

Fidelity® Mid Cap Enhanced Index Fund

Key Takeaways

- For the fiscal year ending August 31, 2023, the fund rose 8.19%, versus 8.38% for the benchmark Russell Midcap® Index.
- Financial markets rallied for most of the 12-month reporting period, benefiting from decelerating inflation and expectations for a moderation in rate hikes from the U.S. Federal Reserve.
- Compared with the benchmark, security selection among consumer discretionary and utilities stocks hurt most. An overweight in Hawaiian Electric Industries (-58%) was the largest individual detractor.
- In contrast, security selection in the industrials and health care sectors helped relative performance. An overweight in XPO (+124%) was the top individual contributor versus the benchmark.
- 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 Mid Cap Enhanced Index Fund Gross Expense Ratio: 0.45% ²	2.15%	7.83%	8.19%	10.38%	7.25%	9.86%
Russell MidCap Index	3.53%	9.40%	8.38%	9.25%	7.35%	10.04%
Morningstar Fund Mid-Cap Blend	3.38%	9.31%	9.15%	10.50%	6.53%	9.11%
% Rank in Morningstar Category (1% = Best)	--	--	63%	56%	33%	29%
# of Funds in Morningstar Category	--	--	419	382	357	238

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:	FMEIX
Start Date:	December 20, 2007
Size (in millions):	\$1,637.21

Investment Approach

- Fidelity® Mid Cap Enhanced Index Fund is a diversified domestic equity strategy with a mid-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 fiscal year ending August 31, 2023?

S.N. The fund rose 8.19% the past 12 months, versus 8.38% for the benchmark, the Russell Midcap® Index, and 9.15% for the peer group average.

Q: Anna, what trends meaningfully influenced the fund's result the past 12 months?

A.L. For most of the period, financial markets rallied. 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.

The shift in sentiment challenged momentum-oriented factors, while valuation measures also proved ineffective, with market participants largely favoring growth-oriented companies. However, quality measures, especially those focused on profitability, 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. This period, security selection hampered performance versus the benchmark, whereas sector positioning modestly contributed to the fund's relative result.

Overall, the fund's diversified set of factor exposures resulted in slightly subpar security selection relative to the benchmark, hurting our relative result. Versus the benchmark, picks in consumer discretionary and utilities detracted most, whereas picks in industrials, health care and communication services notably contributed.

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 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 hurt most?

S.N. The biggest relative detractor was an overweight in Hawaiian Electric Industries (-58%). The company's shares plunged in August, as the electric utility came under scrutiny about its potential role in Maui's devastating wildfire that month. Because of the significant uncertainty associated with this position going forward, we opted to move from an overweight to a roughly neutral stake in the name as of period end, based on our risk-management framework.

An outsized stake in Enphase Energy (-53%) also hampered our result. Shares of this renewable energy company, which was added to the fund early in the period, fell sharply on disappointing quarterly earnings and management's pessimistic near-term business outlook. As the period progressed, our model recommended we move closer to a neutral stance in the stock, and as of August 31 we continued to maintain only a small overweight.

A third performance detractor was East West Bancorp (-23%), as its shares fell sharply in the spring along with other regional banks amid a U.S. regional bank crisis. We maintained a small overweight in the stock, however, due to our model's recognition of the stock's favorable growth and information-flow attributes. (Information flow is our proprietary measure of how investors are processing information about a stock.)

Q: What notably helped?

A.L. An overweight in XPO meaningfully contributed the past 12 months compared with the benchmark. Shares of this less-than-truckload transportation company gained 124%, as the firm reported better-than-expected financial results that indicated an improved demand picture. The stock remained an overweight in the fund as of period end, partly reflecting our model's appreciation of XPO's improved momentum qualities.

Another contributor was homebuilder Toll Brothers (+90%), which our model favored for the stock's compelling valuation, information flow, growth and momentum qualities. This period, higher-than-expected demand and rising prices for newly built homes helped drive Toll Brothers' shares.

S.N. An overweight in TopBuild (+71%), which installs and distributes building materials to the construction industry, helped, benefiting from strong financial performance. Favorable momentum, information flow, quality and growth attributes were behind our model's recommendation to remain overweight this name as of August 31.

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 (stock-by-stock) 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 philosophy and will continue to seek to outperform the benchmark while attempting to match its risk. ■

LARGEST CONTRIBUTORS VS. BENCHMARK

Holding	Market Segment	Average Relative Weight	Relative Contribution (basis points)*
XPO, Inc.	Industrials	0.46%	42
Toll Brothers, Inc.	Consumer Discretionary	0.49%	34
TopBuild Corp.	Consumer Discretionary	0.39%	32
nVent Electric PLC	Industrials	0.53%	27
SVB Financial Group	Financials	-0.09%	27

* 1 basis point = 0.01%.

LARGEST DETRACTORS VS. BENCHMARK

Holding	Market Segment	Average Relative Weight	Relative Contribution (basis points)*
Hawaiian Electric Industries, Inc.	Utilities	0.35%	-34
Enphase Energy, Inc.	Information Technology	0.24%	-28
East West Bancorp, Inc.	Financials	0.25%	-19
RingCentral, Inc.	Information Technology	0.46%	-18
CF Industries Holdings, Inc.	Materials	0.24%	-17

* 1 basis point = 0.01%.

10 LARGEST HOLDINGS

Holding	Market Segment	Portfolio Weight	Portfolio Weight Six Months Ago
Trane Technologies PLC	Industrials	1.00%	0.38%
Apollo Global Management, Inc.	Financials	0.98%	--
Nucor Corp.	Materials	0.98%	0.96%
Cintas Corp.	Industrials	0.97%	0.88%
PACCAR, Inc.	Industrials	0.93%	0.47%
AMETEK, Inc.	Industrials	0.89%	0.69%
D.R. Horton, Inc.	Consumer Discretionary	0.88%	--
Simon Property Group, Inc.	Real Estate	0.88%	0.21%
Bank of New York Mellon Corp.	Financials	0.87%	0.81%
Align Technology, Inc.	Health Care	0.83%	--
10 Largest Holdings as a % of Net Assets		9.20%	9.26%
Total Number of Holdings		291	289

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.

MARKET-SEGMENT DIVERSIFICATION

Market Segment	Portfolio Weight	Index Weight	Relative Weight	Relative Change From Six Months Ago
Industrials	20.21%	19.13%	1.08%	0.72%
Information Technology	15.03%	13.26%	1.77%	-0.94%
Financials	14.09%	14.70%	-0.61%	1.00%
Health Care	12.27%	11.21%	1.06%	1.05%
Consumer Discretionary	11.90%	10.29%	1.61%	-0.27%
Real Estate	6.82%	7.81%	-0.99%	-0.01%
Materials	6.24%	5.93%	0.31%	0.52%
Utilities	4.03%	5.24%	-1.21%	0.09%
Energy	3.59%	5.13%	-1.54%	-2.10%
Communication Services	2.84%	3.53%	-0.69%	1.11%
Consumer Staples	1.92%	3.76%	-1.84%	-0.72%
Multi Sector	0.92%	--	0.92%	-0.21%
Other	0.00%	0.00%	0.00%	0.00%

ASSET ALLOCATION

Asset Class	Portfolio Weight	Index Weight	Relative Weight	Relative Change From Six Months Ago
Domestic Equities	99.16%	98.85%	0.31%	1.04%
International Equities	0.70%	1.15%	-0.45%	-0.82%
Developed Markets	0.70%	0.62%	0.08%	-0.39%
Emerging Markets	0.00%	0.53%	-0.53%	-0.43%
Tax-Advantaged Domiciles	0.00%	0.00%	0.00%	0.00%
Bonds	0.00%	0.00%	0.00%	0.00%
Cash & Net Other Assets	0.14%	0.00%	0.14%	-0.22%

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.

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.

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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 Midcap Index is a market capitalization-weighted index designed to measure the performance of the mid-cap segment of the U.S. equity market. It contains approximately 800 of the smallest securities in the Russell 1000 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

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% 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.

RELATIVE WEIGHTS

Relative weights represents the % of fund assets in a particular market segment, asset class or credit quality relative to the benchmark. A positive number represents an overweight, and a negative number is an underweight. The fund's benchmark is listed immediately under the fund name in the Performance Summary.

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 Mid Cap Enhanced Index Fund Gross Expense Ratio: 0.45% ²	12.77%	9.48%	6.44%	8.78%

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.

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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.

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

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