

FIDELITY SELECT FUNDRANKER™

Volume 3 Issue 8

The Right Funds at the Right Time

August 2008

July Performance

Fundranker had its third worst month ever with a one-month loss of 10.255%. Biotechnology, with a one-month gain of 13.7%, was the *Top Eight Model Portfolio's* only good performer. Chemicals and Materials followed with losses of 2.9% and 6.0%, while Gold dropped 11.1%. Energy Services, Natural Resources, Energy, and Natural Gas really pulled the *Top Eight Model Portfolio* down with losses ranging from 14.6% to 21.6%. Energy, Natural Gas, and Gold fell out of the *Top Eight Model Portfolio*, which lightens its energy/natural resources weighting significantly. Medical Equipment & Systems, Environmental, and IT Services replaced them, increasing the *Top Eight Model Portfolio's* diversification.

Despite the fact that the *Top Eight Model Portfolio* has had two months in 2008 which made the top 10 *Worst Months* list at right, it is still beating the Nasdaq Composite and S&P 500 hands down: *Top Eight Model Portfolio*, Nasdaq Composite tracking portfolio, and S&P 500 tracking portfolio 2008 YTD returns are (3.798)% (11.934)%, and (12.689)%, respectively.

Performance of Fund Sold on July 2

Fundranker exchanged one fund on July 2. Here is the return it contributed to the *Top Eight Model Portfolio*:

Fund	Bought	Sold	Return
Soft & Comp Services (FSCSX)	5/2/2007	7/2/2008	(8.27)%

Clarification of Frequent Trading Policy

Fidelity Investments recently added functionality to their online trading system to alert you when you enter an exchange that would be considered a roundtrip transaction under their frequent trading policy for Select funds. Because of this functionality, it is now clear that an exchange 30 days after a previous exchange is not considered "within 30 days" as stated in the policy. Since October 1, 2006, when the frequent trading policy took effect, *Fundranker* has been waiting 31 days to avoid roundtrip transactions. With this clarification, *Fundranker* will begin waiting a minimum of 30 days before trading funds held only one month. This shorter time period will keep *Fundranker* exchange dates closer to the beginning of each month and allow more frequent optional rebalancing exchange dates, as well. Note that we added September 2 to *Optional Rebalancing Exchange Dates* at right.

Holding Period Alert

If you purchased shares after Thursday, July 3, of any funds which are being exchanged on August 4, then to avoid roundtrip transactions under Fidelity's frequent trading policy for Select Funds, you should wait at least 30 days before exchanging the funds. If that date is after August 8, to get back in sync with *Fundranker* exchange dates, consider holding the funds through August and making appropriate exchanges in September to funds in the *Top Eight Model Portfolio* for September.

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 at right), 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.

Subscribe to Fidelity Select Fundranker

You can subscribe to *Fidelity Select Fundranker* for \$99/year. For this fee, you will receive 12 issues of *Fidelity Select Fundranker* newsletter via email on or before the first day of each month. You also will receive an email in advance of each issue to alert you to the upcoming issue and the likelihood of the possible exchange dates, so that you can plan ahead for your exchanges. *Fidelity Select Fundranker* has a website, www.fundranker.com, with much historical information about the *Fidelity Select Fundranker* system, but subscribing to the newsletter is the only way to get timely notice of the monthly exchanges. To subscribe, click the Subscribe button at www.fundranker.com, or send a check for \$99 to *Fidelity Select Fundranker*, 39 Southchase Dr, Fletcher, NC 28732-9265. Include your name and email address.

Questions and Suggestions

Do you have a question about investing using the *Fundranker* system or a suggestion for the newsletter or website? Check the FAQs or use the *Contact Us* form at 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.	7/2008	(10.255)%
4.	6/2000	13.011%	4.	4/2000	(8.140)%
5.	1/2006	12.835%	5.	1/2008	(7.831)%
6.	8/2000	12.601%	6.	11/2007	(7.795)%
7.	1/1999	11.490%	7.	9/2001	(7.245)%
8.	10/2003	11.191%	8.	9/2000	(7.224)%
9.	7/1997	10.606%	9.	4/2004	(7.032)%
10.	11/1999	10.174%	10.	10/1997	(6.929)%

Top Eight Model Portfolio for August, 2008

1. Biotechnology (FBIOX) — 2nd month
2. Medical Equipment & Systems (FSMEX) — 1st month
3. Energy Service (FSESX) — 6th month
4. Chemicals (FSCHX) — 9th month
5. Environmental (FSLEX) — 1st month
6. Materials (FSDPX) — 9th month
7. Natural Resources (FNARX) — 17th month
8. IT Services (FBSOX) — 1st month

Fundranker Exchanges for August 4

Sell Energy (FSENX), buy Medical Equipment & Systems (FSMEX)
Sell Natural Gas (FSNGX), buy Environmental (FSLEX)
Sell Gold (FSAGX), buy IT Services (FBSOX)

Upcoming Fundranker Exchange Date

If all funds to be exchanged have been held longer than one month, the next exchange date will be September 2; otherwise, it will be September 3.

Invest New Money Date for August

August 4

Optional Rebalancing Exchange Dates

September 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 7/31/08</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)	(34.61)	(24.85)	(15.13)	5.79*	(16.200)	38
Automotive (FSAVX)	(31.71)	(21.09)	(23.81)	1.06	(18.888)	40
Banking (FSRBX)	(32.11)	(24.06)	(16.70)	9.44*	(14.858)	36
Biotechnology (FBIOX)	16.02*	13.88*	18.87*	13.71*	19.620	1
Brokerage & Investment Mgmt (FSLBX)	(18.19)	(15.21)	(12.12)	2.18*	(9.835)	30
Chemicals (FSCHX)	14.55*	8.75*	0.08*	(2.89)	8.123	4
Communications Equipment (FSDCX)	(13.29)	0.35*	(5.54)	(0.35)	(3.708)	19
Computers (FDCPX)	(9.10)	2.59*	(6.71)	(0.98)	(2.550)	16
Construction & Housing (FSHOX)	(19.02)	(13.51)	(12.04)	(0.13)	(11.175)	33
Consumer Discretionary (FSCPX)	(20.85)	(12.09)	(9.59)	1.40	(10.283)	31
Consumer Staples (FDFAX)	3.16*	(2.87)	(5.96)	1.22	(0.113)	11
Defense & Aerospace (FSDAX)	(16.18)	(14.00)	(15.14)	2.13	(10.798)	32
Electronics (FSELX)	(25.54)	(5.42)	(10.17)	(5.52)	(11.663)	34
Energy (FSENX)	12.26*	5.93*	(8.80)	(18.82)	(0.358)	12
Energy Service (FSESX)	16.69*	24.58*	(0.47)	(14.56)	8.560	3
Environmental (FSLEX)	1.84*	1.19*	(2.50)	2.23*	3.690	5
Financial Services (FIDSX)	(31.04)	(23.74)	(17.65)	4.63*	(15.950)	37
Gold (FSAGX)	18.17*	(10.22)	(0.10)	(11.10)	0.188	10
Health Care (FSPHX)	(5.37)	(5.82)	0.74*	2.11	(1.085)	14
Home Finance (FSVLX)	(51.74)	(35.44)	(26.37)	(2.62)	(29.043)	41
Industrial Equipment (FSCGX)	(5.81)	(3.65)	(7.53)	0.39	(4.150)	20
Industrials (FCYIX)	(4.54)	(0.78)	(5.99)	1.90	(2.353)	15
Insurance (FSPCX)	(30.49)	(25.00)	(17.15)	(0.09)	(18.183)	39
IT Services (FBSOX)	(4.98)	7.03*	(1.77)	(0.92)	0.840	8
Leisure (FDLSX)	(14.23)	(12.78)	(10.31)	3.72*	(7.400)	25
Materials (FSDPX)	8.41*	4.97*	(2.93)	(6.02)	3.108	6
Medical Delivery (FSHCX)	(15.37)	(18.31)	(2.29)	3.27*	(7.175)	24
Medical Equipment & Systems (FSMEX)	13.49*	6.37*	4.88*	4.62*	11.340	2
Multimedia (FBMPX)	(21.81)	(7.42)	(7.75)	(1.03)	(9.503)	29
Natural Gas (FSNGX)	11.29*	2.44*	(14.56)	(21.62)	(3.613)	18
Natural Resources (FNARX)	14.57*	6.57*	(6.79)	(17.56)	1.198	7
Networking & Infrastructure (FNINX)	(21.84)	(2.39)	(4.23)	(3.32)	(7.945)	27
Paper & Forest Products (FSPFX)	(17.10)	(10.13)	0.00	9.78*	(3.363)	17
Pharmaceuticals (FPHAX)	(5.09)	(4.46)	0.69*	2.21*	0.338	9
Retailing (FSRPX)	(18.76)	(9.54)	(6.00)	0.72	(8.395)	28
Software & Computer Services (FSCSX)	(5.70)	(4.30)	(9.51)	(4.97)	(6.120)	22
Technology (FSPTX)	(15.38)	(1.94)	(10.22)	(4.07)	(7.903)	26
Telecommunications (FSTCX)	(26.78)	(11.39)	(9.44)	(0.27)	(11.970)	35
Transportation (FSRFX)	(10.01)	(2.48)	(2.13)	6.66*	(0.990)	13
Utilities Growth (FSUTX)	(1.02)	(4.80)	(6.86)	(9.08)	(5.440)	21
Wireless (FWRLX)	(15.61)	(5.90)	(6.90)	0.57	(6.960)	23

*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

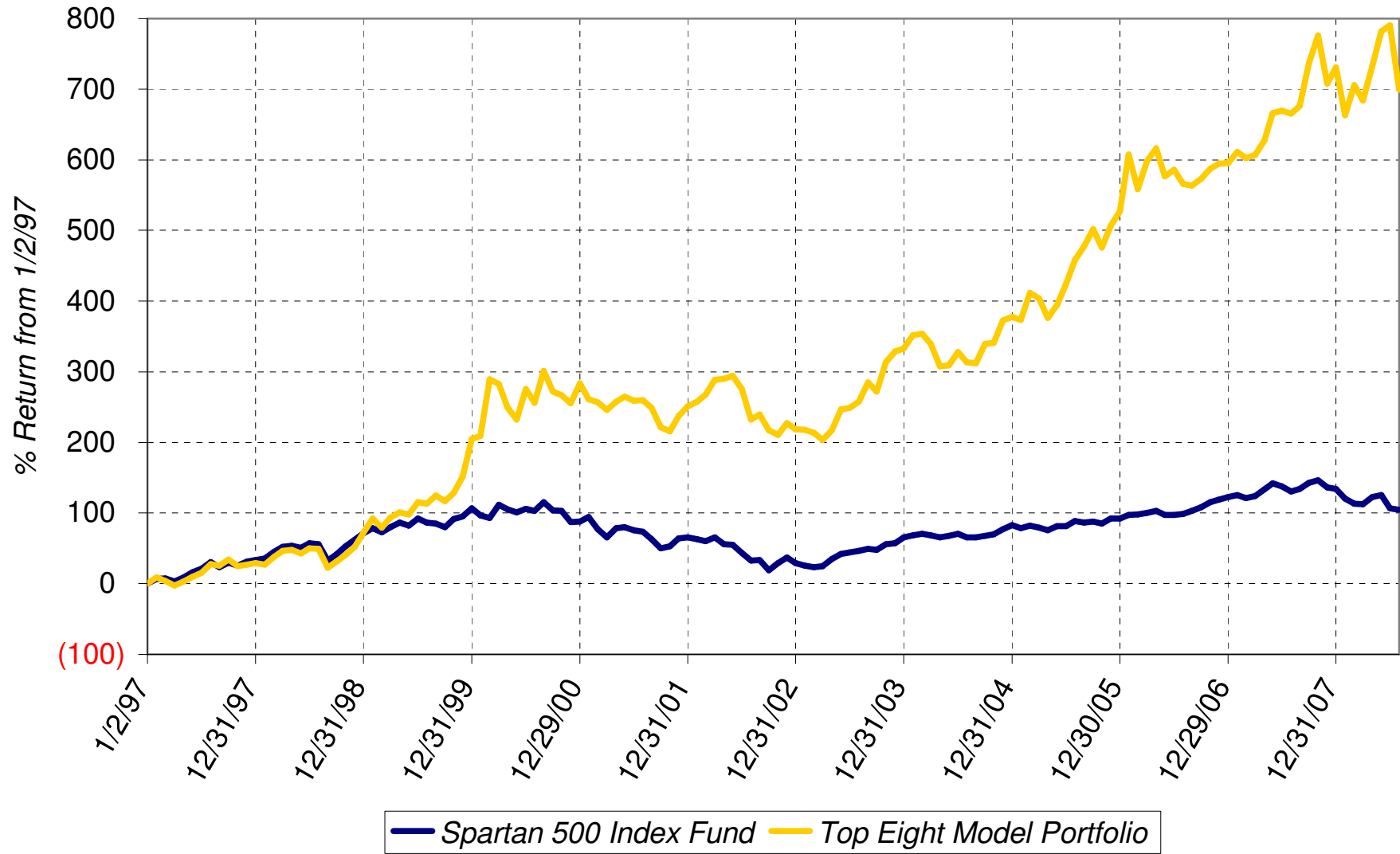
Sell on August 4, 2008

Buy on August 4, 2008

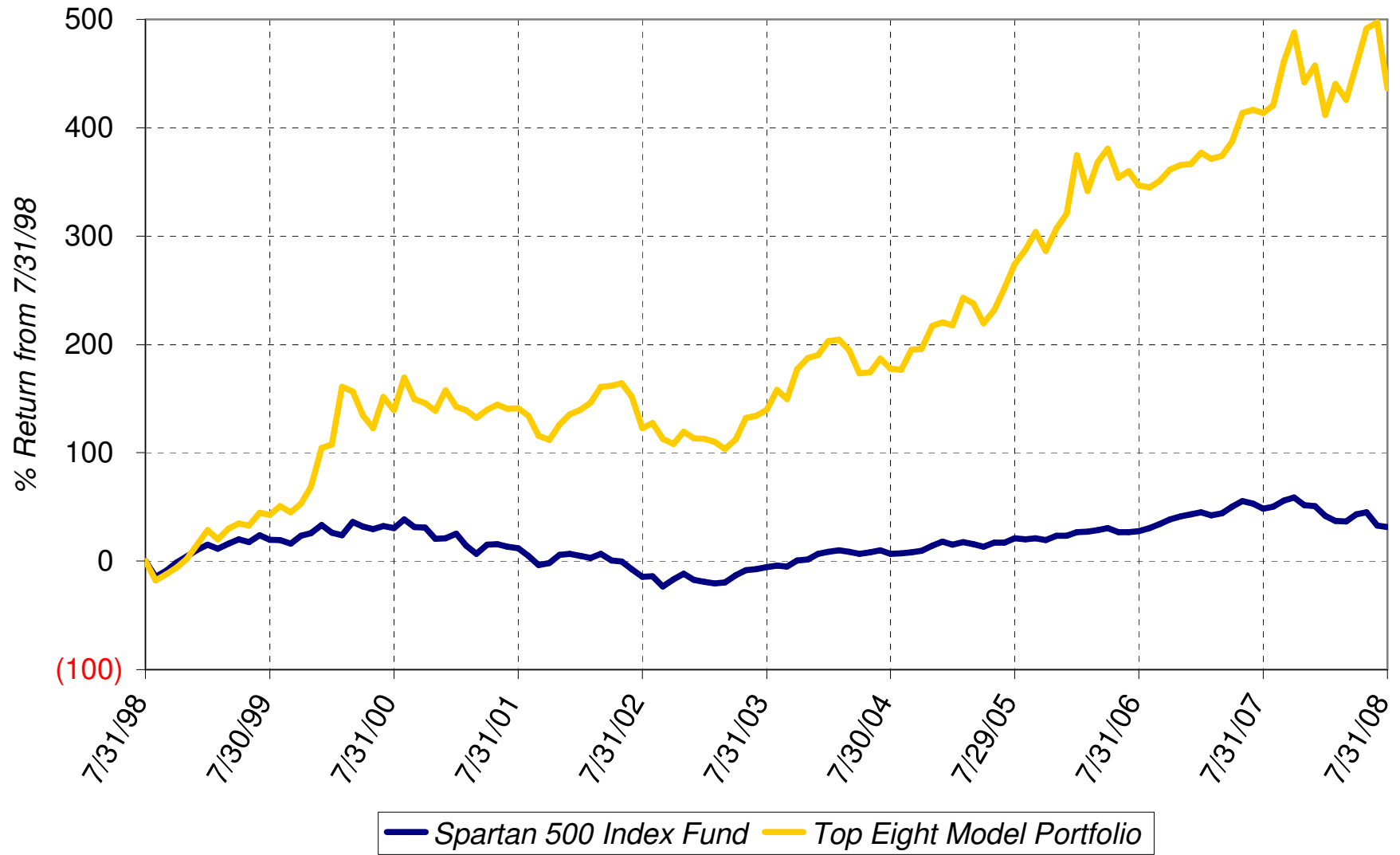
Hold

Fundranker Performance for July 2008													
6/30 Funds	6/30 Shares	6/30 Amount	<=7/2 Div Shrs	7/2 Shares	7/2 Amount	7/2 Funds	7/2 Shares	7/2 Amount	>7/2 Div Shrs	7/31 Shares	7/31 Amount	Jul Return	
FSESX	243.241	28,561.36	none	243.241	27,478.94	FSESX	227.951	25,751.68	none	227.951	22,868.04		
FSENX	358.262	27,242.24	none	358.262	26,214.03	FNARX	585.265	25,751.68	none	585.265	22,087.90		
FNARX	594.904	27,234.71	none	594.904	26,175.78	FSENX	351.943	25,751.68	none	351.943	21,725.44		
FSNGX	480.828	26,993.68	none	480.828	26,123.39	FSNGX	473.986	25,751.68	none	473.986	20,855.38		
FSCHX	291.621	25,741.39	none	291.621	24,475.75	FSAGX	596.518	25,751.68	none	596.518	23,079.28		
FSDPX	418.445	25,772.03	none	418.445	24,043.85	FSCHX	306.823	25,751.68	none	306.823	26,300.87		
FSAGX	636.366	27,694.65	none	636.366	27,471.92	FSDPX	448.167	25,751.68	none	448.167	25,939.91		
FSCSX	345.952	24,448.43	none	345.952	24,029.83	FBIOX	390.000	25,751.68	none	390.000	28,918.50		
Top Eight		213,688.49			206,013.49			206,013.40			191,775.32	(10.255)	
FNCMX1	1,520.467	46,313.42	none						none	1,520.467	47,012.84	1.510	
FSMKX	558.632	49,550.66	none						none	558.632	49,131.68	(0.846)	
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 7/31/08	1/2/97 to 7/31/08								
				Total Return %	Average Annual Return %								
<i>Top Eight Model Portfolio</i>				699.064	19.652								
Nasdaq Composite Index Fund				N/A	N/A								
Spartan 500 Index Fund				104.715	6.380								
10-Year Summary				7/31/98 to 7/31/08	7/31/98 to 7/31/08								
				Total Return %	Average Annual Return %								
<i>Top Eight Model Portfolio</i>				435.987	18.281								
Nasdaq Composite Index Fund				N/A	N/A								
Spartan 500 Index Fund				31.775	2.798								
5-Year Summary				7/31/03 to 7/31/08	7/31/03 to 7/31/08								
				Total Return %	Average Annual Return %								
<i>Top Eight Model Portfolio</i>				123.786	17.481								
Nasdaq Composite Index Fund				N/A	N/A								
Spartan 500 Index Fund				39.823	6.934								
3-Year Summary				7/29/05 to 7/31/08	7/29/05 to 7/31/08								
				Total Return %	Average Annual Return %								
<i>Top Eight Model Portfolio</i>				43.349	12.754								
Nasdaq Composite Index Fund				8.398	2.725								
Spartan 500 Index Fund				8.579	2.781								
1-Year Summary				7/31/07 to 7/31/08									
				Total Return %									
<i>Top Eight Model Portfolio</i>				4.380									
Nasdaq Composite Index Fund				(7.974)									
Spartan 500 Index Fund				(11.163)									
YTD Summary				12/31/07 to 7/31/08									
				Total Return %									
<i>Top Eight Model Portfolio</i>				(3.798)									
Nasdaq Composite Index Fund				(11.934)									
Spartan 500 Index Fund				(12.689)									

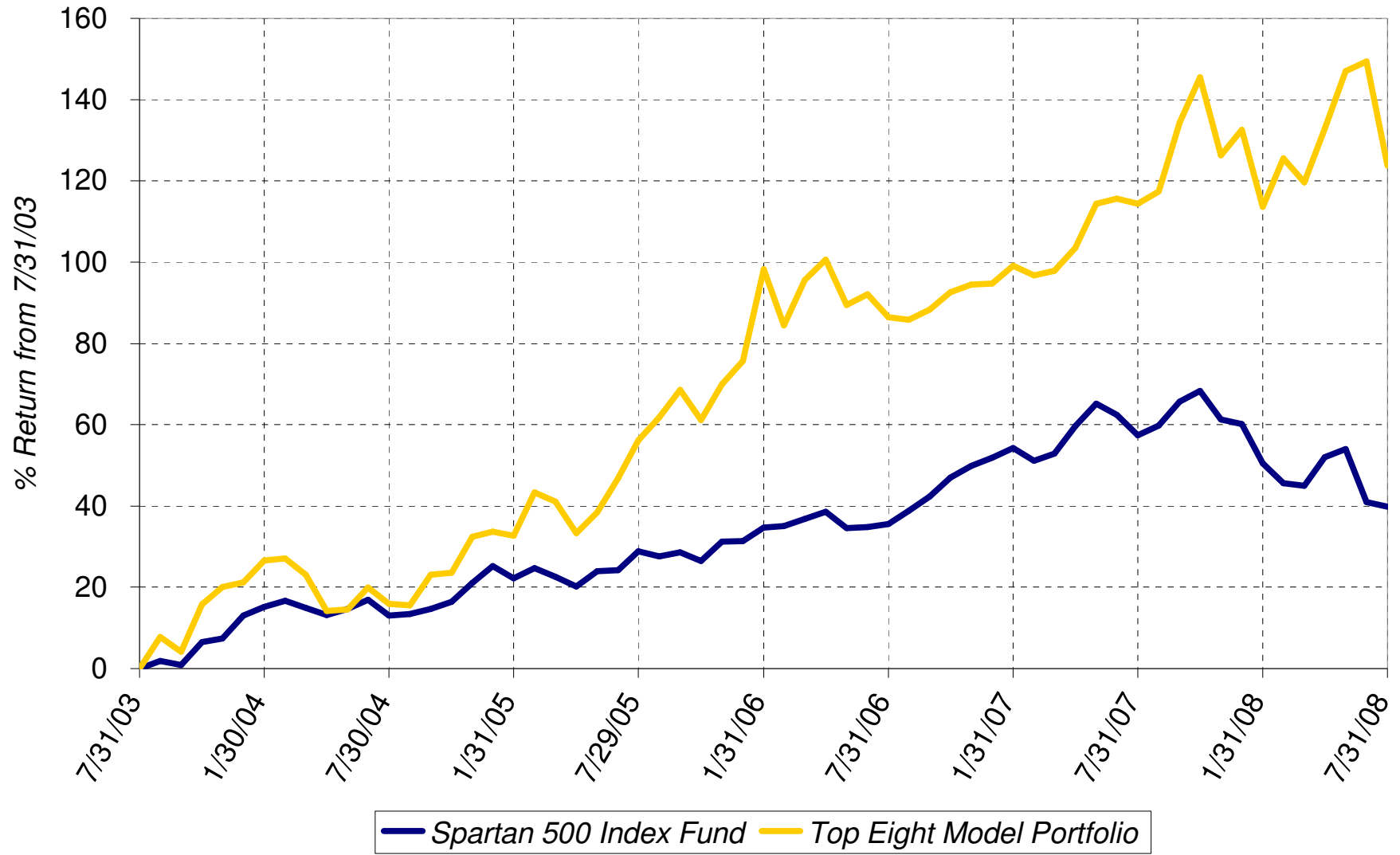
Lifetime Chart



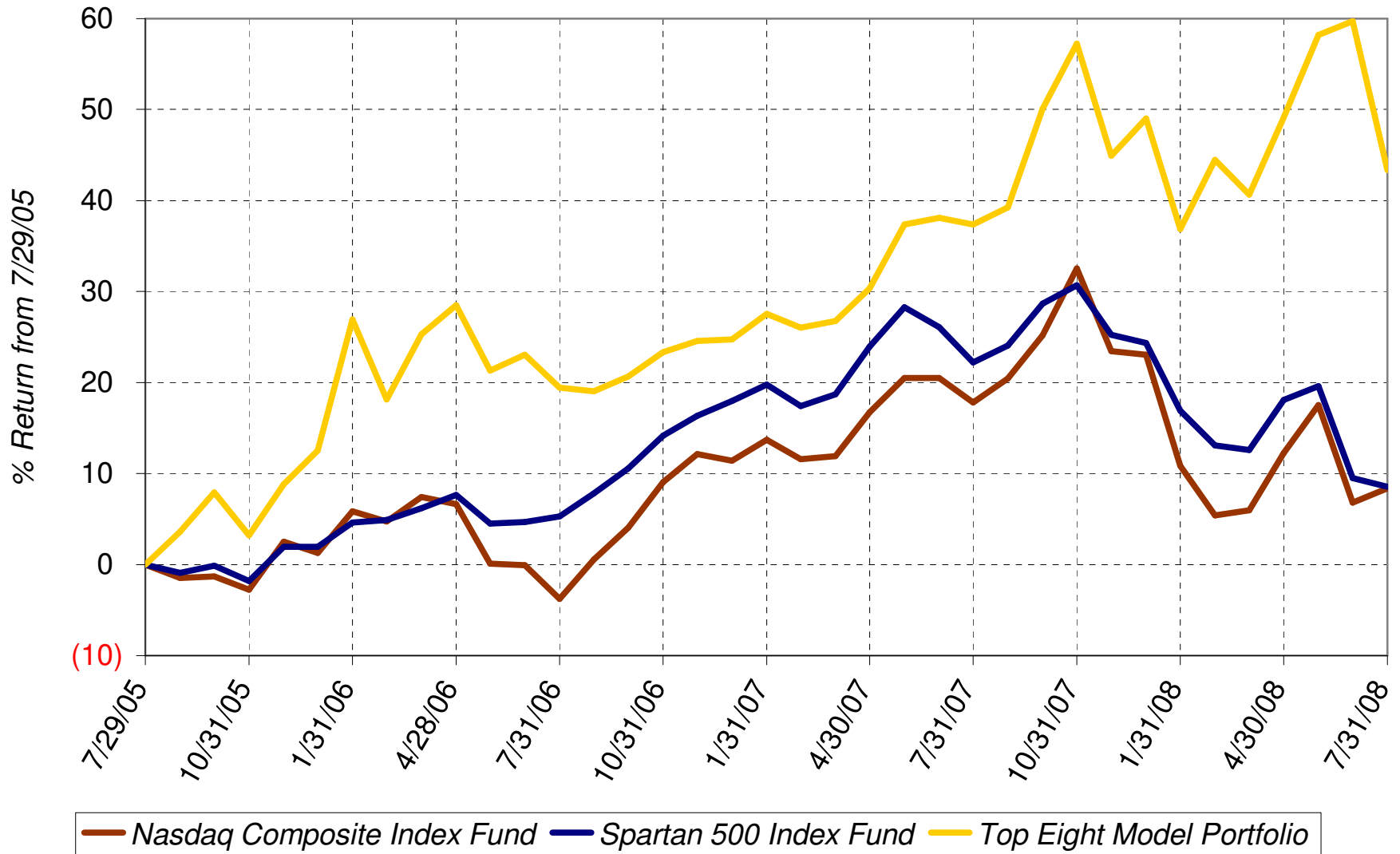
10-Year Chart



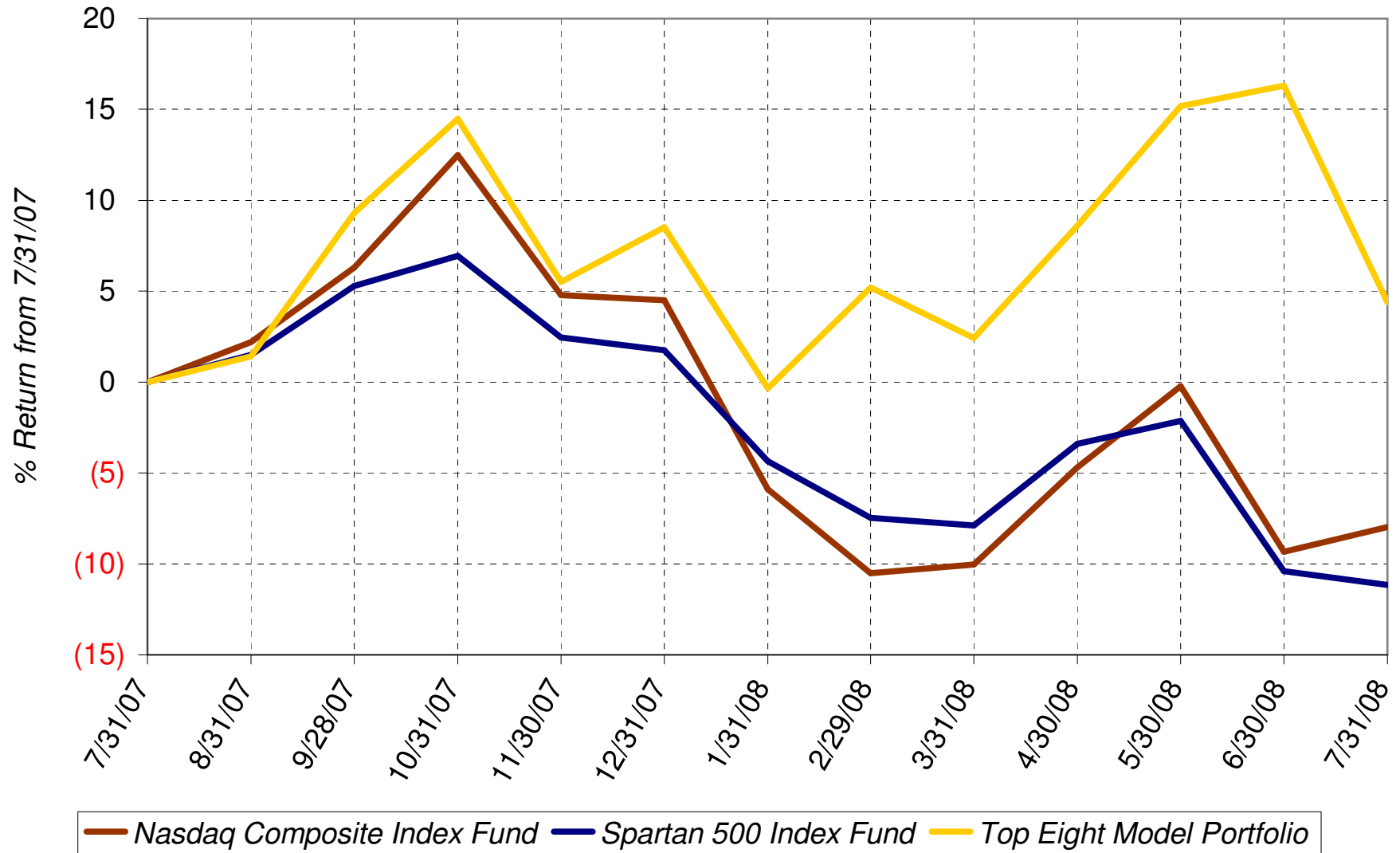
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart July 2008

