

# FESM

## Fidelity Enhanced Small Cap ETF

### Fund Description

FESM is an actively managed fund that invests in US, small-cap companies. Stock selection is based on computer-aided analysis, which chooses stocks belonging to the Russel 2000 Index.

### FactSet Analyst Report

FESM seeks capital appreciation by targeting common stocks within the Russel 2000 Index. The benchmark is a market capitalization-weighted index, specifically intended to evaluate the small-cap sector of the US equity market. Investments may also include foreign stocks. With the aim of potentially providing a total return that surpasses that of the Index, the fund utilizes a computer-aided, quantitative analysis that evaluates historical valuation, growth, profitability, and various other factors. In addition to capital growth, the fund engages in securities lending as an income-generating strategy. FESM converted from a mutual fund called Fidelity Small Cap Enhanced Index Fund to an actively managed ETF structure starting with \$435 million in net assets.