the fund moved into a co-management structure. Nick Peters has been appointed as the lead manager and Richard Skelt is the co-portfolio manager. Over the period, the fund had exposure to US stocks via the Large Cap Growth discipline run by Steve Balter and Chris Galizio. Selected holdings in health care, which was one of the best performing sectors during the period added value. Notably, a high conviction position in Gilead Sciences, which advanced due to healthy quarterly results and expectations of high earnings growth driven by two new product launches, supported returns. The exposure to the stock was reduced to take profits. In contrast, an overweight stance in Pfizer hurt relative performance. The holding was scaled down as the company failed to give a clear direction of its business after splitting into three units. Meanwhile, the allocation to Merck & Co was increased. In addition to its diversified product portfolio, the company has invested significantly in building a strong product pipeline, which includes oncology therapies. Its acquisition of Schering Plough will add more stability and diversity to its earnings. Elsewhere, in the information technology sector, a position was purchased in software gaming company Activision Blizzard. It has strong gaming franchises such as the World of Warcraft series, which will benefit from a stronger than expected next console cycle. The position in Cisco Systems was also raised as it reported good results, which benefited from cost cutting and reasonable business trends. Conversely, the holding in technology major Cognizant was sold following a Senate bill restricting immigrant workers, which will be detrimental to its business.

OUTLOOK

The outlook for equities remains positive, though less unequivocally so, in light of the US Fed's talk about tapering asset purchases. Whilst money printing has been a key driver of equities, the US has seen a meaningful improvement in fundamentals, particularly in labour and housing markets. A stronger US economy should help other economies to recover, particularly those in emerging markets and Asia.

Richard Skelt & Nick Peters
Fund Managers
31 August 13

PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Due to the nature and purpose of the fund, a comparative index is not appropriate. A performance graph has not been included.

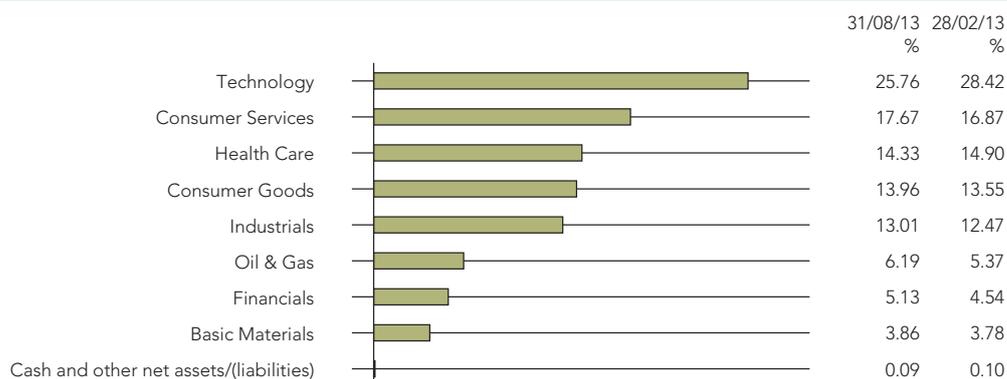
INVESTMENT OBJECTIVE AND POLICY

The fund's investment objective is to achieve long term capital growth from a portfolio mainly made up of the securities of companies from around the world. The ACD is not restricted in its choice of the industrial or geographical split of the portfolio. The fund may invest in securities providing exposure to commodities and property. Derivatives may also be used for investment purposes.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment and the income from it can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. For this fund, derivatives and forward transactions may be used for investment purposes, as well as for hedging and other efficient management purposes as permitted for all funds. Where this is the case, their use may lead to higher volatility in the fund's share price. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Apple	7.98
Google (A)	5.84
QUALCOMM	4.14
Gilead Sciences	4.13
Philip Morris International	3.79
Home Depot	3.68
PepsiCo	3.48
Oracle	3.36
TJX	2.97
Ashland	2.81

Top holdings as at 28/02/13	% of total net assets
Apple	7.44
Google (A)	6.52
Philip Morris International	4.52
Gilead Sciences	4.16
Oracle	3.84
Home Depot	3.65
PepsiCo	3.62
QUALCOMM	3.48
Honeywell International	2.75
TJX	2.74

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares
31/08/13	1.72
31/08/12	1.71

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
31/08/13	183.2	377.60	48,529,559

FUND MANAGER'S COMMENTARY

MARKET REVIEW

Global equities rose over a period that was characterised by significant volatility. Investor confidence was largely influenced by central banks' announcements, particularly, indications that the US Federal Reserve (Fed) could taper its quantitative easing measures. Newsflow signalling a slowdown in Chinese economic activity further subdued sentiment. Renewed geopolitical concerns amid speculation about US military action against Syria also prompted worries about additional challenges to global economic growth. Nonetheless, investor confidence was bolstered by the Fed's indication that it would continue to support the bond purchase programme in the near future. Signs of improvement in Chinese production activity, encouraging data releases from the US and mild expansion in the eurozone also proved beneficial.

PORTFOLIO ACTIVITY

The fund outperformed the comparative index (MSCI All Countries World Index (Net))* over the period. My approach focuses on companies that deliver regular income and capital preservation, whilst at the same time focusing on long term capital growth and inflation protection. This strategy has delivered positive results. Strong stock selection, particularly in the financials and industrials sectors, drove returns during the period. Among financials, holdings in insurers added value. The position in Hiscox (BM) was among the notable contributors to performance. The UK group reported a strong rise in first half profits as it earned more premiums during a period of fewer catastrophe claims. Within the industrials sector, my decision to buy a stake in Deutsche Post, the world's largest postal and logistics company, enhanced gains. Its strategy of investing in Asia drove strong earnings growth, supported by market share gains in its express delivery business. On the downside, amid increasing volatility in August, the allocation to Asia focussed bank HSBC (UK) hampered returns despite a rise in its first half profits. At the end of August, the portfolio was overweight in the health care, telecommunications services and consumer discretionary sectors. The main underweights were in the technology, financials and resources sectors. During the period, I reallocated some of my Japanese investments. Holdings in Shimano and Kao were sold and part of the proceeds were reinvested in telecommunications major KDDI. Its valuation is compelling relative to global peers and its dividend has been steadily improving. Elsewhere, I initiated a position in German stock exchange operator Deutsche Boerse, which is a high quality franchise with a good dividend yield and an attractive stock valuation. Meanwhile, I sold the holding in Analog Devices, a US semiconductor company, following a period of strong performance.

OUTLOOK

Whilst the global economic outlook appears to be improving, there are still many challenges to be overcome. I am confident that my approach of investing in attractively valued companies that pay out sustainable dividends is likely to provide good returns for investors.

Dan Roberts
Fund Manager
31 August 13

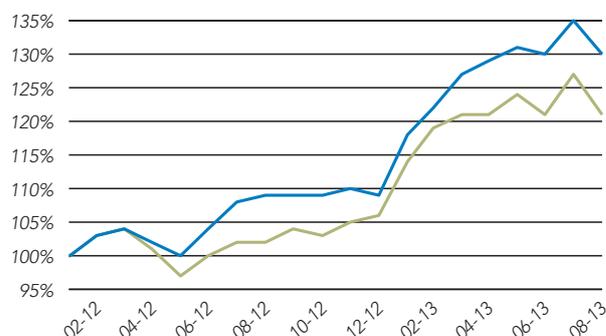
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 5.9% with net income reinvested, outperforming its comparative index return of 2.1%.

PERFORMANCE SINCE LAUNCH

30 January 12 to 31 August 13



■ Fidelity Global Dividend Fund ■ Comparative Index¹

1. Comparative Index: MSCI All Countries World Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-	-	-	-	18.7
Comparative Index	-	-	-	-	18.6

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 29.7%. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

INVESTMENT OBJECTIVE AND POLICY

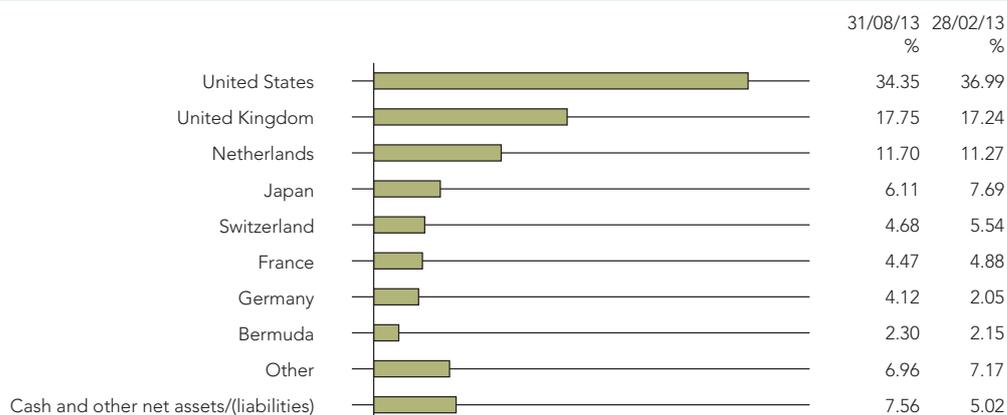
The Fund's investment objective is to achieve income and long-term capital growth from a portfolio consisting primarily of the shares of companies from around the world. The ACD will choose investments which it believes offer attractive dividend yields in addition to price appreciation. The Fund may also invest in other transferable securities, units in collective investment schemes, money market instruments, cash and deposits.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. The fund takes its annual management charge from your capital and not from the income generated by the fund. This means that any capital growth in the fund will be reduced by the charge and your capital may be reduced over time if the fund's growth does not compensate for it. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Reed Elsevier	3.52
Wolters Kluwer	3.48
HSBC (UK) (Reg'd)	3.25
Novartis (Reg'd)	2.78
Astellas Pharmaceutical	2.77
Sanofi-Aventis	2.70
Kimberly Clark	2.69
Mattel	2.53
Microsoft	2.33
TDC (B)	2.29

Top holdings as at 28/02/13	% of total net assets
HSBC (UK) (Reg'd)	3.80
Sanofi-Aventis	3.54
Reed Elsevier	3.52
Novartis (Reg'd)	3.46
Kimberly Clark	3.35
Astellas Pharmaceutical	3.08
Mattel	3.07
Microsoft	2.98
Wolters Kluwer	2.98
Minnesota Mining & Manufacturing	2.87

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

	XD date	A Income Shares	Y Income Shares
Interim distribution	01/09/13	0.9360	0.9360
Interim distribution	01/06/13	0.9000	0.9000

	XD date	W Income Shares
Interim distribution	01/09/13	0.9360
Interim distribution	01/06/13	0.9000

ONGOING CHARGES (%)

	A Income Shares	Y Income Shares
31/08/13	1.75	1.18
31/08/12	2.52	1.96

	W Income Shares	A Accumulation Shares
31/08/13	0.74	1.72
31/08/12	-	2.51

	Y Accumulation Shares	W Accumulation Shares
31/08/13	1.09	0.60
31/08/12	2.00	-

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
A Income Shares			Y Income Shares			
31/08/13	23.8	122.89	19,366,793	0.2	123.92	197,152
W Income Shares			A Accumulation Shares			
31/08/13	1.4	116.29	1,179,637	26.0	129.66	20,080,938
Y Accumulation Shares			W Accumulation Shares			
31/08/13	0.7	130.74	497,720	0.7	119.05	555,389

FUND MANAGER'S COMMENTARY

MARKET REVIEW

Global equities rose over a period that was characterised by significant volatility. Investor confidence was largely influenced by central banks' announcements, particularly, indications that the US Federal Reserve (Fed) could taper its quantitative easing measures. Newsflow signalling a slowdown in Chinese economic activity further subdued sentiment. Renewed geopolitical concerns amid speculation about US military action against Syria also prompted worries about additional challenges to global economic growth. Nonetheless, investor confidence was bolstered by the Fed's indication that it would continue to support the bond purchase programme in the near future. Signs of improvement in Chinese production activity, encouraging data releases from the US and mild expansion in the eurozone also proved beneficial.

PORTFOLIO ACTIVITY

The fund outperformed the comparative index (MSCI All Countries World Index (Net))* over the period. Selected media holdings lifted returns. The position in Viacom, which continued to see growth in advertising revenues and income from its US affiliates MTV and Nickelodeon, added value. Additionally, the company increased its buyback authorisation to almost 50% of its market capitalisation. The allocation to UK broadcaster ITV also enhanced gains. Its current management established a good track record and its impressive content strategy supported earnings growth. I took some profits in both these holdings. Elsewhere, I reduced the exposure to diversified financial services provider Orix and internet retailer Rakuten as both these holdings were bolstered by aggressive Japanese stimulus measures. Meanwhile, I increased the allocation to internet driven holdings Sina and Facebook, which supported returns given strong contribution from their mobile driven businesses. Facebook delivered healthy growth in mobile advertising revenues and reported ongoing expansion of its user base. During the period, I bought a holding in Kinnevik Investment. The company provides exposure to ecommerce businesses across several geographies in addition to its substantial telecommunications holdings. In contrast, I sold the position in Banco BTG Pactual, which was negatively impacted by worries about its loans exposure to the Brazilian commodity businesses run by Eike Batista. Selected emerging market holdings in Kasikornbank, Gudang Garam and Housing Development Finance were caught in a market wide sell off due to concerns about slowing economic growth and a widening current account deficit in leading Asian economies.

OUTLOOK

The US continues to deliver encouraging economic data, and the momentum in China and the eurozone is also improving. However, in the short term, several macroeconomic level events, such as the start of Fed tapering and geopolitical issues in the Middle East, could lead to increased uncertainty among investors. In this environment, I favour US domestic growth themes such as non residential construction recovery and beneficiaries of the US shale gas related renaissance. I also believe that the Fed's tapering programme will validate the strength of the US economic recovery, which will be supportive for commodity demand over the long term.

Amit Lodha
Fund Manager
31 August 13

PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 2.8% with net income reinvested, outperforming its comparative index return of 2.1%.

PERFORMANCE SINCE LAUNCH

11 October 82 to 31 August 13



1. Comparative Index: MSCI All Countries World Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-6.9	11.5	8.9	11.1	18.4
Comparative Index	-7.3	7.7	8.0	9.5	18.6

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 2,233.4%. Over 5 years the fund has returned 48.7% compared with the comparative index return of 40.0%. Performance prior to 29/08/98 has been recalculated to take account of the conversion from Unit Trust to OEIC fund. Benchmark to 31/10/11 was MSCI World (Net). Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

INVESTMENT OBJECTIVE AND POLICY

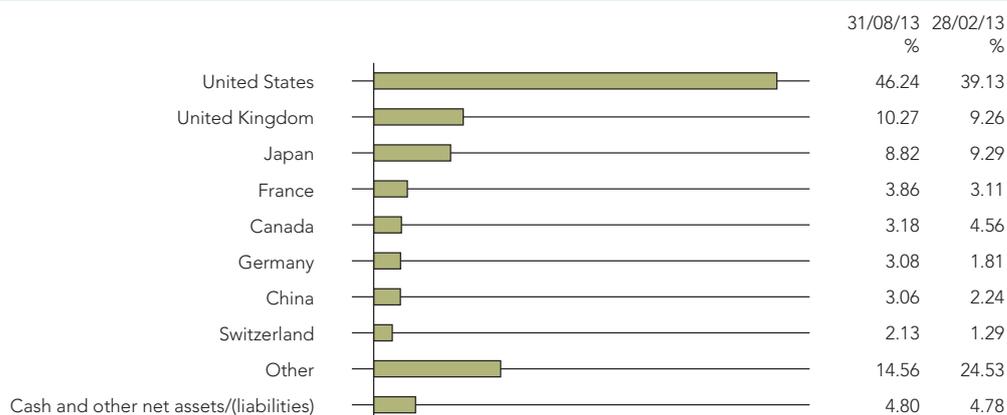
The fund's investment objective is to achieve long term capital growth from a diversified portfolio primarily made up of the shares of companies from around the world. In terms of geographical split, the portfolio is invested broadly in relation to the relative sizes and attractiveness of world equity markets. Within the portfolio there is a bias towards the larger quoted companies in each market, but the ACD is not restricted in this regard, or in terms of the industrial or geographical split of the portfolio.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. Investments in small and emerging markets can be more volatile than other more developed markets. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. This fund invests in a relatively small number of companies which can make it more volatile than funds that are more diversified. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Apple	1.95
Anadarko Petroleum	1.73
UBS (Reg'd)	1.53
US Bancorp	1.53
Cisco Systems	1.49
Sanofi-Aventis	1.46
Harley-Davidson	1.36
Viacom (B)	1.33
Citigroup	1.30
Kinnevik Investment (B)	1.29

Top holdings as at 28/02/13	% of total net assets
Johnson & Johnson	2.39
ExxonMobil	2.12
Google (A)	2.03
HSBC (UK) (Reg'd)	1.95
Anadarko Petroleum	1.70
Citigroup	1.50
Sanofi-Aventis	1.40
Viacom (B)	1.33
Kasikornbank	1.25
Orix	1.25

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares	Y Accumulation Shares
31/08/13	1.74	1.20
31/08/12	1.72	-
	W Accumulation Shares	
31/08/13	1.72	
31/08/12	-	

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Accumulation Shares			Y Accumulation Shares		
31/08/13	345.6	1,102.69	31,343,453	0.1	1,174.60	10,948
	W Accumulation Shares					
31/08/13	0.8	1,172.68	69,023			

FUND MANAGER'S COMMENTARY

MARKET REVIEW

Global high yield corporate bonds generated positive returns and outperformed both investment grade corporate and government bonds over the period. The higher coupon income that high yield bonds offer was the primary driver of returns. Core government bonds were sold off from the end of May amid fears that the era of easy monetary policy may be drawing to an end. As a result, core sovereign bond yields rose, and also impacted the wider global market for interest rate sensitive investment grade corporate bonds. In addition, positive global growth signs also increased the possibility of higher interest rates. The eurozone economy expanded after 18 months of contraction, with the GDP increasing by 0.3% in the second quarter. The US also witnessed a meaningful improvement in fundamentals, particularly in the labour and housing markets.

PORTFOLIO ACTIVITY

The fund underperformed the comparative index (The BofA Merrill Lynch Global High Yield Constrained Index Hedged to GBP (Net))* over a period in which the portfolio remained defensively positioned. Within the high yield credit spectrum, the fund remained biased towards higher rated securities and remained underweight in CCC rated securities. This asset allocation proved detrimental to returns. However, I prefer this conservative asset allocation as investors are not being adequately compensated for holding CCC risk given market liquidity conditions. At the sector level, I moved financials to an underweight stance, which held back performance. Here, I sold positions in Russian Standard Bank and Unicredit Spa. On a more positive note, the bias towards non financial issues added value. In particular, the overweight exposure to telecommunications securities enhanced returns. Subsequently, I reduced the overweight allocation to the telecommunication sector by taking profits in Altice and Virgin Media. Separately, a new position was purchased in Polkomtel. Meanwhile, in the consumer sector, I bought new holdings in Claire's Stores and Convatec Finance and increased the exposure to Fiat Finance & Trade. Overall, I continue to maintain a defensive tilt to sector positioning and retained a broadly neutral credit beta position for most of the period.

OUTLOOK

High yield bonds experienced recent volatility with investors unsettled by comments from the US Federal Reserve indicating that it could taper its quantitative easing measures. However, issuing companies remain in decent shape – leverage is relatively contained, interest cover ratios are on the higher side indicating that interest payments are more affordable, and many have taken the opportunity of the low interest rate environment to issue longer-term debt. Against this background I expect defaults to be contained over the medium term. The high coupons on these bonds are likely to end up the main driver of returns in 2013, with bond prices unlikely to repeat the appreciation seen in recent years.

Peter Khan
Fund Manager
31 August 13

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

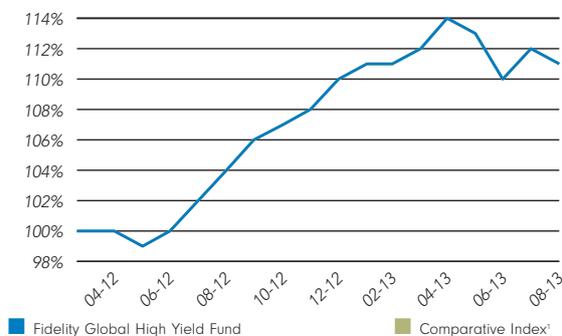
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned -0.3% with net income reinvested, underperforming its comparative index return of -0.1%.

PERFORMANCE SINCE LAUNCH

14 March 12 to 31 August 13



1. Comparative Index: The BofA Merrill Lynch Global High Yield Constrained Index Hedged to GBP (Net).

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-	-	-	-	6.9
Comparative Index	-	-	-	-	7.0

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 11.0%. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

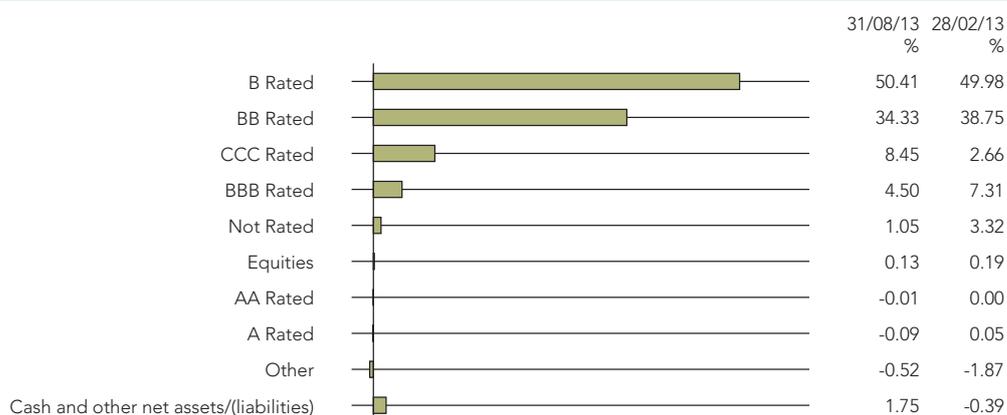
INVESTMENT OBJECTIVE AND POLICY

The Fund's investment objective is to achieve a combination of both income and capital growth from a portfolio primarily invested in high-yielding, sub investment grade securities of issuers globally (those with a rating of BB+ or less from Standard & Poor's or equivalent rating from an internationally recognised rating agency). The Fund may also invest in other transferable securities, units in collective investment schemes, money market instruments, cash and deposits. Derivatives and forward transactions may be used for investment purposes.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. Investments in small and emerging markets can be more volatile than other more developed markets. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. The fund takes its annual management charge from your capital and not from the income generated by the fund. This means that any capital growth in the fund will be reduced by the charge and your capital may reduce over time if the fund's growth does not compensate for it. This fund invests in a relatively small number of companies which can make it more volatile than funds that are more diversified. For this fund, derivatives and forward transactions may be used for investment purposes, as well as for hedging and other efficient management purposes as permitted for all funds. Where this is the case, their use may lead to higher volatility in the fund's share price. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. With funds that invest in bonds, there is a risk that the issuer of the bond may default on its repayments. The likelihood of this happening will depend on the credit-worthiness of the issuer. This fund will invest in 'sub-investment grade' bonds. These bonds may produce a higher level of income than 'investment grade' bonds but at a higher risk to your capital. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Fiat Finance & Trade 6.625% 15/03/2018 Reg S	1.39
Petroleum Geo-Services 7.375% 15/12/2018 144A	1.33
Lloyds TSB 11.875% VRN 16/12/2021	1.33
First Data 7.375% 15/06/2019 144A	1.27
Royal Bank of Scotland 9.50% VRN 16/03/2022	1.27
Cemex 5.875% 25/03/2019 Reg S	1.17
Fiat Finance & Trade 6.875% 13/02/2015	1.14
Claire's Stores 9.00% 15/03/2019 144A	1.13
Reynolds 5.75% 15/10/2020	1.11
Studio City 8.50% 01/12/2020 Reg S	1.08

Top holdings as at 28/02/13	% of total net assets
Heidelberg Cement Finance 9.50% 15/12/2018	1.48
Norcell 9.25% 09/2018 Reg S	1.44
Cemex SAB CV 9.00% 11/01/2018 Reg S	1.43
Petroleum Geo-Services 7.375% 15/12/2018 144A	1.42
Sprint Nextel 7.00% 01/03/2020 144A	1.38
First Data 7.375% 15/06/2019 144A	1.35
Ally Financial 8.00% 15/03/2020	1.31
Reynolds 5.75% 15/10/2020	1.21
Petroleos de Venezuela 5.25% 12/04/2017	1.15
UniCredit 6.95% 31/10/2022 Reg S	1.14

FUND FACTS

INCOME (pence per share)

	XD date	A Income Shares	Gross paying A Income Shares
Interim distribution	01/09/13	3.5535	4.2348
Interim distribution	01/08/13	3.6452	4.5558
Interim distribution	01/07/13	3.5186	4.3975
Interim distribution	01/06/13	3.5159	4.4198
Interim distribution	01/05/13	2.8460	3.7539
Interim distribution	01/04/13	3.6590	4.6019

	XD date	Y Income Shares	Gross paying Y Income Shares
Interim distribution	01/09/13	3.8162	4.7019
Interim distribution	01/08/13	4.0200	5.0251
Interim distribution	01/07/13	3.8917	4.8692
Interim distribution	01/06/13	3.8998	4.8061
Interim distribution	01/05/13	3.3495	4.1735
Interim distribution	01/04/13	4.0535	5.0638

ONGOING CHARGES (%)

	A Income Shares	Gross paying A Income Shares
31/08/13	1.57	1.57
31/08/12	1.35	1.36

	Y Income Shares	Gross paying Y Income Shares
31/08/13	1.06	1.05
31/08/12	0.87	0.89

	A Accumulation Shares	Gross paying A Accumulation Shares
31/08/13	1.57	1.57
31/08/12	1.47	1.33

	Y Accumulation Shares	Gross paying Y Accumulation Shares
31/08/13	1.06	1.02
31/08/12	0.87	0.87

	I Accumulation Shares
31/08/13	0.66
31/08/12	0.47

The ongoing charges figure is the ratio of total costs to average net assets.

FUND FACTS

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Income Shares			Gross paying A Income Shares		
31/08/13	0.3	1,039.19	29,274	0.5	1,039.37	49,738
	Y Income Shares			Gross paying Y Income Shares		
31/08/13	3.4	1,039.16	322,665	-	1,039.04	4,447
	A Accumulation Shares			Gross paying A Accumulation Shares		
31/08/13	0.2	1,105.80	21,425	0.6	1,123.16	55,105
	Y Accumulation Shares			Gross paying Y Accumulation Shares		
31/08/13	10.6	1,113.31	955,871	0.1	1,130.82	8,384
	I Accumulation Shares					
31/08/13	-	1,118.48	1,633			

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND MANAGER'S COMMENTARY

MARKET REVIEW

Global property stocks retreated during the period amid geopolitical tensions as the likelihood of US military action against Syria increased. Concerns that the US Federal Reserve (Fed) may scale back its bond buying programme also weighed on these stocks. However, performance within geographies and property types was mixed, whilst occupancy rates for most property segments and countries continued to rise. The negative momentum in the US real estate market continued over the period. Meanwhile, Europe reiterated its easing stance and the Bank of Japan continued to provide a favourable credit policy given increasing signs of economic recovery.

PORTFOLIO ACTIVITY

The fund underperformed the comparative index (FTSE EPRA/NAREIT Developed Index (Gross))* over the period. Security selection in real estate holding and development companies detracted from returns. The lack of exposure to Japan based diversified developer Sumitomo Realty & Development hurt relative performance. Its first quarter earnings improved in light of an increase in condominium contracts. The position in Sun Hung Kai Properties also hampered returns. Concerns that the cost of capital will be less favourable going forward given the weak Hong Kong residential market weighed on the stock; I reduced this holding. On a positive note, Mitsui Fudosan, which has a diversified investment portfolio including offices and condominiums, was the top contributor to returns. The company reported strong first quarter results and retained its full year earnings forecast. I continue to like its strong retail portfolio in Japan and increased the allocation to the stock. Meanwhile, the overweight stance in US personal and commercial storage space leasing company Public Storage paid off as it was operating close to peak occupancy. However, I sold a part of the holding as its solid balance sheet is unlikely to garner much premium in a market that is flush with abundant and inexpensive credit. The position in British Land added value on the back of high quality properties that remained resilient in a tough retail market; I took some profits in this stock. Meanwhile, I raised the exposure to AEON Mall. It contributed to returns as its expansion into the retail business offers investment opportunities in Japan and Asia. I also purchased a position in CapitaMall Trust, which reported good second quarter results. The company is attractively valued and has strategic locations in large catchment areas. Elsewhere, the overweight stance in Capitaland hampered performance as it reported weak second quarter profits amid a slowdown in residential sales in China and Singapore. I reduced the exposure to this company in view of its uncertain outlook.

OUTLOOK

The outlook for property stocks remains positive as strong fundamentals offset slightly less favourable technical factors and cost of capital conditions. Property fundamentals are improving, albeit gradually, and demand/supply dynamics remain supportive at least for the next one to three years. Consequently, I continue to find many investment opportunities and make use of periods of volatility to buy stocks at attractive prices.

Steve Buller
Fund Manager
31 August 13

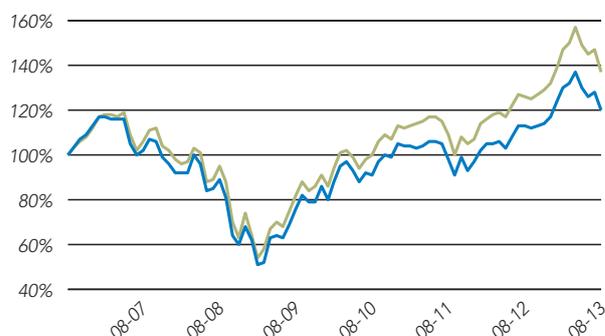
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned -7.5% with net income reinvested, underperforming its comparative index return of -6.3%.

PERFORMANCE SINCE LAUNCH

05 September 06 to 31 August 13



■ Fidelity Global Property Fund ■ Comparative Index¹

1. Comparative Index: FTSE EPRA/NAREIT Developed Index (Gross)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-14.7	20.0	6.8	15.4	6.3
Comparative Index	-13.9	22.1	9.0	15.4	9.5

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 19.8%. Over 5 years the fund has returned 34.1% compared with the comparative index return of 44.7%. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

INVESTMENT OBJECTIVE AND POLICY

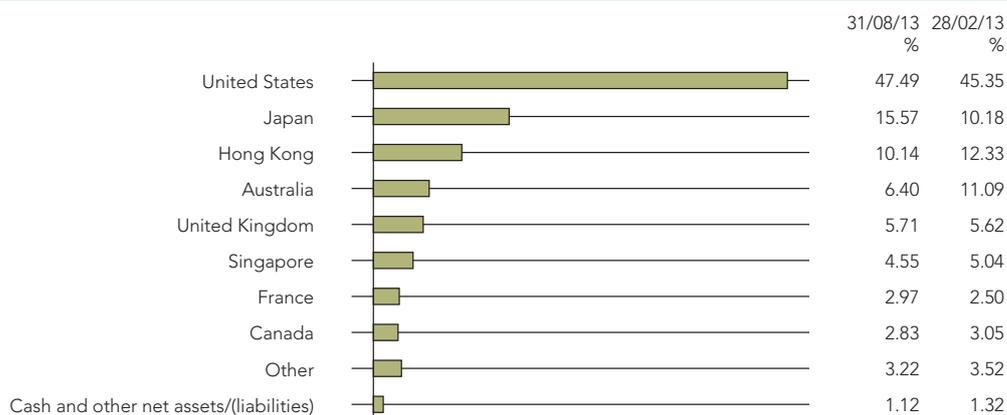
The fund's investment objective is to achieve a combination of income and long term capital growth from a portfolio primarily made up of the securities of companies principally involved in the real estate industry and other real estate-related investments.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. Investments in small and emerging markets can be more volatile than other more developed markets. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. The fund takes its annual management charge from your capital and not from the income generated by the fund. This means that any capital growth in the fund will be reduced by the charge and your capital may be reduced over time if the fund's growth does not compensate for it. This fund invests in a relatively small number of companies which can make it more volatile than funds that are more diversified. This fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Simon Property Real Estate Investment Trust	5.92
Public Storage	5.28
Mitsui Fudosan	5.13
Sun Hung Kai Properties	4.02
Host Hotels and Resorts Real Estate Investment Trust	3.83
Ventas Real Estate investment Trust	3.64
Westfield	3.44
Mitsubishi Estate	3.07
Unibail-Rodamco	2.97
British Land	2.80

Top holdings as at 28/02/13	% of total net assets
Westfield	5.85
Sun Hung Kai Properties	5.33
Simon Property Real Estate Investment Trust	5.16
Public Storage	5.14
Ventas Real Estate investment Trust	5.09
Prologis	3.78
British Land	3.28
Host Hotels and Resorts Real Estate Investment Trust	3.17
HCP	3.01
Mitsui Fudosan	2.89

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

	XD date	A Accumulation Shares	Y Accumulation Shares
Interim distribution	01/09/13	0.7247	0.9808

	XD date	W Accumulation Shares
Interim distribution	01/09/13	1.1378

ONGOING CHARGES (%)

	A Accumulation Shares	Y Accumulation Shares
31/08/13	1.74	1.21
31/08/12	1.75	1.24
	W Accumulation Shares	
31/08/13	0.96	
31/08/12	-	

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Accumulation Shares			Y Accumulation Shares		
31/08/13	215.5	119.60	180,216,937	1.8	107.48	1,716,805
	W Accumulation Shares					
31/08/13	1.9	106.43	1,783,427			

FUND MANAGER'S COMMENTARY

MARKET REVIEW

Global equities rose over a period that was characterised by significant volatility. Investor confidence was largely influenced by central banks' announcements, particularly indications that the US Federal Reserve (Fed) could taper its quantitative easing measures. This led to a sharp surge in US Treasury yields and prompted investors to rotate out of high dividend yielding sectors such as real estate investment trusts (REITs) and utilities. Furthermore, newsflow signalling a slowdown in Chinese economic activity hurt commodity prices. A subsequent renewal of geopolitical concerns led to worries about additional challenges to global economic activity, as speculation about US military action against Syria grew. Oil prices rose in response, whilst the heightened uncertainty further hurt emerging market equities that were already reeling under domestic growth concerns. Nonetheless, signs of improving Chinese production activity, encouraging data releases from the US and mild GDP expansion in the eurozone provided some respite.

PORTFOLIO ACTIVITY

The fund slightly outperformed the comparative index (MSCI All Countries World Real Asset Composite Index (Net))* over the period. The position in Ryman Healthcare lifted returns. Investors favoured the company for its property assets and growing acceptance of retirement villages in Australia and New Zealand. Its self funding operating model supported reinvestment in the business, where returns have consistently improved; I increased this holding. A new position in Invensys benefited from the sale of its rail division to focus on its process automation business. Meanwhile, I took profits in Indonesian construction firms Wijaya Karya and Pembangunan Perumahan. Both companies had consistently added value amid a multi year domestic infrastructure investment cycle. Elsewhere, conviction energy holdings supported performance. These included Anadarko Petroleum, whose operational excellence and successful oil exploration attracted investors. Oilfield services provider Halliburton's strong international operations, robust balance sheet and a recent buyback announcement lifted the holding. A new position in National Oilwell, a key supplier to ultra deep water (UDW) drilling ships, benefited from improving pricing power and the roll out of a new UDW build cycle. In contrast, I sold the holding in fertiliser producer Mosaic. It came under pressure after prominent Russian fertiliser producer Uralkali suggested that potash prices could fall to \$300 a tonne by the end of the year. Elsewhere, the fund's gold exposure hurt returns. Newcrest Mining and Detour Gold, which are held as an insurance policy against the risk of inflation, weighed on performance as the gold price fell.

OUTLOOK

The US continues to deliver encouraging economic data, and the momentum in China and the eurozone is also improving. However, in the short term, several macroeconomic level events, such as the start of Fed tapering and geopolitical issues in the Middle East, could lead to increased uncertainty among investors. In this environment, I favour US domestic growth themes such as non residential construction recovery and beneficiaries of the US shale gas related renaissance. I also believe that the Fed's tapering programme will validate the strength of the US economic recovery, which will be supportive for commodity demand over the long term.

Amit Lodha
Fund Manager
31 August 13

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

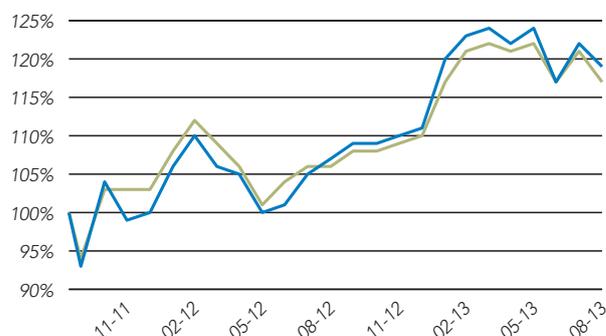
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned -3.3% with net income reinvested, outperforming its comparative index return of -3.4%.

PERFORMANCE SINCE LAUNCH

14 September 11 to 31 August 13



■ Fidelity Global Real Asset Securities Fund ■ Comparative Index¹

1. Comparative Index: MSCI All Countries World Real Asset Composite Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-	-	-	-	11.6
Comparative Index	-	-	-	-	10.4

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 19.0%. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

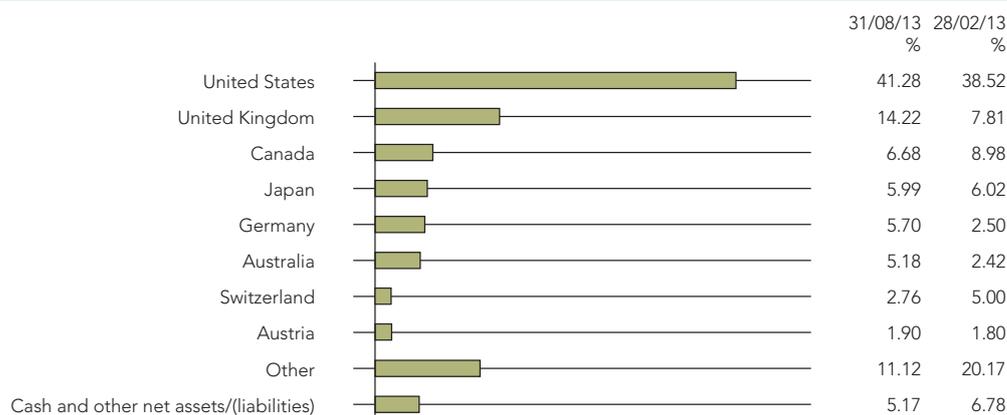
INVESTMENT OBJECTIVE AND POLICY

The Fund's investment objective is to achieve long term capital growth from a portfolio primarily made up of the shares of companies around the world that provide exposure to commodities, property, industrials, utilities, energy, materials or infrastructure. Up to 20% of the portfolio may consist of Exchange Traded Funds (ETFs), Exchange Traded Commodities qualifying as transferable securities, bonds, warrants and convertibles. The ACD is not restricted in its choice of companies either by size or industry, or in terms of the geographical split of the portfolio, and will concentrate its investment in a more limited number of companies and therefore the resulting portfolio will be less diversified. The Fund may also invest in other transferable securities, units in collective investment schemes, money market instruments, cash and deposits.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. This fund invests in a relatively small number of companies, which can make it more volatile than funds that are more diversified. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Cairn Energy	5.30
Rio Tinto (AU)	3.22
Anadarko Petroleum	2.94
Cummins	2.82
SBA Communications (A)	2.36
Suncor Energy	2.30
BP	2.30
Halliburton	2.25
National-Oilwell	2.13
EOG Resources	2.13

Top holdings as at 28/02/13	% of total net assets
ExxonMobil	4.45
Anadarko Petroleum	3.44
Cummins	2.97
Suncor Energy	2.73
Mitsubishi Estate	2.58
FDX	2.34
Halliburton	2.27
American Tower	2.19
Vornado Realty Trust	2.03
Imperial Oil	1.88

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares	Y Accumulation Shares
31/08/13	1.87	1.92
31/08/12	1.76	1.84
	W Accumulation Shares	
31/08/13	1.90	
31/08/12	-	

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Accumulation Shares			Y Accumulation Shares		
31/08/13	1.7	119.00	1,442,233	-	119.09	11,782
	W Accumulation Shares					
31/08/13	-	108.40	8,111			

FUND MANAGER'S COMMENTARY

MARKET REVIEW

Global equities rose over a period that was characterised by significant volatility. Investor confidence was largely influenced by central banks' announcements, particularly, indications that the US Federal Reserve (Fed) could taper its quantitative easing measures. Newsflow signalling a slowdown in Chinese economic activity further subdued sentiment. Renewed geopolitical concerns amid speculation about US military action against Syria also prompted worries about additional challenges to global economic growth. Nonetheless, investor confidence was bolstered by the Fed's indication that it would continue to support the bond purchase programme in the near future. Signs of improvement in Chinese production activity, encouraging data releases from the US and mild expansion in the eurozone also proved beneficial.

PORTFOLIO ACTIVITY

The fund outperformed the comparative index (MSCI All Countries World Index (Net))* over the period. Selected telecommunication services providers added value. The new holding in KDDI was a key contributor to performance. It was supported by attractive stock valuations and a positive outlook as its strategy of bundling services led to market share gains. The position in Vodafone was bolstered by the sale of its 45% stake in Verizon Wireless to Verizon Communications. The exposure to Softbank also enhanced returns as it gained market share against its competitor DoCoMo. Profits were taken in both these stocks. Elsewhere, selected US managed care providers Aetna and Cigna lifted returns on easing concerns about the impact of US health care reforms. I reduced these positions and increased the exposure to Express Scripts instead. The holding in property and casualty insurer MS & AD, which was trading at a significant discount to its net asset value, benefited from pricing discipline imposed by the Japanese regulator. Meanwhile, I reduced the exposure to Lowe's Companies, which contributed to returns on the back of stronger than expected results amid the ongoing US housing market recovery. The home improvement chain narrowed its sales gap against rival Home Depot and raised its annual outlook. Selected technology positions also featured among the top contributors to performance. For instance, Microsoft's earnings improved over the course of last year, highlighting the strength of its franchises. In addition, news that CEO Steve Ballmer would retire within 12 months prompted expectations that the company would adopt a more proactive growth strategy. Chinese internet search company Baidu also supported returns. The company is working to strengthen its position in areas such as search, application distribution and online video; I increased this holding.

OUTLOOK

The US continues to deliver encouraging economic data, and the momentum in China and the eurozone is also improving. However, emerging markets require a more careful assessment as there are several challenges to growth in these economies. In the short term, several macroeconomic level events, such as the start of Fed tapering and geopolitical issues in the Middle East, could lead to increased uncertainty among investors. In this environment, free cash flow generation potential is an important factor to consider when investing, and underpins the fund's sector positioning, which emphasises the health care, consumer discretionary and technology sectors in particular.

Jeremy Podger
Fund Manager
31 August 13

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

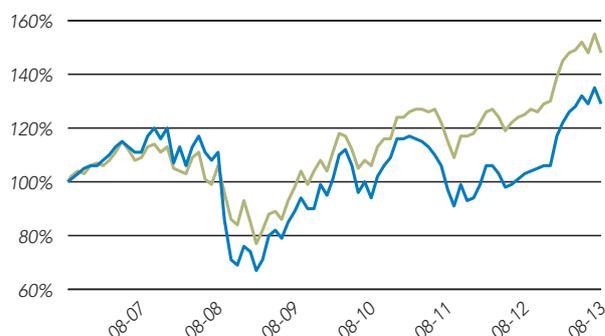
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 5.9% with net income reinvested, outperforming its comparative index return of 2.1%.

PERFORMANCE SINCE LAUNCH

15 September 06 to 31 August 13



■ Fidelity Global Special Situations Fund ■ Comparative Index¹

1. Comparative Index: MSCI All Countries World Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-19.8	6.0	2.8	6.5	25.5
Comparative Index	-7.3	7.7	8.0	9.3	18.6

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 29.4%. Over 5 years the fund has returned 16.8% compared with the comparative index return of 39.7%. comparative index to 29/02/2012 was MSCI World Index (Net). Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

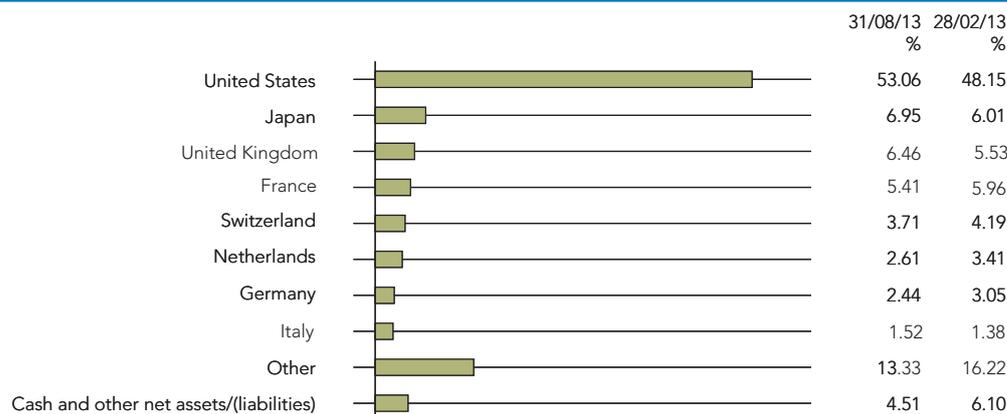
INVESTMENT OBJECTIVE AND POLICY

The fund's investment objective is to achieve long term capital growth from a portfolio primarily made up of the shares of companies around the world. The fund will have a blend of investments in larger, medium and smaller sized companies. The ACD is not restricted in its choice of companies either by size or industry, or in terms of the geographical split of the portfolio, and will choose stocks largely determined by the availability of attractive investment opportunities. The fund may also invest in other transferable securities, units in collective investment schemes, money market instruments, cash and deposits. Derivatives and forward transactions may also be used for investment purposes.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. Investments in small and emerging markets can be more volatile than other more developed markets. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. This fund invests more heavily than others in smaller companies, which can carry a higher risk because their share prices may be more volatile than those of larger companies. For this fund, derivatives and forward transactions may be used for investment purposes, as well as for hedging and other efficient management purposes as permitted for all funds. Where this is the case, their use may lead to higher volatility in the fund's share price. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Sanofi-Aventis	2.75
Walt Disney	2.38
Fidelity Institutional Liquidity Fund (GBP)	2.36
Lowes	2.21
JPMorgan Chase	2.19
eBay	2.07
Aetna	2.07
KDDI	2.06
Johnson & Johnson	2.06
Microsoft	2.03

Top holdings as at 28/02/13	% of total net assets
Google (A)	2.78
Sanofi-Aventis	2.72
Walt Disney	2.67
Microsoft	2.48
Lowes	2.35
eBay	2.17
Comcast (A)	2.15
Johnson & Johnson	2.04
Vodafone	2.03
JPMorgan Chase	1.87

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares	Y Accumulation Shares
31/08/13	1.70	1.17
31/08/12	1.70	1.18
	J Accumulation Shares	W Accumulation Shares
31/08/13	1.67	0.94
31/08/12	1.67	-

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Accumulation Shares			Y Accumulation Shares		
31/08/13	1,473.2	2,013.20	73,176,039	6.6	1,958.95	337,501
	J Accumulation Shares			W Accumulation Shares		
31/08/13	5.3	175.13	2,999,382	7.7	1,869.82	410,489

FUND MANAGER'S COMMENTARY

MARKET REVIEW

Global equities rose over the period as improving economic data from developed markets and continued support from central banks buoyed investor sentiment. However, periodic concerns about Chinese growth and worries that the US Federal Reserve may scale back its asset purchase programme limited gains. Geopolitical risks surrounding Syria further hampered sentiment. Against this backdrop, the US, Japan, Europe ex UK and the UK rose in sterling terms. However, Pacific ex Japan and emerging markets declined amid lacklustre economic data from the region and fears about normalisation of monetary policy in the US. Returns in sterling terms were hurt by its appreciation versus the euro, the US dollar and the yen.

PORTFOLIO ACTIVITY

The fund outperformed the comparative index (40% FTSE All Share Index (Net), 60% MSCI World Index (Net))* over the period. On 30 April 2013, Ayesha Akbar was appointed as the lead portfolio manager; Richard Skelt became co manager. This structure allows for better governance and continuity in the management of the portfolio. The fund is run using a manager selection process under which we allocate assets to regional Fidelity sub managers for stock picking. During the period, performance was supported by security selection in all regional segments. Notably, overweight positions in selected retail and insurance companies added value to the European segment. Relatively low exposure to mining stocks, which fell amid demand concerns from China, also proved rewarding. Here, the allocation to tyre supplier Michelin (B) was increased and a new holding in automobile manufacturer Volkswagen was purchased. Both firms are likely to benefit from an upturn in European automobile sales. In contrast, the position in software firm Sage Group was sold due to a lack of positive catalysts. The exposure to SAP was also reduced on account of a slowdown in corporate information technology (IT) spending. In the US segment, stock picking in the IT sector and selected health care holdings supported returns. In the UK, the largest segment of the portfolio, an overweight stance in online grocery firm Ocado was notably rewarding. Its share price surged after it announced a licensing agreement with Morrison (WM) Supermarkets. The position in video game publisher Electronic Arts advanced after it forecast higher than expected fiscal 2014 earnings. The exposure to integrated oil major BP was lowered and new positions in smaller exploration companies Caracal Energy and Africa Oil (SA) were added. Elsewhere, stock picking in software & services companies added notable value to the Pacific ex Japan segment. In Japan, positions in selected chemicals and transport equipment companies supported returns.

OUTLOOK

Improving growth and continued central bank support aid the outlook for equities. A self sustaining recovery is underway in the US, whilst the UK is seeing a strong housing led upturn. Growth is picking up in Europe, though political tensions are likely to resume with budget negotiations. Elsewhere, the Japanese economy remains strong. In contrast, Pacific ex Japan and emerging markets are likely to be hurt by commodity price weakness, slower growth in China and normalisation in US monetary policy.

Richard Skelt & Ayesha Akbar
Fund Managers
31 August 13

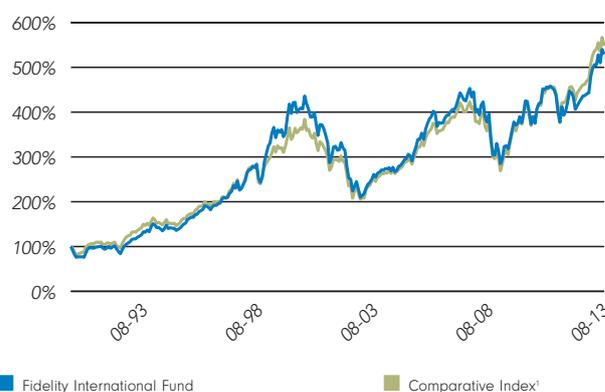
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 6.5% with net income reinvested, outperforming its comparative index return of 4.2%.

PERFORMANCE SINCE LAUNCH

09 July 90 to 31 August 13



■ Fidelity International Fund ■ Comparative Index¹
1. Comparative Index: 40 % FTSE All Share Index (Net), 60 % MSCI World Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-9.6	4.5	6.4	7.6	23.3
Comparative Index	-7.6	8.9	7.8	10.6	20.1

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 429.2%. Over 5 years the fund has returned 33.6% compared with the comparative index return of 44.1%. Performance prior to 29/08/98 has been recalculated to take account of the conversion from Unit Trust to OEIC fund. Benchmark to 31/12/97 was 50% FTSE World (ex-UK) Index (Net), 50% FTSE All Share Index (Net). From 01/01/98 to 30/06/99 the benchmark was 50% MSCI World (ex-UK) Index (Net), 50% FTSE All Share Index (Net). Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

INVESTMENT OBJECTIVE AND POLICY

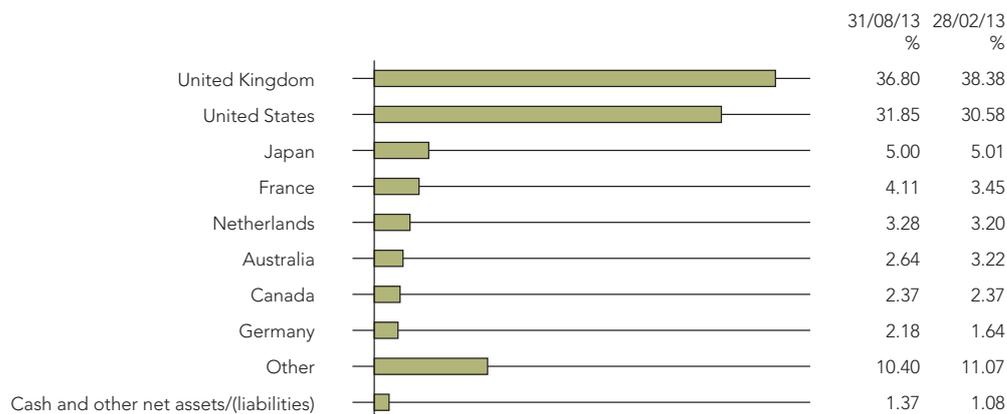
The fund's investment objective is to achieve long term capital growth from a diversified portfolio primarily made up of shares issued by companies around the world. At least half the portfolio will be invested in the EU, with the balance invested in the world's major equity markets, broadly in relation to their size and relative attractiveness. Within the portfolio there is a bias towards the larger companies in each market, but the ACD is not restricted in this regard or in terms of the industrial or geographical split of the portfolio (outside of that mentioned above).

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
BG	2.30
Diageo	1.50
Rio Tinto	1.48
Ocado	1.43
Unilever (UK)	1.38
BP	1.38
Capita	1.28
Apple	1.21
Sanofi-Aventis	1.13
Novo Nordisk (B)	1.08

Top holdings as at 28/02/13	% of total net assets
BP	3.06
Rio Tinto	2.33
BG	2.25
Barclays	2.18
Diageo	2.08
Unilever (UK)	1.92
Ocado	1.35
Randgold Resources	1.31
Apple	1.25
Nanoco	1.22

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares
31/08/13	1.75
31/08/12	1.75

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
31/08/13	249.1	132.14	188,525,910

FUND MANAGER'S COMMENTARY

MARKET REVIEW

The Liberal Democratic Party (LDP) of Japan's victory in the Lower House elections in late 2012 marked a key turning point for the Japanese market. The reflationary policies of the new Shinzo Abe government fuelled a sharp correction in the yen and set in motion a pro cyclical rally. Aggressive easing measures from the Bank of Japan exceeded all expectations, further strengthening the tailwind for Japanese stocks. As the so called Abe rally entered its sixth month, conditions in Japan started to look overbought and a period of consolidation was not unexpected. Concerns that the US Federal Reserve could taper its quantitative easing programme and slower growth in emerging markets, particularly China, triggered a simultaneous reversal in stocks, bonds and the yen. Meanwhile, the LDP's comfortable victory in July's Upper House elections confirmed that most Japanese support Abe's policy platform, but did little to stir the market.

PORTFOLIO ACTIVITY

The fund underperformed the comparative index (TOPIX Index (Net))* over the period. Automobile makers Honda Motor and Nissan Motor trailed the broader market amid concerns that slowing growth in emerging economies and currency volatility would curtail their recovery momentum. Meanwhile, the overweight exposure to the energy sector hurt performance. With crude oil prices heading downward and refining margins narrowing, oil development company Inpex and refiner JX Holdings lost ground. In contrast, stock selection in financials added value. Japanese lenders, notably Sumitomo Mitsui Trust, rallied strongly after the central bank implemented bold easing measures. Life insurer MS&AD benefited from rising equity prices and long term rates. Elsewhere, ecommerce operator Rakuten, a new addition to the fund, performed strongly as its mix of online shopping, credit cards, consumer lending and online securities businesses reaped the benefits of a rebound in consumer spending. Taking into consideration the aggressive policy shift by the Bank of Japan, I increased the allocation to banks and real estate developers. New purchases included Mizuho Financial and Nomura Real Estate. These purchases were funded by selling the holding in branded drug maker Takeda Pharmaceutical. The stock was getting closer to my target price and I was concerned about the company's near term earnings outlook. Elsewhere, I sold mobile carrier SoftBank as its relative valuations became less attractive. I also sold the position in cable TV provider Jupiter Telecommunications.

OUTLOOK

The policies of the Abe government have so far succeeded in spurring economic growth through a combination of public works spending and aggressive monetary easing. The 2% inflation target is very ambitious, but a move from deflation to inflation would be significant. If reflationary expectations make corporations and individuals more willing to increase risk, Japanese stocks could see a sustainable uptrend. The Upper House election can be seen as a vote of confidence in Abenomics (the economic policies advocated by Abe) and the Prime Minister is expected to accelerate his policy agenda in the months ahead. Crucially, the government will need to strike a balance between economic growth, structural reform and fiscal consolidation.

June-Tao Kim
Fund Manager
31 August 13

PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 2.8% with net income reinvested, underperforming its comparative index return of 5.5%.

PERFORMANCE SINCE LAUNCH

12 October 81 to 31 August 13



1. Comparative Index: TOPIX Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	3.6	-3.9	-2.6	-1.3	18.2
Comparative Index	2.5	-1.0	1.0	-3.1	26.1

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 884.8%. Over 5 years the fund has returned 13.1% compared with the comparative index return of 25.2%. Performance prior to 29/08/98 has been recalculated to take account of the conversion from Unit Trust to OEIC fund. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

INVESTMENT OBJECTIVE AND POLICY

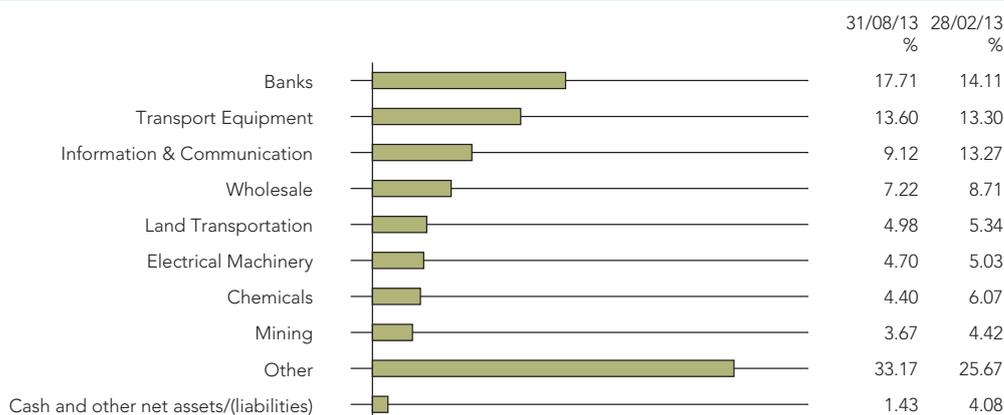
The fund's investment objective is to achieve long term capital growth from a portfolio primarily made up of shares of Japanese companies. The portfolio is likely to have a bias towards larger companies, although the ACD is not restricted in its choice of company by either size or industry.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Mitsubishi UFJ Financial	6.30
Toyota Motor	5.30
Sumitomo Mitsui Financial	4.88
Honda Motor	4.36
Mizuho Financial	3.97
Nissan Motor	3.94
Nippon Telegraph & Telephone	3.64
MS&AD Insurance	3.50
NTT DoCoMo	3.39
Sumitomo	3.20

Top holdings as at 28/02/13	% of total net assets
Mitsubishi UFJ Financial	5.97
Toyota Motor	4.60
Honda Motor	4.60
Sumitomo Mitsui Financial	4.35
Nissan Motor	4.10
Sumitomo Mitsui	3.79
JX	3.45
NTT DoCoMo	3.45
Nippon Telegraph & Telephone	3.34
Sumitomo	3.25

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares	Y Accumulation Shares
31/08/13	1.74	1.21
31/08/12	1.75	1.22
	W Accumulation Shares	
31/08/13	0.97	
31/08/12	-	

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Accumulation Shares			Y Accumulation Shares		
31/08/13	79.5	245.87	32,350,002	0.2	235.89	77,094
	W Accumulation Shares					
31/08/13	0.2	238.43	102,891			

FUND MANAGER'S COMMENTARY

MARKET REVIEW

The Liberal Democratic Party (LDP) of Japan's victory in the Lower House elections in late 2012 marked a key turning point for the Japanese market. The reflationary policies of the new Shinzo Abe government fuelled a sharp correction in the yen and set in motion a pro cyclical rally. Aggressive easing measures from the Bank of Japan exceeded all expectations, further strengthening the tailwind for Japanese stocks. As the so called Abe rally entered its sixth month, conditions in Japan started to look overbought and a period of consolidation was not unexpected. Concerns that the US Federal Reserve could taper its quantitative easing programme and slower growth in emerging markets, particularly China, triggered a simultaneous reversal in stocks, bonds and the yen. Meanwhile, the LDP's comfortable victory in July's Upper House elections confirmed that most Japanese support Abe's policy platform, but did little to stir the market.

PORTFOLIO ACTIVITY

The fund outperformed the comparative index (Russell/Nom Mid Small Cap Index (Net))* over the period. Stock selection in automobiles added value. Fuji Heavy Industries, maker of the Subaru brand of cars, upgraded its earnings forecast to reflect strong sales growth in the US and a weaker yen. In the information technology (IT) sector, Otsuka Corp, a provider of IT services to smaller companies, benefited from a cyclical recovery in domestic IT investment. Elsewhere, agrochemical firm Nihon Nohyaku upgraded its earnings estimates, reflecting the benefits of a weaker yen and strong sales of mainstay insecticides. In contrast, Nitto Denko, a leading producer of liquid crystal display (LCD) polarising films, corrected as demand for high end smartphones slowed and new tablet launches were delayed. The underweight stance in utilities also hurt performance. I selectively purchased automobile parts makers that command strong market positions and those that benefit from secular growth trends such as the rising penetration of electric power steering and airbags. These include Takata and NSK. Meanwhile, I capitalised on the underperformance in the technology sector to buy new positions in Taiyo Yuden and Yaskawa Electronics. I remain overweight in financials, but took profits in non banks Aeon Financial Service and Orix. I also sold positions in banks (Sumitomo Mitsui Trust) and real estate (Sumitomo Realty & Development) companies that became large caps as a result of significant gains since late 2012. Defensive sectors trading on rich valuations remain underweight.

OUTLOOK

So far, the market rally has been largely driven by Abenomics (economic policies advocated by Abe). There have been early signs of improvement in macroeconomic statistics, including wages, employment, consumption and production. Going forward, Japanese companies will have to prove that the yen is not the only driver of profit recovery and that they have concrete strategies to sustain growth. Meanwhile, I continue to see room for an expansion in earnings multiples for Japanese small cap stocks. Whilst their peers in other developed markets are trading at a premium relative to larger companies, Japanese small caps are still trading at a discount.

Jun Tano
Fund Manager
31 August 13

PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 7.0% with net income reinvested, outperforming its comparative index return of 5.8%.

PERFORMANCE SINCE LAUNCH

16 April 84 to 31 August 13



1. Comparative Index: Russell/Nom Mid Small Cap Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	18.9	-2.9	13.3	-4.1	23.9
Comparative Index	13.1	-0.5	5.2	-5.0	23.8

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 550.0%. Over 5 years the fund has returned 55.5% compared with the comparative index return of 39.3%. Performance prior to 29/08/98 has been recalculated to take account of the conversion from Unit Trust to OEIC fund. Benchmark to 31/12/98 was TOPIX Index (Net). From 01/01/99 to 29/08/03 the benchmark was TOPIX 2nd Section Index (Net). Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

INVESTMENT OBJECTIVE AND POLICY

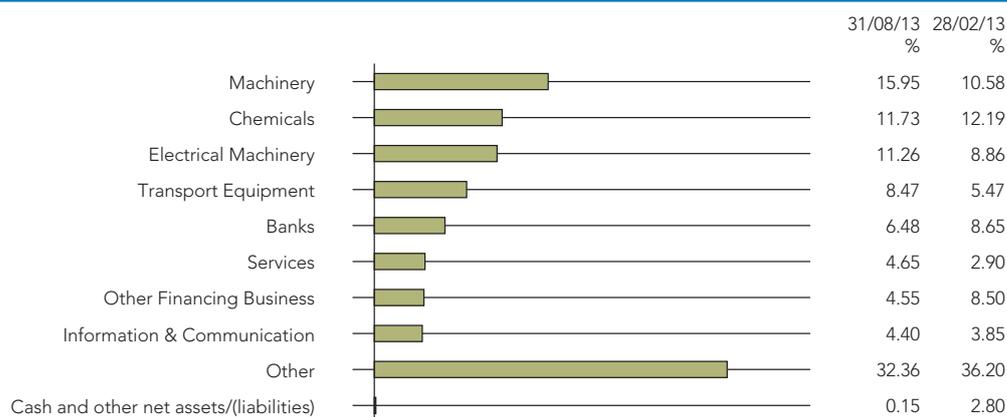
The fund's investment objective is to provide long term growth potential from a portfolio of Japanese equities. The portfolio is likely to have a bias towards medium-sized and smaller companies, although the ACD is not restricted in its choice of company by either size or industry.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. This fund invests more heavily than others in smaller companies, which can carry a higher risk because their share prices may be more volatile than those of larger companies. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Nitto Denko	3.47
Otsuka	3.37
Fuji Heavy Industries	3.05
Kubota	2.90
Nidec	2.22
Makita	2.14
Toyo Suisam Kaisha	2.14
Sumitomo Electric Industries	2.11
Shinsei Bank	2.08
Mitsubishi UFJ Lease And Finance	1.83

Top holdings as at 28/02/13	% of total net assets
Nitto Denko	3.99
Kubota	3.70
Shinsei Bank	2.26
Otsuka	2.11
Fuji Heavy Industries	2.00
Mitsubishi UFJ Lease And Finance	1.97
Aeon Credit Service	1.91
Toray Industries	1.87
Toyo Suisam Kaisha	1.73
Bank of Yokohama	1.73

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares	W Accumulation Shares
31/08/13	1.74	0.97
31/08/12	1.74	-

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Accumulation Shares			W Accumulation Shares		
31/08/13	67.8	157.24	43,101,081	0.1	166.96	72,454

FUND MANAGER'S COMMENTARY

MARKET REVIEW

The UK stock market advanced over the six month period. Positive economic data in the UK as well as leading economies such as the US and China helped improve investor sentiment. Meanwhile, policy actions from global central banks indicated their commitment to keep the recovery moving forward. Stocks rose in four of the six months under review. Declines in June and August, amid worries that the US Federal Reserve will start to taper its bond buying programme, capped overall market returns. As such, the improvement in risk appetite resulted in strong gains in the small and mid cap segments. UK corporate bonds generated positive returns and outperformed UK government bonds (Gilts) over the period.

PORTFOLIO ACTIVITY

The fund outperformed the comparative index (65% FTSE All Share Index (Net), 35% FTSE All Stocks Index (Net))* over the period, driven by our focus on companies that deliver consistent dividend growth. Holdings in BT and GlaxoSmithKline were among the main contributors to performance at the stock level. Telecommunications major BT reported an increase in its annual profits and raised its dividends; we sold some shares to take profits. Pharmaceuticals company GlaxoSmithKline benefited from regulatory approval for one of its drugs. Investors were also attracted by the high yield offered by the stock at a relatively attractive valuation. Meanwhile, the long standing underweight stance in the materials sector supported relative returns as demand concerns and high cost inflation undermined these shares. We increased the exposure to a number of higher yielding positions to generate dividend growth. For instance, we added to existing positions in Scottish & Southern Energy, Provident Financial, KCOM and National Grid Transco. On the other hand, we took some profits in Munich Reinsurance following its strong share price performance over the last year. We also sold the holding in Vodafone given the difficult conditions in the European telecommunications sector. In the bond portion of the portfolio, the interest rate strategy hampered performance, particularly the cross market exposure to US duration (a measure of the sensitivity of a bond, bond market, index or portfolio to changes in interest rates) as Treasury yields rose. Overall, the fund maintained a short duration position for most of the period. Losses from the interest rate strategy were partially offset by gains from the credit strategy. Specifically, the fund is overweight in BBB rated corporate bonds with a bias towards defensive sectors such as utilities, transport, consumer staples and communications. This positioning contributed to returns.

OUTLOOK

The UK economy continues to make progress, and the outlook appears increasingly positive now than it was at the start of the year. Stock valuations are reasonable and dividend payout ratios are low relative to history. Most importantly, after the dividend crisis of 2008 and 2009, we think that dividends now remain largely secure. The continuing fragility in the global economy likely limits how far bond yields can rise before they start hurting the recovery and encourages central banks to err on the side of caution when planning the tapering of their monetary stimulus. Expectations for core government bonds are particularly low, although inflation linked bonds retain the benefit of hedging against an inflationary tail risk.

Michael Clark and Ian Spreadbury
Fund Managers
31 August 13

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

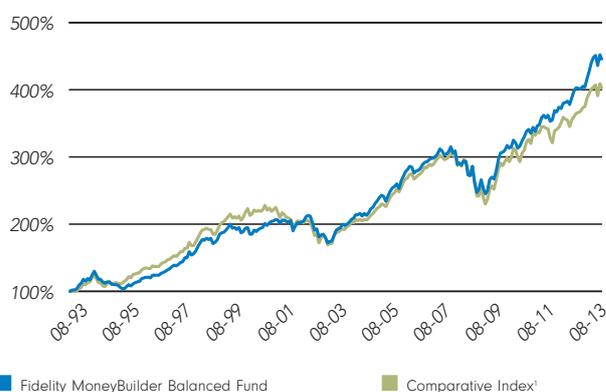
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 4.0% with net income reinvested, outperforming its comparative index return of 1.8%.

PERFORMANCE SINCE LAUNCH

08 February 93 to 31 August 13



1. Comparative Index: Comprises 65 % FTSE All Share Index (Net), 35 % FTSE All Stocks Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	3.3	11.3	7.2	14.1	10.3
Comparative Index	-1.4	9.7	6.0	11.2	10.1

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 344.5%. Over 5 years the fund has returned 55.2% compared with the comparative index return of 40.4%. Performance prior to 29/08/98 has been recalculated to take account of the conversion from Unit Trust to OEIC fund. Benchmark to 31/07/95 was 55% FTSE All Share Index (Net), 45% FTSE All Stocks Index (Net). From 01/08/95 to 21/06/00 the benchmark was 50% FTSE All Share Index (Net), 50% of FTSE All Stocks Index (Net). Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

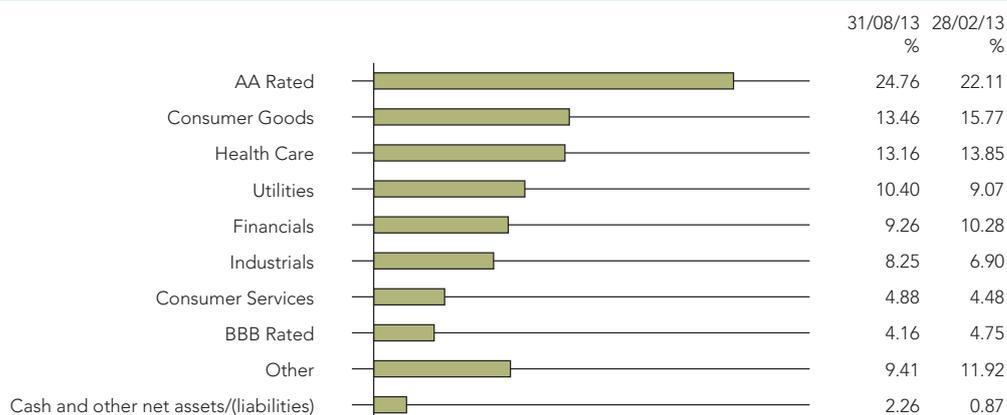
INVESTMENT OBJECTIVE AND POLICY

The fund's investment objective is to achieve an attractive level of income together with some long term capital growth from a portfolio invested primarily in the UK. The portfolio will be invested in a combination of UK government and corporate bonds and other fixed interest securities, preference shares, convertibles and ordinary shares.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment and the income from it can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. With funds that invest in bonds, there is a risk that the issuer of the bond may default on its repayments. The likelihood of this happening will depend on the credit-worthiness of the issuer. The risk of default is usually greatest with bonds that are classed as sub-investment grade. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. This fund takes its annual management charge from your capital and not from the income generated by the fund. This means that any capital growth in the fund will be reduced by the charge and your capital may reduce over time if the fund's growth does not compensate for it. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
UK Gilt Treasury 2.25% 07/03/2014	7.68
GlaxoSmithKline	4.84
UK Gilt 1.25% 22/07/2018	4.59
AstraZeneca (UK)	4.29
Imperial Tobacco	2.72
UK Gilt Treasury 4.25% 07/03/2036	2.69
Reckitt Benckiser	2.58
BT	2.32
British American Tobacco	2.29
UK Gilt Treasury 5.00% 07/09/2014	2.27

Top holdings as at 28/02/13	% of total net assets
UK Gilt Treasury 4.50% 07/03/2013	8.17
GlaxoSmithKline	4.96
AstraZeneca (UK)	4.35
UK Gilt Treasury 4.25% 07/03/2036	3.18
Reckitt Benckiser	3.05
British American Tobacco	3.02
Imperial Tobacco	2.99
BT	2.80
UK Gilt Treasury 5.00% 07/09/2014	2.62
Tesco	2.26

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

	XD date	A Income Shares	Y Income Shares
Interim distribution	01/09/13	0.1200	0.1200
Interim distribution	01/08/13	0.1200	0.1200
Interim distribution	01/07/13	0.1200	0.1200
Interim distribution	01/06/13	0.1200	0.1200
Interim distribution	01/05/13	0.0940	0.0940
Interim distribution	01/04/13	0.0940	0.0940

ONGOING CHARGES (%)

	A Income Shares	Y Income Shares
31/08/13	1.20	0.66
31/08/12	1.21	-

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Income Shares			Y Income Shares		
31/08/13	325.8	47.11	691,543,490	5.9	54.25	10,917,387

FUND MANAGER'S COMMENTARY

MARKET REVIEW

The UK stock market advanced over the six month period. Positive economic data in the UK as well as leading economies such as the US and China helped improve investor sentiment. Meanwhile, policy actions from global central banks indicated their commitment to keep the recovery moving forward. Stocks rose in four of the six months under review. Declines in June and August, amid worries that the US Federal Reserve will start to taper its bond buying programme, capped overall market returns. As such, the improvement in risk appetite resulted in strong gains in the small and mid cap segments. At the sector level, returns were broad based with retailers, telecommunications and consumer services companies in the media and travel & leisure sectors among the leading gainers. However, demand concerns and worries about cyclical earnings and cost inflation undermined shares in mining companies.

PORTFOLIO ACTIVITY

The fund outperformed the comparative index (FTSE All Share Index (Net))* over the period, driven by my focus on companies that deliver consistent dividend growth. Holdings in BT and GlaxoSmithKline were among the main contributors to performance at the stock level. Telecommunications major BT reported an increase in its annual profits and also raised its dividends; I sold some shares to take profits. Pharmaceuticals company GlaxoSmithKline benefited from a regulatory approval for one of its drugs. Investors were also attracted by the high yield offered by the stock at a relatively attractive valuation. The long standing underweight stance in the materials sector also supported relative returns as demand concerns and high cost inflation undermined these shares. On the downside, the position in Imperial Tobacco detracted from performance. Strong sales growth from the company's key strategic brands was not enough to prevent a fall in its first half revenue. However, growth in its interim dividends remained in line with my expectations. I focus on companies with visible earnings, high return on capital, positive cash flows and the ability to deliver consistent dividend growth over the long term, even in tough economic times. During the period, the exposure to a number of higher yielding positions was increased with a view to generating dividend growth. For instance, I added to existing positions in Scottish & Southern Energy, Provident Financial, KCOM and National Grid Transco. On the other hand, I took some profits in Munich Reinsurance following its strong share price performance over the last year. I also sold the holding in Vodafone in view of the difficult conditions in the European telecommunications sector.

OUTLOOK

The UK economy continues to make progress, and I view the outlook to be increasingly positive now than it was at the start of the year. Stock valuations are reasonable and dividend payout ratios are low relative to history. Most importantly, after the dividend crisis of 2008 and 2009, I think that dividends now remain largely secure.

Michael Clark
Fund Manager
31 August 13

PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 7.2% with net income reinvested, outperforming its comparative index return of 4.1%.

PERFORMANCE SINCE LAUNCH

10 November 80 to 31 August 13



1. Comparative Index: FTSE All Share Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-7.1	11.9	10.2	16.4	17.9
Comparative Index	-8.2	10.6	7.3	10.2	18.9

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 3,748.0%. Over 5 years the fund has returned 57.1% compared with the comparative index return of 42.6%. Performance prior to 29/08/98 has been recalculated to take account of the conversion from Unit Trust to OEIC fund. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

INVESTMENT OBJECTIVE AND POLICY

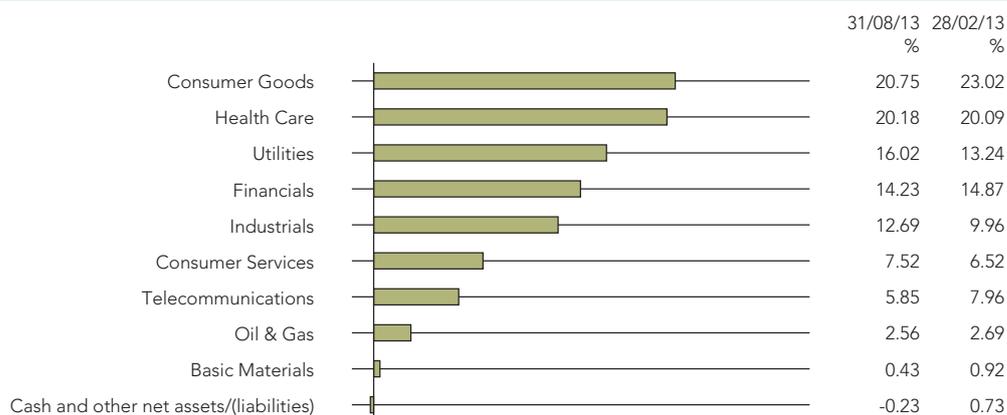
The fund's investment objective is to achieve a combination of income and long term capital growth from a portfolio primarily made up of investments in the UK, including ordinary shares, preference shares, convertibles and fixed interest securities. The portfolio is likely to have a bias towards larger companies, although the ACD is not restricted in its choice of company by either size or industry.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment and the income from it can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. The fund takes its annual management charge from your capital and not from the income generated by the fund. This means that any capital growth in the fund will be reduced by the charge and your capital may be reduced over time if the fund's growth does not compensate for it. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
GlaxoSmithKline	7.48
AstraZeneca (UK)	6.61
Imperial Tobacco	4.18
Reckitt Benckiser	3.99
BT	3.61
British American Tobacco	3.53
Scottish & Southern Energy	2.87
Pennon	2.82
BAE Systems	2.80
Centrica	2.75

Top holdings as at 28/02/13	% of total net assets
GlaxoSmithKline	7.28
AstraZeneca (UK)	6.39
Reckitt Benckiser	4.48
British American Tobacco	4.44
Imperial Tobacco	4.39
BT	4.11
Tesco	3.32
Altria	3.10
Centrica	3.08
HSBC (UK) (Reg'd)	2.97

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

	XD date	A Income Shares	Y Income Shares
Interim distribution	01/09/13	2.000	1.000
Interim distribution	01/06/13	2.000	1.000

ONGOING CHARGES (%)

	A Income Shares	Y Income Shares
31/08/13	1.20	0.67
31/08/12	1.26	0.73

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Income Shares			Y Income Shares		
31/08/13	549.8	239.76	229,324,725	77.6	118.95	65,234,057

FUND MANAGER'S COMMENTARY

MARKET REVIEW

The UK stock market advanced over the six month period. Positive economic data in the UK as well as leading economies such as the US and China helped improve investor sentiment. Meanwhile, policy actions from global central banks indicated their commitment to keep the recovery moving forward. Stocks rose in four of the six months under review. Declines in June and August, amid worries that the US Federal Reserve will start to taper its bond buying programme, capped overall market returns. As such, the improvement in risk appetite resulted in strong gains in the small and mid cap segments. At the sector level, returns were broad based with retailers, telecommunications and consumer services companies in the media and travel & leisure sectors among the leading gainers. However, demand concerns and worries about cyclical earnings and cost inflation undermined shares in mining companies.

PORTFOLIO ACTIVITY

The fund outperformed the comparative index (FTSE All Share Index (Net))* over the period, primarily driven by strong stock selection in the banking sector. In particular, the holding in Lloyds Banking Group added significant value as it revealed further plans to sell non core assets to boost capital and reduce costs by cutting jobs. Hopes over the resumption of dividend payouts also sparked a positive reaction from investors. The lender recorded a significant increase in its first half profits and upgraded its full year guidance on a number of metrics. Several of our high conviction positions in other sectors also supported returns. These included pharmaceuticals major GlaxoSmithKline, which benefited from regulatory approval for one of its drugs, and outsourcing company Capita, whose shares advanced on the back of a positive outlook for earnings led by increased UK government contract flow. On the downside, the holding in Barclays detracted from performance as the banking major announced a series of actions, including a £5.8 billion rights issue, to reduce its capital shortfall. During the review period, I initiated a position in UK outsourcing firm Serco, which is seeing strong growth in orders and looks poised to benefit from positive trends in the UK outsourcing sector. I also increased the exposure to broadcaster ITV. Its current management has established a good track record and its impressive content strategy is driving earnings growth. In view of the improvement in the UK housing market, the exposure to housebuilder Taylor Wimpey was also increased. Meanwhile, I lowered the allocation to Vodafone in view of the difficult conditions in the European telecommunications sector. I also sold selected positions that had previously performed well. These included chip designer ARM and beverages group Diageo.

OUTLOOK

I remain positive on UK equities, although the market is likely to experience occasional volatility as there is further clarity on global central banks' monetary policies. Overall, corporate balance sheets are much stronger now than in recent years and UK stocks remain attractively valued compared to history.

James Griffin
Fund Manager
31 August 13

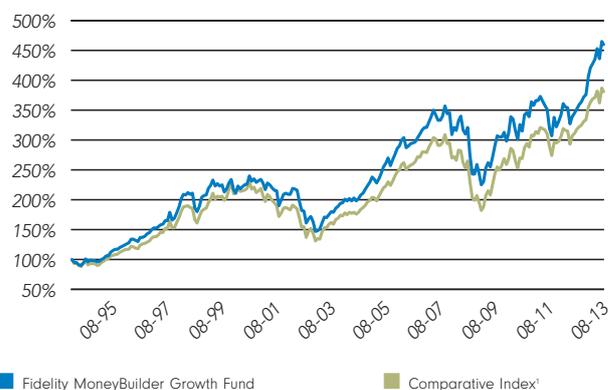
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 8.9% with net income reinvested, outperforming its comparative index return of 4.1%.

PERFORMANCE SINCE LAUNCH

14 February 94 to 31 August 13



1. Comparative Index: FTSE All Share Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-9.2	8.3	1.2	10.3	30.2
Comparative Index	-8.2	10.6	7.3	10.2	18.9

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 358.2%. Over 5 years the fund has returned 43.0% compared with the comparative index return of 42.6%. Performance prior to 29/08/98 has been recalculated to take account of the conversion from Unit Trust to OEIC fund. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

INVESTMENT OBJECTIVE AND POLICY

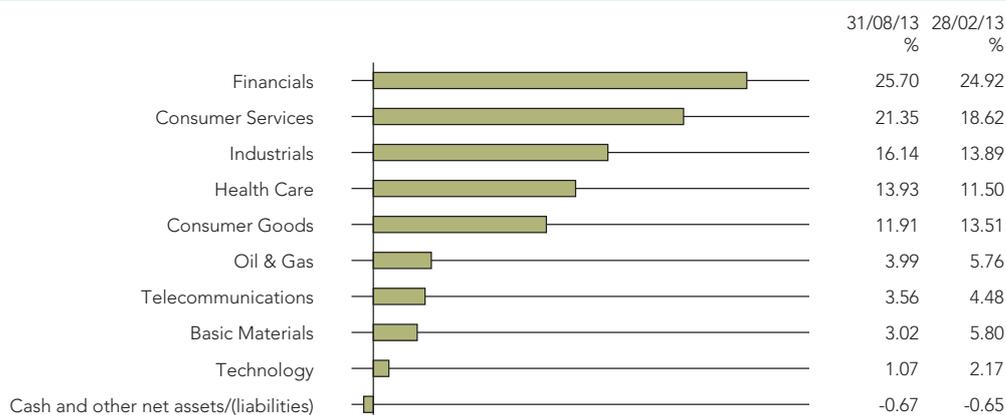
The fund's investment objective is to achieve a combination of income and long term capital growth from a portfolio primarily made up of the shares of UK companies. The portfolio is likely to have a bias towards larger companies, although the ACD is not restricted in its choice of company by either size or industry.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. Investments in small and emerging markets can be more volatile than other more developed markets. This fund invests in overseas markets. You may get more or less as a result of currency fluctuations. The fund takes its annual management charge from your capital and not from the income generated by the fund. This means that any capital growth in the fund will be reduced by the charge and your capital may be reduced over time if the fund's growth does not compensate for it. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
GlaxoSmithKline	8.25
Lloyds Banking Group	7.42
HSBC (UK) (Reg'd)	6.97
Barclays	4.84
Shire	4.57
Rolls-Royce	4.40
Wolseley	4.30
Diageo	4.23
WPP	4.22
Vodafone	3.56

Top holdings as at 28/02/13	% of total net assets
HSBC (UK) (Reg'd)	8.13
GlaxoSmithKline	7.17
Lloyds Banking Group	6.00
Diageo	5.71
Barclays	5.56
Rolls-Royce	4.65
Vodafone	4.48
Shire	4.34
WPP	4.03
SABMiller	3.90

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

	XD date	A Income Shares	Y Income Shares
Interim distribution	01/09/13	0.9357	0.8425

	XD date	ISA Class Income Shares
Interim distribution	01/09/13	0.9889

ONGOING CHARGES (%)

	A Income Shares	Y Income Shares
31/08/13	1.20	0.66
31/08/12	1.20	0.68

	ISA Class Income Shares
31/08/13	0.98
31/08/12	1.00

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Income Shares			Y Income Shares		
31/08/13	566.5	66.06	857,502,599	1.6	65.59	2,428,892
	ISA Class Income Shares					
31/08/13	126.8	66.57	190,485,541			

FUND MANAGER'S COMMENTARY

MARKET REVIEW

UK corporate bonds generated positive returns and outperformed UK government bonds (Gilts) over the period. High yield was the best performing asset class and outperformed both government and investment grade corporate bonds as the extra coupon income these bonds offer provided a buffer against volatile credit spreads. However, core government bonds, including Gilts were sold off from the end of May amid fears that the era of abundant global liquidity support for capital markets could come to a premature end. In addition, positive growth signs fuelled bets on higher rates as the UK's economic growth accelerated in the second quarter. In August, the Bank of England promised to keep interest rates low for an extended period. Its so called 'forward guidance' tied interest rate increases to unemployment. A rise in rates would not be considered until unemployment drops to 7%.

PORTFOLIO ACTIVITY

The fund underperformed the comparative index (BofA ML Euro-Sterling (Net))* over the period. The interest rate strategy proved detrimental to performance, particularly the cross market exposure to US duration (a measure of the sensitivity of a bond, bond market, index or portfolio to changes in interest rates) as Treasury yields rose. Overall, the fund maintained a short duration position for most of the period. Losses from the interest rate strategy were partially offset by gains from the credit strategy. Specifically, the fund is overweight in BBB rated corporate bonds with a bias towards defensive sectors such as utilities, transport, consumer staples and communications. This positioning contributed to returns. For instance, the overweight stance in Great Rolling Stock and Gatwick in the transportation sector and BAT and Tesco within consumer staples added value. Favourable selection in financials, such as holdings in Aviva, Assicurazimi Generali and HSBC also buoyed performance. Overall, the fund is underweight in financials. During the review period, a long credit beta (a measure of the fund's sensitivity to credit spreads) was retained to profit from lower credit spreads. I continue to focus on bonds issued by companies that demonstrate a typically lower sensitivity to the economic cycle, but still offer a healthy yield premium over the market average. For instance, I bought new positions in Pepsico, Coca-Cola and Sabmiller in the consumer non cyclical sector. Elsewhere, the overweight stance in telecommunications was lowered through reductions in Vodafone, AT&T and Deutsche Telekom International Finance.

OUTLOOK

The outlook for the global economy has brightened recently, but significant structural weaknesses remain. This fragility likely limits how far bond yields can rise before they start hurting the recovery and encourages central banks to err on the side of caution when planning the tapering of their monetary stimulus. Expectations for core government bonds are particularly low, although inflation linked bonds retain the benefit of hedging against an inflationary tail risk. However, value can be found in investment grade corporate bonds and some parts of the high yield market as corporate fundamentals remain healthy and valuations generally compensate investors for the historical probability of default, price volatility and poor market liquidity.

Ian Spreadbury
Fund Manager
31 August 13

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned -0.9% with net income reinvested, underperforming its comparative index return of -0.5%.

PERFORMANCE SINCE LAUNCH

12 September 95 to 31 August 13



■ Fidelity MoneyBuilder Income Fund ■ Comparative Index¹

1. Comparative Index: BofA ML Euro-Sterling (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	8.4	13.5	1.7	10.6	1.6
Comparative Index	4.8	12.3	0.6	11.7	2.0

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 189.2%. Over 5 years the fund has returned 40.6% compared with the comparative index return of 34.9%. There was a fixed-offer period from 12/09/95 to 03/10/95. Performance prior to 29/08/98 has been recalculated to take account of the conversion from Unit Trust to OEIC fund. Benchmark to 29/09/00 was SB Euro-Sterling Investment Grade 5+ Index (Net). From 02/10/00 to 28/09/01 the benchmark was 50% BofA ML 5+ Year Euro-Sterling Index (Net), 50% BofA ML Euro-Sterling Index (Net). Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

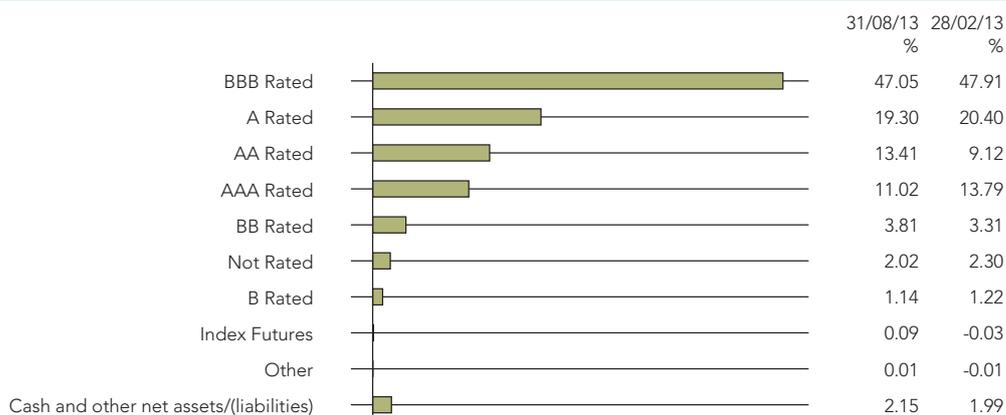
INVESTMENT OBJECTIVE AND POLICY

The fund's investment objective is to achieve an attractive level of income from a portfolio primarily invested in sterling-denominated fixed interest securities.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment and the income from it can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. The main aim of this fund is to produce income. When this income is paid out instead of being reinvested, there is little prospect of any real capital growth. A portion of this fund will invest in 'sub-investment grade' bonds. These bonds may produce a higher level of income than 'investment grade' bonds but at a higher risk to your capital. With funds that invest in bonds, there is a risk that the issuer of the bond may default on its repayments. The likelihood of this happening will depend on the credit-worthiness of the issuer. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
European Investment Bank 6.00% 07/12/2028	2.35
UK Gilt Treasury War Loan 3.50% (Perpetual)	1.86
UK Gilt Treasury 2.25% 07/03/2014	1.62
Abbey National Treasury 5.125% 14/04/2021	1.43
UK Gilt Treasury 1.75% 07/09/2022	1.22
Aspire Defence Finance 4.674% 31/03/2040 (A)	1.16
GlaxoSmithKline Capital 3.375% 20/12/2027	1.05
Great Rolling Stock 6.875% 27/07/2035	1.04
Enterprise Inns 6.375% 26/09/2031	1.04
Tesco Property Finance 6.0517% 13/10/2039	1.01

Top holdings as at 28/02/13	% of total net assets
European Investment Bank 6.00% 07/12/2028	2.40
UK Gilt Treasury War Loan 3.50% (Perpetual)	1.80
Fidelity Institutional Liquidity Fund (GBP)	1.51
Abbey National Treasury 5.125% 14/04/2021	1.44
CPUK Finance 4.811% 28/02/2042	1.30
Aspire Defence Finance 4.674% 31/03/2040 (A)	1.13
Barclays Bank 4.25% 12/01/2022	1.09
GlaxoSmithKline Capital 3.375% 20/12/2027	1.07
Great Rolling Stock 6.875% 27/07/2035	1.07
Co-Op Bank 4.75% 11/11/2021	1.06

FUND FACTS

INCOME (pence per share)

	XD date	A Income Shares	Gross paying A Income Shares
Interim distribution	01/09/13	0.0843	0.1053
Interim distribution	01/08/13	0.0857	0.1071
Interim distribution	01/07/13	0.0829	0.1037
Interim distribution	01/06/13	0.0854	0.1068
Interim distribution	01/05/13	0.0850	0.1064
Interim distribution	01/04/13	0.0881	0.1102

	XD date	Y Income Shares	Gross paying Y Income Shares
Interim distribution	01/09/13	0.3146	0.3934
Interim distribution	01/08/13	0.3195	0.3996
Interim distribution	01/07/13	0.3094	0.3871
Interim distribution	01/06/13	0.3200	0.4003
Interim distribution	01/05/13	0.3175	0.3972
Interim distribution	01/04/13	0.3283	0.4109

	XD date	Y Accumulation Shares	Gross paying Y Accumulation Shares
Interim distribution	01/09/13	2.8570	3.9905
Interim distribution	01/08/13	2.8562	4.0505
Interim distribution	01/07/13	0.5695	16.0545

ONGOING CHARGES (%)

	A Income Shares	Gross paying A Income Shares
31/08/13	0.99	0.99
31/08/12	1.00	1.00

	Y Income Shares	Gross paying Y Income Shares
31/08/13	0.56	0.56
31/08/12	0.57	0.57

	A Accumulation Shares	Y Accumulation Shares
31/08/13	0.99	0.55
31/08/12	1.00	-

	Gross paying Y Accumulation Shares
31/08/13	0.56
31/08/12	0.57

The ongoing charges figure is the ratio of total costs to average net assets.

FUND FACTS

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Income Shares			Gross paying A Income Shares		
31/08/13	1,372.3	33.20	4,133,560,660	875.9	33.20	2,638,192,965
	Y Income Shares			Gross paying Y Income Shares		
31/08/13	436.3	111.05	392,902,744	328.4	111.07	295,653,625
	A Accumulation Shares			Y Accumulation Shares		
31/08/13	172.7	144.00	119,901,538	0.4	1,011.38	43,080
	Gross paying Y Accumulation Shares					
31/08/13	23.7	1,136.17	2,085,206			

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND MANAGER'S COMMENTARY

MARKET REVIEW

The UK stock market advanced over the six month period. Positive economic data in the UK as well as leading economies such as the US and China helped improve investor sentiment. Meanwhile, policy actions from global central banks indicated their commitment to keep the recovery moving forward. Stocks rose in four of the six months under review. Declines in June and August, amid worries that the US Federal Reserve will start to taper its bond buying programme, capped overall market returns. As such, the improvement in risk appetite resulted in strong gains in the small and mid cap segments. At the sector level, returns were broad based with retailers, telecommunications and consumer services companies in the media and travel & leisure sectors among the leading gainers. However, demand concerns and worries about cyclical earnings and cost inflation undermined shares in mining companies.

PORTFOLIO ACTIVITY

The fund aims to achieve long term capital growth by closely matching the performance of the FTSE All Share Index (Net). Therefore, the return of the fund and its comparative index should be similar over time, before costs. However, the fund is priced at mid day, whereas its comparative index is officially priced several hours later, when the UK stock market closes. This timing difference can cause positive or negative variations in apparent relative returns and increase the reported tracking error of the fund. By comparing the fund's returns to a customised mid day total return index of 4.9% over the period, the difference in performance amounts to -0.2%. This difference is explained primarily by the fund's ongoing charges, taxation and transaction costs. The difference for the same period last year was -0.5%, and a similar difference was therefore to be expected during this period. The fund belongs to a group known as "passive" or "index tracker" funds, whereby the portfolio holds securities that are representative of the index. No active decisions at a sector or geographical level are made. I endeavour to minimise deviation from the index by using an index tracking technique, which includes replication of the larger companies represented in the index, and a sampling within the smaller company component of the index, in order to reduce costs. The sampling technique used attempts to identify a sub set of liquid small cap stocks that will align the fund's portfolio to the net exposures of the broader index as closely as possible. As a result, the return of the fund and its comparative index should be similar over time, before costs. Please note, the fund's cash position does not mean that it is under exposed to the index, as any cash balance is typically equitised with equity index futures contracts. This helps to efficiently manage cash flows in the fund at reduced costs. When taking into account exposure achieved by these futures contracts, the fund's sector and top holdings weights more closely match the index.

OUTLOOK

I believe that the outlook for UK equities is positive as corporate balance sheets are much stronger than in recent years now and UK stocks remain attractively valued compared to history.

Matt Jones
Fund Manager
31 August 13

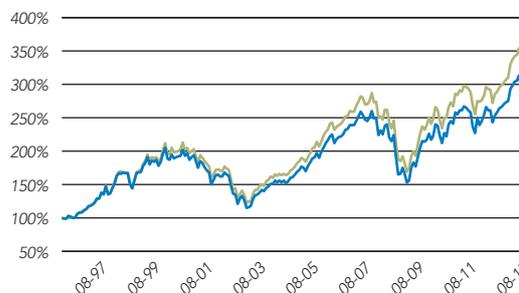
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 4.7% with net income reinvested, outperforming its comparative index return of 4.1%.

PERFORMANCE SINCE LAUNCH

31 January 96 to 31 August 13



■ Fidelity MoneyBuilder UK Index Fund ■ Comparative Index¹

1. Comparative Index: FTSE All Share Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-8.4	8.2	6.6	11.6	18.4
Comparative Index	-8.2	10.6	7.3	10.2	18.9

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 212.3%. Over 5 years the fund has returned 39.6% compared with the comparative index return of 42.6%. Performance prior to 29/08/98 has been recalculated to take account of the conversion from Unit Trust to OEIC fund. Benchmark to 31/12/98 was FTSE 100 Index (Net). Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

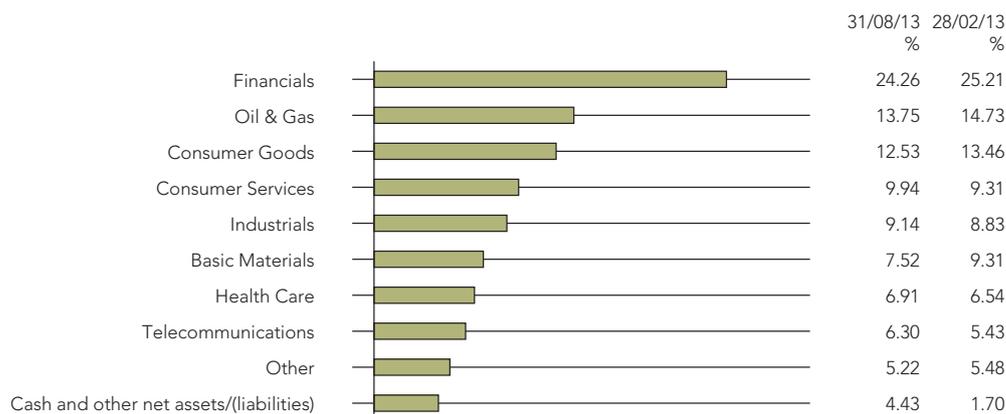
INVESTMENT OBJECTIVE AND POLICY

The fund's investment objective is to achieve long term capital growth by closely matching the performance of the FT-SE Actuaries All-Share Index. The ACD will aim to hold securities that represent the FT-SE Actuaries All-Share Index (or, in the event of this index ceasing to be compiled, such other index as the ACD may deem appropriate). In order to manage the cash position of the portfolio, the ACD may utilise stock index futures as allowed by the regulations. Note: The Shares in the Fund are not in any way sponsored, endorsed, sold or promoted by FTSE International Limited ("FTSE") or by the London Stock Exchange Plc ("the Exchange") or by The Financial Times Limited ("FT"), and neither FTSE nor the Exchange nor FT makes any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FT-SE Actuaries All-Share Index ("the Index") and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated by FTSE. However, neither FTSE nor the Exchange nor FT shall be liable (whether in negligence or otherwise) to any person for any error in the Index, and neither FTSE nor the Exchange nor FT shall be under any obligation to advise any person of any error in the Index. "FTSE" and "FT-SE" are trade marks of the London Stock Exchange Plc and The Financial Times Limited and are used by FTSE International Limited under licence. "All-Share" is a trade mark of FTSE International Limited.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
HSBC (UK) (Reg'd)	5.96
Vodafone	4.75
BP	3.98
GlaxoSmithKline	3.83
Royal Dutch Shell A (UK)	3.72
British American Tobacco	2.95
Royal Dutch Shell B (UK)	2.62
Fidelity Institutional Liquidity Fund (GBP)	2.57
Diageo	2.34
BG	1.96

Top holdings as at 28/02/13	% of total net assets
HSBC (UK) (Reg'd)	6.71
BP	4.20
Vodafone	4.05
Royal Dutch Shell A (UK)	4.02
GlaxoSmithKline	3.54
British American Tobacco	3.32
Royal Dutch Shell B (UK)	2.92
Fidelity Institutional Liquidity Fund (GBP)	2.71
Diageo	2.46
BHP Billiton	2.18

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

	XD date	A Accumulation Shares
Interim distribution	01/09/13	1.6635

ONGOING CHARGES (%)

	A Accumulation Shares
31/08/13	0.30
31/08/12	0.30

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
31/08/13	1,039.0	77.94	1,333,140,696

FUND MANAGER'S COMMENTARY

MARKET REVIEW

US equities rose over a period that was characterised by sharp swings in investor confidence. The US employment and housing market continued to show signs of sustained recovery. However, investors reacted nervously to US Federal Reserve (Fed) chairman Ben Bernanke's remarks indicating that the central bank could taper its quantitative easing programme sooner than expected. Following these remarks, US Treasury yields rose sharply, prompting investors to rotate out of equities, particularly from sectors offering high dividend yields. Speculation about US military action against Syria following allegations of chemical weapons usage also subdued sentiment, as it prompted fears about another potentially long drawn out conflict. Encouragingly, despite these near term headwinds, investors favoured the long term prospects of US equities, which are supported by robust corporate balance sheets and reasonable valuations.

PORTFOLIO ACTIVITY

The fund aims to achieve long term capital growth by closely matching the performance of the S&P 500 Index (Net). Therefore, the return of the fund and its comparative index should be similar over time, before costs. However, the fund is priced at midday, whereas its comparative index is officially priced several hours later, when the US stock market closes. This timing difference can cause positive or negative variations in apparent relative returns and increase the reported tracking error of the fund. By revaluing the fund at US market close and comparing this return (6.6%) to the return of the comparative index over the period, the difference in performance amounts to -0.1%. This difference is explained primarily by the fund's ongoing charges, taxation and transaction costs. The fund belongs to a group known as "passive" or "index tracker" funds, whereby the portfolio holds securities that are representative of the index. No active decisions at a sector or geographical level are made. We endeavour to minimise deviation from the index by using an index tracking technique, which comprises full replication of the companies represented in the index. As a result, the return of the fund and its comparative index should be similar over time, before costs. Please note, the fund's cash position does not mean that it is under exposed to the index, as any cash balance is typically equitised with equity index futures contracts. This helps to efficiently manage cashflows in the fund at reduced costs. When taking into account exposure achieved by these futures contracts the fund's sector and top holdings weights more closely match the index.

OUTLOOK

The US economic recovery is now widely acknowledged. The US consumer is likely to be on firmer ground going into 2014 given the positive trends seen in the housing market and unemployment. However, in the short term, several macroeconomic level events, such as the start of Fed tapering and geopolitical issues in the Middle East, could lead to increased uncertainty among global investors. Furthermore, the impending renewal of the US debt ceiling and its deadline at the end of October is also likely to cause some volatility given the lack of clarity about how this would be addressed.

Management Team
Fund Managers
31 August 13

PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 6.7% with net income reinvested, matching its comparative index return of 6.7%.

PERFORMANCE SINCE LAUNCH

19 November 12 to 31 August 13

Comparative Index: S&P 500 Index (Net)

A discrete 1 year performance table has not been included as the fund was launched in November 2012 and does not have a full twelve month performance record.

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 23.9%. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

INVESTMENT OBJECTIVE AND POLICY

The Fund's investment objective is to achieve long term capital growth by closely matching the performance of the S&P 500 index. The ACD will aim to hold securities that represent the S&P 500 index (or in the event of this index ceasing to be compiled such index as the ACD may deem appropriate). In order to manage the cash position of the portfolio, the ACD may utilise stock index futures as allowed by the regulations.

RISK PROFILE

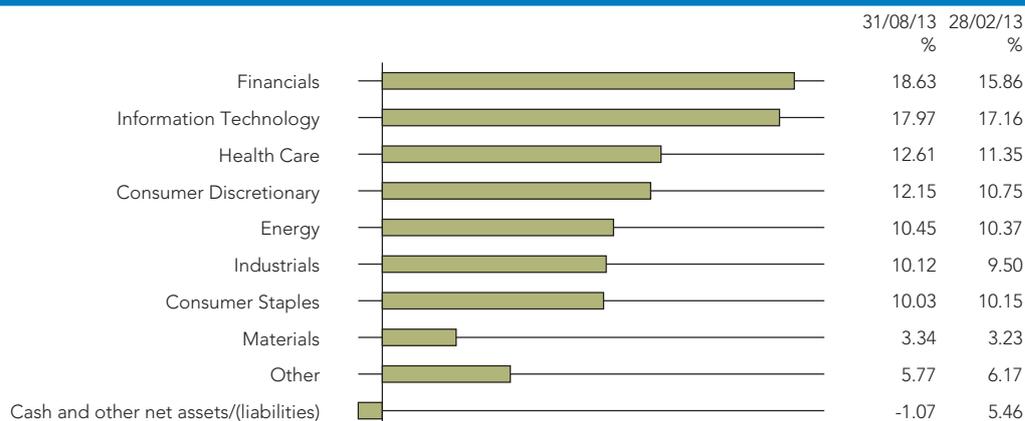
If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

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PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Apple	3.12
ExxonMobil	2.62
Fidelity Institutional Liquidity Fund (USD)	2.58
Microsoft	1.70
Johnson & Johnson	1.64
General Electric	1.62
ChevronTexaco	1.58
Google (A)	1.55
Procter & Gamble	1.43
Berkshire Hathaway	1.38

Top holdings as at 28/02/13	% of total net assets
Apple	2.86
ExxonMobil	2.81
General Electric	1.69
ChevronTexaco	1.57
IBM	1.48
Google (A)	1.46
Johnson & Johnson	1.45
Microsoft	1.45
Procter & Gamble	1.44
AT&T	1.40

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares	F Accumulation Shares
31/08/13	0.29	0.03
31/08/12	-	-
	I Accumulation Shares	
31/08/13	0.15	
31/08/12	-	

The ongoing charges figure is the ratio of total costs to average net assets.

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Accumulation Shares			F Accumulation Shares		
31/08/13	23.4	123.91	18,921,637	5.1	1,241.76	410,322
	I Accumulation Shares					
31/08/13	0.1	124.06	79,135			

FUND MANAGER'S COMMENTARY

MARKET REVIEW

The MSCI World Index rose over a review period characterised by significant volatility. Investor confidence was largely influenced by central banks' announcements, particularly those by the US Federal Reserve (Fed). Fed chairman Ben Bernanke's remarks indicating the possibility of tapering quantitative easing measures subdued sentiment, as did newsflow signalling a slowdown in Chinese economic activity. Moreover, renewed geopolitical concerns amid speculation about US military action against Syria prompted worries about additional challenges to global economic growth. Nonetheless, investor confidence was bolstered by the Fed's willingness to support the bond purchase programme in the near future. Signs of improvement in Chinese production activity, ongoing encouraging data releases from the US and mild expansion in the eurozone also proved beneficial.

PORTFOLIO ACTIVITY

The fund aims to achieve long term capital growth by closely matching the performance of the MSCI World Index (Net). Therefore, the return of the fund and its comparative index should be similar over time, before costs. However, the fund is priced at midday, whereas its comparative index is officially priced several hours later, when global stock markets close. This timing difference can cause positive or negative variations in apparent relative returns and increase the reported tracking error of the fund. By revaluing the fund at global market close and comparing this return (4.1%) to the return of the comparative index over the period, the performance is in line with the comparative index. Ordinarily, this difference is expected to be negative and explained primarily by the fund's ongoing charges, taxation and transaction costs. The fund belongs to a group known as "passive" or "index tracker" funds, whereby the portfolio holds securities that are representative of the index. No active decisions at a sector or geographical level are made. We endeavour to minimise deviation from the index by using an index tracking technique, which comprises full replication of the risk characteristics represented in the index. As a result, the return of the fund and its comparative index should be similar over time, before costs. Please note, the fund's cash position does not mean that it is under exposed to the index, as any cash balance is typically equitised with equity index futures contracts. This helps to efficiently manage cashflows in the fund at reduced costs. When taking into account exposure achieved by these futures contracts the fund's sector and top holdings weights more closely match the index.

OUTLOOK

The US continues to deliver encouraging economic data, and the momentum in China and the eurozone is also improving. However, in the short term, several well known macroeconomic level events such as the start of Fed tapering and the German elections could increase uncertainty among investors. The Fed's tapering programme will, in fact, validate the strength of the US economic recovery, which could support commodity demand over the long term.

Management Team
 Fund Managers
 31 August 13

PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 4.5% with net income reinvested, outperforming its comparative index return of 4.1%.

PERFORMANCE SINCE LAUNCH

10 December 12 to 31 August 13

Comparative Index: MSCI World Index (Net)

A discrete 1 year performance table has not been included as the fund was launched in December 2012 and does not have a full twelve month performance record.

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 18.2%. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

INVESTMENT OBJECTIVE AND POLICY

The Fund's investment objective is to achieve long term capital growth by closely matching the performance of the MSCI World index. The ACD will aim to hold securities that represent the MSCI World index (or in the event of this index ceasing to be compiled such index as the ACD may deem appropriate). In order to manage the cash position of the portfolio, the ACD may utilise stock index futures as allowed by the regulations.

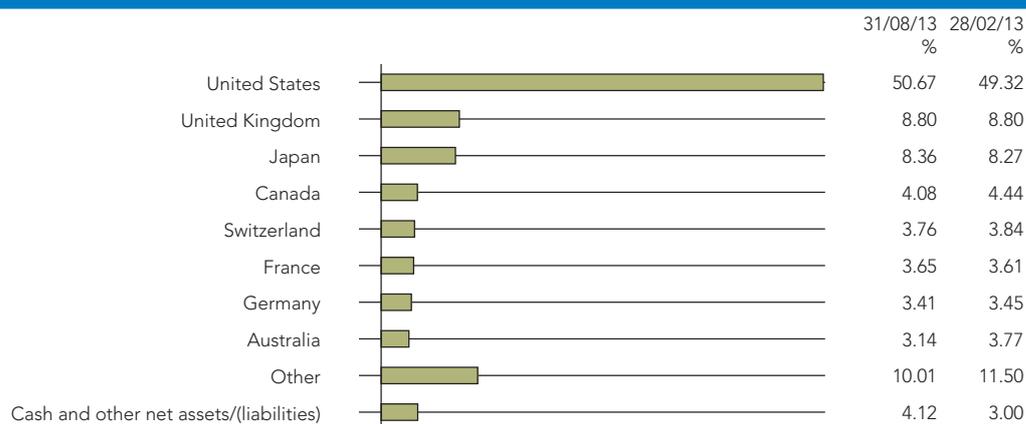
RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

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PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Apple	1.50
ExxonMobil	1.31
Microsoft	0.90
Fidelity Institutional Liquidity Fund (USD)	0.83
Johnson & Johnson	0.81
General Electric	0.80
ChevronTexaco	0.78
Google (A)	0.77
Nestle (Reg'd)	0.71
Procter & Gamble	0.71

Top holdings as at 28/02/13	% of total net assets
ExxonMobil	1.47
Apple	1.33
Fidelity Institutional Liquidity Fund (USD)	1.15
General Electric	0.88
ChevronTexaco	0.82
Nestle (Reg'd)	0.80
IBM	0.79
Procter & Gamble	0.76
Johnson & Johnson	0.76
Microsoft	0.75

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares	F Accumulation Shares
31/08/13	0.29	0.05
31/08/12	-	-
	I Accumulation Shares	
31/08/13	0.15	
31/08/12	-	

The ongoing charges figure is the ratio of total costs to average net assets.

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Accumulation Shares			F Accumulation Shares		
31/08/13	15.5	118.17	13,139,261	2.7	1,183.42	231,541
	I Accumulation Shares					
31/08/13	11.0	118.33	9,303,158			

FUND MANAGER'S COMMENTARY

MARKET REVIEW

Far East ex Japan stocks fell over the period primarily due to worries that the US Federal Reserve may start tapering its bond buying programme. Lacklustre GDP growth in China and weak data in some emerging Asian economies further hurt equities. Meanwhile, aggressive monetary easing measures unveiled in Japan supported sentiment. Central banks in Korea, Thailand and the Philippines lowered interest rates to spur growth. Bank Indonesia, however, raised its key rates in response to sharp currency depreciation and to control inflation. At a sector level, materials tracked commodity prices lower. Financials and industrials also disappointed, whilst telecommunications, consumer discretionary and information technology (IT) stocks outperformed the broader index.

PORTFOLIO ACTIVITY

The fund underperformed the comparative index (MSCI All Countries Far East ex Japan Index (Net))* due to unrewarding positions in the IT sector. Samsung Electronics fell on concerns over less than stellar sales of its latest Galaxy S4 smartphone. Holdings in the real estate sector also weighed on returns. Hong Kong based Sun Hung Kai Properties disappointed due to a tight policy environment and rising bond yields. I reduced this position over the period. I also lowered the exposure to the real estate sector in Singapore in light of tight regulatory policies and rising interest rates. For instance, I sold shares in Singapore based Capitaland and Keppel Land. Additionally, the stake in Bank Rakyat Indonesia hurt performance amid fears that a rise in interest rates could lead to slower loan growth. I ended the period with an underweight position in financials. Meanwhile, consumer discretionary stocks supported returns. Korea's hotels and duty free shops operator Hotel Shilla benefited from increasing Chinese tourist inflows. I also raised the bias towards consumer discretionary stocks over the period. I added to the position in China based automaker Brilliance China Automotive as rising demand for luxury cars and increasing localisation of components buoyed its growth prospects. Elsewhere, construction & engineering services provider China State Construction International added value owing to solid growth in its order book. Meanwhile, I moved the utilities sector to overweight. I purchased shares in Chinese wind power producers China Longyuan Power and Huaneng Renewables given the government's efforts to foster clean energy usage.

OUTLOOK

Worries surrounding the potential scaling back of stimulus measures in the US could keep equities volatile in the near term. Currently, however, equity valuations are low compared to the historical trend and to developed markets. As interest rates normalise over the next 3-4 years, volatility should diminish and Asia's fundamental quality and growth should come to the fore again. This will benefit bottom up stock pickers. Currently, I am finding opportunities in Korea and China. In China, I am finding quality stocks with good management and growth potential at attractive valuations. In Korea, the market was hit earlier this year by weakness in the Japanese yen. However, many companies have strong franchises and are not simply a play on the Korean won anymore.

Allan Liu
Fund Manager
31 August 13

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned -8.5% with net income reinvested, underperforming its comparative index return of -7.8%.

PERFORMANCE SINCE LAUNCH

15 October 84 to 31 August 13



■ Fidelity South-East Asia Fund ■ Comparative Index*

1. Comparative Index: MSCI All Countries Far East ex Jpn (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	19.3	23.9	8.5	-3.3	8.1
Comparative Index	8.5	23.0	5.1	0.2	11.0

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 2,752.0%. Over 5 years the fund has returned 67.5% compared with the comparative index return of 56.0%. Performance prior to 29/08/98 has been recalculated to take account of the conversion from Unit Trust to OEIC fund. Benchmark to 31/12/87 was MSCI Pacific (ex-Japan) Index (Net). From 04/01/88 to 30/09/94 the benchmark was MSCI Pacific (ex-Japan, plus Australia and New Zealand) Custom Index. Performance excludes initial charge.

Past performance is not a reliable indicator of future results

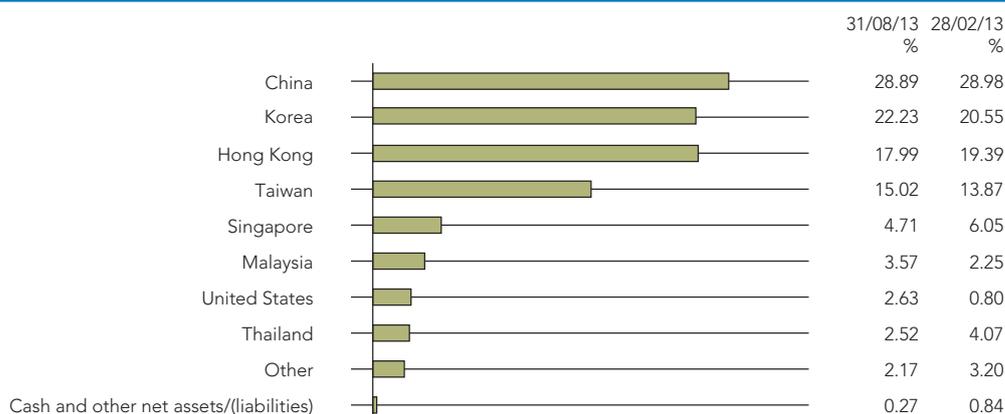
INVESTMENT OBJECTIVE AND POLICY

The fund's investment objective is to achieve long term capital growth from a portfolio made up of the shares of companies throughout the Pacific Basin, but excluding Japan. The portfolio is likely to have a bias towards larger companies. However, the ACD is not restricted in the choice of company either by size or industry, or in terms of the geographical split of the portfolio, which is largely determined by the availability of attractive investment opportunities, rather than the outlook for each market.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. Investments in small and emerging markets can be more volatile than other more developed markets. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Samsung Electronics	7.43
Taiwan Semiconductor Manufacturing	6.07
Hyundai Motor	3.61
AIA	3.36
Fidelity Institutional Liquidity Fund (USD)	2.63
Hutchison Whampoa	2.49
Bank of China (H)	2.14
Kia Motors	2.13
China State Construction	1.87
Brilliance China Auto	1.69

Top holdings as at 28/02/13	% of total net assets
Samsung Electronics	8.06
Taiwan Semiconductor Manufacturing	5.42
Bank of China (H)	2.87
Hyundai Motor	2.83
China Construction Bank	1.95
Sun Hung Kai Properties	1.93
Industrial & Commercial Bank of China	1.66
AIA	1.58
Cheung Kong	1.49
Kia Motors	1.48

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares	Y Accumulation Shares
31/08/13	1.75	1.22
31/08/12	1.77	1.24
	W Accumulation Shares	
31/08/13	0.99	
31/08/12	-	

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Accumulation Shares			Y Accumulation Shares		
31/08/13	1,964.1	711.54	276,040,382	44.4	130.32	34,040,984
	W Accumulation Shares					
31/08/13	47.1	681.96	6,908,143			

FUND MANAGER'S COMMENTARY

MARKET REVIEW

The UK stock market advanced over the six month period. Positive economic data in the UK as well as leading economies such as the US and China helped improve investor sentiment. Meanwhile, policy actions from global central banks indicated their commitment to keep the recovery moving forward. Stocks rose in four of the six months under review. Declines in June and August, amid worries that the US Federal Reserve will start to taper its bond buying programme, capped overall market returns. Overall, the improvement in risk appetite resulted in strong gains in the small and mid cap segments. At the sector level, returns were broad based with retailers, telecommunications and consumer services companies in the media and travel & leisure sectors among the leading gainers. However, demand concerns and worries about cyclical earnings and cost inflation undermined shares in mining companies.

PORTFOLIO ACTIVITY

The fund outperformed the comparative index (FTSE All Share Index (Net))* over the period, primarily due to strong stock selection in the banking sector. In particular, the holding in Lloyds Banking Group added significant value as it revealed further plans to dispose of non core assets to boost capital and reduce costs by cutting jobs. Hopes of a resumption of dividends also sparked a positive reaction from investors. The lender recorded a significant increase in its first half profits and upgraded its full year guidance on a number of metrics. Elsewhere, the position in online grocery company Ocado boosted performance. Its shares rose sharply after it announced a licensing agreement with Morrison (WM) Supermarkets. The 25 year deal has very favourable terms for Ocado and significantly reduces the capital intensity of its business model. Meanwhile, the allocation to social networking major Facebook, to which I increased the exposure, was a significant contributor to returns in view of continued evidence of its ability to monetise its user base through advertising. Conversely, some positions in online gaming companies held back returns owing to a weak outlook for their near term earnings. The portfolio remains overweight in financials, consumer services companies, such as media and travel & leisure, as well as health care and technology. I have also been focusing on the telecommunications sector, which is one of most undervalued in Europe. I bought a holding in Dutch company KPN during its rights issue; it has already attracted some corporate interest. Elsewhere, I increased the exposure to cruise operator Carnival. Capacity growth has dramatically slowed in the cruise market, which should allow the company to improve pricing. It also has high exposure to the US consumer, an area that is showing signs of recovery. Meanwhile, I sold some positions that had performed well in the past. I sold the holding in Google and reduced the allocation to housebuilder Redrow and to London Stock Exchange.

OUTLOOK

I remain positive on equities as an asset class and believe we are commencing what will be a multi year positive period for stock markets. However, I do foresee a correction or consolidation phase for equities in the short term. Compared to history and other asset classes, valuations appear inexpensive.

Sanjeev Shah
Fund Manager
31 August 13

INVESTMENT OBJECTIVE AND POLICY

The fund's investment objective is to achieve long term capital growth from a portfolio primarily made up of the shares of UK companies. The fund will have a blend of investments in larger, medium and smaller sized companies. The ACD is not restricted in its choice of companies either by size or industry, and will choose stocks largely determined by the availability of attractive investment opportunities. The fund may also invest in other transferable securities, units in collective investment schemes, money market instruments, cash and deposits. Derivatives and forward transactions may also be used for investment purposes.

PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 11.9% with net income reinvested, outperforming its comparative index return of 4.1%.

PERFORMANCE SINCE LAUNCH

17 December 79 to 31 August 13



■ Fidelity Special Situations Fund ■ Comparative Index*

1. Comparative Index: FTSE All Share Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	7.4	0.1	-4.8	15.9	36.9
Comparative Index	-8.2	10.6	7.3	10.2	18.9

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 22,156.4%. Over 5 years the fund has returned 62.2% compared with the comparative index return of 42.6%. Performance prior to 29/08/98 has been recalculated to take account of the conversion from Unit Trust to OEIC fund. Performance excludes initial charge.

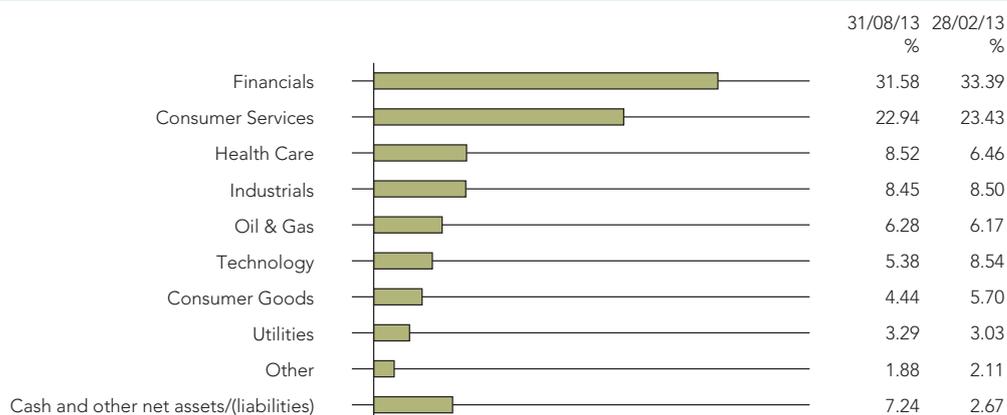
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RISK PROFILE

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* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
Lloyds Banking Group	8.66
HSBC (UK) (Reg'd)	7.72
GlaxoSmithKline	6.27
BP	3.70
Centrica	3.30
Ericsson (LM) Telefon (B)	3.22
ITV	2.65
Royal Bank of Scotland	2.65
Ladbroke's	2.51
Reed Elsevier	2.40

Top holdings as at 28/02/13	% of total net assets
HSBC (UK) (Reg'd)	9.00
Lloyds Banking Group	7.13
GlaxoSmithKline	4.55
Ladbroke's	4.01
BP	4.00
London Stock Exchange	3.69
Reed Elsevier	3.57
ITV	3.11
Centrica	3.03
Ericsson (LM) Telefon (B)	2.97

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares	Y Accumulation Shares
31/08/13	1.69	1.16
31/08/12	1.69	1.16
	W Accumulation Shares	
31/08/13	0.93	
31/08/12	-	

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Accumulation Shares			Y Accumulation Shares		
31/08/13	2,719.4	2,666.67	101,977,124	46.0	155.67	29,533,189
	W Accumulation Shares					
31/08/13	35.5	2,381.96	1,492,234			

FUND MANAGER'S COMMENTARY

MARKET REVIEW

UK corporate bonds generated positive returns and outperformed UK government bonds (Gilts) over the period. High yield was the best performing asset class and outperformed both government and investment grade corporate bonds as the extra coupon income these bonds offer provided a buffer against volatile credit spreads. However, core government bonds, including Gilts were sold off from the end of May amid fears that the era of abundant global liquidity support for capital markets could come to a premature end. In addition, positive growth signs fuelled bets on higher rates as the UK's economic growth accelerated in the second quarter. In August, the Bank of England promised to keep interest rates low for an extended period. Its so called 'forward guidance' tied interest rate increases to unemployment. A rise in rates would not be considered until unemployment drops to 7%.

PORTFOLIO ACTIVITY

The fund's interest rate risk exposure held back returns as core government bond yields rose over the period. However, a short duration (ensuring that the portfolio is less sensitive to interest rate changes than the index) position in Japan helped mitigate some of the losses. Conversely, exposure to corporate bonds, particularly holdings in BBB rated and non investment grade bonds, boosted returns. For instance, the overweight stance in Gatwick and FirstGroup in the transportation sector and Tesco within consumer non cyclicals added value. I continue to favour high quality corporate bonds in defensive sectors and added a new position in Sabmiller in the consumer staples sector. A new holding was also purchased in roadside assistance firm AA. Favourable selection in financials securities such as Lloyds Banking Group, Barclays and Generali also contributed to returns. During the period, I maintained the overall financial exposure at around 20%. Within the sector, I remain biased towards covered bonds, which offer the highest level of investor security among banks. Overall, the fund currently holds 55% in investment grade corporate bonds, 25% in high yield and 20% in the safe haven bucket, comprising of government, inflation linked and supranational bonds. In the latter, new positions were purchased in inflation linked bonds of the US and Japan, whilst the exposure to Australian government bonds was reduced. I also retained protection against default risk of UK, French and Spanish government debt (via sovereign credit default swaps). Elsewhere, I sold First Hydro and Boparan as they reached full value.

OUTLOOK

The outlook for the global economy has brightened recently, but significant structural weaknesses remain. This fragility likely limits how far bond yields can rise before they start hurting the recovery and encourages central banks to err on the side of caution when planning the tapering of their monetary stimulus. Expectations for core government bonds are particularly low, although inflation linked bonds retain the benefit of hedging against an inflationary tail risk. However, value can be found in investment grade corporate bonds and some parts of the high yield market as corporate fundamentals remain healthy and valuations generally compensate investors for the historical probability of default, price volatility and poor market liquidity.

Ian Spreadbury
Fund Manager
31 August 13

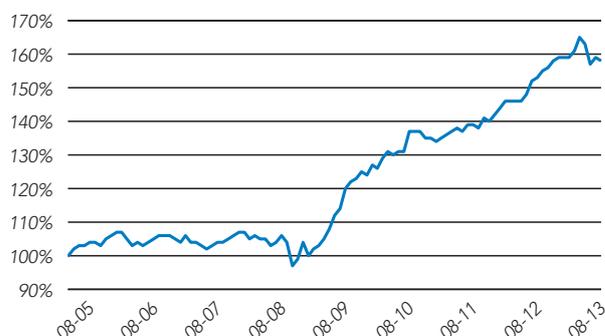
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned -0.5% with net income reinvested.

PERFORMANCE SINCE LAUNCH

28 April 05 to 31 August 13



■ Fidelity Strategic Bond Fund

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	12.9	14.3	1.4	10.4	3.5

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 58.4%. Over 5 years the fund has returned 49.5%. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

INVESTMENT OBJECTIVE AND POLICY

The fund's investment objective is to achieve a relatively high income with the possibility of capital growth from a portfolio primarily invested in sterling-denominated (or hedged back to sterling) fixed interest securities. Derivatives and forward transactions may also be used for investment purposes.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment and the income from it can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. With funds that invest in bonds, there is a risk that the issuer of the bond may default on its repayments. The likelihood of this happening will depend on the credit-worthiness of the issuer. A portion of this fund will invest in 'sub-investment grade' bonds. These bonds may produce a higher level of income than 'investment grade' bonds but at a higher risk to your capital. For this fund, derivatives and forward transactions may be used for investment purposes, as well as for hedging and other efficient management purposes as permitted for all funds. Where this is the case, their use may lead to higher volatility in the fund's share price. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

FUND MANAGER'S COMMENTARY

MARKET REVIEW

The UK stock market advanced over the six month period. Positive economic data in the UK as well as leading economies such as the US and China helped improve investor sentiment. Meanwhile, policy actions from global central banks indicated their commitment to keep the recovery moving forward. Stocks rose in four of the six months under review. Declines in June and August, amid worries that the US Federal Reserve will start to taper its bond buying programme, capped overall market returns. Investors increasingly looked for stocks with growth potential and attractive valuations, which resulted in strong gains in the small and mid cap segments. At the sector level, returns were broad based with retailers, telecommunications and consumer services companies in the media and travel & leisure sectors among the leading gainers. However, demand concerns and worries about cyclical earnings and cost inflation undermined shares in mining companies.

PORTFOLIO ACTIVITY

The fund outperformed the comparative index (FTSE All Share Index (Net))* over the period, primarily due to strong stock selection. The holding in online grocery company Ocado contributed significantly to performance. Its shares rose sharply after it announced a licensing agreement with Morrison (WM) Supermarkets. The 25 year deal has very favourable terms for Ocado and significantly reduces the capital intensity of its business model. Elsewhere, the position in video game publisher Electronic Arts advanced after it forecast higher than expected fiscal 2014 earnings as cost cuts take hold and higher margin digital sales accelerate. On the downside, the lack of exposure to Vodafone detracted from relative performance as its shares rose following the announcement that it would sell its stake in Verizon Wireless. During the period, I initiated a position in Carnival, the world's leading cruise ship operator, as low supply growth and more pricing discipline is likely to result in higher revenue yields. There are also prospects for significant cash returns to shareholders over the next three years. I also bought a holding in credit checking company Experian. It has a strong long term business model in a segment with high barriers to entry. Elsewhere, the exposure to Serco and Capita were increased as I expect both these companies to benefit from positive trends in the UK outsourcing segment. Notable sales included Barclays as I remain concerned about certain aspects of the business. I also sold the holdings in support services group Aggreko and electronic components manufacturer Laird owing to earnings concerns.

OUTLOOK

The economic outlook is showing signs of improvement, although uncertainties remain. Nevertheless, I believe the case for UK equities is a compelling one – company balance sheets are strong, mergers & acquisitions are likely to rise and shares appear more attractive than other asset classes. There has been uncertainty around the emerging market growth theme, but I believe that fundamentals are still in place, particularly in China. I continue to focus on those areas of the market where I can identify emergent growth themes with the potential to deliver positive returns even in a difficult economic environment.

Thomas Ewing
Fund Manager
31 August 13

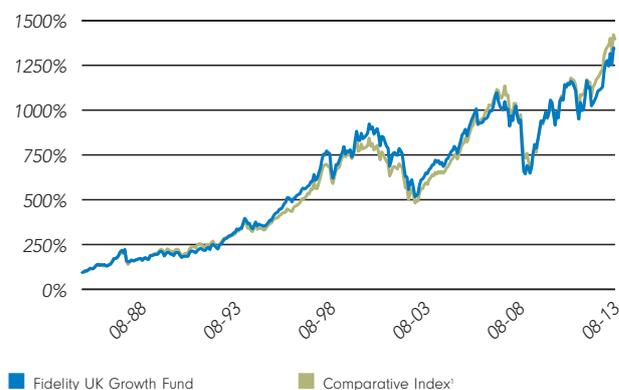
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 7.0% with net income reinvested, outperforming its comparative index return of 4.1%.

PERFORMANCE SINCE LAUNCH

24 June 85 to 31 August 13



■ Fidelity UK Growth Fund ■ Comparative Index*

1. Comparative Index: FTSE All Share Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-6.7	8.5	5.3	6.8	25.3
Comparative Index	-8.2	10.6	7.3	10.2	18.9

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 1,247.6%. Over 5 years the fund has returned 42.5% compared with the comparative index return of 42.6%. Performance prior to 29/08/98 has been recalculated to take account of the conversion from Unit Trust to OEIC fund. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

INVESTMENT OBJECTIVE AND POLICY

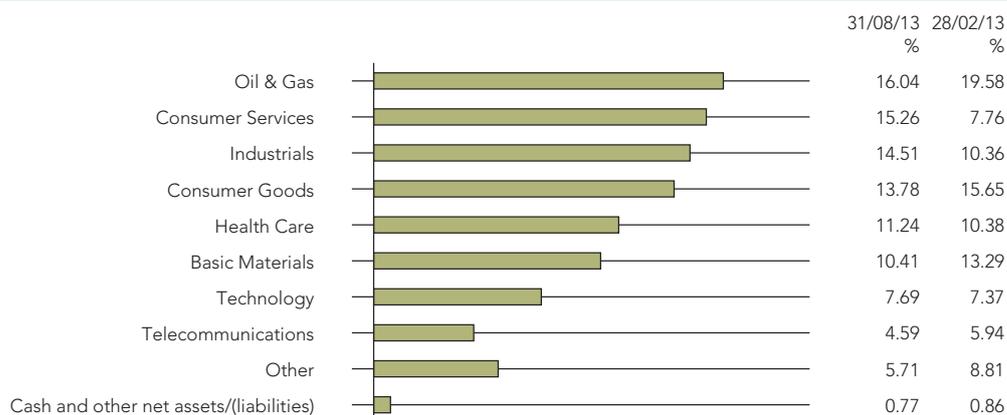
The fund's investment objective is to achieve long term capital growth from a portfolio primarily made up of the shares of UK companies. The portfolio is likely to have a bias towards larger and medium-sized shares, although the ACD is not restricted in its choice of company by either size or industry.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment and the income from it can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. Investments in small and emerging markets can be more volatile than other more developed markets. This fund invests in overseas markets. You may get back more or less as a result of currency fluctuations. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
BG	5.33
Diageo	3.54
Ocado	3.48
Rio Tinto	3.41
Unilever (UK)	3.38
Capita	3.12
BP	3.06
Novo Nordisk (B)	2.92
Serco	2.70
Electronic Arts	2.70

Top holdings as at 28/02/13	% of total net assets
BP	7.48
Rio Tinto	5.57
BG	5.50
Diageo	5.10
Unilever (UK)	4.53
Barclays	3.59
Ocado	3.27
Randgold Resources	3.21
Nanoco	2.98
Standard Chartered	2.81

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares	Y Accumulation Shares
31/08/13	1.70	1.17
31/08/12	1.70	1.18
	W Accumulation Shares	
31/08/13	0.94	
31/08/12	-	

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Accumulation Shares			Y Accumulation Shares		
31/08/13	382.7	323.61	118,245,994	0.5	324.79	150,316
	W Accumulation Shares					
31/08/13	2.0	302.95	656,510			

FUND MANAGER'S COMMENTARY

MARKET REVIEW

The UK stock market advanced over the six month period. Positive economic data in the UK as well as leading economies such as the US and China helped improve investor sentiment. Meanwhile, policy actions from global central banks indicated their commitment to keep the recovery moving forward. Stocks rose in four of the six months under review. Declines in June and August, amid worries that the US Federal Reserve will start to taper its bond buying programme, capped overall market returns. At the sector level, returns were broad based with retailers, telecommunications and consumer services companies in the media and travel & leisure sectors among the leading gainers. However, demand concerns and worries about cyclical earnings and cost inflation undermined shares in mining companies.

PORTFOLIO ACTIVITY

The fund outperformed the comparative index (FTSE All Share Index (Net))* over the period. Companies sensitive to GDP growth were among the best performers. Online grocery company Ocado's share price rose after it announced a partnership with Morrison (WM) Supermarkets; I took some profits in the stock. Advertising agency WPP advanced as it reported an in line trading update with strong cost controls and issued an optimistic outlook. In technology, the position in Electronic Arts rose after it forecast higher than expected fiscal 2014 earnings. Conversely, the holding in SAP held back relative returns. However, the exposure to the stock was increased slightly and it remains a key holding given the stability of its licensing revenues. Among industrial stocks, shares were purchased in global service provider Experian, which operates in an oligopolistic environment with high barriers to entry. I also raised the position in specialist distributor group Bunzl. The company has a resilient business model as it sources and distributes a range of consumable products that are essential for its customers in the cleaning, catering, retail and food processing industries. Strong stock selection in the financials sector added value. The allocation to Lloyds Banking Group enhanced returns as it announced plans to sell non core assets to boost capital and to reduce costs by cutting jobs. Meanwhile, the holding in Aberdeen Asset Management was sold during the period. In the resources sector, the underweight positioning in mining companies added relative value as demand concerns from China weighed on metal prices. Conversely, selected defensive holdings detracted from performance. In the health care sector, the overweight stance in Novo-Nordisk and GlaxoSmithKline held back returns; I lowered the exposure to Novo-Nordisk. Elsewhere, the position in British American Tobacco was sold due to concerns over longer term fundamentals in light of regulatory pressures and developments in 'e-cigarettes'.

OUTLOOK

I look at the global economic outlook as it impacts the sales and exports of several UK companies. I have concerns over some of the developed economies where there are elevated debt levels, low growth and high unemployment. Although there are bright spots like the US where growth is receiving a boost from increasing shale energy production and the housing market recovery.

Aruna Karunathilake
Fund Manager
31 August 13

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

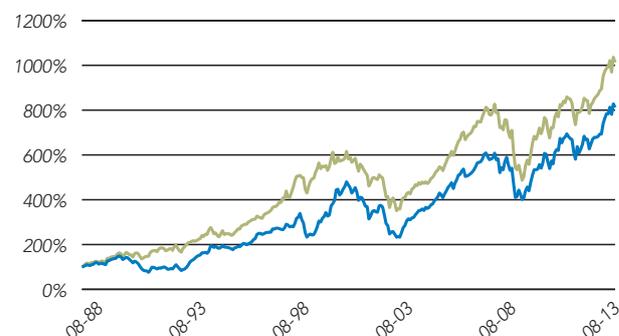
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 6.5% with net income reinvested, outperforming its comparative index return of 4.1%.

PERFORMANCE SINCE LAUNCH

09 November 87 to 31 August 13



■ Fidelity UK Select Fund ■ Comparative Index¹

1. Comparative Index: FTSE All Share Index (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-5.6	9.7	9.4	10.8	19.6
Comparative Index	-8.2	10.6	7.3	10.2	18.9

Source: Fidelity and RIMES, bid to bid, UK£, net income reinvested. Since launch the fund has returned 712.0%. Over 5 years the fund has returned 50.2% compared with the comparative index return of 42.6%. Performance prior to 29/08/98 has been recalculated to take account of the conversion from Unit Trust to OEIC fund. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

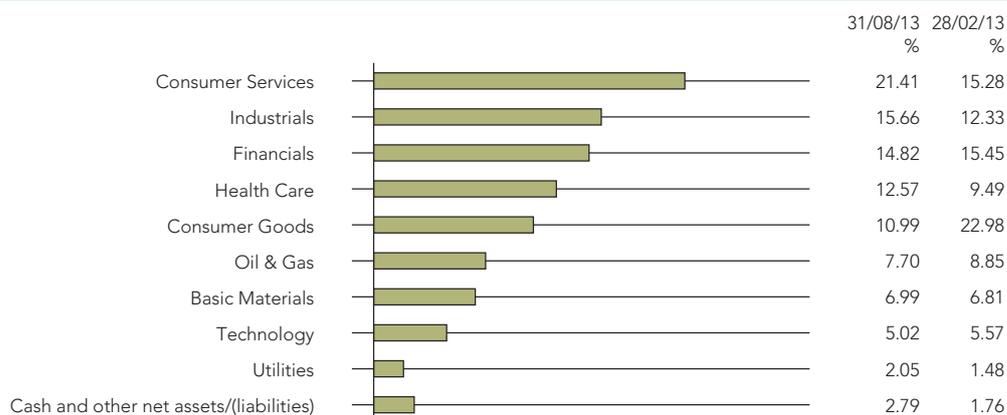
INVESTMENT OBJECTIVE AND POLICY

The fund's investment objective is to achieve long term capital growth from a portfolio primarily invested in the shares of UK companies. The portfolio is likely to have a bias towards the shares of medium and smaller-sized companies although the ACD is not restricted in its choice of company by either size or industry.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. Investments in small and emerging markets can be more volatile than other more developed markets. This fund invests in overseas markets. You may get more or less as a result of currency fluctuations. This fund may invest more heavily than others in smaller companies, which can carry a higher risk because their share prices may be more volatile than those of larger companies. The fund may invest in derivatives for the purposes of the efficient management of the fund. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
GlaxoSmithKline	5.10
HSBC (UK) (Reg'd)	4.82
Lloyds Banking Group	4.35
Sanofi-Aventis	4.13
Diageo	4.11
WPP	4.11
Unilever (UK)	3.61
Next	3.15
SAP	2.52
Novo Nordisk (B)	2.52

Top holdings as at 28/02/13	% of total net assets
British American Tobacco	4.61
HSBC (UK) (Reg'd)	4.15
Nestle (Reg'd)	4.03
Diageo	4.00
Unilever (UK)	3.95
Sanofi-Aventis	3.94
WPP	3.69
Novo Nordisk (B)	3.56
SABMiller	3.54
BP	3.52

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares	I Accumulation Shares
31/08/13	1.70	0.87
31/08/12	1.71	0.89

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Accumulation Shares			I Accumulation Shares		
31/08/13	270.2	203.03	133,075,313	2.8	204.66	1,371,977

FUND MANAGER'S COMMENTARY

MARKET REVIEW

The UK stock market advanced over the six month period. Positive economic data in the UK as well as leading economies such as the US and China helped improve investor sentiment. Meanwhile, policy actions from global central banks indicated their commitment to keep the recovery moving forward. Stocks rose in four of the six months under review. Declines in June and August, amid worries that the US Federal Reserve will start to taper its bond buying programme, capped overall market returns. As such, the improvement in risk appetite resulted in strong gains in the small and mid cap segments. At the sector level, returns were broad based with retailers, telecommunications and consumer services companies in the media and travel & leisure sectors among the leading gainers. However, demand concerns and worries about cyclical earnings and cost inflation undermined shares in mining companies.

PORTFOLIO ACTIVITY

The fund outperformed the comparative index (Numis UK Smaller Cos ex Investment Companies (Net))* over the period, primarily due to strong stock selection. Several of my key holdings across sectors added significant value. At the stock level, baby products retailer Mothercare was the main contributor to performance. Its shares were supported by an improving outlook, driven by strong growth in its Direct in Home online business. The holding in Electronic Arts, a video game publisher, also contributed significantly to returns amid expectations of positive earnings growth as cost cuts take hold and higher margin digital sales accelerate. Merger & acquisition (M&A) themes also continued to enhance gains significantly, with May Gurney and Fiberweb among the notable performers. Conversely, the allocation to car insurer Esure weighed on returns due to a weak earnings outlook. During the period, I initiated a position in Entertainment One, a Canadian entertainment business, which looks set to witness strong growth in terms of content value. It is also trading at a significant discount to peers. Elsewhere, I increased the exposure to interdealer broker ICAP. The company is a global leader in its segment and has a highly cash generative business. Meanwhile, I have become positive on a number of secondary property stocks. With some confidence returning to the economy, activity has been increasing in the sector, which could create value for companies with attractive development assets. New positions included CLS Holdings and Development Securities. On the other hand, I sold holdings in some companies that performed well in the past such as Micro Focus International. I also reduced the allocation to London Stock Exchange and retailer Brown (N).

OUTLOOK

Overall, I believe stock valuations in the UK are reasonable compared to history. Additionally, the market environment looks favourable for equities over the long term, although we could see some level of volatility from time to time. Despite record low yields in the bond market, there have been very limited flows into equities thus far. Should this so called 'great rotation' start in earnest, we could be at the beginning of an extended positive period for stocks.

Alex Wright
Fund Manager
31 August 13

* Holdings can vary from those in the index quoted. For this reason the comparative index is used for reference only.

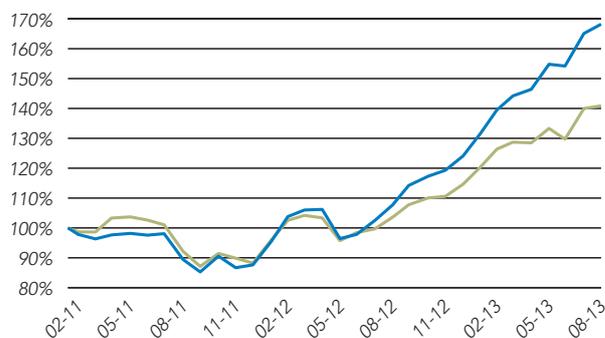
PERFORMANCE RECORD

PERFORMANCE OVER 6 MONTHS

Over the six month review period to 31 August 2013, the fund returned 20.6% with net income reinvested, outperforming its comparative index return of 11.5%.

PERFORMANCE SINCE LAUNCH

10 February 11 to 31 August 13



■ Fidelity UK Smaller Companies Fund ■ Comparative Index¹

1. Comparative Index: Numis UK Smaller Cos ex Investment Companies (Net)

DISCRETE 1 YEAR PERFORMANCE OVER THE LAST 5 YEARS TO:

	31/08/09	31/08/10	31/08/11	31/08/12	31/08/13
% Fund Performance	-	-	-	20.4	56.2
Comparative Index	-	-	-	12.4	36.0

Source: Fidelity and RIMES, bid to bid, UKS, net income reinvested. Since launch the fund has returned 68.2%. Performance excludes initial charge.

Past performance is not a reliable indicator of future results.

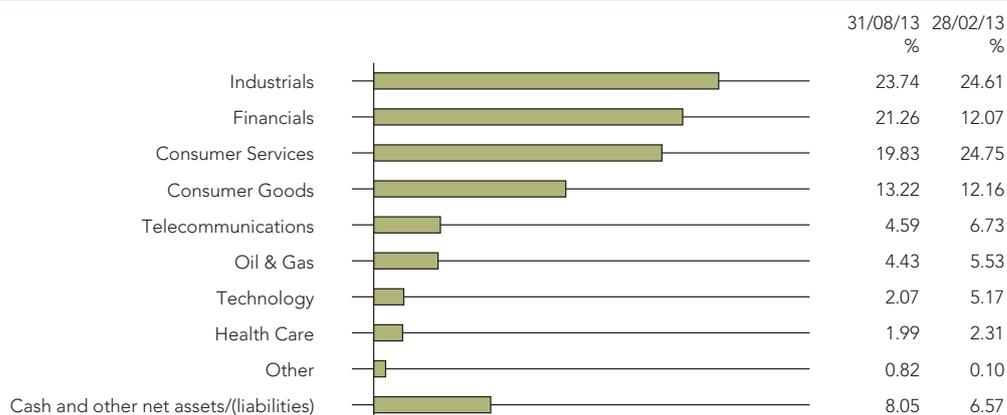
INVESTMENT OBJECTIVE AND POLICY

The Fund's investment objective is to achieve long term capital growth from a portfolio primarily made up of the shares of smaller capitalisation United Kingdom Companies. There is no policy to restrict investment to particular economic sectors. The Fund may also invest in other transferable securities, units in collective investment schemes, money market instruments, cash and deposits. Derivatives and forward transactions may also be used for investment purposes.

RISK PROFILE

If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals. The value of your investment and the income from it can go down as well as up. You may not get back the amount you invested. What you get back is not guaranteed. It will depend on investment performance. The fund may invest in derivatives for the purposes of the efficient management of the fund. For this fund, derivatives and forward transactions may be used for investment purposes, as well as for hedging and other efficient management purposes as permitted for all funds. Where this is the case, their use may lead to higher volatility in the fund's share price. For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. Where appropriate, collateral will be required to reduce exposure to a counterparty. This fund invests more heavily than others in smaller companies, which can carry a higher risk because their share prices may be more volatile than those of larger companies. Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.

PORTFOLIO INFORMATION



TOP HOLDINGS

The top ten holdings in the fund as at 31 August 2013 and at the previous year end are shown below.

Top holdings as at 31/08/13	% of total net assets
United Drug	5.28
Brewin Dolphin	4.79
Mothercare	3.56
Electronic Arts	3.30
Fiberweb	2.82
Speedy Hire	2.80
Brammer	2.64
KCOM	2.57
Lavendon	2.17
Games Workshop	2.05

Top holdings as at 28/02/13	% of total net assets
United Drug	5.27
Paragon	4.00
Micro Focus International	3.90
Cable & Wireless	3.73
Brewin Dolphin	3.64
Speedy Hire	3.27
Brown (N)	3.13
Kingston Communications	2.99
Mothercare	2.64
Brammer	2.61

Footnotes:

1. The net asset value is the accounting value at the period end on a fair value basis.

FUND FACTS

INCOME (pence per share)

No distributions were due in the six month period.

ONGOING CHARGES (%)

	A Accumulation Shares	Y Accumulation Shares
31/08/13	1.71	1.18
31/08/12	1.78	1.26
	W Accumulation Shares	
31/08/13	0.96	
31/08/12	-	

The ongoing charges figure is the ratio of total costs to average net assets.

FUND SIZE

	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue	Total net assets (£m)	Net asset value per share (p) ¹	Shares in issue
	A Accumulation Shares			Y Accumulation Shares		
31/08/13	269.9	167.23	161,410,876	14.1	168.20	8,391,215
	W Accumulation Shares					
31/08/13	70.2	147.39	47,602,314			

FIDELITY INVESTMENT FUNDS INTERIM REPORT & FINANCIAL STATEMENTS FOR THE SIX MONTH PERIOD ENDED 31 AUGUST 2013

RISK AND REWARD PROFILES

FUND	SHARE CLASS	SRRI*
Fidelity American Fund	A Accumulation Shares	6
	Y Accumulation Shares	6
	W Accumulation Shares	6
Fidelity American Special Situations Fund	A Accumulation Shares	6
	Y Accumulation Shares	6
	W Accumulation Shares	6
Fidelity Asian Dividend Fund	A Accumulation Shares	6
	A Income Shares	6
	W Accumulation Shares	6
	W Income Shares	6
Fidelity China Consumer Fund	A Accumulation Shares	7
	Y Accumulation Shares	7
Fidelity Emerging Asia Fund	A Accumulation Shares	6
	Y Accumulation Shares	6
Fidelity Emerging Europe, Middle East and Africa Fund	A Accumulation Shares	7
	Y Accumulation Shares	7
Fidelity Enhanced Income Fund	A Income Shares	6
	Y Income Shares	6
	W Income Shares	6
	A Accumulation Shares	6
	Y Accumulation Shares	6
Fidelity European Fund	W Accumulation Shares	6
	A Income Shares	7
	W Income Shares	7
	A Accumulation Shares	7
Fidelity European Opportunities Fund	Y Accumulation Shares	7
	W Accumulation Shares	7
	A Accumulation Shares	7
Fidelity Extra Income Fund	Y Income Shares	4
	Gross paying A Income Shares	4
	Y Income Shares	4
	Gross paying Y Income Shares	4
	A Accumulation Shares	4
	Gross paying A Accumulation Shares	4
Fidelity Genesis Fund	A Accumulation Shares	6
Fidelity Global Dividend Fund	A Income Shares	6
	Y Income Shares	6
	W Income Shares	6
	A Accumulation Shares	6
	Y Accumulation Shares	6
Fidelity Global Focus Fund	W Accumulation Shares	6
	A Accumulation Shares	6
	Y Accumulation Shares	6

FIDELITY INVESTMENT FUNDS INTERIM REPORT & FINANCIAL STATEMENTS FOR THE SIX MONTH PERIOD ENDED 31 AUGUST 2013

RISK AND REWARD PROFILES

FUND	SHARE CLASS	SRRI*
Fidelity Global High Yield Fund	A Income Shares	5
	Gross paying A Income Shares	5
	Y Income Shares	5
	Gross paying Y Income Shares	5
	A Accumulation Shares	5
	Gross paying A Accumulation Shares	5
	Y Accumulation Shares	5
	Gross paying Y Accumulation Shares	5
	I Accumulation Shares	5
Fidelity Global Property Fund	A Accumulation Shares	7
	Y Accumulation Shares	7
	W Accumulation Shares	7
Fidelity Global Real Asset Securities Fund	A Accumulation Shares	6
	Y Accumulation Shares	6
	W Accumulation Shares	6
Fidelity Global Special Situations Fund	A Accumulation Shares	6
	Y Accumulation Shares	6
	J Accumulation Shares	6
	W Accumulation Shares	6
Fidelity International Fund	A Accumulation Shares	6
Fidelity Japan Fund	A Accumulation Shares	6
	Y Accumulation Shares	6
	W Accumulation Shares	6
Fidelity Japan Smaller Companies Fund	A Accumulation Shares	6
	W Accumulation Shares	6
Fidelity MoneyBuilder Balanced Fund	A Income Shares	5
	Y Income Shares	5
Fidelity MoneyBuilder Dividend Fund	A Income Shares	6
	Y Income Shares	6
Fidelity MoneyBuilder Growth Fund	A Income Shares	6
	Y Income Shares	6
	ISA class Income Shares	6
Fidelity MoneyBuilder Income Fund	A Income Shares	4
	Gross paying A Income Shares	4
	Y Income Shares	4
	Gross paying Y Income Shares	4
	A Accumulation Shares	4
	Y Accumulation Shares	4
	Gross paying Y Accumulation Shares	4
Fidelity MoneyBuilder UK Index Fund	A Accumulation Shares	6
Fidelity MoneyBuilder US Index Fund	A Accumulation Shares	6
	F Accumulation Shares	6
	I Accumulation Shares	6
Fidelity MoneyBuilder World Index Fund	A Accumulation Shares	6
	F Accumulation Shares	6
	I Accumulation Shares	6
Fidelity South-East Asia Fund	A Accumulation Shares	6
	Y Accumulation Shares	6
	W Accumulation Shares	6

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