

FIDELITY SELECT FUNDRANKER™

Volume 3 Issue 3

The Right Funds at the Right Time

March 2008

February Performance

February was very successful for the Top Eight Model Portfolio, which recovered a large part of its January loss, while the S&P 500 and Nasdaq tracking portfolios both compounded their January losses. Only 10 of 41 Select funds gained ground in February; the Top Eight Model Portfolio held seven of them. One-month gains for funds in the Top Eight Model Portfolio ranged from 11.5% for Natural Gas to 1.1% for Consumer Staples. The only fund in the Top Eight Model Portfolio that had a loss in February was Medical Equipment & Systems, and it had only a miniscule loss of 0.04%.

Top Eight Model Portfolio, S&P 500 tracking portfolio, and Nasdaq Composite tracking portfolio 2008 YTD returns are (3.046)%, (9.060)%, and (14.355)%, respectively.

Performance of Funds Sold in February

Fundranker exchanged two funds on February 4. Here are the returns they contributed to the Top Eight Model Portfolio:

Fund	Bought	Sold	Return
Energy Service (FSESX)	4/12/2007	2/4/2008	17.57%
Software & Comp Serv (FSCSX)	1/3/2008	2/4/2008	(12.85)%

Peter Lynch Podcast

Fidelity Investments has published an excellent podcast from Peter Lynch, the legendary Magellan Fund manager. You can find it at www.fidelity.com. Click Investment Products, Mutual Funds, Understanding Mutual Funds, Videos & Podcasts. Here are a couple of excerpts from the podcast which have timeless value, but are especially meaningful in the turbulent market we've seen over the last few months:

"I stay fully invested. When the market goes down, I go down. I had a perfect record with Magellan. The market went down 10 or 12 times, I was down 10 or 12 times. When it came back, I came back. The upside is more than the downside."

"[For] people with long term goals, such as retirement, when there are declines, if they're in a regular pattern of putting so much in a month, they're buying more shares when the market is down, and they're buying [fewer] fund shares when the market is up. They're actually reducing their cost; they're getting a better average. That's the benefit of regular investing for retirement: same amount every month, same amount every quarter, you'll get to take advantage of declines."

Dollar Cost Averaging

As Peter Lynch advises above, regularly investing the same amount benefits you by giving you a better average cost for the fund shares you own. This investing process is called dollar cost averaging. In addition to getting a better average cost for fund shares, dollar cost averaging new investments can help balance your accounts, as well. Here's how you can implement it in combination with the Fidelity Select Fundranker system:

1. Decide how much and how often you can regularly invest. Keep in mind that Fidelity Investments' minimum additional investment for Select funds is \$250 and that Fidelity Investments' minimum automatic account builder for Select funds is \$100 per month or quarter.
2. Set up Automatic Account Builder on your account to add your regular investment amount to Select Money Market from your bank account. At www.fidelity.com, click Customer Service, Find a Form, and Download Form (for Electronic Funds Transfer).
3. On a regular basis, determined by the amount that you regularly add to Select Money Market and Fidelity Investments' \$250 minimum additional investment for Select Funds, follow the *Investing*

New Money directions below. For example, if you add \$125 to Select Money Market every month with Automatic Account Builder, then every other month, you should enter an exchange to be processed on that month's *Invest New Money Date* of \$250 from Select Money Market to a fund not being exchanged that month and with the smallest balance.

Holding Period Alert

If you purchased shares after February 4 of any funds which are being exchanged on March 6, 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 March 14, to get back in sync with Fundranker exchange dates, consider holding the funds through March and making appropriate exchanges on April 2 to funds in the Top Eight Model Portfolio for April.

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* 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.

Top Eight Model Portfolio for March, 2008

1. Gold (FSAGX) — 6th month
2. Natural Gas (FSNGX) — 3rd month
3. Natural Resources (FNARX) — 12th month
4. Energy (FSENX) — 4th month
5. Energy Service (FSESX) — 1st month
6. Chemicals (FSCHX) — 4th month
7. Materials (FSDPX) — 4th month
8. Consumer Staples (FDFAX) — 2nd month

Portfolio Exchange for March 6, 2008

Sell Med Equip & Sys (FSMEX), buy Energy Service (FSESX)

Upcoming Portfolio Exchange Date

If all funds to be sold have been held longer than one month, the next exchange date will be April 2; otherwise it will be April 7.

Invest New Money Date for March

Invest new money on March 3.

Optional Rebalancing Exchange Dates

May 2, July 2, October 2, and December 2, 2008 (see the rebalancing FAQ at www.fundranker.com for more information)

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<i>Fundranker Ratings for 2/29/08</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)	(16.72)	(19.42)	(18.73)	(7.11)	(15.495)	34
Automotive (FSAVX)	(12.11)	(15.19)	(13.93)	(5.49)	(11.680)	31
Banking (FSRBX)	(27.30)	(23.83)	(14.83)	(11.22)	(19.295)	40
Biotechnology (FBIOX)	(2.07)	(5.40)	(12.49)	(3.90)	(5.965)	20
Brokerage & Investment Mgmt (FSLBX)	(11.16)	(4.78)	(12.43)	(5.02)	(8.348)	25
Chemicals (FSCHX)	19.43*	6.13*	(0.35)	3.07*	10.070	6
Communications Equipment (FSDCX)	(5.52)	(15.69)	(14.47)	(1.96)	(9.410)	27
Computers (FDCPX)	2.47	(12.59)	(16.48)	2.37*	(5.058)	17
Construction & Housing (FSHOX)	(18.13)	(13.15)	(3.40)	(6.95)	(10.408)	29
Consumer Discretionary (FSCPX)	(16.15)	(14.89)	(10.82)	(4.37)	(11.558)	30
Consumer Staples (FDFAX)	13.72*	3.90*	(5.55)	1.09*	6.290	8
Defense & Aerospace (FSDAX)	2.80	(7.55)	(12.24)	(3.04)	(5.008)	16
Electronics (FSELX)	(18.97)	(24.63)	(18.43)	(3.20)	(16.308)	36
Energy (FSENX)	40.72*	14.45*	5.45*	8.53*	21.288	4
Energy Service (FSESX)	42.91*	0.90*	(2.90)	10.37*	15.820	5
Environmental (FSLEX)	3.27	(0.37)	(7.19)	0.06*	(0.058)	11
Financial Services (FIDSX)	(23.05)	(19.66)	(15.67)	(9.82)	(17.050)	38
Gold (FSAGX)	45.10*	48.51*	16.47*	7.16*	33.310	1
Health Care (FSPHX)	0.71	(4.05)	(10.39)	(2.75)	(4.120)	13
Home Finance (FSVLX)	(42.37)	(32.50)	(13.16)	(10.93)	(24.740)	41
Industrial Equipment (FSCGX)	9.25*	(3.87)	(8.59)	(0.76)	0.008	10
Industrials (FCYIX)	7.14*	(4.75)	(7.87)	(0.77)	(0.563)	12
Insurance (FSPCX)	(16.05)	(16.13)	(15.38)	(7.96)	(13.880)	33
IT Services (FBSOX)	(2.88)	(7.31)	(8.16)	(2.06)	(5.103)	18
Leisure (FDLSX)	(7.09)	(9.54)	(13.32)	(6.08)	(9.008)	26
Materials (FSDPX)	17.08*	6.70*	(0.68)	3.39*	9.623	7
Medical Delivery (FSHCX)	(3.97)	(6.10)	(12.24)	(7.82)	(7.533)	22
Medical Equipment & Systems (FSMEX)	12.57*	3.71*	(0.74)	(0.04)	5.875	9
Multimedia (FBMPX)	(13.88)	(13.39)	(9.64)	0.54*	(8.093)	23
Natural Gas (FSNGX)	38.11*	24.44*	11.41*	11.51*	25.368	2
Natural Resources (FNARX)	41.62*	17.02*	5.62*	8.76*	22.255	3
Networking & Infrastructure (FNINX)	(20.88)	(25.10)	(23.05)	(5.74)	(18.693)	39
Paper & Forest Products (FSPFX)	(16.45)	(13.89)	(12.40)	(8.27)	(12.753)	32
Pharmaceuticals (FPHAX)	1.64	(4.82)	(11.93)	(2.05)	(4.290)	15
Retailing (FSRPX)	(21.43)	(19.73)	(14.27)	(8.64)	(16.018)	35
Software & Computer Services (FSCSX)	2.00	(4.34)	(14.55)	(4.86)	(5.438)	19
Technology (FSPTX)	(4.55)	(14.67)	(18.64)	(0.48)	(9.585)	28
Telecommunications (FSTCX)	(15.30)	(23.75)	(19.47)	(6.99)	(16.378)	37
Transportation (FSRFX)	(8.89)	(10.22)	(8.28)	(4.99)	(8.095)	24
Utilities Growth (FSUTX)	(0.22)	(1.59)	(10.98)	(3.94)	(4.183)	14
Wireless (FWRLX)	4.71*	(15.92)	(18.13)	(3.08)	(7.105)	21

*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

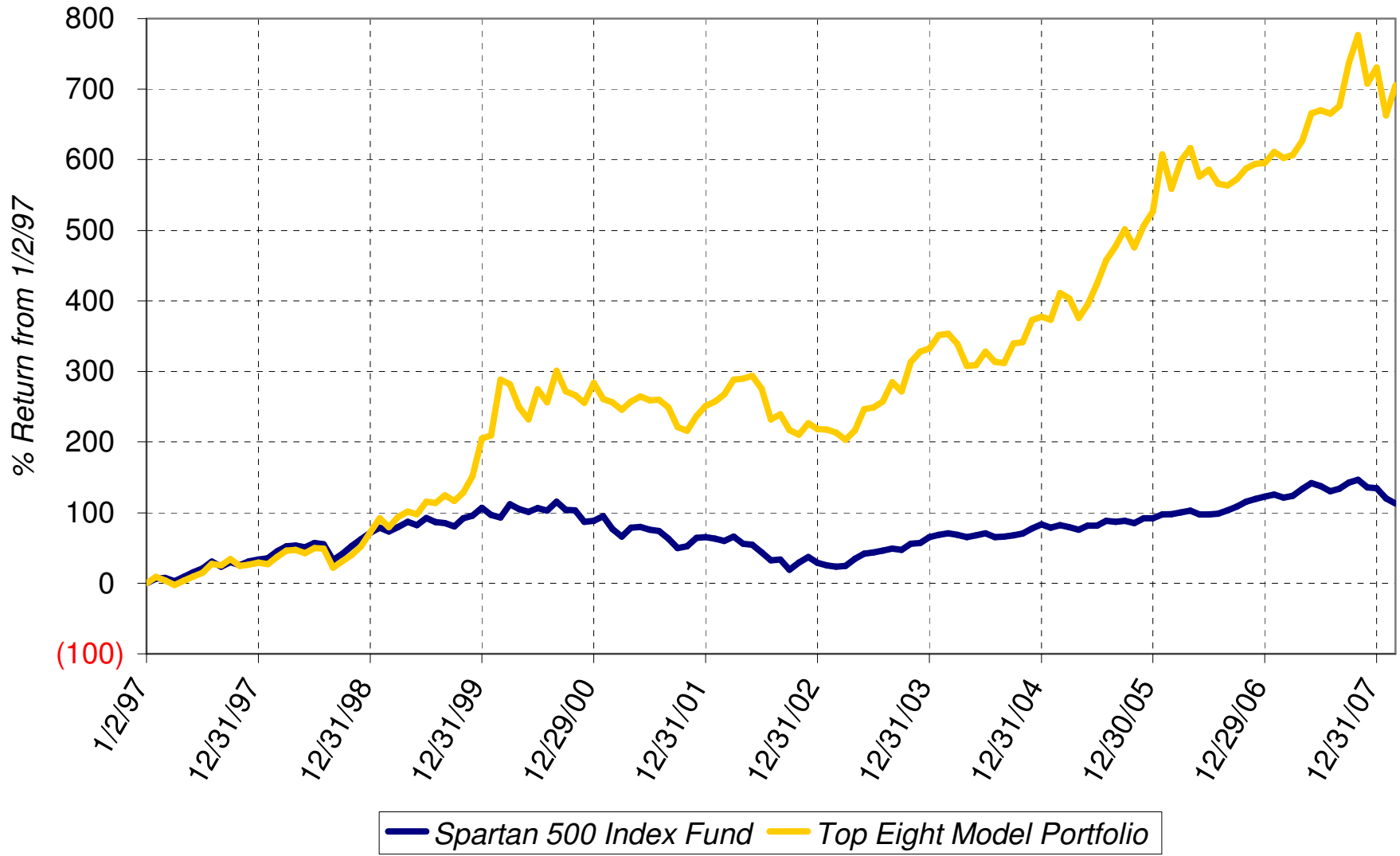
Sell on March 6, 2008

Buy on March 6, 2008

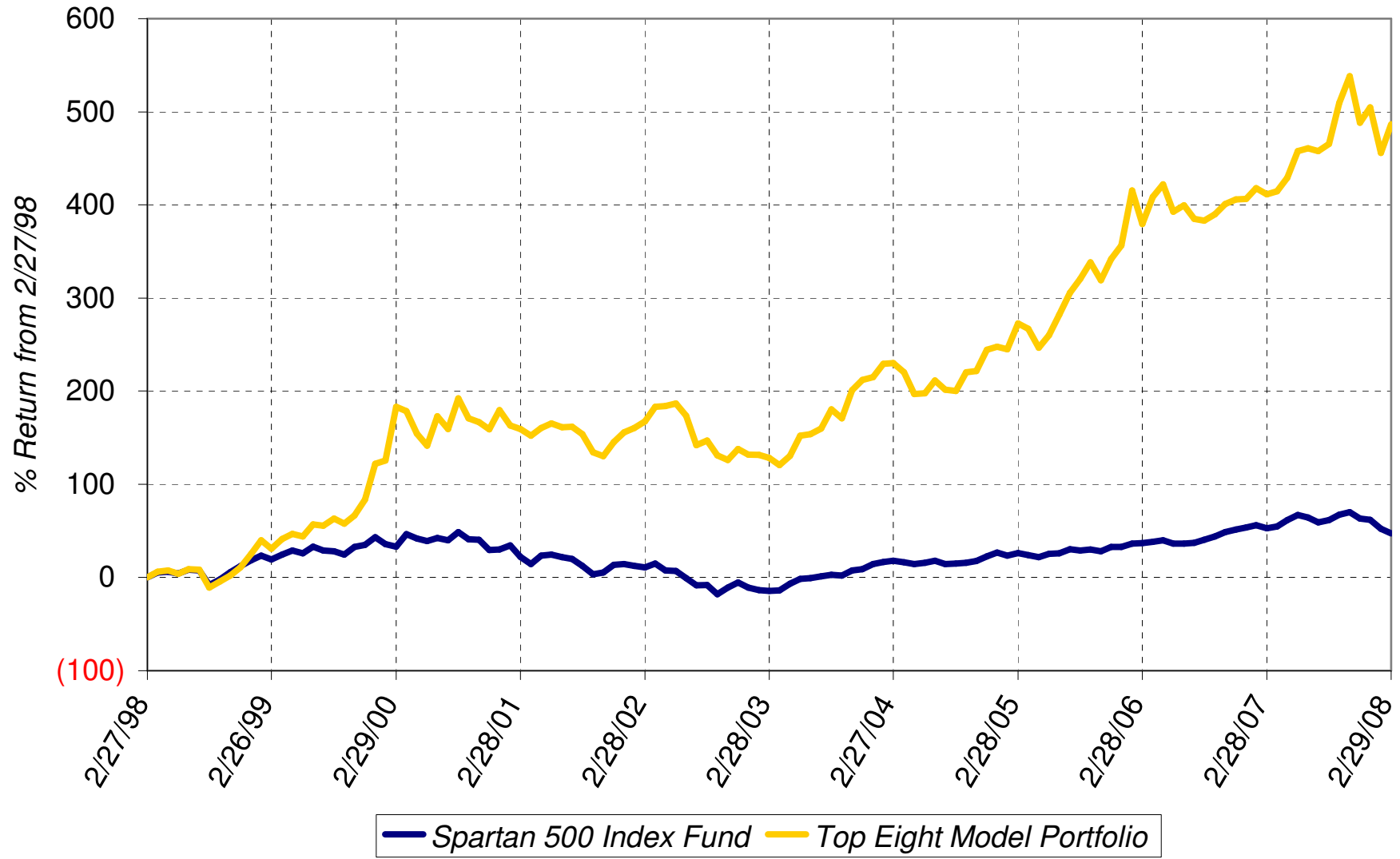
Hold

Fundranker Performance for February 2008													
1/31 Funds	1/31 Shares	1/31 Amount	<=2/4 Div Shrs	2/4 Shares	2/4 Amount	2/4 Funds	2/4 Shares	2/4 Amount	>2/4 Div Shrs	2/29 Shares	2/29 Amount	Feb Return	
FNARX	620.544	22,252.71	none	620.544	22,916.69	FSAGX	549.044	23,317.90	none	549.044	25,459.17		
FSEX	240.660	20,196.19	none	240.660	21,120.32	FNARX	631.408	23,317.90	none	631.408	24,624.91		
FSENX	374.606	22,255.34	none	374.606	22,922.14	FSNGX	501.245	23,317.90	none	501.245	25,017.14		
FSNGX	514.511	23,029.51	none	514.511	23,935.05	FSENX	381.074	23,317.90	none	381.074	24,571.65		
FSCSX	316.128	22,185.86	none	316.128	22,043.61	FSMEX	937.591	23,317.90	none	937.591	22,886.60		
FSAGX	582.260	25,194.39	none	582.260	24,728.58	FSCHX	289.160	23,317.90	none	289.160	23,517.38		
FSDPX	433.032	23,877.38	none	433.032	24,219.48	FDFA	370.419	23,317.90	none	370.419	23,429.00		
FSCHX	305.771	24,128.39	none	305.771	24,657.37	FSDPX	416.912	23,317.90	none	416.912	23,768.15		
Top Eight		183,119.77			186,543.24			186,543.20			193,274.00	5.545	
FNCMX1	1,520.467	48,077.17	none						none	1,520.467	45,720.44	(4.902)	
FSMKX	555.389	52,895.25	none						none	555.389	51,173.54	(3.255)	
Yearly Summaries				1997	1998	1999	2000	2001					
				Return %	Return %	Return %	Return %	Return %					
<i>Top Eight Model Portfolio</i>				29.144	33.441	76.892	25.824	(8.468)					
Nasdaq Composite Index Fund				N/A	N/A	N/A	N/A	N/A					
Spartan 500 Index Fund				33.628	28.498	20.633	(9.132)	(12.054)					
Yearly Summaries				2002	2003	2004	2005	2006					
				Return %	Return %	Return %	Return %	Return %					
<i>Top Eight Model Portfolio</i>				(9.333)	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				(22.173)	28.487	10.733	4.858	15.712					
Yearly Summaries				2007									
				Return %									
<i>Top Eight Model Portfolio</i>				19.463									
Nasdaq Composite Index Fund				10.497									
Spartan 500 Index Fund				5.426									
Lifetime Summary				1/2/97 to 2/29/08	1/2/97 to 2/29/08								
				Total Return %	Average Annual Return %								
<i>Top Eight Model Portfolio</i>				705.308	20.540								
Nasdaq Composite Index Fund				N/A	N/A								
Spartan 500 Index Fund				113.223	7.016								
10-Year Summary				2/27/98 to 2/29/08	2/27/98 to 2/29/08								
				Total Return %	Average Annual Return %								
<i>Top Eight Model Portfolio</i>				486.542	19.530								
Nasdaq Composite Index Fund				N/A	N/A								
Spartan 500 Index Fund				47.307	3.983								
5-Year Summary				2/28/03 to 2/29/08	2/28/03 to 2/29/08								
				Total Return %	Average Annual Return %								
<i>Top Eight Model Portfolio</i>				157.015	21.166								
Nasdaq Composite Index Fund				N/A	N/A								
Spartan 500 Index Fund				72.584	11.739								
3-Year Summary				2/28/05 to 2/29/08	2/28/05 to 2/29/08								
				Total Return %	Average Annual Return %								
<i>Top Eight Model Portfolio</i>				57.392	16.825								
Nasdaq Composite Index Fund				12.451	4.105								
Spartan 500 Index Fund				16.789	5.465								
1-Year Summary				2/28/07 to 2/29/08									
				Total Return %									
<i>Top Eight Model Portfolio</i>				14.634									
Nasdaq Composite Index Fund				(5.509)									
Spartan 500 Index Fund				(3.654)									
YTD Summary				12/31/07 to 2/29/08									
				Total Return %									
<i>Top Eight Model Portfolio</i>				(3.046)									
Nasdaq Composite Index Fund				(14.355)									
Spartan 500 Index Fund				(9.060)									

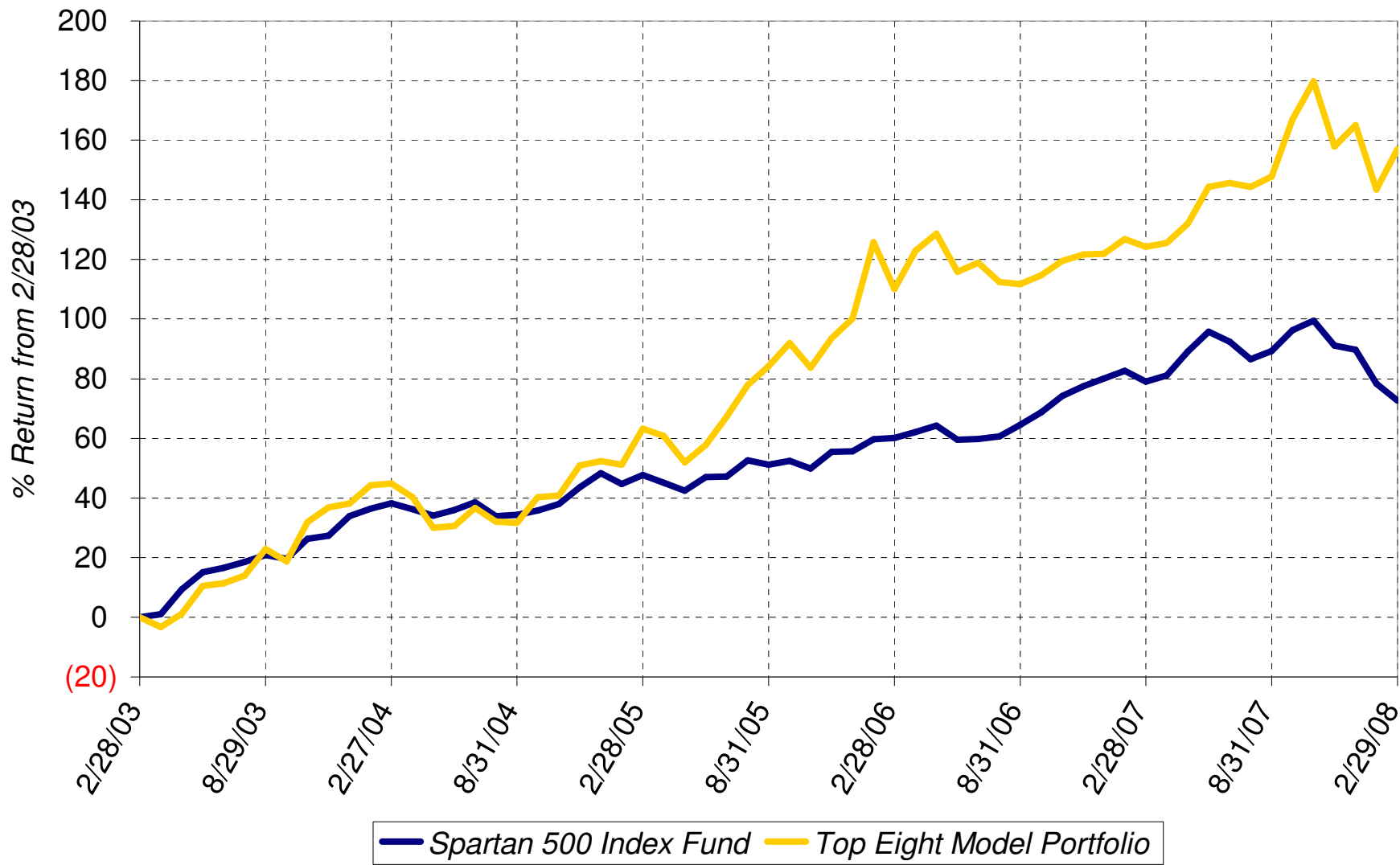
Lifetime Chart



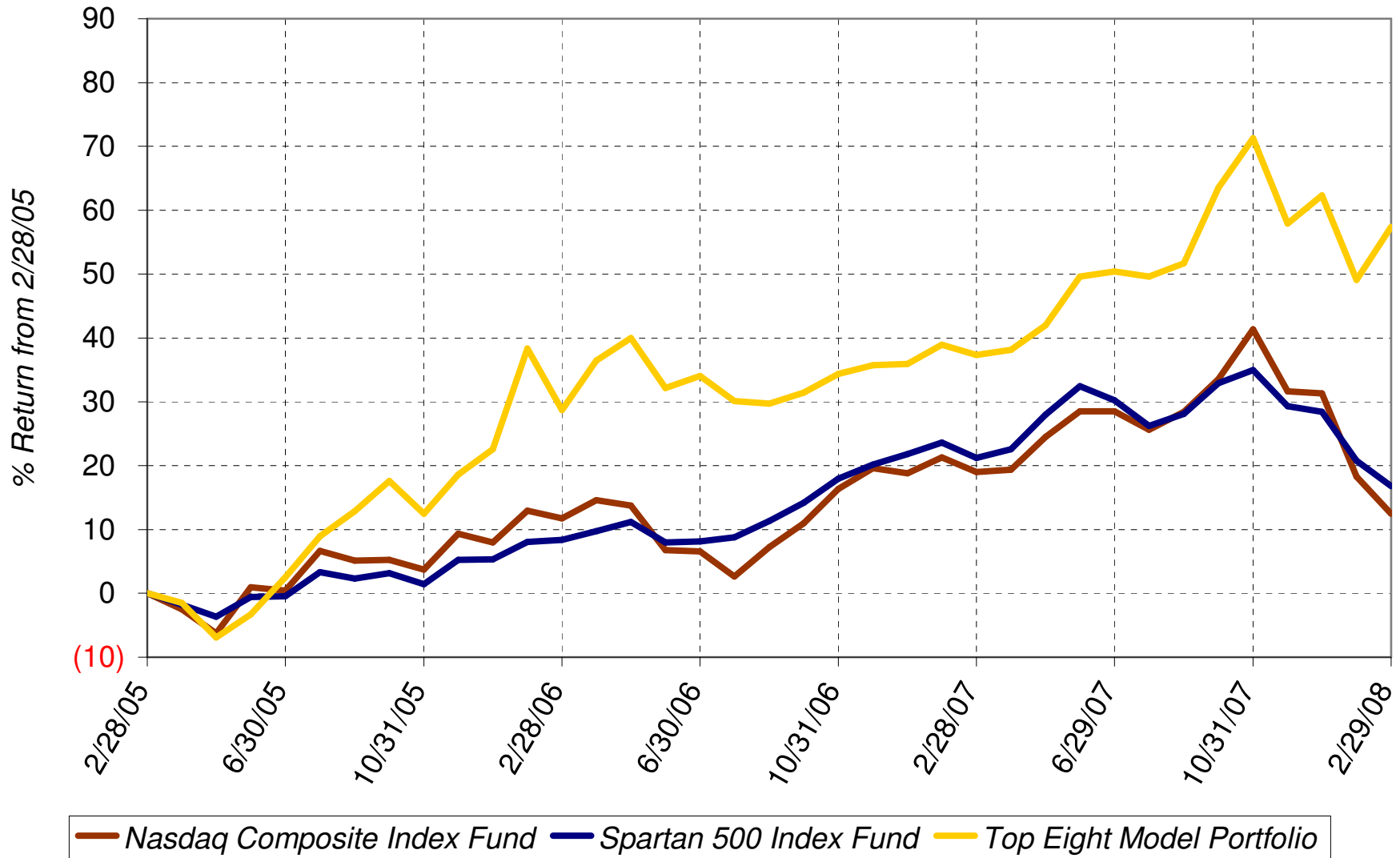
10-Year Chart



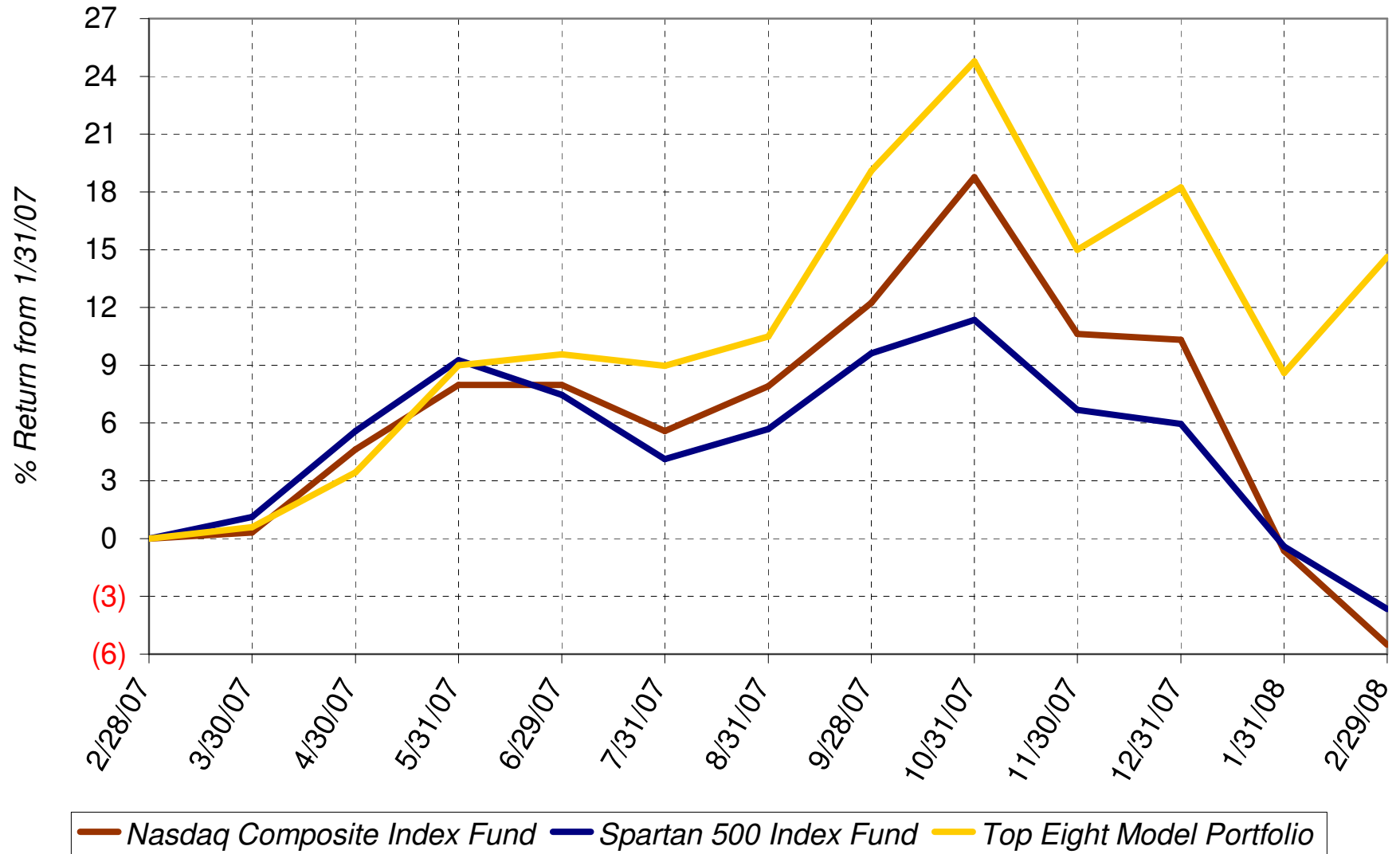
5-Year Chart



3-Year Chart



1-Year Chart



Month-to-Date Chart (as of 2/29/08)

