EQUITIES MONTHLY SEP 2026

Strong earnings meet a higher hurdle rate

Fidelity International's outlook from the Equities investment team

For investment professionals only

Fidelity INTERNATIONAL

Contents

Executive summary

Earnings are delivering, but higher rates leave less room for disappointment

August unwound much of July's AI- and growth-led sell-off, but equities enter September with a more demanding backdrop. Earnings remain exceptionally strong, while higher energy prices are complicating the inflation and monetary policy outlook.

Second-quarter earnings surpassed an already strong first quarter. Eighty-seven per cent of S&P 500 companies beat expectations, with quarterly earnings rising 53% year-on-year. Growth was also broad, led by energy (+154%), communication services (+114%), consumer discretionary (+91%), technology (+79%) and materials (+40%). US earnings expectations for the next 12 months have risen 9% over the past three months.

AI remains central to this strength. Key technology industries delivered strong year-on-year earnings results including semis and semis equipment (145%), technology hardware, storage & peripherals (64%), and electronic equipment, instruments, & components (43%). Together, these results suggest AI infrastructure demand is not yet rolling over. We would therefore distinguish between an AI earnings problem, for which there is limited evidence, and an AI valuation problem - investors need to be mindful of this risk in subsectors that have already significantly re-rated. Greater selectivity therefore remains warranted.

Markets are increasingly rewarding tangible results over promise, consistent with our view that gains from agentic AI will be the most significant driver of the magnitude and duration of the investment cycle. Companies able to deploy AI to improve productivity and demonstrate a credible path to monetisation should be best placed to justify continued investment. Those committing substantial capital without commensurate earnings or cash-flow delivery face a much tougher test.

The macro backdrop adds to that scrutiny. Brent crude has climbed above $95 per barrel at the time of writing, up from around $72 earlier in the summer. If sustained, higher energy costs could prolong inflationary pressures, constrain monetary easing and keep global bond yields elevated. This raises the cost of capital across markets and makes valuations harder to justify, particularly for longer duration companies.

That risk matters more when positioning is already bullish. Institutional cash holdings are close to historic lows at 3.5%, according to Bank of America, suggesting investors are positioned for strong earnings, resilient growth and a benign policy backdrop. Earnings are delivering, but the macro assumptions look less secure. We therefore remain constructive on equities while seeing greater scope for volatility if inflation or monetary policy disappoints.

This favours selectivity across markets. In the US, profitable growth, AI beneficiaries and increasingly AI adopters with strong earnings visibility remain attractive, but valuation discipline is essential. Europe offers competitive valuations, while financials could benefit from higher nominal rates. Japan combines positive earnings revisions, corporate reform and broader market participation, although rising domestic yields warrant attention.

The outlook remains constructive but increasingly differentiated. Strong earnings and structural AI demand provide a solid foundation, while a less benign macro environment raises the importance of valuation and cash-flow delivery. The next phase should favour companies able to translate investment and structural growth into tangible cash flows.

Niamh Brodie-Machura
CIO, Equities

The Equity Monthly Outlook

The Equities Monthly Outlook provides an overview of our investment team's views in each of the key markets. Each of our portfolio managers has discretion over the positioning and holdings of their portfolios, and, as a result, there may at times be differences between strategies applied within a fund and the views shared in this document.

Important Information

This material is for Investment Professionals only, and should not be relied upon by private investors.

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

Investors should note that the views expressed may no longer be current and may have already been acted upon.

The value of investments and the income from them can go down as well as up so you may get back less than you invest.

Past performance is not a reliable indicator of future returns.

Overseas Markets: Overseas investments will be affected by movements in currency exchange rates. The value of the investment can be affected by changes in currency exchange rates.

Currency Hedging: Currency hedging is used to substantially reduce the risk of losses from unfavourable exchange rate movements on holdings in currencies that differ from the dealing currency. Hedging also has the effect of limiting the potential for currency gains to be made.

Emerging Markets: Investing in emerging markets can be more volatile than other more developed markets.

Trading desk update

Key takeaways

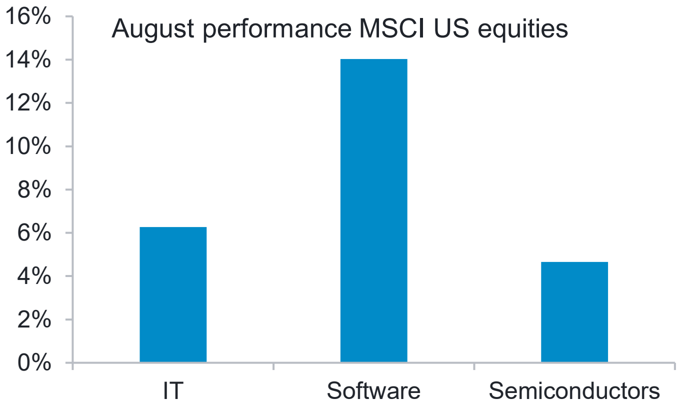
- AI leadership returned in August as strong earnings restored confidence in demand and monetisation, while growth and momentum rebounded across regions despite rising bond yields.
- The outlook is becoming more sensitive to rates and geopolitics, with persistent inflation, hawkish central banks and renewed Middle East tensions raising the hurdle for further equity gains.

AI leadership returns

US equities rebounded in August, with the Nasdaq and S&P 500 posting strong gains, while the Dow Jones Industrial Average and Russell 2000 also advanced. European equities were more subdued, with the STOXX 600 broadly unchanged despite reaching a fresh all-time high.

Technology reasserted its US leadership as corporate results reinforced the AI demand outlook and eased concerns that drove July's sell-off. The cap-weighted S&P 500 outperformed its equal-weighted counterpart, with software particularly strong and semiconductors recovering more modestly. Attention remained focused on compute demand, hyperscaler spending and AI monetisation, while power availability, supply-chain constraints and returns on elevated capex drove differentiation. Energy, materials and health care also performed strongly.

IT leads US sectors, driven by software; semis stable



Source: Fidelity International, LSEG DataStream, 31 August 2026.

European performance diverged across markets and sectors. Germany's DAX gained 1.0% on optimism around fiscal support, while the FTSE 100 was flat and France's CAC 40 fell 3.2%. Basic Resources gained 9.4% on stronger precious metals prices, while Food, Beverage & Tobacco fell 4.7%. Growth outperformed Value by around 175bps as Technology rebounded, while Quality continued to outperform.

Rates and geopolitics temper risk appetite

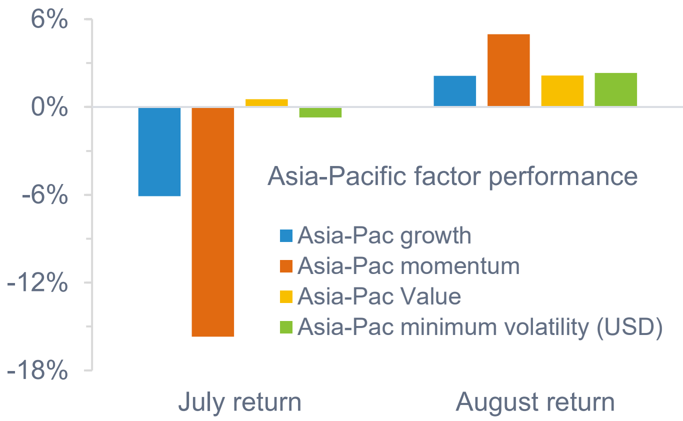
Macro, geopolitical and policy developments drove sharp rotations. Softer US economic data initially reduced expectations of near-term Fed tightening and supported equities. Sentiment subsequently reversed as a potential Hormuz agreement collapsed, Middle East tensions resurfaced and oil prices rose, supporting energy and commodity-related sectors.

Persistent inflation concerns and hawkish commentary, including at Jackson Hole, then shifted expectations towards a potential September Fed rate rise. Global bond yields rose sharply, reaching multi-decade highs in some markets and tempering risk appetite. Higher yields and renewed Gulf tensions proved particularly challenging for European equities, contributing to the STOXX 600's retreat from its record high.

Growth and momentum return in Asia

Asia-Pacific equities rebounded in August, reversing much of July's weakness as technology-heavy North Asian markets led gains. AI-related earnings remained supportive, but macro factors became more influential as global bond yields rose and US policy expectations shifted. Growth and momentum rebounded while value and low volatility continued to lag.

Growth and momentum rebound after July weakness



Source: Fidelity International, LSEG, August 2026. MSCI AC Asia-Pacific indices.

Korea, Taiwan and Japan led regional gains on improving earnings expectations. Taiwan benefited from strong foreign inflows and confidence in the multi-year AI investment cycle, while South Korea rallied despite continued foreign selling. Japan advanced as resilient earnings offset rising bond yields and expectations of further Bank of Japan normalisation.

China was broadly flat as weak domestic demand offset strength in technology and biotechnology. India edged lower despite resilient growth and accelerating corporate earnings, while attracting foreign inflows for a second consecutive month.

Japan's next leg needs to be earned

Jeremy Osborne
Investment director

Key takeaways

- July's correction exposed crowded AI trades rather than undermining Japan's structural recovery. The next phase should increasingly reward earnings delivery, pricing power and capital discipline.
- Reflation, corporate reform and rising investment are broadening the opportunity set beyond technology, creating opportunities across financials, industrials, infrastructure and automation.

July tests the Japan equity story

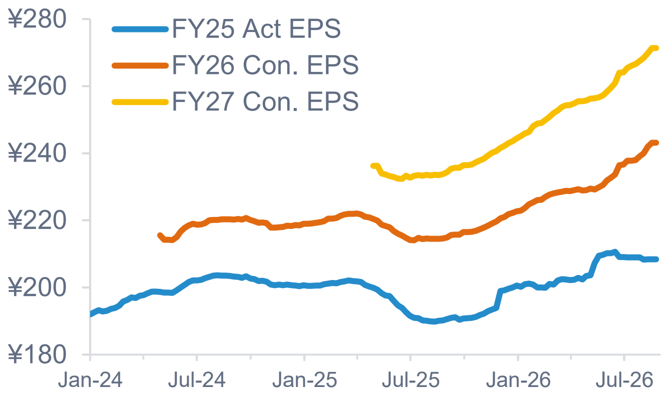
Japan's multi-year equity recovery has been underpinned by reflation, rising wages, corporate reform and improving shareholder returns. July's correction did not challenge these foundations, but exposed crowding in the AI and semiconductor leaders.

The broader market proved more resilient. With valuations closer to long-term averages and TOPIX earnings expected to rise into FY2027, the next phase should depend less on thematic momentum and more on earnings delivery, pricing power and capital discipline. Recent results support that shift, with profit growth broadening beyond semiconductors into banks, trading companies, automakers, machinery and materials. Yen weakness helped, but price pass-through, demand and margins mattered more.

Labour shortages, rising wages and stronger pricing power point to a more durable shift in nominal growth. Domestic companies offer stronger revenue growth, higher shareholder-return yields and cheaper valuations, while exporters retain advantages in ROE and earnings revisions. Financials, industrials and infrastructure services should benefit from domestic investment and monetary normalisation, while automation can capture productivity-enhancing capex.

AI remains important, but July reinforced the need for selectivity. Semiconductor equipment, electronic components and data-centre suppliers must convert demand into margins, cash flow and upgrades, favouring companies with competitive advantages and sustained pricing power.

TOPIX earnings expectations are still rising



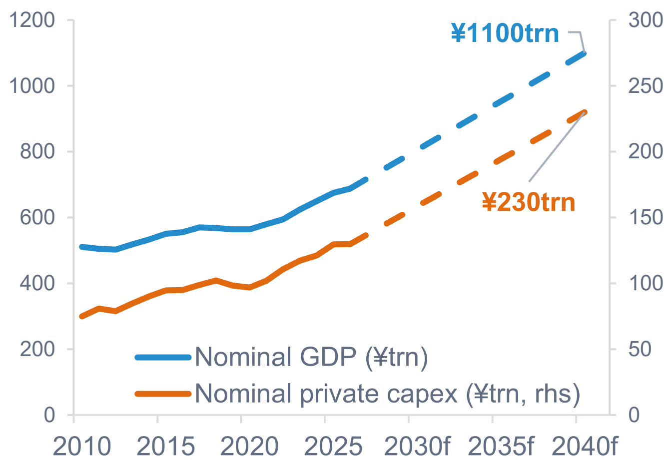
Source: Fidelity International, LSEG Workspace, 29 July 2026.

Reform moves from payouts to investment

Corporate reform is entering a new phase. Buyback announcements have exceeded ¥20 trillion, surpassing the full-year 2025 total, but the focus is shifting from returning capital to deploying it effectively. Governance guidance increasingly emphasises growth investment and returns above the cost of capital, while the October TOPIX review should maintain pressure to unwind cross-shareholdings and improve investability.

Government policy could accelerate this shift. A ¥370 trillion public-private investment strategy through FY2040 targets AI, semiconductors, digital infrastructure and energy. If it stimulates private-sector capex, opportunities should broaden into automation, power electronics, grid investment and data-centre infrastructure, supporting an official scenario in which nominal GDP reaches around ¥1.1 quadrillion by FY2040.

Policy targets a higher investment path



Source: Cabinet Office, June 2026. Note: Government forecast for nominal GDP and capital investment to FY2040; dashed lines show outlook FY2040.

The BoJ adds another test of whether reflation remains orderly. Renewed yen weakness can support exporters' earnings, but it also raises import costs, pressures real incomes and increases the risk of a reactive policy response. A gradual hiking path should support financials and contain FX-led inflation pressure. The risk is that intervention and rate hikes fail to stabilise the yen.

Japan's structural equity story remains intact, but the next phase should be more selective. As leadership broadens, earnings delivery, pricing power and capital discipline should determine the winners. July may prove a healthy reset: the next leg will need to be earned, not simply themed.

Market review

US

Earnings sustain the advance

US equities advanced in August, with the S&P 500 reaching new highs. Resilient earnings, strength in AI-linked stocks and gains in energy and health care outweighed pressure from bond yields and geopolitics.

AI remained a key market driver, but investors became more selective across the value chain. Strong mega-cap technology results, particularly from Nvidia, and sustained hyperscaler capex reinforced confidence in AI demand, while software rebounded. Later in the month, higher oil prices, renewed US–Iran tensions and rising bond yields tempered the rally, reviving concerns about higher for longer inflation.

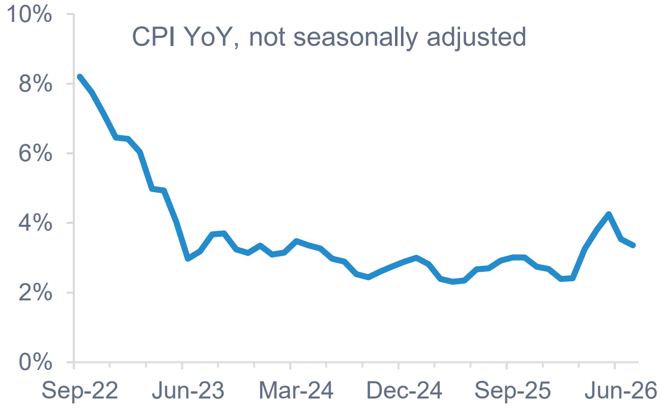
Returns depend on delivery

US equities remain supported by strong earnings expectations, AI investment and resilient domestic demand. However, elevated valuations, market concentration and persistent inflation point to a more selective environment, while fiscal deficits, heavy Treasury issuance and geopolitical risks could keep yields and inflation elevated.

Investor scrutiny is shifting from the scale of AI spending to commercial returns, including durable revenues, enterprise adoption, productivity gains and free cash flow. Broader earnings delivery across other sectors will also be important for sustaining wider market leadership.

The next phase will depend increasingly on monetisation, earnings breadth and cash flow delivery, favouring companies with pricing power, strong balance sheets and credible paths to profitable growth. Meanwhile, a restrictive Fed bias is likely to keep equities sensitive to rate volatility, even as corporate profits provide support.

Inflation moderates but upside pressures remain



Source: Fidelity International, LSEG, 31 August 2026.

Europe

Earnings take the lead in Europe

European equities edged higher in August, supported by steady Q2 earnings and broadening profit growth. Technology regained momentum, although Europe lagged some other developed markets.

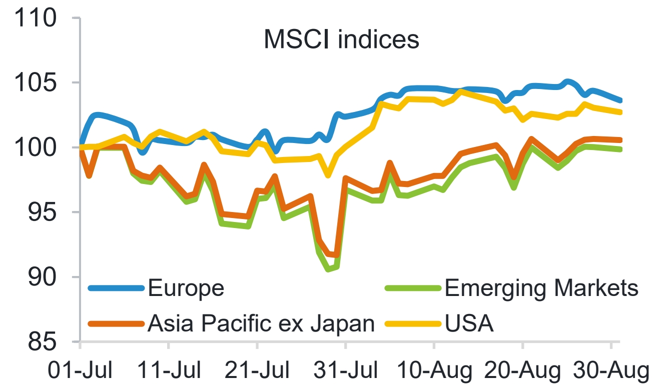
Sentiment weakened late in the month as renewed inflation and policy concerns pushed bond yields higher, with the 10-year German Bund yield reaching its highest level since 2011. Geopolitical tensions also remained elevated, with US-Iran tensions adding uncertainty around energy markets. In France, political and fiscal concerns weighed on sentiment as investors focused on public finances and forthcoming budget discussions.

Fundamentals gain importance

European equities are increasingly supported by improving corporate fundamentals, although geopolitics, energy prices and inflation remain key risks. The ECB is likely to remain data dependent as it assesses the impact of higher energy costs on inflation. Q2 earnings confirmed a broadening recovery in corporate profits, while differentiated reactions to results reinforced the importance of stock selection.

Looking ahead, improving earnings momentum and greater fiscal support, particularly in Germany, provide a more constructive backdrop. However, uncertainty around inflation, monetary policy and geopolitics continues to favour a selective approach.

Europe leads regional performance in Q3 so far



Source: Fidelity International, LSEG DataStream, 31 August 2026.

Japan

Earnings and reform broaden the case

Japan's outlook remains supported by higher nominal growth, wage gains and gradual monetary normalisation. The BoJ retains a tightening bias, benefiting financials while raising the hurdle for highly valued growth stocks.

Earnings strength has broadened beyond AI and semiconductors into financials, trading companies, autos, machinery and materials, supported by pricing, demand and margin improvement. Capex also remains firm, while governance reforms continue to improve capital allocation and corporate structures.

Higher oil prices, yen weakness and Middle East disruption could complicate reflation, but the longer-term drivers of earnings growth, reform and shareholder returns remain intact.

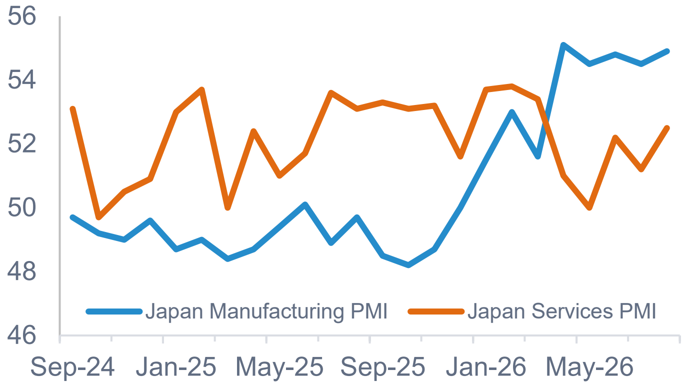
Japan's structural reset continues

Japan's outlook remains supported by higher nominal growth, wage gains, stronger pricing and gradual monetary normalisation. The BoJ retains a tightening bias, benefiting financials while raising the hurdle for highly valued growth stocks.

Corporate fundamentals remain supportive, with earnings strength broadening beyond AI-related semiconductors into financials, trading companies, autos, machinery and materials. Profit growth reflects not only yen weakness but also pricing, demand and margin improvement, while capex intentions remain firm.

Governance reform continues to improve capital allocation and corporate structures. Although yen weakness, higher oil prices and Middle East disruption could make reflation less orderly, the longer-term drivers of nominal growth, earnings, reform and shareholder returns remain intact.

Japan PMIs remain in expansionary territory



Source: Fidelity International, LSEG DataStream, 31 August 2026.

UK

Mid-caps broaden the UK rally

UK equities posted modest gains in August, with performance strongest further down the market-cap spectrum. Mid- and small-caps outpaced large-caps, with the FTSE 250 reaching record highs, as resilient earnings and continued corporate activity supported sentiment. Persistent inflation, elevated borrowing costs and monetary policy uncertainty tempered gains among larger companies.

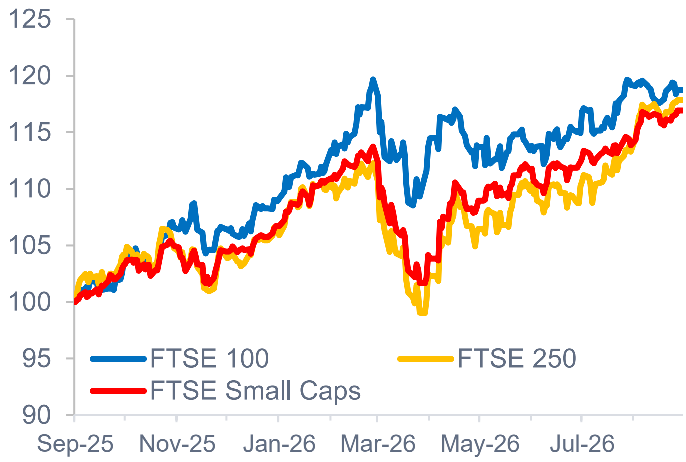
Basic materials led performance, supported by precious metals and mining stocks, while healthcare was the weakest sector, and consumer staples, utilities and energy also declined. Growth outperformed value, reversing July's value leadership and highlighting a broader rotation across the market.

Domestic signals remain mixed

The UK economic backdrop remained uneven. GDP grew 0.4% in Q2, slowing from 0.6% in Q1, while the labour market showed further signs of cooling. Unemployment remained elevated compared with a year earlier, payroll employment declined and vacancies continued to fall.

Consumer trends were also mixed. The housing market remained subdued amid elevated borrowing costs and economic uncertainty, although house prices showed some signs of stabilisation towards month end. Overall, resilient growth has been accompanied by softer labour market conditions and pressure from borrowing costs.

UK mid and small-caps rally in recent months



Source: Fidelity International, LSEG DataStream, 31 August 2026.

Emerging markets

Asia leads the EM rebound

Emerging market equities rebounded in August, outperforming developed markets as strong earnings and renewed confidence in the AI investment cycle supported sentiment. Emerging Asia and EMEA advanced, while Latin America declined.

Korea and Taiwan rebounded from July's weakness, while China edged lower amid subdued domestic demand and limited new stimulus. India also weakened despite resilient fundamentals. Higher oil prices and geopolitical tensions raised concerns over inflation, the current account and corporate margins, while tighter global financial conditions weighed on sentiment. However, foreign investors remained net buyers for a second consecutive month, supported by an improving earnings outlook, a stabilising currency and robust domestic demand. Strong economic data, including solid first quarter GDP growth, reinforced confidence in India's underlying growth momentum.

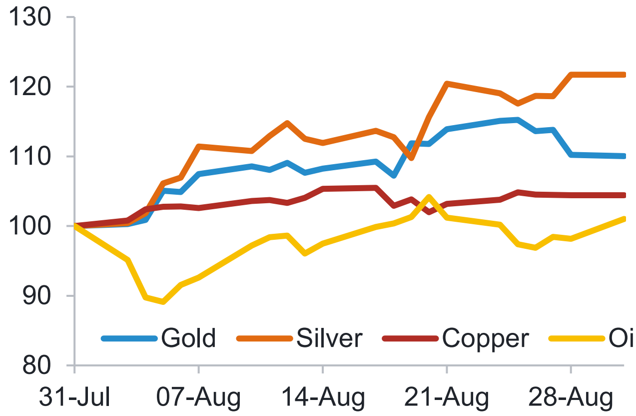
EMEA gains as Latin America lags

EMEA performed strongly, led by South Africa as rising gold and platinum prices boosted mining stocks, supported by currency appreciation and moderating inflation. Saudi Arabia also advanced, led by materials, while the UAE posted more modest gains.

Latin America lagged, with Brazil declining amid political uncertainty, renewed US trade tensions and slowing growth despite lower interest rates. Mexico was flat as uncertainty around the future of the USMCA weighed on sentiment.

Materials, health care and information technology led sector gains. Oil remained volatile amid Middle East tensions and disruption to the Strait of Hormuz, while precious and industrial metals advanced.

Metals rally as oil remains volatile



Source: Fidelity International, LSEG DataStream, 31 August 2026.

Asia-Pacific ex-Japan

AI recovery lifts regional markets

APxJ equities rebounded 3.2% in August after July's correction, led by AI and semiconductor stocks. Resilient earnings and renewed confidence in AI capex supported the recovery, with Nvidia's results providing a late-month catalyst.

South Korea and Taiwan led gains as semiconductor stocks and earnings expectations recovered. China and Hong Kong lagged amid weak domestic demand, while resilient exports provided some support.

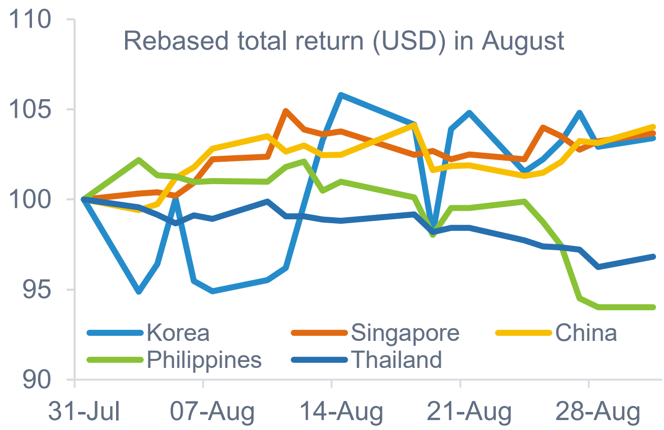
Australia posted modest gains, supported by miners and firm commodity prices, while elevated rates and inflation weighed on domestic sectors. ASEAN lagged the technology-led rally, with Singapore outperforming as Indonesia, Malaysia, Thailand and the Philippines faced continued foreign outflows.

Twin forces shape Asia

Asia's outlook is increasingly shaped by the energy shock and AI investment cycle. Higher energy costs favour commodity exporters while increasing inflation and growth pressures for importers, particularly in South and Southeast Asia.

North Asia is relatively better placed. China benefits from large reserves and a diversified energy mix, while exports and investment remain important growth drivers amid subdued domestic demand. Continued AI capex should support technology companies in China, South Korea and Taiwan. In Australia, firm commodities, resilient domestic conditions and restrictive monetary policy are expected to support the Australian dollar.

The leaders and laggards in Asia in August



Source: Fidelity International, LSEG DataStream, 31 July 2026.

Earnings scorecard

The earnings scorecard is a forward-looking aggregation of long-term views from our bottom-up equity analysts, distilling their fundamental analysis into a simple earnings growth figure compared to consensus. Over the long term, studies show earnings performance is the biggest driver of stock prices. However, it is not the only factor and given the discretion of our fundamental portfolio managers, the earnings scorecard should not be misconstrued as reflecting individual fund positioning.

Fidelity International earnings growth estimate FY2028, absolute and versus IBES consensus

Sector		US	Europe	APxJ	Japan	EMEA / LATAM	China	Global
Comm services	vs IBES	5.9%	4.5%	-4.2%	-10.3%	12.2%	-5.2%	3.9%
	Absolute	30.8%	4.3%	12.9%	5.7%	31.1%	12.1%	25.5%
Discretionary	vs IBES	3.5%	4.6%	-6.8%	-2.6%	3.9%	-6.3%	0.7%
	Absolute	21.9%	11.7%	19.7%	12.0%	23.7%	22.7%	18.8%
Staples	vs IBES	-2.5%	-1.2%	-5.3%	-5.2%	-1.6%	-8.0%	-2.7%
	Absolute	4.6%	6.0%	8.1%	8.5%	9.5%	6.1%	6.1%
Energy	vs IBES	-5.9%	-10.2%	13.9%	-0.6%	-9.1%	15.3%	-4.8%
	Absolute	-4.2%	-7.2%	3.0%	-3.8%	-12.7%	4.1%	-6.5%
Financials	vs IBES	-1.0%	0.5%	-3.4%	-11.7%	-2.8%	-4.3%	-1.7%
	Absolute	5.8%	8.1%	7.0%	9.6%	12.2%	5.7%	7.3%
Healthcare	vs IBES	-0.6%	0.6%	-1.8%	-4.9%	5.8%	-2.4%	-0.4%
	Absolute	7.7%	10.6%	16.3%	3.2%	20.2%	17.3%	8.7%
Industrials	vs IBES	4.2%	2.8%	0.9%	11.2%	2.0%	0.7%	3.8%
	Absolute	16.1%	14.9%	15.3%	18.9%	21.3%	17.1%	15.9%
IT	vs IBES	10.5%	13.5%	12.2%	-3.0%	-1.8%	19.8%	10.7%
	Absolute	20.5%	25.7%	15.3%	11.4%	30.2%	42.1%	18.2%
Materials	vs IBES	-10.4%	-10.9%	-8.6%	1.0%	-14.8%	-29.4%	-10.8%
	Absolute	3.1%	2.3%	-0.3%	15.7%	-3.5%	76.2%	1.2%
Real estate	vs IBES	-12.4%	-5.7%	5.6%	0.9%	6.4%	10.4%	-1.5%
	Absolute	13.1%	9.8%	9.6%	6.5%	30.7%	12.4%	12.7%
Utilities	vs IBES	2.1%	1.4%	13.6%	-2.7%	2.4%		1.9%
	Absolute	8.2%	5.7%	0.5%	3.7%	0.6%		6.1%
Net	vs IBES	4.0%	0.6%	4.2%	-2.2%	-5.8%	0.0%	2.9%
	Absolute	15.6%	8.6%	12.3%	11.1%	0.7%	14.7%	12.7%

Quantitative tactical scorecard

This scorecard provides a forward-looking summary of short-term (1-3 month) views from the quantitative equities team based on factors including fundamental, technical, macro and behavioural. This scorecard should not be misconstrued as representing the discretionary long-term views of our fundamental equity portfolio managers.

Equities signal: Risk ON

Developed market equities	– –	–	=	+	++
US: S&P 500		●			
Canada: S&P/TSX 60			→	●	
UK: FTSE 100		→	●		
Germany: DAX		●			
France: CAC 40	●	←			
Switzerland: SMI				●	
Netherlands: AEX		●	←		
Sweden: OMX 30			→	●	
Norway: OBX	→	●			
Spain: IBEX 35					●
Italy: FTSE MIB		●			
Japan: TOPIX			●	←	
Hong Kong: Hang Seng		●	←		
Australia: S&P/ASX 200		●	←		

Main views

- Canada moves up to overweight as it sees a strong improvement in equity growth characteristics.
- UK partly reverses last month's double downgrade and now sits at neutral as it strengthens in technical momentum and cashflow yields.
- France drops to strong underweight driven by heavy outflows.
- Netherlands falls to underweight after last month's upgrade based on a mix of worsening behavioural and fundamental readings.
- Sweden climbs to overweight as it sees incremental gains in behavioural markets although technicals moved against it.
- Norway moves off the bottom to underweight led by strength in momentum, cashflow yields and some positive flows data.
- Japan slips to neutral on weaker technical.
- Hong Kong is downgraded on skewness and cash flow measures.
- Australia drops due to skewness and weaker growth indicators.

This model allocates cash neutrally among a universe of 14 developed market equity indices, incorporating fundamental, technical, macro and behavioural factors.

US sectors	– –	–	=	+	++
Communication services		●			
Consumer discretionary		→	●		
Consumer staples	●	←			
Energy			●		
Financials				●	
Healthcare				●	
Industrials			●		
IT				●	
Materials			●		
Real estate			●		
Utilities		●			

- Discretionary reverses last month's downgrade and moves back to neutral as cash flow quality and investor flows improve.
- Staples continues to decline and falls to strong underweight as it sees weaker adjusted flows

This model creates a long-short cash neutral portfolio of sector indices from the US market. The model incorporates fundamental, technical, macro, and behavioural factors.

Europe sectors	– –	–	=	+	++
Communication services				●	
Consumer discretionary			→	●	
Consumer staples			●		
Energy			●	←	
Financials			●		
Healthcare		●			
Industrials			●		
IT		→	●		
Materials				●	
Real estate		●			
Utilities		●			

Main views

- Discretionary rises to overweight on stronger adjusted flows and a slight improvement in long-term growth markers.
- Energy is downgraded to neutral on softer long-term growth markers and investor outflows.
- IT partly reverses last month's double downgrade and now settles at neutral after a big improvement in debt to equity financing.

This model creates a long-short cash neutral portfolio of sector indices from the European market. The model incorporates fundamental, technical, macro, and behavioural factors.

Market Data

GLOBAL

Absolute Returns (USD)

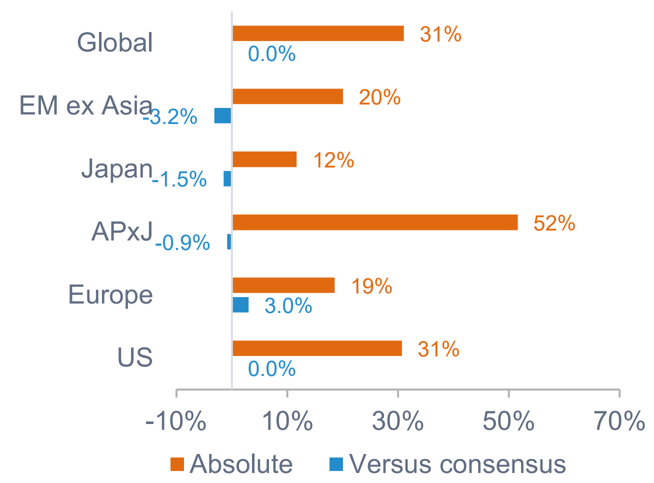
		1 Month	3 Months	YTD	1 Year
INDEX	MSCI AC World	2.7	2.0	14.6	22.8
SECTORS	C Disc	-0.2	-2.4	-2.2	1.4
	C Staples	-1.1	2.2	6.8	6.2
	Energy	4.5	10.0	36.9	40.8
	Financials	1.4	11.4	12.4	19.3
	Health Care	3.9	10.7	7.7	19.6
	Industrials	-0.1	0.5	13.6	18.6
	IT	6.0	-1.2	29.9	44.2
	Materials	10.5	3.4	18.2	31.2
	Comm. Srvcs.	-0.4	-7.0	-1.9	6.8
	Utilities	-3.1	-2.7	4.3	10.4
	Real Estate	-1.9	0.1	7.2	5.2
MAJOR MARKETS	US	2.8	1.8	13.0	20.0
	Europe	1.4	4.1	11.7	21.0
	EM ex Asia	3.5	3.6	12.4	25.8
	Asia ex Japan	3.3	-1.2	26.4	40.9
	Japan	3.4	4.1	21.1	28.3
STYLES	Value	2.7	5.4	18.8	26.2
	Growth	2.7	-1.2	10.5	19.2
	Quality	2.4	1.3	13.8	23.6
	Risk	1.3	4.3	11.1	15.6
	Momentum	2.7	-4.2	26.7	36.2
	Large Cap	2.7	1.9	14.6	23.7
	Mid Cap	2.7	2.6	14.7	18.2
	Small Cap	3.8	1.8	17.3	22.9

Absolute Returns (Local)

		1 Month	3 Months	YTD	1 Year
INDEX	MSCI AC World	2.4	2.0	14.7	23.3
SECTORS	C Disc	-0.3	-2.4	-1.9	2.3
	C Staples	-1.4	2.4	7.0	6.6
	Energy	4.2	10.2	37.1	41.2
	Financials	0.9	11.7	12.5	19.6
	Health Care	3.8	11.1	8.0	20.2
	Industrials	-0.4	0.6	14.1	19.9
	IT	5.5	-1.5	29.8	44.6
	Materials	9.8	3.7	17.7	30.4
	Comm. Srvcs.	-0.5	-7.0	-1.7	7.3
	Utilities	-3.4	-2.5	4.5	10.7
	Real Estate	-2.1	0.2	7.1	5.4
MAJOR MARKETS	US	2.8	1.8	13.0	20.0
	Europe	0.7	4.9	12.6	21.7
	EM ex Asia	3.2	4.1	10.3	21.4
	Asia ex Japan	1.6	-2.9	26.4	42.6
	Japan	3.7	4.4	23.4	39.5
STYLES	Value	2.3	5.4	18.9	26.7
	Growth	2.4	-1.2	10.6	19.7
	Quality	2.1	1.6	14.0	24.1
	Risk	0.8	4.6	11.0	15.8
	Momentum	1.8	-5.0	26.4	36.0
	Large Cap	2.4	1.9	14.7	24.1
	Mid Cap	2.4	2.8	14.8	18.9
	Small Cap	3.4	2.0	17.4	24.0

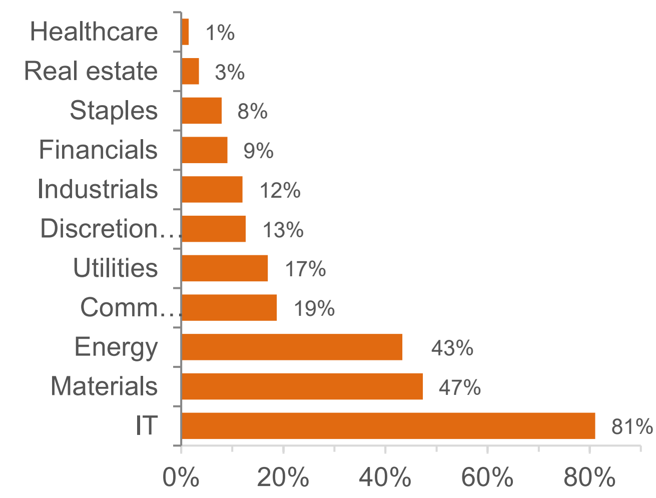
Source: LSEG DataStream, 31 August 2026.

FIL earnings forecasts vs consensus (FY26)



Source: Fidelity International, 31 August 2026.

FIL sector earnings forecasts (FY26)



Source: Fidelity International, 31 August 2026.

Important information