

FSMO

Fidelity Small-Mid Cap Opportunities ETF

Fund Description

FSMO is an actively-managed, non-transparent ETF that invests in global stocks with small to medium capitalization.

FactSet Analyst Report

FSMO discloses holdings only on a monthly basis with a 30-day lag. The fund actively selects global mid and small-cap companies with both growth and value factors. The portfolio is selected using fundamental and quantitative analysis, considering factors such as issuer's financial health and industry position, as well as the overall economic condition. FSMO has a Tracking Basket Structure in place, which acts as a proxy portfolio that includes some of the funds holdings from recent disclosure, significant portion of the funds holdings, and cash. This is designed to track FSMOs daily performance, facilitate arbitrage opportunities and help mitigate the risk of front-running. However, investors should note that its non-transparent structure could result in wider spreads.