

# FIDELITY SELECT FUNDRANKER™

Volume 3 Issue 10

The Right Funds at the Right Time

October 2008

## September Performance

With the financial crisis coming to a head, every Fidelity Investments Select fund was in the red during September. Returns for the *Top Eight Model Portfolio* funds ranged from a loss of 5.09% for Medical Equipment & Systems to a loss of 24.55% for Energy Service, for a net one-month loss of 14.663% for the *Top Eight Model Portfolio*, its second worst monthly result ever.

Even though the *Top Eight Model Portfolio* has had three negative months in a row, it is still hanging right in with the Nasdaq Composite and S&P 500 for 2008: S&P 500 tracking portfolio, *Top Eight Model Portfolio*, and Nasdaq Composite tracking portfolio 2008 YTD returns are (19.330)%, (20.435)%, and (20.735)%, respectively.

## Final Performance of Funds Sold on September 2

*Fundranker* exchanged two funds on September 2. Here are the returns they contributed to the *Top Eight Model Portfolio*:

Fund	Bought	Sold	Return
Materials (FSDPX)	10/2/2007	9/2/2008	(7.72)%
Natural Resources (FNARX)	4/12/2007	9/2/2008	13.41%

## Fundranker Multiple Month Downturns

Through June, the *Fundranker* system bucked the bear market trend that started last November, but since then, it has given back those gains and then some. *Fundranker* has had multiple-month downturns only 14 times since 1997, when historical tracking of the *Top Eight Model Portfolio* began.

Period	Return	3 Months	6 Months	12 Months
03-04/97	(10.478)	17.993	37.309	49.620
07-08/98	(18.331)	24.203	46.650	83.587
03-05/00	(14.632)	20.863	7.140	9.806
09-11/00	(11.359)	0.224	2.488	(5.267)
01-03/01	(9.739)	3.670	(7.140)	12.227
08-10/01	(12.201)	13.141	23.520	(1.727)
06-07/02	(15.637)	(6.615)	(4.395)	7.475
09-10/02	(8.563)	2.377	(4.461)	33.218
12-03/03	(7.317)	15.114	23.719	45.021
03-04/04	(10.145)	1.538	8.246	16.784
07-08/04	(3.678)	14.696	24.092	40.048
03-04/05	(6.949)	17.081	20.887	50.482
07-08/06	(3.256)	4.659	5.865	16.990
07-09/08	(25.776)			

The most recent multiple-month downturn is the first one *Fundranker* has had for two years, but it is by far the worst that *Fundranker* has suffered. The previous worst period was July and August of 1998, when it fell over 18%; however, it gained over 83% during the next 12 months.

Although past results are never an assurance of future performance, you still can benefit from knowing that *Fundranker* almost always has gone on to better performance in the months that follow a multiple-month downturn. Let this knowledge boost your confidence in *Fundranker*. Stay disciplined, and stick with the *Fundranker* system.

## Holding Period Alert

If you purchased shares after September 2 of any funds which are being exchanged on October 2, 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.

## 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 on October 2. 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 the 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](http://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 on the Subscribe button at [www.fundranker.com](http://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](http://www.fundranker.com).

## Top Eight Model Portfolio for October 2008

Fund Name (Symbol)	Purchase	Return to 9/30
1. Medical Eqpt & Systems (FSMEX)	8/4/2008	(2.09)%
2. Biotechnology (FBIOX)	7/2/2008	(0.45)%
3. Pharmaceuticals (FPHAX)	10/2/2008	
4. Consumer Staples (FDFAX)	10/2/2008	
5. Paper & Forest Products (FSPFX)	10/2/2008	
6. Retailing (FSRPX)	9/2/2008	(9.35)%
7. Health Care (FSPHX)	10/2/2008	
8. IT Services (FBSOX)	8/4/2008	(8.41)%
Funds to be sold on October 2		
12. Environmental (FSLEX)	8/4/2008	(9.35)%
23. Chemicals (FSCHX)	12/3/2007	(15.82)%
29. Communications Eqpt (FSDCX)	9/2/2008	(19.43)%
39. Energy Service (FSESX)	3/6/2008	(18.14)%

## Fundranker Exchanges for October 2

Sell Chemicals (FSCHX), buy Pharmaceuticals (FPHAX)  
 Sell Energy Service (FSESX), buy Consumer Staples (FDFAX)  
 Sell Comm Eqpt (FSDCX), buy Paper & Forest Products (FSPFX)  
 Sell Environmental (FSLEX), buy Health Care (FSPHX)

## Upcoming Fundranker Exchange Date

The next exchange date will be November 3.

## Fundranker Invest New Money Date

Invest new money on October 2.

## Optional Rebalancing Exchange Dates

October 2 and December 2, 2008 (see the rebalancing FAQ at [www.fundranker.com](http://www.fundranker.com) for more information)

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<i>Fundranker</i> Ratings for 9/30/08	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)	(41.51)	(18.30)	(1.49)	(12.49)	(18.448)	24
Automotive (FSAVX)	(38.67)	(22.86)	(7.28)	(7.58)	(19.098)	26
Banking (FSRBX)	(34.85)	(13.51)	9.26*	(1.92)	(9.255)	11
Biotechnology (FBIOX)	(6.53)	7.30*	0.80*	(8.26)	0.328	2
Brokerage & Investment Mgmt (FSLBX)	(27.69)	(16.48)	(6.75)	(9.77)	(15.173)	18
Chemicals (FSCHX)	(16.20)	(13.65)	(22.10)	(18.07)	(17.505)	23
Communications Equipment (FSDCX)	(32.12)	(13.52)	(16.97)	(20.88)	(20.873)	29
Computers (FDCPX)	(26.74)	(11.86)	(14.24)	(15.03)	(16.968)	22
Construction & Housing (FSHOX)	(16.44)	(9.13)	(0.90)	(8.28)	(8.688)	9
Consumer Discretionary (FSCPX)	(23.33)	(8.23)	(0.67)	(8.37)	(10.150)	13
Consumer Staples (FDFAX)	(7.54)	(8.49)	(1.07)	(3.64)	(5.185)	4
Defense & Aerospace (FSDAX)	(29.74)	(15.35)	(6.39)	(12.96)	(16.110)	20
Electronics (FSELX)	(38.56)	(17.15)	(19.30)	(17.54)	(23.138)	35
Energy (FSENX)	(21.27)	(23.07)	(37.94)	(22.53)	(26.203)	38
Energy Service (FSESX)	(24.14)	(18.49)	(37.94)	(24.55)	(26.280)	39
Environmental (FSLEX)	(14.78)	(6.81)	(7.82)	(10.58)	(9.998)	12
Financial Services (FIDSX)	(38.82)	(19.68)	(2.75)	(6.17)	(16.855)	21
Gold (FSAGX)	(19.93)	(25.54)	(28.72)	(8.50)	(20.673)	27
Health Care (FSPHX)	(16.63)	(2.48)	(4.21)	(8.15)	(7.868)	7
Home Finance (FSVLX)	(62.09)	(42.13)	(24.66)	(21.24)	(37.530)	41
Industrial Equipment (FSCGX)	(25.40)	(18.32)	(14.66)	(15.91)	(18.573)	25
Industrials (FCYIX)	(21.11)	(14.00)	(11.43)	(14.33)	(15.218)	19
Insurance (FSPCX)	(40.53)	(22.88)	(8.67)	(10.88)	(20.740)	28
IT Services (FBSOX)	(10.94)	(0.07)	(9.70)	(12.28)	(8.248)	8
Leisure (FDLSX)	(22.99)	(9.99)	(0.33)	(7.74)	(10.263)	15
Materials (FSDPX)	(24.31)	(21.84)	(28.72)	(21.23)	(24.025)	36
Medical Delivery (FSHCX)	(23.64)	(3.82)	(3.53)	(9.62)	(10.153)	14
Medical Equipment & Systems (FSMEX)	2.74*	6.69*	3.08*	(5.09)	4.855	1
Multimedia (FBMPX)	(26.41)	(11.16)	(8.03)	(11.35)	(14.238)	16
Natural Gas (FSNGX)	(20.23)	(28.83)	(40.29)	(22.57)	(27.980)	40
Natural Resources (FNARX)	(20.75)	(22.34)	(37.37)	(22.45)	(25.728)	37
Networking & Infrastructure (FNINX)	(37.59)	(10.47)	(18.96)	(18.57)	(21.398)	31
Paper & Forest Products (FSPFX)	(20.53)	(6.01)	5.23*	(6.89)	(6.050)	5
Pharmaceuticals (FPHAX)	(13.18)	(0.22)	(1.31)	(5.39)	(5.025)	3
Retailing (FSRPX)	(19.32)	(1.99)	0.00	(7.30)	(7.153)	6
Software & Computer Services (FSCSX)	(20.01)	(10.89)	(16.06)	(13.33)	(15.073)	17
Technology (FSPTX)	(34.08)	(16.43)	(19.67)	(20.36)	(22.635)	34
Telecommunications (FSTCX)	(40.84)	(15.92)	(14.38)	(15.68)	(21.705)	32
Transportation (FSRFX)	(16.08)	(6.85)	(2.97)	(10.80)	(9.175)	10
Utilities Growth (FSUTX)	(23.90)	(19.83)	(26.14)	(15.51)	(21.345)	30
Wireless (FWRLX)	(38.47)	(16.83)	(17.19)	(17.43)	(22.480)	33

\*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

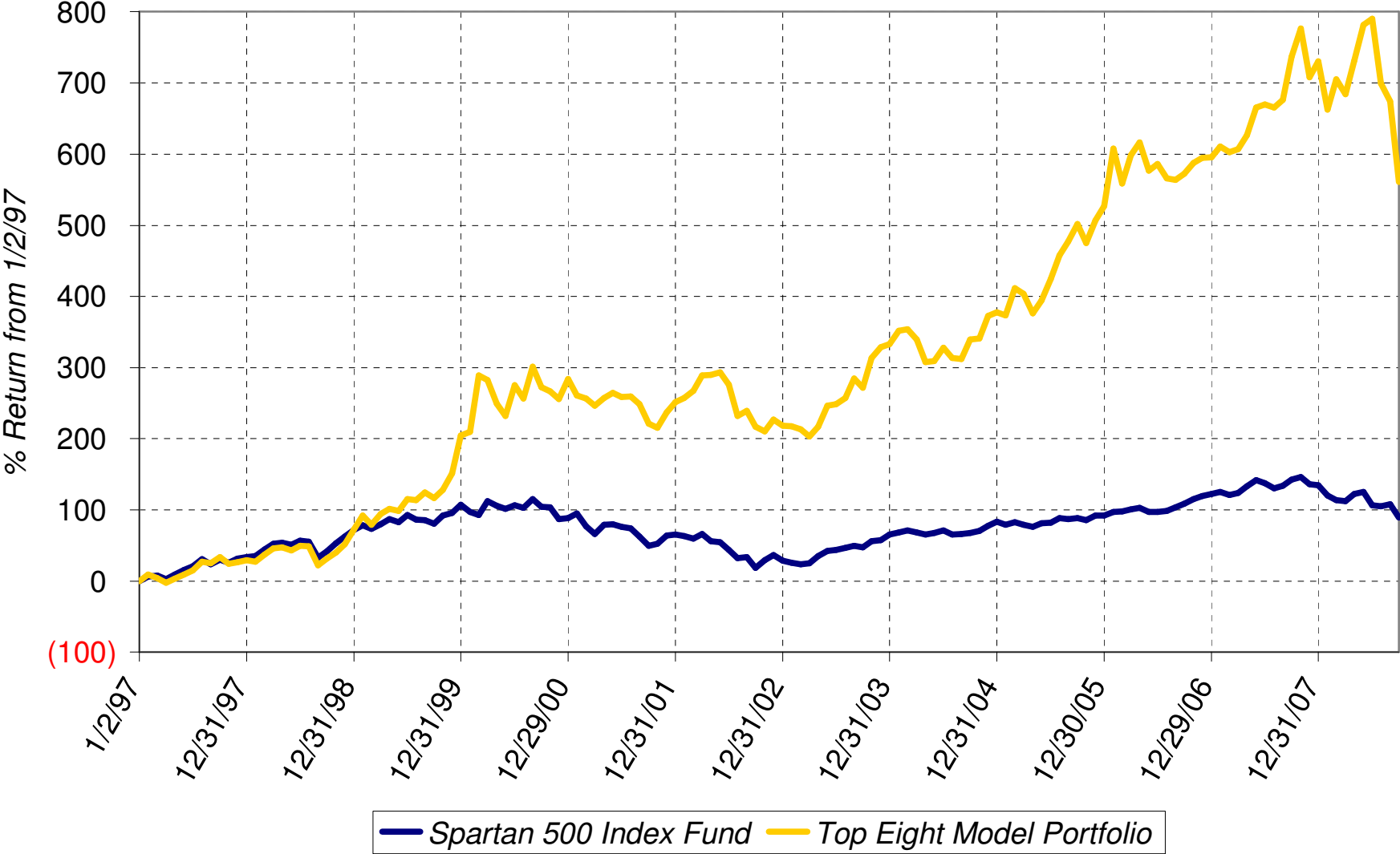
Sell on October 2, 2008

Buy on October 2, 2008

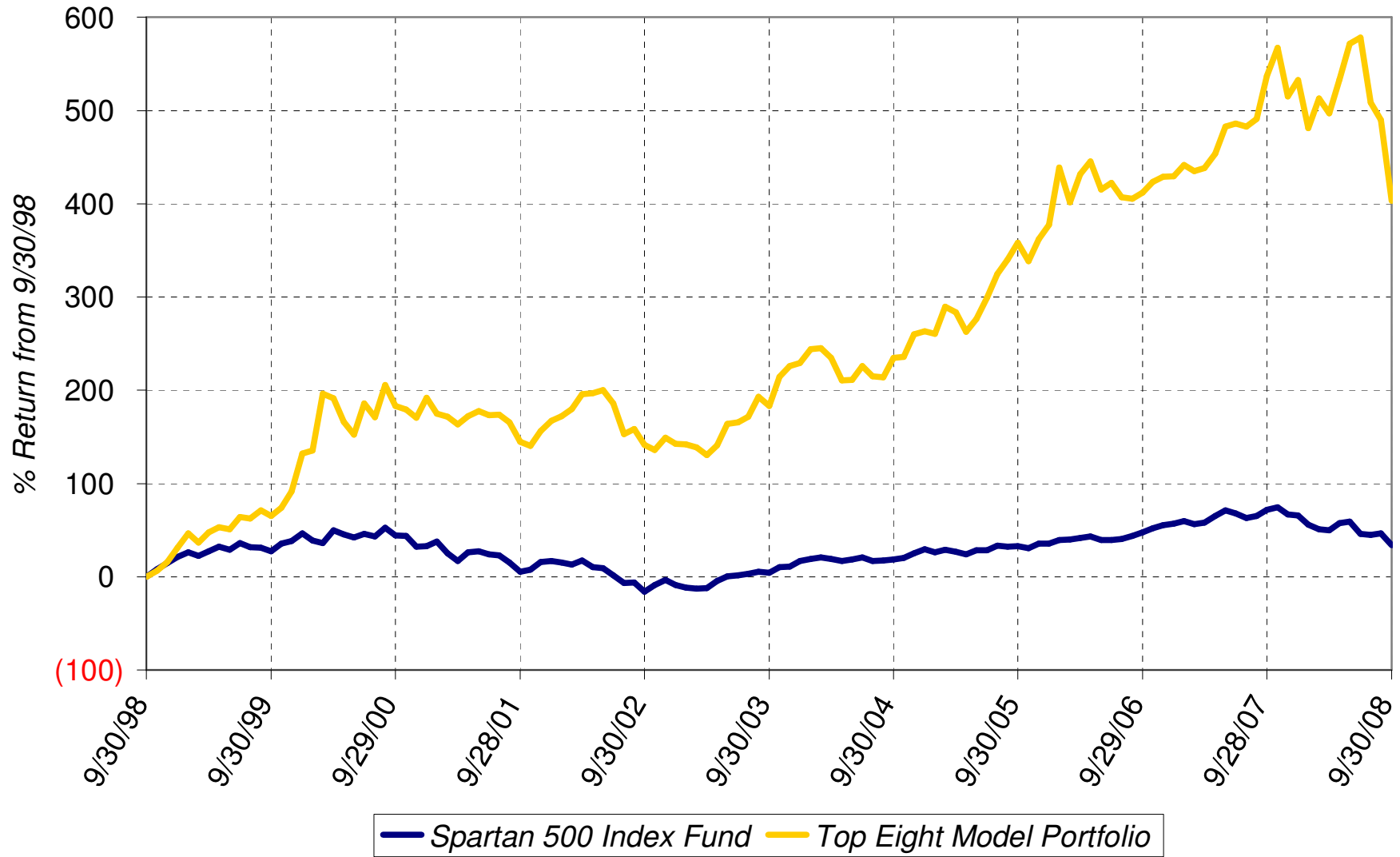
Hold

Fundranker Performance for September 2008													
8/29 Funds	8/29 Shares	8/29 Amount	<=9/2 Div Shrs	9/2 Shares	9/2 Amount	9/2 Funds	9/2 Shares	9/2 Amount	>9/2 Div Shrs	9/30 Shares	9/30 Amount	Sep Return	
FBIOX	312.198	22,368.99	none	312.198	22,166.06	FSMEX	863.310	22,670.52	none	863.310	21,401.45		
FSMEX	888.630	23,211.02	none	888.630	23,335.42	FBIOX	319.303	22,670.52	none	319.303	20,987.79		
FSESX	238.475	23,031.92	none	238.475	21,562.91	FBSOX	1,343.040	22,670.52	none	1,343.040	19,756.12		
FSCHX	280.725	23,561.25	none	280.725	23,084.02	FSCHX	275.696	22,670.52	none	275.696	18,956.86		
FSLEX	1,277.690	23,075.08	none	1,277.690	22,908.98	FSESX	250.725	22,670.52	none	250.725	18,270.33		
FSDPX	418.997	23,350.70	none	418.997	22,575.56	FSDCX	1,098.378	22,670.52	none	1,098.378	18,266.03		
FNARX	642.861	23,766.57	none	642.861	22,082.28	FSRPX	571.622	22,670.52	none	571.622	20,549.81		
FBSOX	1,401.004	23,494.84	none	1,401.004	23,648.95	FSLEX	1,264.390	22,670.52	none	1,264.390	20,419.90		
<b>Top Eight</b>		<b>185,860.37</b>			<b>181,364.18</b>			<b>181,364.20</b>			<b>158,608.29</b>	<b>(14.663)</b>	
FNCMX	1,520.467	47,894.71	none						none	1,520.467	42,314.60	<b>(11.651)</b>	
FSMKX	558.632	49,841.15	none						none	558.632	45,394.44	<b>(8.922)</b>	
Yearly Summaries				1997 Return %	1998 Return %	1999 Return %	2000 Return %	2001 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>					
Yearly Summaries				2002 Return %	2003 Return %	2004 Return %	2005 Return %	2006 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					
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 9/30/08 Total Return %	1/2/97 to 9/30/08 Average Annual Return %							
<i>Top Eight Model Portfolio</i>					560.868	17.435							
Nasdaq Composite Index Fund					N/A	N/A							
Spartan 500 Index Fund					89.144	5.574							
10-Year Summary					9/30/98 to 9/30/08 Total Return %	9/30/98 to 9/30/08 Average Annual Return %							
<i>Top Eight Model Portfolio</i>					403.334	17.540							
Nasdaq Composite Index Fund					N/A	N/A							
Spartan 500 Index Fund					33.748	2.951							
5-Year Summary					9/30/03 to 9/30/08 Total Return %	9/30/03 to 9/30/08 Average Annual Return %							
<i>Top Eight Model Portfolio</i>					77.789	12.197							
Nasdaq Composite Index Fund					19.427	3.615							
Spartan 500 Index Fund					28.120	5.081							
3-Year Summary					9/30/05 to 9/30/08 Total Return %	9/30/05 to 9/30/08 Average Annual Return %							
<i>Top Eight Model Portfolio</i>					9.850	3.181							
Nasdaq Composite Index Fund					<b>(1.131)</b>	<b>(0.378)</b>							
Spartan 500 Index Fund					0.437	0.146							
1-Year Summary					9/28/07 to 9/30/08 Total Return %								
<i>Top Eight Model Portfolio</i>					<b>(21.014)</b>								
Nasdaq Composite Index Fund					<b>(22.086)</b>								
Spartan 500 Index Fund					<b>(22.036)</b>								
YTD Summary					12/31/07 to 9/30/08 Total Return %								
<i>Top Eight Model Portfolio</i>					<b>(20.435)</b>								
Nasdaq Composite Index Fund					<b>(20.735)</b>								
Spartan 500 Index Fund					<b>(19.330)</b>								

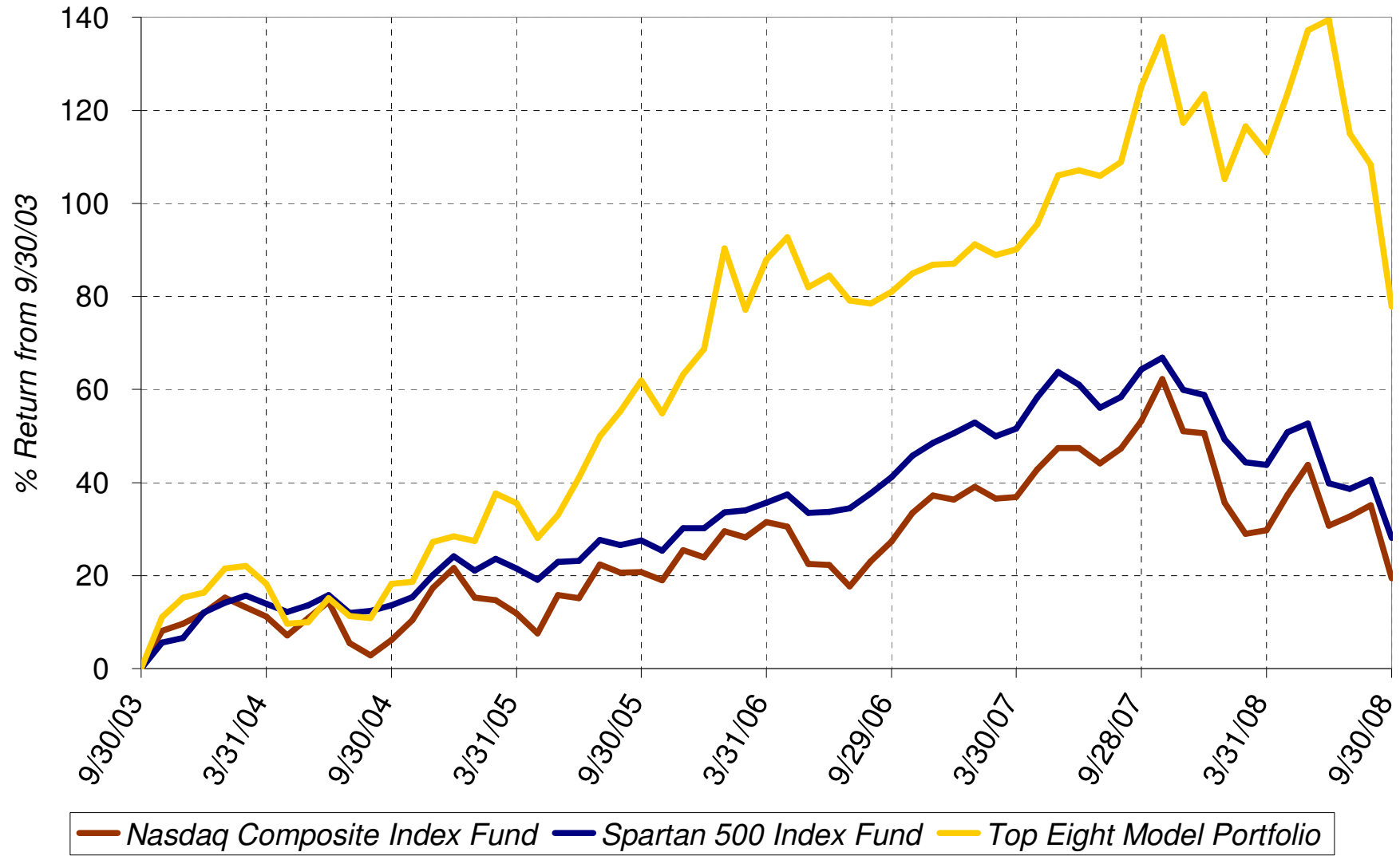
### Lifetime Chart



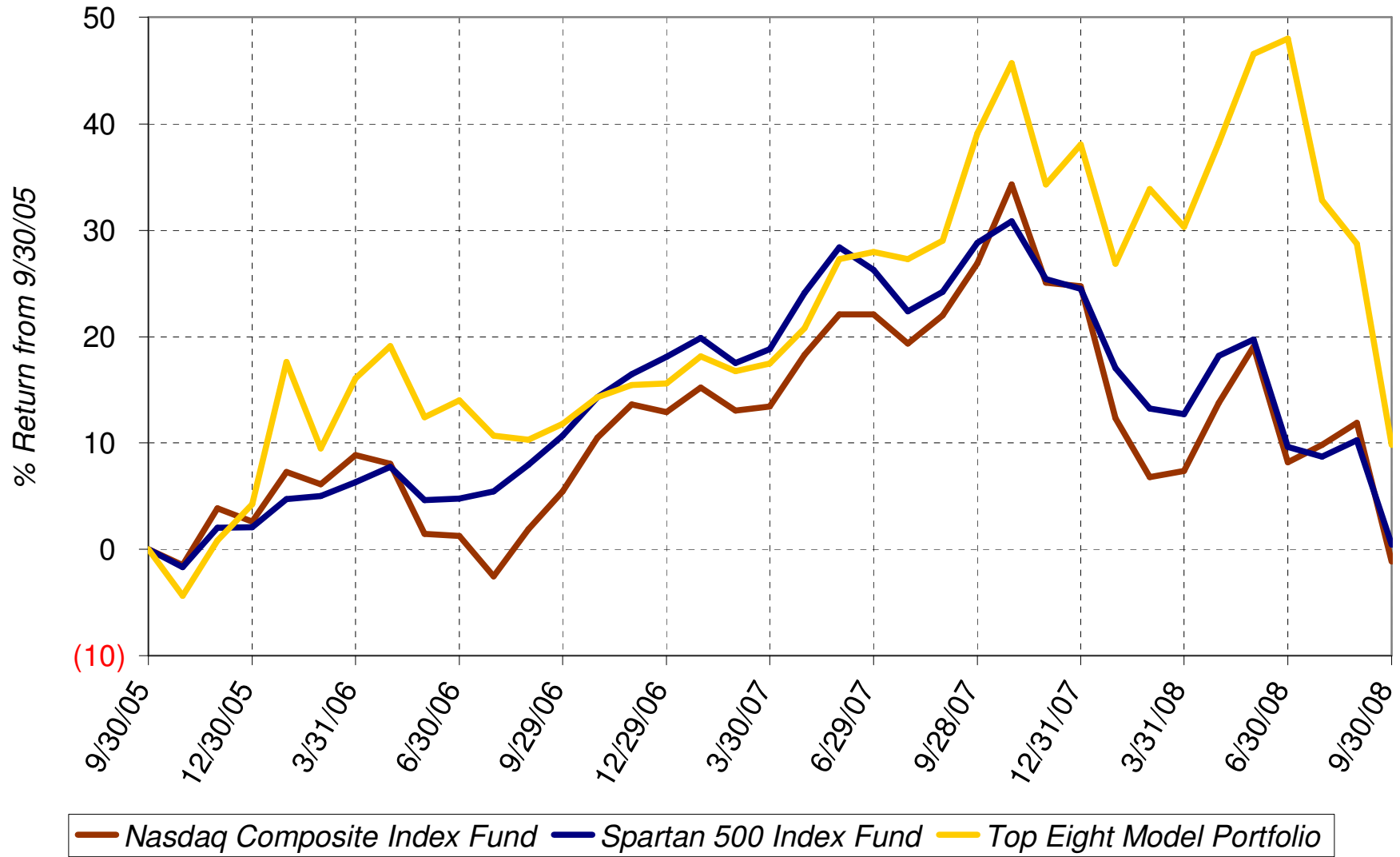
### 10-Year Chart



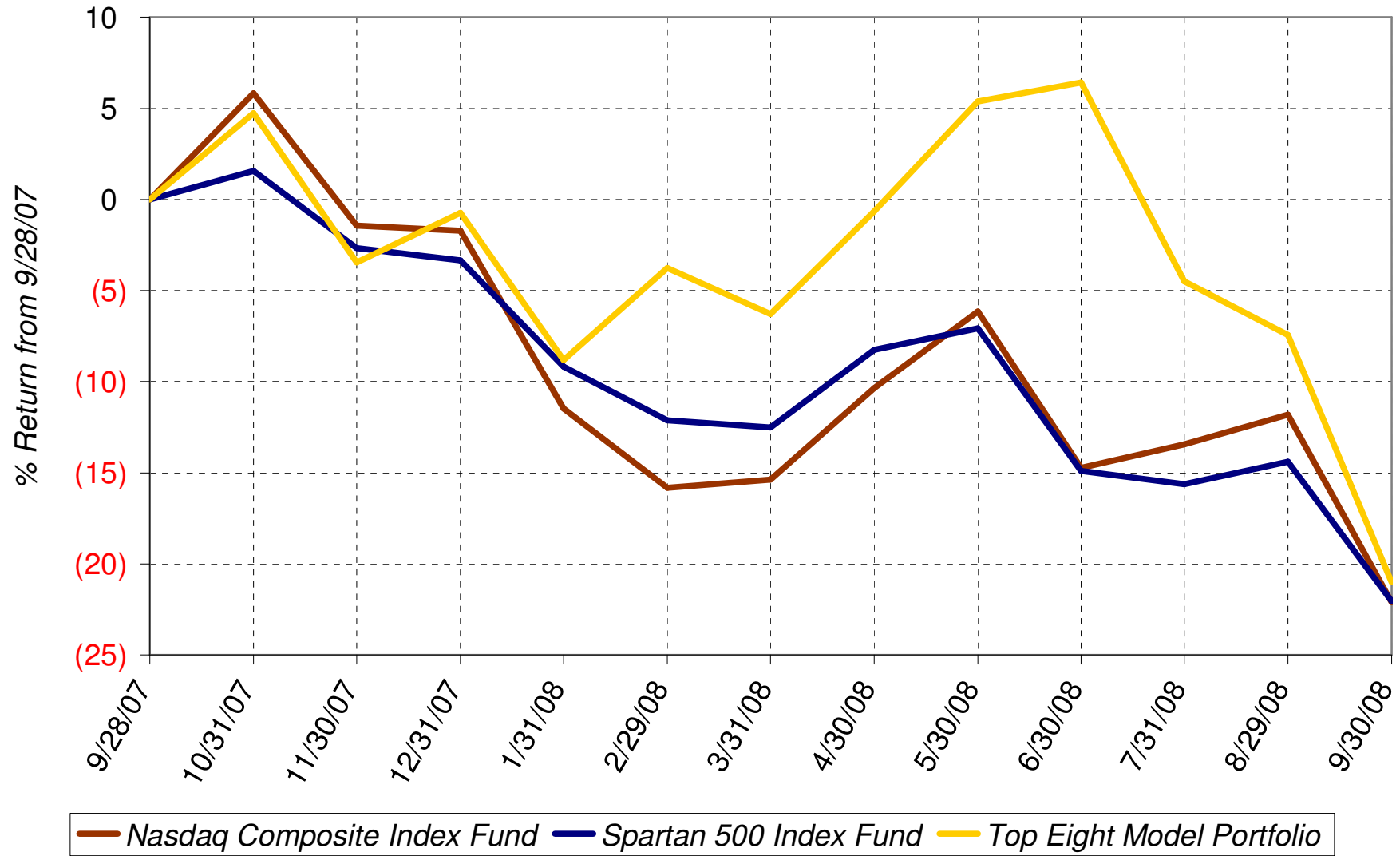
### 5-Year Chart



### 3-Year Chart



### 1-Year Chart





### Daily Chart September 2008

