

# FIDELITY SELECT FUNDRANKER™

Volume 2 Issue 12

The Right Funds at the Right Time

December 2007

## November Performance

November was a dismal month for the Top Eight Model Portfolio and the stock market in general. The Top Eight Model Portfolio's overall one-month return for November even made it onto the *10 Worst Months* list at right. One-month returns for the funds in the Top Eight Model Portfolio ranged from a 4.1% loss for Energy Service to a 10.4% loss for Technology.

Despite performing worse than the Nasdaq Composite and S&P 500 tracking portfolios for November, the Top Eight Model Portfolio still leads the tracking portfolios for YTD returns:

|                                     |         |
|-------------------------------------|---------|
| Top Eight Model Portfolio           | 16.186% |
| Nasdaq Composite tracking portfolio | 10.807% |
| S&P 500 tracking portfolio          | 6.170%  |

## Performance of Funds Sold in November

Four funds fell out of the Top Eight Model Portfolio for November:

| Fund                        | Bought    | Sold      | Return |
|-----------------------------|-----------|-----------|--------|
| Chemicals (FSCHX)           | 7/5/2007  | 11/2/2007 | 7.50%  |
| Defense & Aerospace (FSDAX) | 9/6/2007  | 11/2/2007 | 8.07%  |
| Energy (FSENX)              | 4/12/2007 | 11/2/2007 | 23.06% |
| Materials (FSDPX)           | 10/2/2007 | 11/2/2007 | 0.55%  |

## Timing vs. the Fundranker System

The Dow Jones Industrial Average, Nasdaq Composite Index, the S&P 500 Index, and the Top Eight Model Portfolio all had corrections of more than 10% during November. Although they all have recovered somewhat, the Dow Jones Industrial Average is still 5.6% off its October 9 all-time high, the Nasdaq Composite is still 6.9% off its October 31 seven-year high, the S&P 500 is still 5.4% off its October 9 all-time high, and the Top Eight Model Portfolio is still 7.8% off its October 31 all-time high.

The stock market was very turbulent in November. Triple digit gains and losses on the DJIA were the rule rather than the exception. Will that turbulence continue in December? Have the housing and subprime mortgage debacles run their course or will they continue to affect the economy and the stock market? Will the Federal Reserve be able to adjust interest rates delicately enough to avoid both recession and inflation?

If the bottom falls out of the market even farther, do we just have to ride it down and hope for the best? No, we don't, but we don't have to time the market, either, which, in these turbulent times, would be impossible, anyway.

Instead of trying to time the market by moving into and out of cash, Fundranker switches to new funds that are performing better in current conditions. With 41 Fidelity Select funds, there are almost always a few that are bullish. Fundranker endeavors to move into particular funds in time to reap a good part of their gains and to move out of particular funds in time to avoid a good part of their losses. In practice, Fundranker is successful at this often enough to provide some great overall returns.

## Holding Period Alert

If you purchased shares after November 2 of any funds which are being exchanged on December 3, then to avoid a *roundtrip* transaction under Fidelity's frequent trading policy for Select funds, you should wait at least 31 days before exchanging the funds. If that date is after December 14, to get back in sync with Fundranker exchange dates, consider holding the funds through December and making appropriate exchanges on January 2, 2008, to funds in the Top Eight Model Portfolio for January.

## Investing New Money

If you are a new subscriber or you have new money to invest using the Fundranker system, first put the new money into Select Money Market. To reduce exposure to *roundtrip* transactions, on the next *Invest New Money Date* (see box below), exchange your new money into the funds in the Top Eight Model Portfolio for that month.

New subscribers should allocate equal amounts to each of the eight funds. If you already have a portfolio of Top Eight funds, allocate new money only to funds that are not being exchanged. Allocate it to balance those funds as much as possible. When you make exchanges the following month, be careful to avoid *roundtrip* transactions, described above in *Holding Period Alert*.

## Questions and Suggestions

Do you have a question about investing using the Fundranker system or a suggestion for the newsletter or website? Check the frequently asked questions or use the Contact Us form at [www.fundranker.com](http://www.fundranker.com).

## Top Eight Model Portfolio Best and Worst Months

|             |         |            |           |
|-------------|---------|------------|-----------|
| 1. 2/2000   | 25.635% | 1. 8/1998  | (17.961)% |
| 2. 12/1999  | 21.159% | 2. 7/2002  | (11.551)% |
| 3. 12/1998  | 13.445% | 3. 4/2000  | (8.565)%  |
| 4. 6/2000   | 13.011% | 4. 11/2007 | (7.831)%  |
| 5. 1/2006   | 12.835% | 5. 9/2001  | (7.795)%  |
| 6. 8/2000   | 12.601% | 6. 9/2000  | (7.245)%  |
| 7. 1/1999   | 11.490% | 7. 4/2004  | (7.224)%  |
| 8. 10/2003  | 11.191% | 8. 10/1997 | (7.032)%  |
| 9. 7/1997   | 10.606% | 9. 2/2006  | (6.929)%  |
| 10. 11/1999 | 10.174% | 10. 2/1999 | (6.647)%  |

## Top Eight Model Portfolio for December, 2007

1. Gold (FSAGX) — 3<sup>rd</sup> month
2. Energy Service (FSESX) — 9<sup>th</sup> month
3. Consumer Staples (FDFAX) — 1<sup>st</sup> month
4. Natural Resources (FNARX) — 9<sup>th</sup> month
5. Energy (FSENX) — 1<sup>st</sup> month
6. Chemicals (FSCHX) — 1<sup>st</sup> month
7. Wireless (FWRLX) — 7<sup>th</sup> month
8. Materials (FSDPX) — 1<sup>st</sup> month

## Portfolio Exchanges for December 3, 2007

Sell Computers (FDCPX), buy Consumer Staples (FDFAX)  
Sell Technology (FSPTX), buy Energy (FSENX)  
Sell Natural Gas (FSNGX), buy Chemicals (FSCHX)  
Sell Soft & Comp Services (FSCSX), buy Materials (FSDPX)

## Upcoming Portfolio Exchange Dates

If all funds to be sold have been held longer than one month, the next exchange date will be Wednesday, January 2, 2008.

If any of the funds to be sold have been held only one month, the next exchange date will be Thursday, January 3, 2008.

## Invest New Money Date for December

Invest new money on December 3.

## Optional Rebalancing Exchange Dates

January 2, May 2, July 2, October 2, and December 2, 2008

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| <i>Fundranker Ratings for 11/30/07</i> | 12-Month | 6-Month  | 3-Month  | 1-Month  | <i>Fundranker</i> | <i>Fundranker</i> |
|--|----------|----------|----------|----------|-------------------|-------------------|
| Fund (Symbol)                          | Return % | Return % | Return % | Return % | Rating**          | Ranking           |
| Air Transportation (FSAIX)             | 6.03     | (0.92)   | (0.86)   | (5.81)   | (0.390)           | 25                |
| Automotive (FSAVX)                     | 8.13     | (5.76)   | (1.46)   | (12.89)  | (2.995)           | 29                |
| Banking (FSRBX)                        | (13.04)  | (16.55)  | (10.57)  | (6.91)   | (11.768)          | 39                |
| Biotechnology (FBIOX)                  | 6.46     | 6.46     | 8.10*    | (2.35)   | 5.668             | 22                |
| Brokerage & Investment Mgmt (FSLBX)    | 4.16     | (7.16)   | 8.74*    | (5.00)   | 1.185             | 24                |
| Chemicals (FSCHX)                      | 30.01*   | 11.37*   | 6.50     | (3.32)   | 13.140            | 6                 |
| Communications Equipment (FSDCX)       | 10.68    | 0.80     | (1.43)   | (11.97)  | (0.480)           | 26                |
| Computers (FDCPX)                      | 21.72*   | 11.47*   | 4.65     | (8.73)   | 9.278             | 13                |
| Construction & Housing (FSHOX)         | (11.10)  | (19.38)  | (10.10)  | (8.58)   | (12.290)          | 40                |
| Consumer Discretionary (FSCPX)         | (3.33)   | (10.78)  | (4.56)   | (5.27)   | (5.985)           | 36                |
| Consumer Staples (FDFAX)               | 25.76*   | 11.00*   | 10.01*   | 1.04*    | 15.953            | 3                 |
| Defense & Aerospace (FSDAX)            | 23.13*   | 8.00*    | 5.34     | (2.71)   | 10.440            | 9                 |
| Electronics (FSELX)                    | 2.01     | (4.42)   | (7.60)   | (8.47)   | (4.620)           | 34                |
| Energy (FSENX)                         | 28.85*   | 9.57*    | 8.53*    | (4.60)   | 13.588            | 5                 |
| Energy Service (FSESX)                 | 39.38*   | 16.70*   | 3.92     | (4.06)   | 15.985            | 2                 |
| Environmental (FSLEX)                  | 11.79    | 5.45     | 7.34*    | (2.99)   | 6.398             | 19                |
| Financial Services (FIDSX)             | (7.63)   | (14.12)  | (4.73)   | (6.94)   | (8.355)           | 38                |
| Gold (FSAGX)                           | 21.11*   | 26.51*   | 27.51*   | (8.72)   | 19.603            | 1                 |
| Health Care (FSPHX)                    | 15.01    | 3.28     | 7.08     | (1.06)   | 6.078             | 20                |
| Home Finance (FSVLX)                   | (33.59)  | (36.43)  | (22.27)  | (14.63)  | (26.730)          | 41                |
| Industrial Equipment (FSCGX)           | 23.55*   | 6.92     | 5.16     | (2.42)   | 9.303             | 11                |
| Industrials (FCYIX)                    | 18.86    | 4.08     | 3.38     | (3.61)   | 5.678             | 21                |
| Insurance (FSPCX)                      | (0.59)   | (8.22)   | (0.89)   | (3.64)   | (3.335)           | 31                |
| IT Services (FBSOX)                    | 9.21     | (7.09)   | 0.93     | (7.29)   | (1.060)           | 27                |
| Leisure (FDLSX)                        | 10.04    | 0.79     | 4.37     | (5.09)   | 2.528             | 23                |
| Materials (FSDPX)                      | 28.26*   | 6.52     | 7.43*    | (4.63)   | 11.395            | 8                 |
| Medical Delivery (FSHCX)               | 19.44    | 0.41     | 6.99     | 1.09*    | 7.983             | 17                |
| Medical Equipment & Systems (FSMEX)    | 16.72    | 7.62*    | 4.48     | (0.83)   | 7.998             | 16                |
| Multimedia (FBMPX)                     | (2.25)   | (10.50)  | (4.14)   | (4.78)   | (5.418)           | 35                |
| Natural Gas (FSNGX)                    | 21.46*   | 3.10     | 11.70*   | (7.05)   | 9.303             | 11                |
| Natural Resources (FNARX)              | 34.44*   | 11.54*   | 10.79*   | (5.38)   | 15.848            | 4                 |
| Networking & Infrastructure (FNINX)    | 1.99     | (0.78)   | (2.66)   | (13.22)  | (3.668)           | 33                |
| Paper & Forest Products (FSPFX)        | 5.23     | (10.13)  | (1.71)   | (6.71)   | (3.330)           | 30                |
| Pharmaceuticals (FPHAX)                | 16.27    | 2.75     | 8.08*    | 0.49*    | 8.898             | 14                |
| Retailing (FSRPX)                      | (4.14)   | (13.06)  | (6.37)   | (4.40)   | (6.993)           | 37                |
| Software & Computer Services (FSCSX)   | 17.70    | 9.87*    | 11.95*   | (7.90)   | 9.905             | 10                |
| Technology (FSPTX)                     | 18.23    | 10.15*   | 4.88     | (10.39)  | 6.718             | 18                |
| Telecommunications (FSTCX)             | 15.06    | (6.88)   | (5.32)   | (7.85)   | (1.248)           | 28                |
| Transportation (FSRFX)                 | 2.75     | (8.35)   | (2.11)   | (6.18)   | (3.473)           | 32                |
| Utilities Growth (FSUTX)               | 18.86    | 1.29     | 10.55*   | (1.29)   | 8.353             | 15                |
| Wireless (FWRLX)                       | 33.14*   | 10.55*   | 2.70     | (8.53)   | 11.465            | 7                 |

\*Bonus point for being in the top 12 positive returns for a specific period

\*\*Bonus points plus average of 12-, 6-, 3-, and 1-month returns

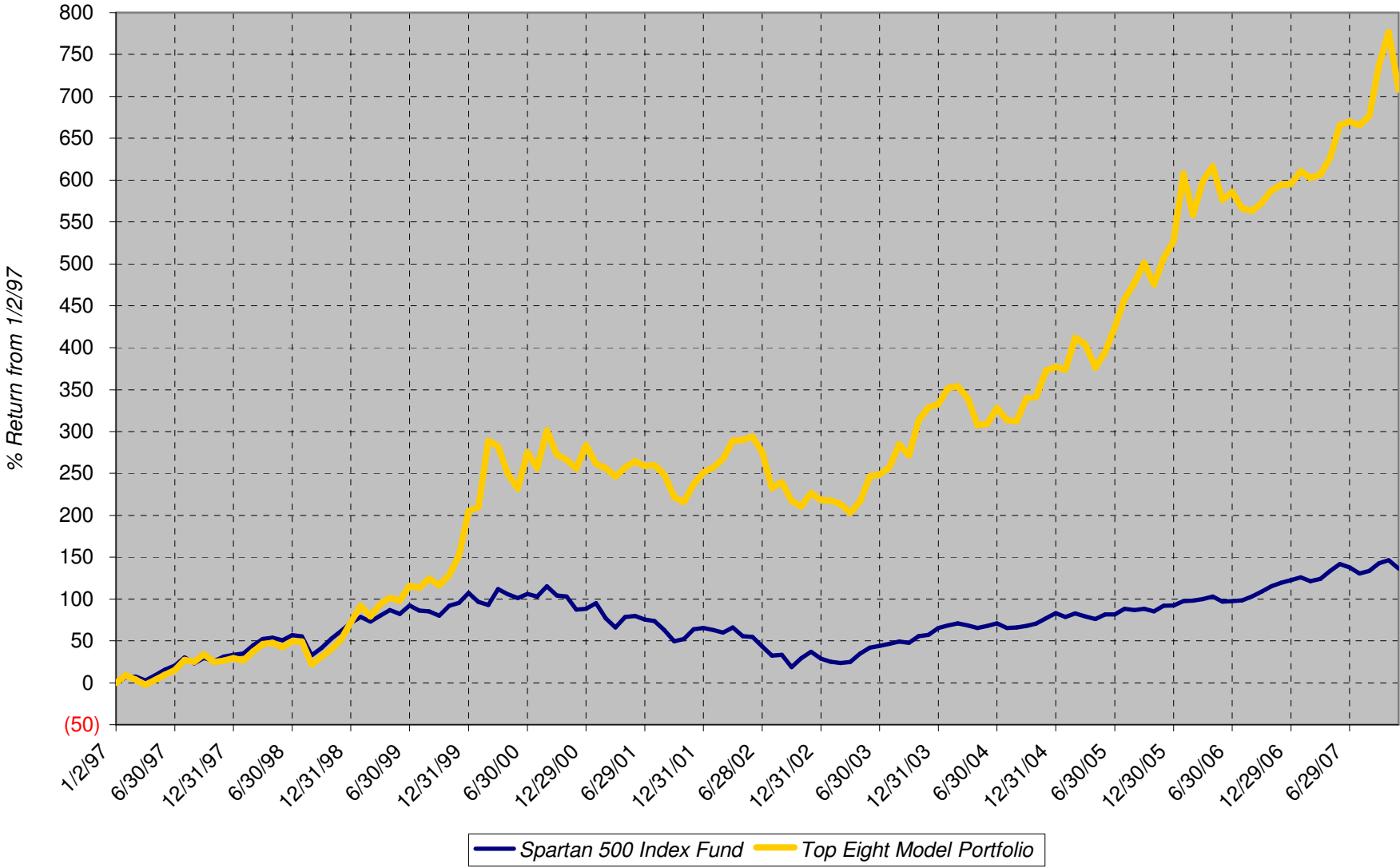
Sell on December 3, 2007

Buy on December 3, 2007

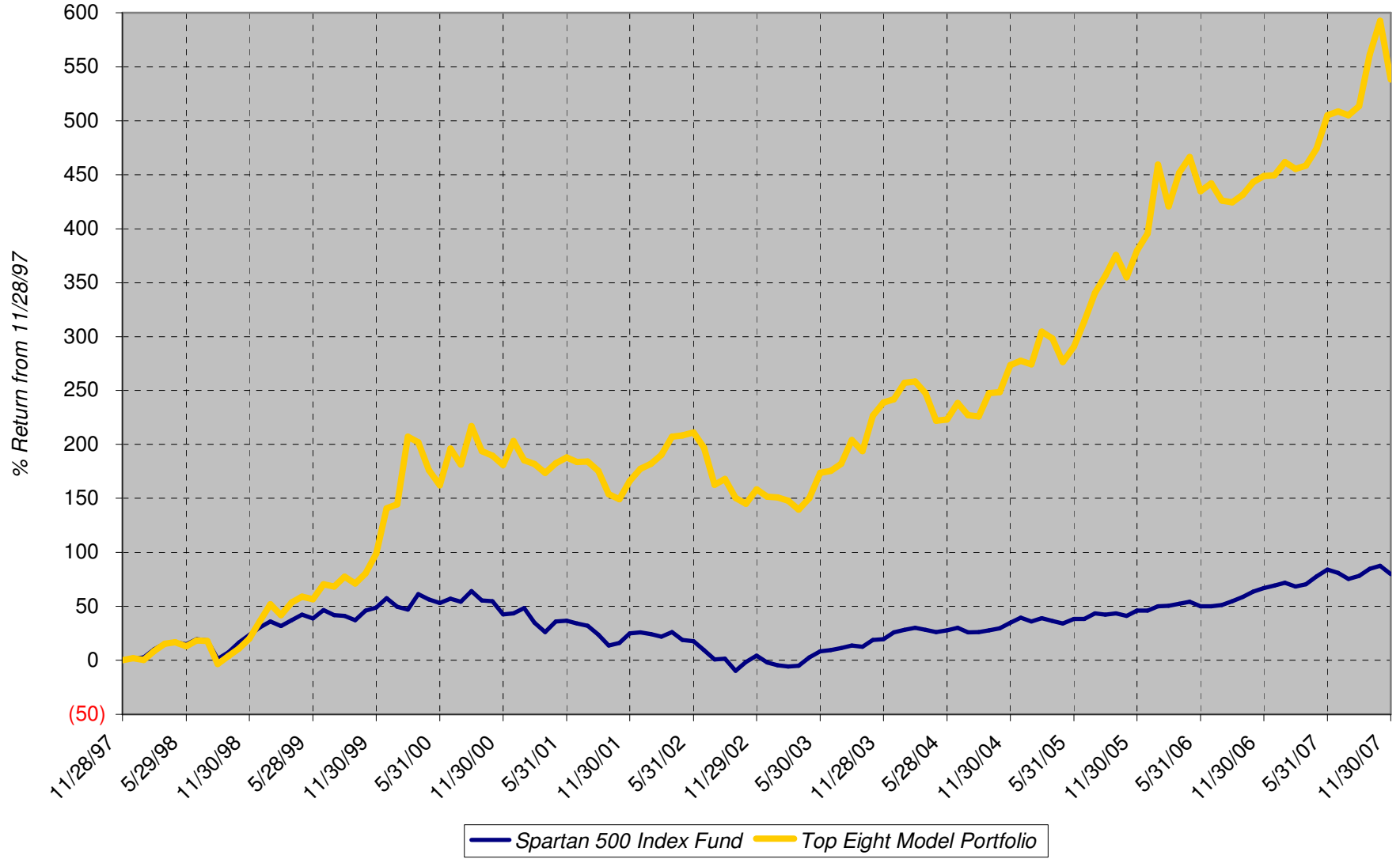
Hold

| Fundranker Performance for November 2007 |                 |                   |                    |                |                             |               |                |                   |                   |                             |                   |               |                 |
|--|-----------------|-------------------|--------------------|----------------|-----------------------------|---------------|----------------|-------------------|-------------------|-----------------------------|-------------------|---------------|-----------------|
| 10/31<br>Funds                           | 10/31<br>Shares | 10/31<br>Amount   | <=11/2<br>Div Shrs | 11/2<br>Shares | 11/2<br>Amount              | 11/2<br>Funds | 11/2<br>Shares | 11/2<br>Amount    | >11/2<br>Div Shrs | 11/30<br>Shares             | 11/30<br>Amount   | Nov<br>Return |                 |
| FSESX                                    | 249.491         | 24,946.61         | none               | 249.491        | 25,158.67                   | FSAGX         | 548.885        | 26,022.62         | none              | 548.885                     | 23,838.08         |               |                 |
| FSAGX                                    | 603.407         | 28,710.11         | none               | 603.407        | 28,607.53                   | FNARX         | 657.469        | 26,022.62         | none              | 657.469                     | 24,839.18         |               |                 |
| FWRLX2                                   | 607.734         | 25,999.11         | none               | 2,607.734      | 25,529.72                   | FDCPX         | 498.041        | 26,022.62         | none              | 498.041                     | 24,000.60         |               |                 |
| FNARX                                    | 672.139         | 26,838.51         | none               | 672.139        | 26,603.26                   | FWRLX2        | 658.082        | 26,022.62         | none              | 2,658.082                   | 24,241.71         |               |                 |
| FSENX                                    | 392.107         | 26,349.59         | none               | 392.107        | 26,047.67                   | FSPTX         | 289.204        | 26,022.62         | none              | 289.204                     | 23,694.48         |               |                 |
| FSCHX                                    | 298.298         | 25,931.05         | none               | 298.298        | 25,409.02                   | FSESX         | 258.059        | 26,022.62         | none              | 258.059                     | 24,755.60         |               |                 |
| FSDPX                                    | 420.644         | 26,155.64         | none               | 420.644        | 25,512.06                   | FSNGX         | 516.937        | 26,022.62         | none              | 516.937                     | 24,383.92         |               |                 |
| FSDAX                                    | 261.823         | 25,420.40         | none               | 261.823        | 25,313.05                   | FSCSX         | 308.727        | 26,022.62         | none              | 308.727                     | 24,123.93         |               |                 |
| <b>Top Eight</b>                         |                 | <b>210,351.02</b> |                    |                | <b>208,180.98</b>           |               |                | <b>208,181.00</b> |                   |                             | <b>193,877.50</b> |               | <b>(7.831)</b>  |
| FNCMX1                                   | 492.008         | 57,472.15         | none               |                |                             |               |                |                   | none              | 1,492.008                   | 53,533.25         |               | <b>(6.854)</b>  |
| FSMKX                                    | 547.687         | 59,144.72         | none               |                |                             |               |                |                   | none              | 547.687                     | 56,669.17         |               | <b>(4.186)</b>  |
| <b>Yearly Summaries</b>                  |                 |                   |                    |                | <b>1997</b>                 |               | <b>1998</b>    |                   | <b>1999</b>       |                             | <b>2000</b>       |               | <b>2001</b>     |
|  |                 |                   |                    |                | Return %                    |               | Return %       |                   | Return %          |                             | Return %          |               | Return %        |
| <i>Top Eight Model Portfolio</i>         |                 |                   |                    |                | 29.144                      |               | 33.441         |                   | 76.892            |                             | 25.824            |               | <b>(8.468)</b>  |
| Nasdaq Composite Index Fund              |                 |                   |                    |                | N/A                         |               | N/A            |                   | N/A               |                             | N/A               |               | N/A             |
| Spartan 500 Index Fund                   |                 |                   |                    |                | 33.628                      |               | 28.498         |                   | 20.633            |                             | <b>(9.132)</b>    |               | <b>(12.054)</b> |
| <b>Yearly Summaries</b>                  |                 |                   |                    |                | <b>2002</b>                 |               | <b>2003</b>    |                   | <b>2004</b>       |                             | <b>2005</b>       |               | <b>2006</b>     |
|  |                 |                   |                    |                | Return %                    |               | Return %       |                   | Return %          |                             | Return %          |               | Return %        |
| <i>Top Eight Model Portfolio</i>         |                 |                   |                    |                | <b>(9.333)</b>              |               | 35.952         |                   | 10.340            |                             | 31.341            |               | 10.863          |
| Nasdaq Composite Index Fund              |                 |                   |                    |                | N/A                         |               | N/A            |                   | 8.598             |                             | 1.902             |               | 10.031          |
| Spartan 500 Index Fund                   |                 |                   |                    |                | <b>(22.173)</b>             |               | 28.487         |                   | 10.733            |                             | 4.858             |               | 15.712          |
| <b>Lifetime Summary</b>                  |                 |                   |                    |                | <b>1/2/97 to 11/30/07</b>   |               |                |                   |                   | <b>1/2/97 to 11/30/07</b>   |                   |               |                 |
|  |                 |                   |                    |                | Total Return %              |               |                |                   |                   | Average Annual Return %     |                   |               |                 |
| <i>Top Eight Model Portfolio</i>         |                 |                   |                    |                | 707.823                     |               |                |                   |                   | 21.091                      |                   |               |                 |
| Nasdaq Composite Index Fund              |                 |                   |                    |                | N/A                         |               |                |                   |                   | N/A                         |                   |               |                 |
| Spartan 500 Index Fund                   |                 |                   |                    |                | 136.122                     |               |                |                   |                   | 8.188                       |                   |               |                 |
| <b>10-Year Summary</b>                   |                 |                   |                    |                | <b>11/28/97 to 11/30/07</b> |               |                |                   |                   | <b>11/28/97 to 11/30/07</b> |                   |               |                 |
|  |                 |                   |                    |                | Total Return %              |               |                |                   |                   | Average Annual Return %     |                   |               |                 |
| <i>Top Eight Model Portfolio</i>         |                 |                   |                    |                | 538.434                     |               |                |                   |                   | 20.368                      |                   |               |                 |
| Nasdaq Composite Index Fund              |                 |                   |                    |                | N/A                         |               |                |                   |                   | N/A                         |                   |               |                 |
| Spartan 500 Index Fund                   |                 |                   |                    |                | 79.726                      |               |                |                   |                   | 6.038                       |                   |               |                 |
| <b>5-Year Summary</b>                    |                 |                   |                    |                | <b>11/29/02 to 11/30/07</b> |               |                |                   |                   | <b>11/29/02 to 11/30/07</b> |                   |               |                 |
|  |                 |                   |                    |                | Total Return %              |               |                |                   |                   | Average Annual Return %     |                   |               |                 |
| <i>Top Eight Model Portfolio</i>         |                 |                   |                    |                | 147.095                     |               |                |                   |                   | 19.832                      |                   |               |                 |
| Nasdaq Composite Index Fund              |                 |                   |                    |                | N/A                         |               |                |                   |                   | N/A                         |                   |               |                 |
| Spartan 500 Index Fund                   |                 |                   |                    |                | 72.493                      |               |                |                   |                   | 11.520                      |                   |               |                 |
| <b>3-Year Summary</b>                    |                 |                   |                    |                | <b>11/30/04 to 11/30/07</b> |               |                |                   |                   | <b>11/30/04 to 11/30/07</b> |                   |               |                 |
|  |                 |                   |                    |                | Total Return %              |               |                |                   |                   | Average Annual Return %     |                   |               |                 |
| <i>Top Eight Model Portfolio</i>         |                 |                   |                    |                | 70.818                      |               |                |                   |                   | 19.539                      |                   |               |                 |
| Nasdaq Composite Index Fund              |                 |                   |                    |                | 28.759                      |               |                |                   |                   | 8.791                       |                   |               |                 |
| Spartan 500 Index Fund                   |                 |                   |                    |                | 33.188                      |               |                |                   |                   | 10.024                      |                   |               |                 |
| <b>1-Year Summary</b>                    |                 |                   |                    |                | <b>11/30/06 to 11/30/07</b> |               |                |                   |                   | <b>11/30/06 to 11/30/07</b> |                   |               |                 |
|  |                 |                   |                    |                | Total Return %              |               |                |                   |                   |                             |                   |               |                 |
| <i>Top Eight Model Portfolio</i>         |                 |                   |                    |                | 16.317                      |               |                |                   |                   |                             |                   |               |                 |
| Nasdaq Composite Index Fund              |                 |                   |                    |                | 10.085                      |               |                |                   |                   |                             |                   |               |                 |
| Spartan 500 Index Fund                   |                 |                   |                    |                | 7.644                       |               |                |                   |                   |                             |                   |               |                 |
| <b>YTD Summary</b>                       |                 |                   |                    |                | <b>12/29/06 to 11/30/07</b> |               |                |                   |                   | <b>12/29/06 to 11/30/07</b> |                   |               |                 |
|  |                 |                   |                    |                | Total Return %              |               |                |                   |                   |                             |                   |               |                 |
| <i>Top Eight Model Portfolio</i>         |                 |                   |                    |                | 16.186                      |               |                |                   |                   |                             |                   |               |                 |
| Nasdaq Composite Index Fund              |                 |                   |                    |                | 10.807                      |               |                |                   |                   |                             |                   |               |                 |
| Spartan 500 Index Fund                   |                 |                   |                    |                | 6.170                       |               |                |                   |                   |                             |                   |               |                 |

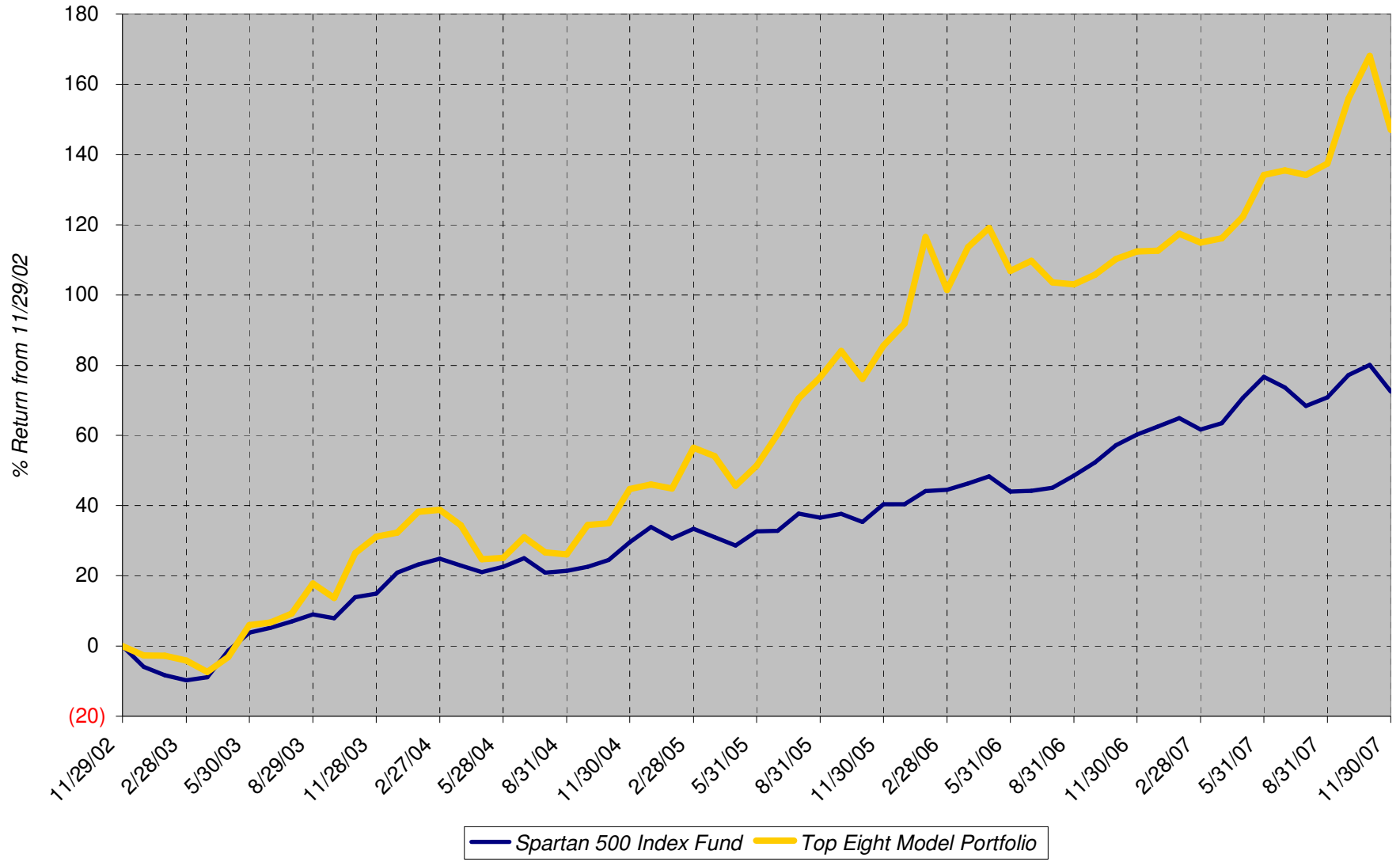
### Lifetime Chart



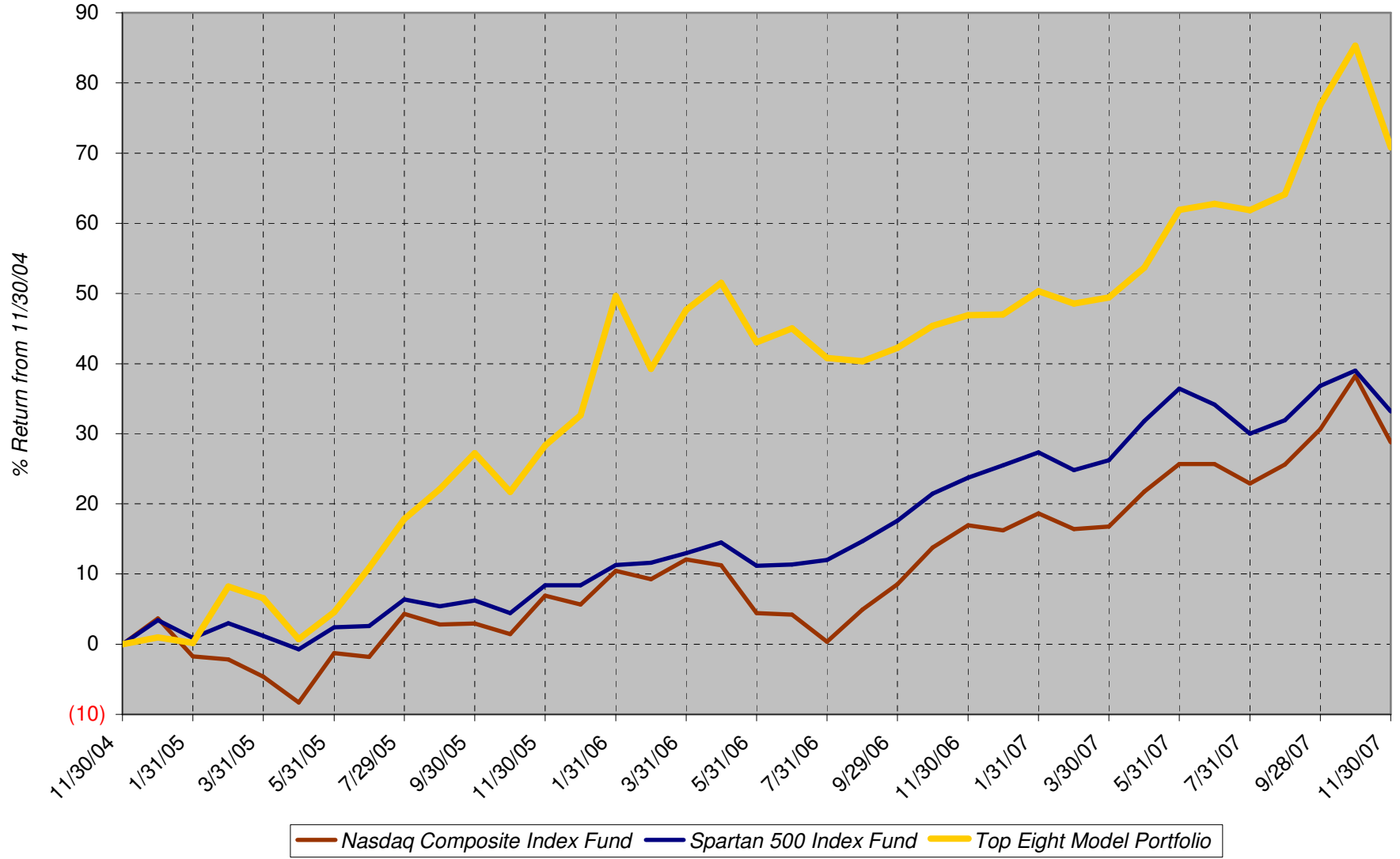
### 10-Year Chart



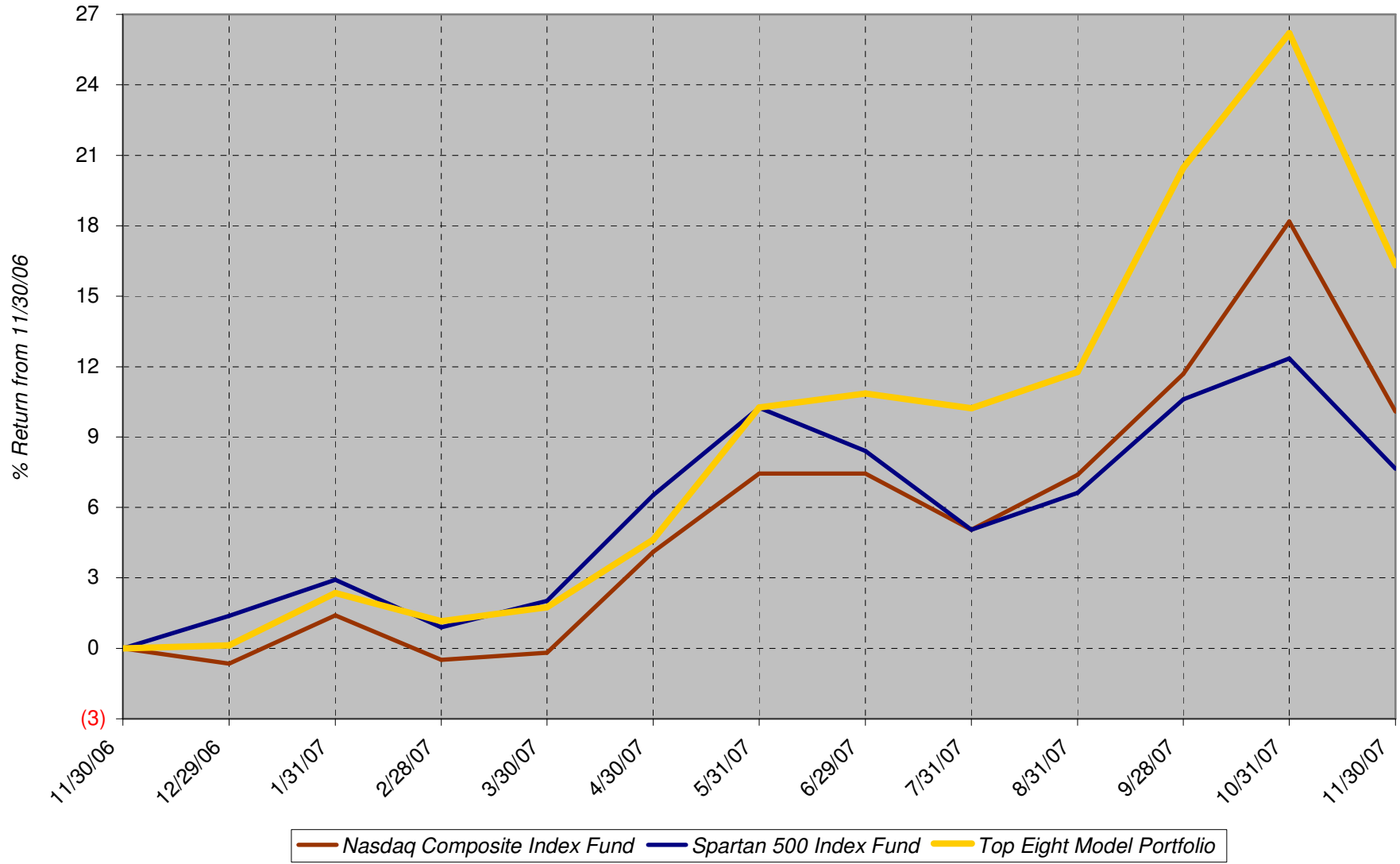
### 5-Year Chart



3-Year Chart



### 1-Year Chart



**Month-to-Date Chart  
(as of 11/30/07)**

