

# FDEM

## Fidelity Emerging Markets Multifactor ETF

### Analyst Report

The Fidelity Targeted Emerging Markets Factor ETF (FDEM) tracks a proprietary index of emerging markets stocks that have attractive valuations, high quality profiles, positive momentum, and lower volatility than the broader market. With about 200 stocks, FDEM has a shallower portfolio when compared with some competing factor funds, making it less appealing as a standalone core emerging market holding.

Investors should note that FDEM includes South Korea. Some issuers classify South Korea in with developed markets. Unsuspecting investors who mix and match funds from different firms may find themselves either unintentionally overweight South Korea or missing out on the country entirely.

FDEM is reasonably priced for a smart-beta approach to emerging markets, though it's still more expensive than ultra-low-cost plain vanilla rivals like the iShares Core MSCI Emerging Markets ETF (IEMG) and the Vanguard FTSE Emerging Markets ETF (VWO), which lack fancy factors but offer similar exposure and great liquidity at a fraction of the price. There's also competition to consider in the multi-factor space, including the Goldman Sachs ActiveBeta Emerging Markets Equity ETF (GEM) or the JPMorgan Diversified Return Emerging Markets Equity ETF (JPEM).

### ESG Themes and Scores

6.27/10

ESG Rate

38.97%

Global Percentile

11.45%

Peer Percentile

### Performance Data

	FDEM	ETF Database Category Average	Factset Segment Average
1 Month	-5.92%	-3.84%	-4.82%
3 Month	11.58%	11.58%	12.71%
YTD Return	16.00%	16.22%	18.00%
1 Year Return	28.86%	29.11%	32.00%
3 Year Return	21.16%	14.52%	13.62%
5 Year Return	8.60%	4.23%	3.96%

### Top 5 Holdings

Symbol	Holding	% Assets
2330	Taiwan Semiconductor Manufacturing Co., Ltd.	13.05%
005930	Samsung Electronics Co., Ltd.	7.69%
000660	SK hynix Inc.	6.15%
700	Tencent Holdings Ltd	2.85%
2454	MediaTek Inc	1.62%

### Vitals

Issuer	Fidelity
Brand	Fidelity
Structure	ETF
Expense Ratio	0.25%
Inception	Feb 26, 2019
Index Tracked	Fidelity Targeted Emerging Markets Factor Index

### ETF Database Themes

Category	Emerging Markets Equities
Asset Class	Equity
Asset Class Size	Large-Cap
Asset Class Style	Blend
Region (General)	Emerging Markets
Region (Specific)	Broad

### FactSet Classifications

Segment	Equity: Emerging Markets - Total Market
Category	Size and Style
Focus	Total Market
Niche	Broad-based
Strategy	Multi-factor
Weighting	Multi-Factor

