

Fidelity® Small Cap Enhanced Index Fund

Key Takeaways

- For the semiannual reporting period ending August 31, 2023, the fund gained 3.16%, outperforming the 0.99% advance of the benchmark Russell 2000® Index.
- For these six months, financial markets continued to rally off their recent low in October 2022, benefiting from decelerating inflation and expectations for moderating rate hikes from the U.S. Federal Reserve.
- Compared with the benchmark, security selection among industrials, information technology and communication services stocks contributed. An overweight in Super Micro Computer (+179%) also helped.
- In contrast, security selection in real estate detracted, while an overweight in CommScope (-54%) hurt individually.
- In June 2023, the Board of Trustees approved the conversion of Fidelity's Enhanced Index Funds into exchange-traded funds, a move deemed in the best interest of shareholders. Each new ETF and its former corresponding fund will have identical investment objectives and fundamental investment policies and have substantially similar investment strategies. Fidelity believes that the conversion will provide multiple benefits for investors of the Funds, including lower net expenses, additional trading flexibility, increased portfolio holdings transparency and the potential for enhanced tax efficiency. The Fund conversions are expected to be conducted in November 2023. For more information, please refer to the Funds' prospectus supplements or visit us online.

FISCAL PERFORMANCE SUMMARY: Periods ending August 31, 2023

	Cumulative		Annualized			
	6 Month	YTD	1 Year	3 Year	5 Year	10 Year/ LOF ¹
Fidelity Small Cap Enhanced Index Fund Gross Expense Ratio: 0.55% ²	3.16%	12.61%	10.03%	12.50%	4.76%	8.50%
Russell 2000 Index	0.99%	8.96%	4.65%	8.12%	3.14%	7.96%
Morningstar Fund Small Blend	0.88%	8.81%	7.55%	11.60%	4.33%	8.05%
% Rank in Morningstar Category (1% = Best)	--	--	27%	37%	44%	42%
# of Funds in Morningstar Category	--	--	611	593	553	385

¹ Life of Fund (LOF) if performance is less than 10 years. Fund inception date: 12/20/2007.

² This expense ratio is from the prospectus in effect as of the date shown above and generally is based on amounts incurred during that fiscal year, or estimated amounts for the current fiscal year in the case of a newly launched fund. It does not include any fee waivers or reimbursements, which would be reflected in the fund's net expense ratio.

Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your shares. Current performance may be higher or lower than the performance stated. Performance shown is that of the fund's Retail Class shares (if multiclass). You may own another share class of the fund with a different expense structure and, thus, have different returns. To learn more or to obtain the most recent month-end or other share-class performance, visit fidelity.com/performance, institutional.fidelity.com, or 401k.com. Total returns are historical and include change in share value and reinvestment of dividends and capital gains, if any. Cumulative total returns are reported as of the period indicated. **Please see the last page(s) of this Q&A document for most-recent calendar-quarter performance.**

For definitions, fund risks and other important information, please see the Definitions and Important Information section of this Q&A.



Maximilian Kaufmann
Portfolio Manager



Shashi Naik
Co-Manager



Anna Lester
Co-Manager

Fund Facts

Trading Symbol:	FCPEX
Start Date:	December 20, 2007
Size (in millions):	\$582.54

Investment Approach

- Fidelity® Small Cap Enhanced Index Fund is a diversified domestic equity strategy with a small-cap core orientation.
- The fund seeks to outperform its benchmark through a quantitative investment process that balances both risk and return.
- Our approach involves building multifactor statistical models to help us select companies with desirable fundamental characteristics. We generally favor companies with improving fundamentals and that are also trading at reasonable valuations.
- Our systematic investment process accounts for both top-down market indicators and bottom-up fundamental insights, using a dynamic factor allocation that allows the fund to adapt to changing market conditions in a risk-aware manner.

Q&A

An interview with Maximilian Kaufmann, Shashi Naik and Anna Lester, Co-Managers on Fidelity's Systematic Equity Strategies team

Q: Shashi, how did the fund perform for the six months ending August 31, 2023?

S.N. The fund gained 3.16%, topping the 0.99% advance of the benchmark, the Russell 2000® Index, and the 0.88% result of its peer group average.

Taking a slightly longer-term view, the fund gained 10.03% for the trailing 12 months, again surpassing the benchmark and peer group average.

Q: Anna, what trends meaningfully influenced the fund's result the past six months?

A.L. Financial markets continued to rally off their recent low in October 2022. Despite stubbornly high prices in the services segment of the economy, inflation began to decelerate, and the U.S. Federal Reserve signaled it would begin to moderate the pace of its interest rate hikes, aiding market returns. In the stock market, growth-oriented large-cap stocks led the way, while small-caps participated to a lesser extent in the upward move.

In this environment, many of the factors utilized by our systematic stock-selection model added value. Valuation signals worked well, including cash flow and asset-based measures. Quality measures, especially those focused on profitability, also were effective, as were growth factors tied to historical earnings growth.

Our investment process is designed to evaluate a broad set of securities across multiple factors. We do not expect all factors to necessarily outperform in any given period. But together, they are designed to provide an opportunity for outperformance across different market environments. During this period, unfavorable security selection hampered performance versus the benchmark, whereas sector positioning modestly aided the fund's result.

Overall, the fund's diversified set of factor exposures resulted in favorable security selection relative to the benchmark. Versus the benchmark, picks in industrials, information technology and communication services contributed most, whereas picks in real estate hampered our result for the period.

As always, security selection within the portfolio is derived from our quantitative approach to investing. This involves building models that can identify companies with a variety of desirable characteristics that our research has shown to be correlated with long-term outperformance.

Q: Why do you favor a quantitative investment approach, Max?

M.K. Ultimately, we're seeking good businesses with durable competitive advantages, selling at prices we consider reasonable. To accomplish this objective, our team uses computer-aided analytical models to help us examine and rank individual securities. We then seek to systematically build a portfolio that we believe can outperform the benchmark over the long term. These rankings generally are based on valuation, earnings growth and technical indicators, among other factors.

We also try to manage portfolio risk, with the aim of keeping the fund's risk characteristics similar to those of the benchmark. Our models and disciplined portfolio construction are intended to provide a framework in which securities that are to overweighted generally have positive characteristics. Similarly, stocks that are underweighted or avoided typically demonstrate negative characteristics. Furthermore, our process considers how the fund's assets are allocated relative to the benchmark in terms of position size, industry and market capitalization. At least 80% of the fund's assets are generally invested in common stocks included in the benchmark, allowing the remainder to be invested in out-of-benchmark securities.

We favor a data-driven approach because we believe that financial markets are less than 100% efficient, primarily due to investors' behavioral tendencies. So, in an attempt to mitigate the impact of human emotion – and potentially remove some common investing biases that come with it – we apply a systematic investment process grounded in a strong investment rationale to make the process more objective.

Q: Shashi, compared with the benchmark, which stocks helped most?

S.N. The biggest relative contributor was an overweight in Super Micro Computer (+179%), a manufacturer of server and storage solutions and the fund's largest holding at period end. Super Micro's shares leaped on the firm's strong financial results, while investor optimism for the company's artificial intelligence business also helped fuel the stock's advance. Throughout the period, this stock fit our investment model's criteria in multiple ways, especially via its momentum, quality, growth and certain valuation characteristics, and we grew our exposure to the name over this time frame.

An outsized stake in Cimpres (+83%), a leading provider of mass customization and digital printing, also added to our relative result, as the stock gained on the firm's strong financial performance. Our model's view of the company's growth, momentum, information flow and certain valuation factors encouraged us to overweight this name. Information flow is our proprietary measure of how investors are processing information about a stock.

A third performance contributor was language-learning company Duolingo (+61%), which saw its shares rise because the firm reported faster-than-expected growth. Investors also were enthusiastic about the company's forthcoming use of AI in its premium-subscription tier of service. Our model appreciated Duolingo for its momentum, quality and information-flow attributes.

Q: What notably hurt?

A.L. An overweight in CommScope (-54%) was our biggest individual detractor of the six months. Shares of the network-infrastructure provider fell especially sharply in August, as the company reported a second-quarter loss and sales shortfall that significantly exceeded the market's expectations. As of August 31, we maintained a small overweight in the name, as the stock still scored highly in our model's valuation, growth and information-flow measures.

Another detractor was an overweight in National Vision Holdings (-51%), an optical retail company. Its shares plunged in early March after the firm announced much-worse-than-expected net income and provided challenging earnings guidance. As of period end, we remained overweight this name, as our model maintained a positive view of the stock from an information-flow, quality and growth perspective.

S.N. An overweight in pet insurer Trupanion (-51%) also detracted. The stock's decline has reflected the impact of inflation and higher costs, which weighed on the company's earnings. We stayed modestly overweight Trupanion throughout the period, however, as our model generally found it attractive from a quality standpoint.

Q: Any closing thoughts for shareholders as of August 31, Max?

M.K. The past 12 months, we made no significant changes to either the fund's investment approach or positioning, nor to the model that determines those elements. Our strategy, which includes a top-down industry allocation component to complement our bottom-up approach, is designed to strengthen the portfolio's active industry allocation while maintaining a consistent level of risk.

We remain committed to our long-term quantitative investment approach and will continue to seek to outperform the benchmark while attempting to match its risk. ■

ASSET ALLOCATION

Asset Class	Portfolio Weight	Index Weight	Relative Weight	Relative Change From Six Months Ago
Domestic Equities	98.47%	98.15%	0.32%	-0.02%
International Equities	1.23%	1.85%	-0.62%	-0.01%
Developed Markets	0.95%	1.31%	-0.36%	0.08%
Emerging Markets	0.28%	0.44%	-0.16%	-0.07%
Tax-Advantaged Domiciles	0.00%	0.10%	-0.10%	-0.02%
Bonds	0.00%	0.00%	0.00%	0.00%
Cash & Net Other Assets	0.30%	0.00%	0.30%	0.03%

Net Other Assets can include fund receivables, fund payables, and offsets to other derivative positions, as well as certain assets that do not fall into any of the portfolio composition categories. Depending on the extent to which the fund invests in derivatives and the number of positions that are held for future settlement, Net Other Assets can be a negative number.

"Tax-Advantaged Domiciles" represent countries whose tax policies may be favorable for company incorporation.

MARKET-SEGMENT DIVERSIFICATION

Market Segment	Portfolio Weight	Index Weight	Relative Weight	Relative Change From Six Months Ago
Industrials	18.32%	17.16%	1.16%	0.46%
Financials	15.77%	15.89%	-0.12%	1.86%
Information Technology	14.78%	13.55%	1.23%	-0.03%
Health Care	14.10%	15.40%	-1.30%	0.02%
Consumer Discretionary	11.23%	10.73%	0.50%	-0.21%
Energy	7.19%	7.76%	-0.57%	-0.56%
Materials	5.26%	4.54%	0.72%	0.18%
Real Estate	4.51%	6.13%	-1.62%	-0.19%
Consumer Staples	2.73%	3.53%	-0.80%	-0.87%
Communication Services	2.61%	2.48%	0.13%	-0.70%
Multi Sector	1.63%	--	1.63%	-0.02%
Utilities	1.57%	2.83%	-1.26%	0.00%
Other	0.00%	0.00%	0.00%	0.00%

10 LARGEST HOLDINGS

Holding	Market Segment
Super Micro Computer, Inc.	Information Technology
Murphy Oil Corp.	Energy
Qualys, Inc.	Information Technology
Option Care Health, Inc.	Health Care
Atkore, Inc.	Industrials
Belden, Inc.	Information Technology
EnerSys	Industrials
Pagerduty, Inc.	Information Technology
Insight Enterprises, Inc.	Information Technology
ExlService Holdings, Inc.	Industrials
10 Largest Holdings as a % of Net Assets	7.35%
Total Number of Holdings	579

The 10 largest holdings are as of the end of the reporting period, and may not be representative of the fund's current or future investments. Holdings do not include money market investments.

Definitions and Important Information

Information provided in, and presentation of, this document are for informational and educational purposes only and are not a recommendation to take any particular action, or any action at all, nor an offer or solicitation to buy or sell any securities or services presented. It is not investment advice. Fidelity does not provide legal or tax advice.

Before making any investment decisions, you should consult with your own professional advisers and take into account all of the particular facts and circumstances of your individual situation. Fidelity and its representatives may have a conflict of interest in the products or services mentioned in these materials because they have a financial interest in them, and receive compensation, directly or indirectly, in connection with the management, distribution, and/or servicing of these products or services, including Fidelity funds, certain third-party funds and products, and certain investment services.

% Rank in Morningstar Category is the fund's total-return percentile rank relative to all funds that have the same Morningstar Category. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100. The top-performing fund in a category will always receive a rank of 1%. % Rank in Morningstar Category is based on total returns which include reinvested dividends and capital gains, if any, and exclude sales charges. Multiple share classes of a fund have a common portfolio but impose different expense structures.

FUND RISKS

Stock markets, especially foreign markets, are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. The securities of smaller, less well-known companies can be more volatile than those of larger companies. Although the fund seeks to beat the index, this is not guaranteed and the fund may trail the index.

IMPORTANT FUND INFORMATION

Relative positioning data presented in this commentary is based on the fund's primary benchmark (index) unless a secondary benchmark is provided to assess performance.

INDICES

It is not possible to invest directly in an index. All indices represented are unmanaged. All indices include reinvestment of dividends and interest income unless otherwise noted.

Russell 2000 Index is a market capitalization-weighted index designed to measure the performance of the small-cap segment of the U.S. equity market. It includes approximately 2,000 of the smallest securities in the Russell 3000 Index.

MARKET-SEGMENT WEIGHTS

Market-segment weights illustrate examples of sectors or industries in which the fund may invest, and may not be representative of the fund's current or future investments. They should not be construed or used as a recommendation for any sector or industry.

RANKING INFORMATION

© 2023 Morningstar, Inc. All rights reserved. The Morningstar information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or redistributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Fidelity does not review the Morningstar data and, for mutual fund performance, you should check the fund's current prospectus for the most up-to-date information concerning applicable loads, fees and expenses.

Manager Facts

Maximilian Kaufmann is a senior portfolio manager for Systematic Equity Strategies, within the Quantitative Research and Investments (QRI) division at Fidelity Investments. Fidelity Investments is a leading provider of investment management, retirement planning, portfolio guidance, brokerage, benefits outsourcing, and other financial products and services to institutions, financial intermediaries, and individuals.

The Systematic Equity team designs and manages a set of investment strategies, harnessing fundamental insights, Fidelity's proprietary data, rigorous economic theory, and statistical methods. In this role, Mr. Kaufmann is responsible for the management of active equity strategies.

Prior to his current role, Mr. Kaufmann was a senior portfolio manager at Geode Capital Management (Geode) responsible for the management of active equity strategies.

Previously, Mr. Kaufmann was a senior portfolio manager at Lazard Alternative Investments, where he started a quantitative long/short equity group. Prior to that, Mr. Kaufmann worked as a senior portfolio manager at PanAgora Asset Management and as an equity quantitative analyst at Putnam Investments. He has been in the financial industry since 1996.

Mr. Kaufmann earned his bachelor of science degree in economics from the State University of New York at Binghamton and his master of arts degree in statistics from Columbia University.

Shashi Naik is a senior portfolio manager for Systematic Equity Strategies, within the Quantitative Research and Investments (QRI) division at Fidelity Investments. Fidelity Investments is a leading provider of investment management, retirement planning, portfolio guidance, brokerage, benefits outsourcing, and other financial products and services to institutions, financial intermediaries, and individuals.

The Systematic Equity team designs and manages a set of investment strategies, harnessing fundamental insights, Fidelity's proprietary data, rigorous economic theory, and statistical methods. As senior portfolio manager, Mr. Naik is responsible for the management of small and mid-cap strategies.

Prior to his current role, Mr. Naik was a portfolio manager at Geode Capital Management. He was responsible for large and mid-cap strategies.

Previously, he worked at PanAgora Asset Management as an analyst responsible for quantitative analysis for various macro strategies and emerging markets. He has been in the financial industry since 2005.

Mr. Naik earned his master of business degree from Pune University, India, and his master of arts degree in mathematical finance from Boston University. He is also a CFA® charterholder.

Anna Lester is a senior portfolio manager for Systematic Equity Strategies, within the Quantitative Research and Investments (QRI) division at Fidelity Investments. Fidelity Investments is a leading provider of investment management, retirement planning, portfolio guidance, brokerage, benefits outsourcing, and other financial products and services to institutions, financial intermediaries, and individuals.

The Systematic Equity team designs and manages a set of investment strategies, harnessing fundamental insights, Fidelity's proprietary data, rigorous economic theory, and statistical methods. As senior portfolio manager, Ms. Lester is responsible for the management of the active equity strategies.

Prior to her current role, Ms. Lester was a senior portfolio manager at Geode Capital Management responsible for managed quantitative equity funds both International and Global. Previously, she was a senior portfolio manager at State Street Global Advisors, where she managed quantitative equity funds both US and International across a range of market caps both long only and long short. She also headed Environmental, Social, Governance (ESG) research within the active quantitative equity group. Prior to that, Ms. Lester worked at PanAgora Asset Management as a portfolio manager, Putnam Investments as a researcher, and Charles River Associates as a research analyst. She has been in the financial industry since 1997.

Ms. Lester earned her bachelor of arts degree in computer science and mathematics from Wellesley College and her master of business administration degree from MIT Sloan School of Management.

PERFORMANCE SUMMARY:
Quarter ending September 30, 2023

	Annualized			
	1 Year	3 Year	5 Year	10 Year/ LOF ¹
Fidelity Small Cap Enhanced Index Fund Gross Expense Ratio: 0.55% ²	15.47%	11.47%	4.23%	7.21%

¹ Life of Fund (LOF) if performance is less than 10 years. Fund inception date: 12/20/2007.

² This expense ratio is from the prospectus in effect as of the date shown above and generally is based on amounts incurred during that fiscal year, or estimated amounts for the current fiscal year in the case of a newly launched fund. It does not include any fee waivers or reimbursements, which would be reflected in the fund's net expense ratio.

Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your shares. Current performance may be higher or lower than the performance stated. Performance shown is that of the fund's Retail Class shares (if multiclass). You may own another share class of the fund with a different expense structure and, thus, have different returns. To learn more or to obtain the most recent month-end or other share-class performance, visit fidelity.com/performance, institutional. fidelity.com, or 401k.com. Total returns are historical and include change in share value and reinvestment of dividends and capital gains, if any. Cumulative total returns are reported as of the period indicated.



Before investing in any mutual fund, please carefully consider the investment objectives, risks, charges, and expenses. For this and other information, call or write Fidelity for a free prospectus or, if available, a summary prospectus. Read it carefully before you invest.

Past performance is no guarantee of future results.

Views expressed are through the end of the period stated and do not necessarily represent the views of Fidelity. Views are subject to change at any time based upon market or other conditions and Fidelity disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Fidelity fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Fidelity fund. The securities mentioned are not necessarily holdings invested in by the portfolio manager(s) or FMR LLC. References to specific company securities should not be construed as recommendations or investment advice.

Diversification does not ensure a profit or guarantee against a loss.

Information included on this page is as of the most recent calendar quarter.

S&P 500 is a registered service mark of Standard & Poor's Financial Services LLC.

Other third-party marks appearing herein are the property of their respective owners.

All other marks appearing herein are registered or unregistered trademarks or service marks of FMR LLC or an affiliated company.

Fidelity Brokerage Services LLC, Member NYSE, SIPC, 900 Salem Street, Smithfield, RI 02917.

Fidelity Distributors Company LLC, 500 Salem Street, Smithfield, RI 02917.

© 2023 FMR LLC. All rights reserved.

Not NCUA or NCUSIF insured. May lose value. No credit union guarantee. 738710.18.0