

FIDELITY SELECT FUNDRANKER™

Volume 5 Issue 2

The Right Funds at the Right Time

February 2010

January Performance

The market hit new rally highs through mid-January and then fell off dramatically. The *Top Eight Model Portfolio's* six technology funds had one-month losses ranging from 4.3% to 10.5%. Automotive and Materials added one-month losses of 2.6% and 7.0%, respectively, leaving the *Top Eight Model Portfolio* with a one-month loss of 6.922%.

The S&P 500 tracking portfolio, the Nasdaq Composite tracking portfolio, and the *Top Eight Model Portfolio* 2010 YTD returns are (3.715)%, (5.421)%, and (6.922)%, respectively.

Final Performance of Funds Sold on January 4

Fundranker exchanged three funds on January 4. Here are the returns the three funds contributed to the *Top Eight Model Portfolio*:

| Fund | Bought | Sold | Return |
|--------------------|-----------|----------|--------|
| Chemicals (FSCHX) | 12/4/2009 | 1/4/2010 | 4.04% |
| Gold (FSAGX) | 11/4/2009 | 1/4/2010 | 4.17% |
| Multimedia (FBMPX) | 12/4/2009 | 1/4/2010 | 4.90% |

Technology Overweighting Fails in January

Fundranker's overweighting in the technology sector failed in January, maybe not because technology was a dog in January, but more because almost everything was a dog in January. Only nine of Fidelity's 39 Select funds had gains. Despite that overall downtrend, relative performances have caused four of *Fundranker's* six technology funds to fall out of the *Top Eight Model Portfolio* for February.

January Indicators

The "first five days of January" and "January" indicators are much discussed every year at this time. How the market performs in the first five days of January and for all of January purportedly give indications of how the market will perform for the entire year. This year, the "first five days of January" indicator says the market will be up over 2010, but the "January" indicator says just the opposite.

Market commentators and strategists have varying opinions about the predictive abilities of these two indicators, as well. Over a very long time horizon, using DJIA data back to 1896, Mark Hulbert, in his January 4, 2010, column, says the "first five days of January" and "January" indicators are, at best, marginally statistically significant. Our conclusion is that it's probably a good idea to ignore the hype surrounding them and just continue with *Fundranker's* proven investment strategy.

Fidelity Merges S&P 500 Index Funds

On January 22, 2010, Fidelity merged its Spartan 500 Index - Investor Class Fund, which *Fundranker* uses to track the S&P 500 index, into its U.S. Equity Index Fund, also an S&P 500 index fund. The combined fund is named the Spartan 500 Index - Investor Class Fund and trades with the symbol FUSEX, instead of FSMKX, which the Spartan 500 Index - Investor Class Fund formerly used.

On page 3, *Fundranker Performance for January 2010*, we now list FUSEX in the top section, and we altered the number of shares for FUSEX to adjust for different FSMKX and FUSEX NAVs. Also, we now list Spartan 500 Index - Investor Class Fund in other sections.

Holding Period Alert

If you purchased shares after January 4 of any funds which are being exchanged on February 3, 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 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 this month to balance those funds as much as possible.

Subscribe to Fidelity Select Fundranker

You can subscribe to *Fidelity Select Fundranker* for \$49/first year, \$99/year thereafter. 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, 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.

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. We welcome your input.

Top Eight Model Portfolio for February 2010

| Fund Name (Symbol) | Purchase | Return to 1/29 |
|--------------------------------------|-----------|----------------|
| 1. Automotive (FSAVX) | 5/4/2009 | 50.84% |
| 2. Air Transportation (FSAIX) | 2/3/2010 | |
| 3. Banking (FSRBX) | 2/3/2010 | |
| 4. Multimedia (FBMPX) | 2/3/2010 | |
| 5. IT Services (FBSOX) | 11/4/2009 | 5.63% |
| 6. Medical Delivery (FSHCX) | 2/3/2010 | |
| 7. Technology (FSPTX) | 5/4/2009 | 31.49% |
| 8. Retailing (FSRPX) | 2/3/2010 | |
| Funds to be sold on February 3: | | |
| 9. Materials (FSDPX) | 12/4/2009 | (5.26)% |
| 11. Electronics (FSELX) | 1/4/2010 | (12.05)% |
| 15. Computers (FDCPX) | 7/6/2009 | 27.21% |
| 18. Communications Eqpt (FSDCX) | 1/4/2010 | (9.15)% |
| 19. Software & Comp Services (FSCSX) | 1/4/2010 | (8.61)% |

Fundranker Exchanges for February 3

Sell Electronics (FSELX), buy Air Transportation (FSAIX)
Sell Computers (FDCPX), buy Banking (FSRBX)
Sell Materials (FSDPX), buy Multimedia (FBMPX)
Sell Communications Eqpt (FSDCX), buy Medical Delivery (FSHCX)
Sell Software & Comp Services (FSCSX), buy Retailing (FSRPX)

Fundranker Invest New Money Date

Invest new money on February 2.

Optional Rebalancing Exchange Dates

Method 1: none; Method 2: none; Method 3: February 3 (see the rebalancing FAQ at www.fundranker.com for more information)

Upcoming Fundranker Exchange Date

If all funds to be exchanged have been held more than one month, *Fundranker* will exchange on March 2; otherwise, *Fundranker* will exchange on March 5.

Fidelity Select Fundranker is published via email on the first day of each month and is edited by Harvey J. Poorbaugh. Subscriptions are available at \$49/first year, \$99/year thereafter. *Fidelity Select Fundranker* is not affiliated with Fidelity Investments. All facts and figures are obtained from reliable sources but are subject to revision. Past results are never an assurance of future performance. The information in this newsletter is not intended as individualized investment advice. For more information, go to www.fundranker.com. © 2010 *Fidelity Select Fundranker*

| <i>Fundranker Ratings for 1/29/10</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) | 47.61 | 33.96* | 26.23* | 0.94* | 30.185 | 2 |
| Automotive (FSAVX) | 169.72* | 8.61 | 15.31* | (2.64) | 49.750 | 1 |
| Banking (FSRBX) | 56.53* | 21.65* | 11.65* | 7.41* | 28.310 | 3 |
| Biotechnology (FBIOX) | 12.77 | 2.39 | 14.43* | 2.05* | 9.910 | 35 |
| Brokerage & Investment Mgmt (FSLBX) | 60.82* | 5.75 | (1.79) | (2.78) | 16.500 | 22 |
| Chemicals (FSCHX) | 61.15* | 10.24 | 8.36 | (4.28) | 19.868 | 12 |
| Communications Equipment (FSDCX) | 68.38* | 5.07 | 1.54 | (7.23) | 17.940 | 18 |
| Computers (FDCPX) | 65.25* | 11.73 | 2.66 | (9.56) | 18.520 | 15 |
| Construction & Housing (FSHOX) | 36.94 | 6.43 | 9.37* | (2.79) | 13.488 | 28 |
| Consumer Discretionary (FSCPX) | 46.62 | 13.33 | 8.25 | (2.55) | 16.413 | 23 |
| Consumer Staples (FDFAX) | 28.63 | 8.58 | 1.34 | (1.18) | 9.343 | 36 |
| Defense & Aerospace (FSDAX) | 25.82 | 19.48* | 11.65* | (1.31) | 15.910 | 26 |
| Electronics (FSELX) | 74.33* | 5.73 | 7.67 | (10.51) | 20.305 | 11 |
| Energy (FSENX) | 40.11 | 12.13 | 2.03 | (4.46) | 12.453 | 30 |
| Energy Service (FSSEX) | 55.80 | 15.89* | 2.68 | (2.89) | 18.870 | 13 |
| Environmental (FSLEX) | 21.94 | 4.60 | 2.71 | (5.79) | 5.865 | 37 |
| Financial Services (FIDSX) | 52.58 | 10.95 | 3.93 | 0.88* | 18.085 | 16 |
| Gold (FSAGX) | 24.73 | 3.13 | (2.44) | (10.93) | 3.623 | 39 |
| Health Care (FSPHX) | 31.95 | 14.70 | 11.53* | 0.51* | 16.673 | 21 |
| Home Finance (FSVLX) | 25.28 | 9.33 | 8.91 | 0.55* | 12.018 | 32 |
| Industrial Equipment (FSCGX) | 52.87 | 15.68* | 9.76* | (1.85) | 21.115 | 10 |
| Industrials (FCYIX) | 48.10 | 13.39 | 9.30 | (3.36) | 16.858 | 20 |
| Insurance (FSPCX) | 42.69 | 15.16* | 4.79 | 1.14* | 17.945 | 17 |
| IT Services (FBSOX) | 61.19* | 18.79* | 8.17 | (4.26) | 22.973 | 5 |
| Leisure (FDLSX) | 35.49 | 12.61 | 8.98 | (0.12) | 14.240 | 27 |
| Materials (FSDPX) | 73.17* | 10.62 | 7.40 | (6.97) | 22.055 | 9 |
| Medical Delivery (FSHCX) | 42.54 | 20.31* | 15.33* | 0.35* | 22.633 | 6 |
| Medical Equipment & Systems (FSMEX) | 28.20 | 14.81 | 11.95* | 1.06* | 16.005 | 25 |
| Multimedia (FBMPX) | 61.23* | 20.50* | 9.23 | (4.81) | 23.538 | 4 |
| Natural Gas (FSNGX) | 45.78 | 9.51 | 1.71 | (3.55) | 13.363 | 29 |
| Natural Resources (FNARX) | 44.14 | 9.88 | 1.57 | (6.47) | 12.280 | 31 |
| Pharmaceuticals (FPHAX) | 30.57 | 15.51* | 11.15* | (0.74) | 16.123 | 24 |
| Retailing (FSRPX) | 67.47* | 13.48 | 6.81 | (2.31) | 22.363 | 8 |
| Software & Computer Services (FSCSX) | 54.43 | 15.65* | 4.15 | (7.15) | 17.770 | 19 |
| Technology (FSPTX) | 79.03* | 12.10 | 4.26 | (8.93) | 22.615 | 7 |
| Telecommunications (FSTCX) | 44.30 | 3.47 | 4.49 | (7.54) | 11.180 | 33 |
| Transportation (FSRFX) | 39.26 | 16.13* | 15.11* | (4.22) | 18.570 | 14 |
| Utilities (FSUTX) | 10.37 | 4.75 | 5.63 | (4.38) | 4.093 | 38 |
| Wireless (FWRLX) | 42.74 | 0.92 | 4.58 | (7.10) | 10.285 | 34 |

*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

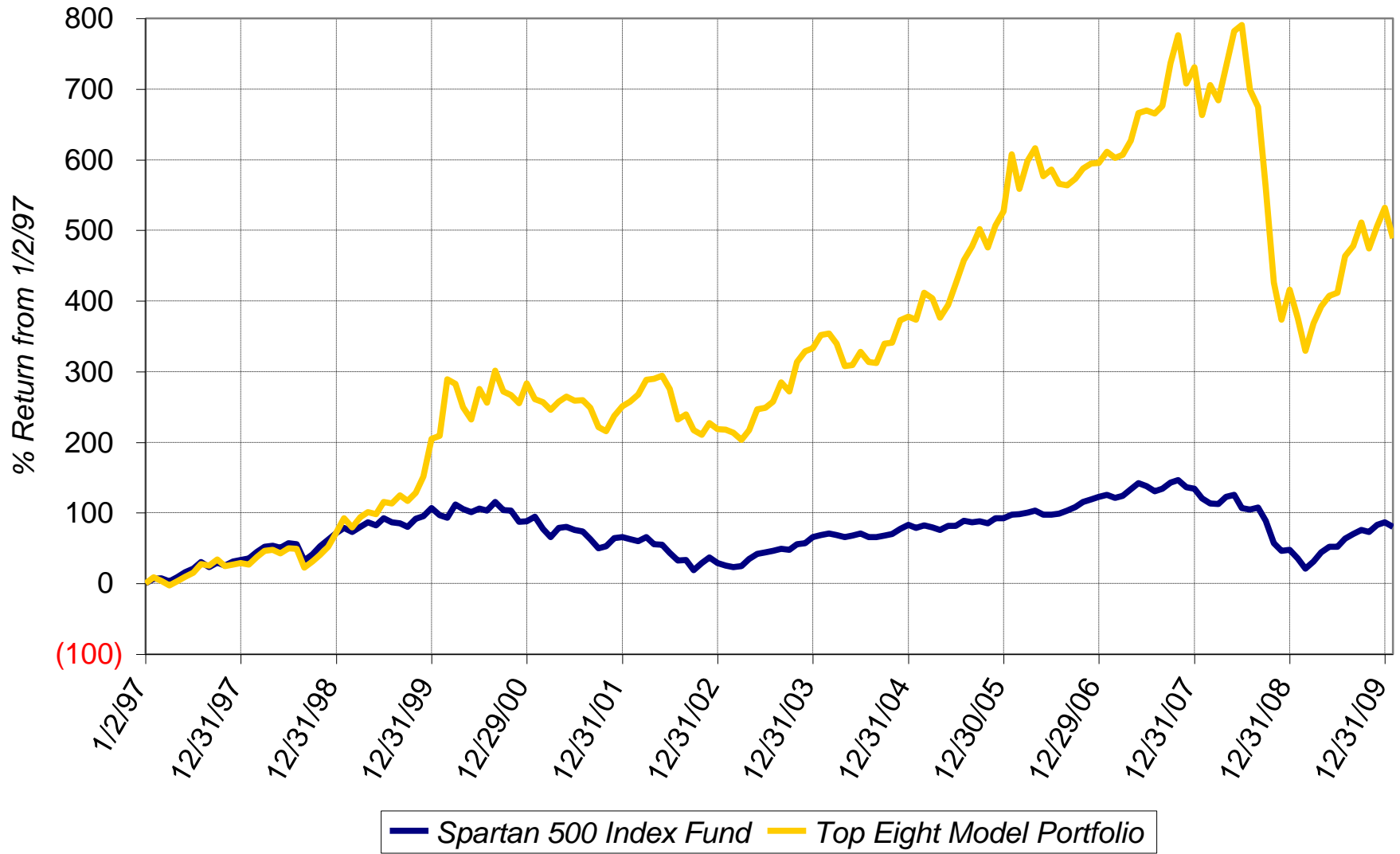
Sell on February 3, 2010

Buy on February 3, 2010

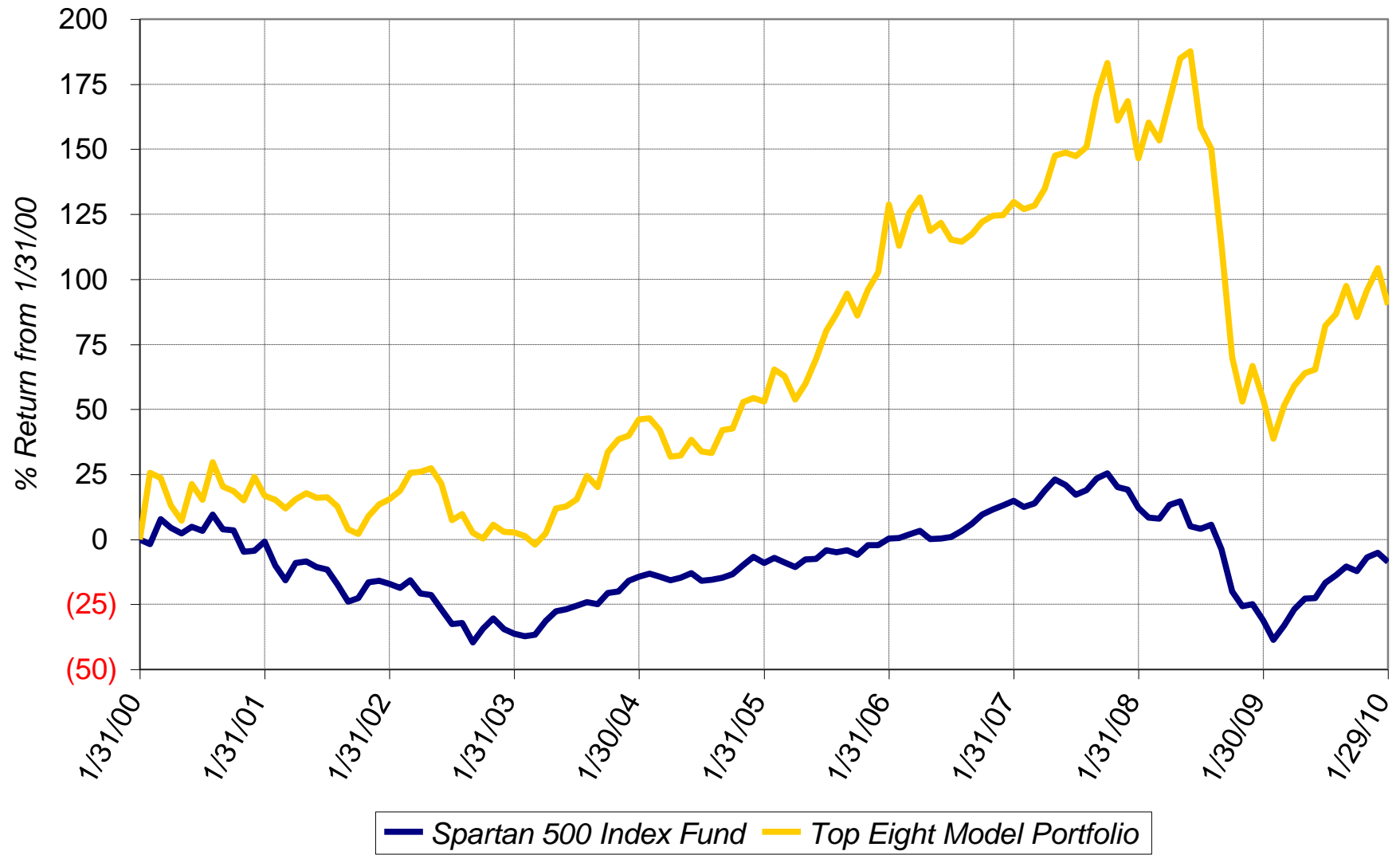
Hold

| Fundranker Performance for January 2010 | | | | | | | | | | | | | |
|---|-----------|-------------------|----------|--------------------|-------------------|-------------------------|----------------|-------------------|----------|-----------|-------------------|----------------|-----|
| 12/31 | 12/31 | 12/31 | <=1/4 | 1/4 | 1/4 | 1/4 | 1/4 | 1/4 | 1/4 | >1/4 | 1/29 | 1/29 | Jan |
| Funds | Shares | Amount | Div Shrs | Shares | Amount | Funds | Shares | Amount | Div Shrs | Shares | Amount | Return | |
| FSAVX | 609.117 | 19,175.00 | none | 609.117 | 19,698.84 | FSAVX | 600.300 | 19,413.70 | none | 600.300 | 18,399.20 | | |
| FSAGX | 402.008 | 17,218.00 | none | 402.008 | 17,812.97 | FSELX | 459.713 | 19,413.70 | none | 459.713 | 17,073.74 | | |
| FSDPX | 350.014 | 18,893.76 | none | 350.014 | 19,495.78 | FSPTX | 252.651 | 19,413.70 | none | 252.651 | 17,364.70 | | |
| FSPTX | 258.085 | 19,477.67 | none | 258.085 | 19,831.25 | FDCPX | 417.948 | 19,413.70 | none | 417.948 | 17,232.00 | | |
| FDCPX | 434.717 | 19,818.75 | none | 434.717 | 20,192.60 | FSDPX | 348.540 | 19,413.70 | none | 348.540 | 17,503.68 | | |
| FBSOX | 1,074.954 | 19,166.43 | none | 1,074.954 | 19,510.42 | FBSOX | 1,069.625 | 19,413.70 | none | 1,069.625 | 18,258.50 | | |
| FSCHX | 249.181 | 18,753.36 | none | 249.181 | 19,304.05 | FSDCX | 915.741 | 19,413.70 | none | 915.741 | 17,637.17 | | |
| FBMPX | 562.861 | 19,210.45 | none | 562.861 | 19,463.73 | FSCSX | 251.734 | 19,413.70 | none | 251.734 | 17,742.21 | | |
| Top Eight | | 151,713.42 | | | 155,309.64 | | | 155,309.60 | | | 141,211.20 | (6.922) | |
| FNCMX | 1,543.031 | 46,398.94 | none | | | | | | none | 1,543.031 | 43,883.80 | (5.421) | |
| FUSEX | 582.597 | 44,813.36 | none | | | | | | none | 1,135.190 | 43,148.57 | (3.715) | |
| 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 - Investor Class | | | | 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 - Investor Class | | | | (22.173) | 28.487 | 10.733 | 4.858 | 15.712 | | | | | |
| Yearly Summaries | | | | 2007 | 2008 | 2009 | 2010 YTD | | | | | | |
| | | | | Return % | Return % | Return % | Return % | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | 19.463 | (37.882) | 22.518 | (6.922) | | | | | | |
| Nasdaq Composite Index Fund | | | | 10.497 | (40.041) | 44.959 | (5.421) | | | | | | |
| Spartan 500 Index Fund - Investor Class | | | | 5.426 | (37.047) | 26.502 | (3.715) | | | | | | |
| Lifetime Summary | | | | 1/2/97 to 1/29/10 | | 1/2/97 to 1/29/10 | | | | | | | |
| | | | | Total Return % | | Average Annual Return % | | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | 488.380 | | 14.506 | | | | | | | |
| Nasdaq Composite Index Fund | | | | N/A | | N/A | | | | | | | |
| Spartan 500 Index Fund - Investor Class | | | | 79.786 | | 4.586 | | | | | | | |
| 10-Year Summary | | | | 1/31/00 to 1/29/10 | | 1/31/00 to 1/29/10 | | | | | | | |
| | | | | Total Return % | | Average Annual Return % | | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | 90.130 | | 6.636 | | | | | | | |
| Nasdaq Composite Index Fund | | | | N/A | | N/A | | | | | | | |
| Spartan 500 Index Fund - Investor Class | | | | (8.603) | | (0.896) | | | | | | | |
| 5-Year Summary | | | | 1/31/05 to 1/29/10 | | 1/31/05 to 1/29/10 | | | | | | | |
| | | | | Total Return % | | Average Annual Return % | | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | 24.221 | | 4.433 | | | | | | | |
| Nasdaq Composite Index Fund | | | | 7.430 | | 1.444 | | | | | | | |
| Spartan 500 Index Fund - Investor Class | | | | 0.545 | | 0.109 | | | | | | | |
| 3-Year Summary | | | | 1/31/07 to 1/29/10 | | 1/31/07 to 1/29/10 | | | | | | | |
| | | | | Total Return % | | Average Annual Return % | | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | (17.231) | | (6.109) | | | | | | | |
| Nasdaq Composite Index Fund | | | | (11.006) | | (3.812) | | | | | | | |
| Spartan 500 Index Fund - Investor Class | | | | (20.364) | | (7.309) | | | | | | | |
| 1-Year Summary | | | | 1/30/09 to 1/29/10 | | | | | | | | | |
| | | | | Total Return % | | | | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | 23.712 | | | | | | | | | |
| Nasdaq Composite Index Fund | | | | 46.443 | | | | | | | | | |
| Spartan 500 Index Fund - Investor Class | | | | 33.002 | | | | | | | | | |

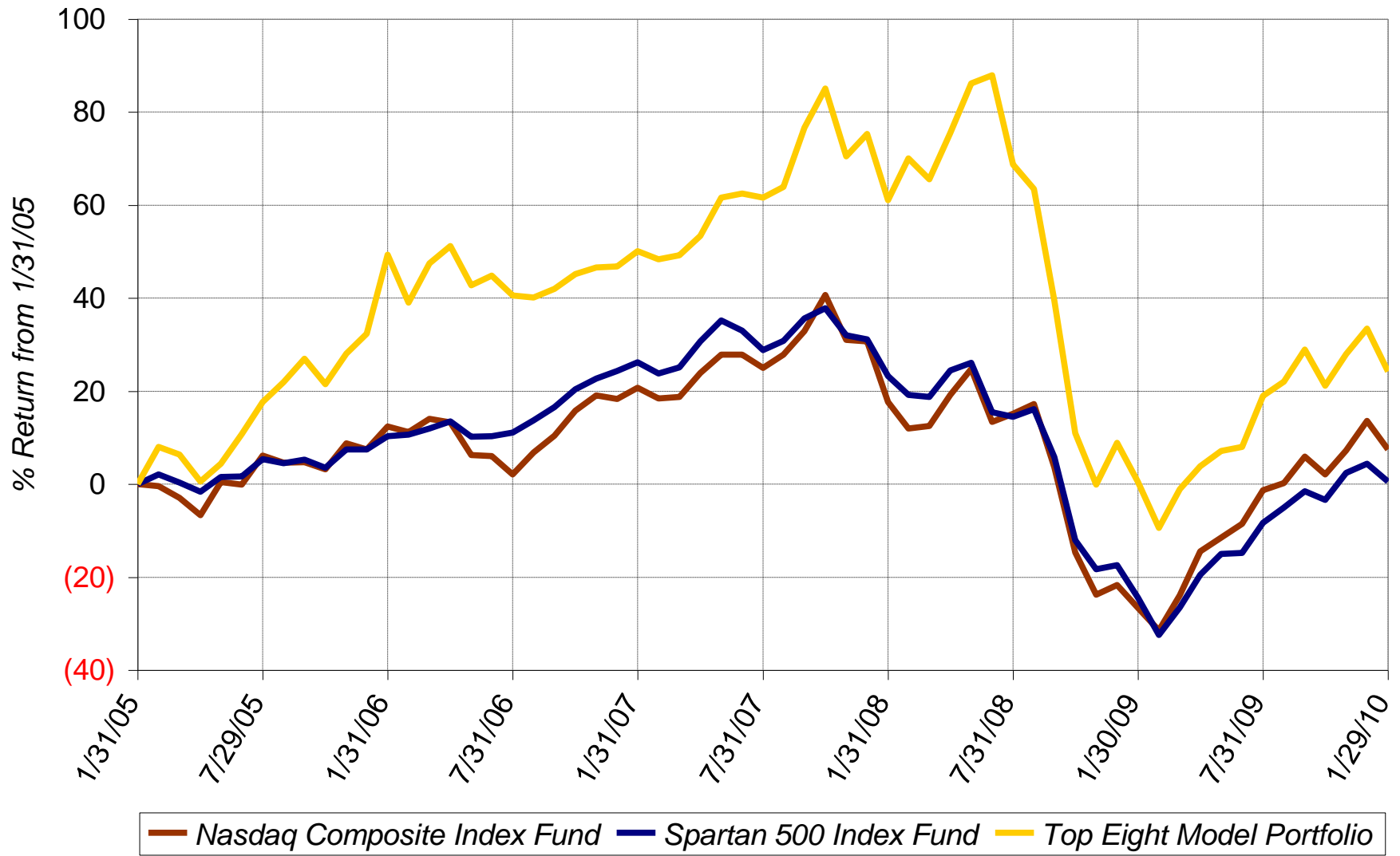
Lifetime Chart



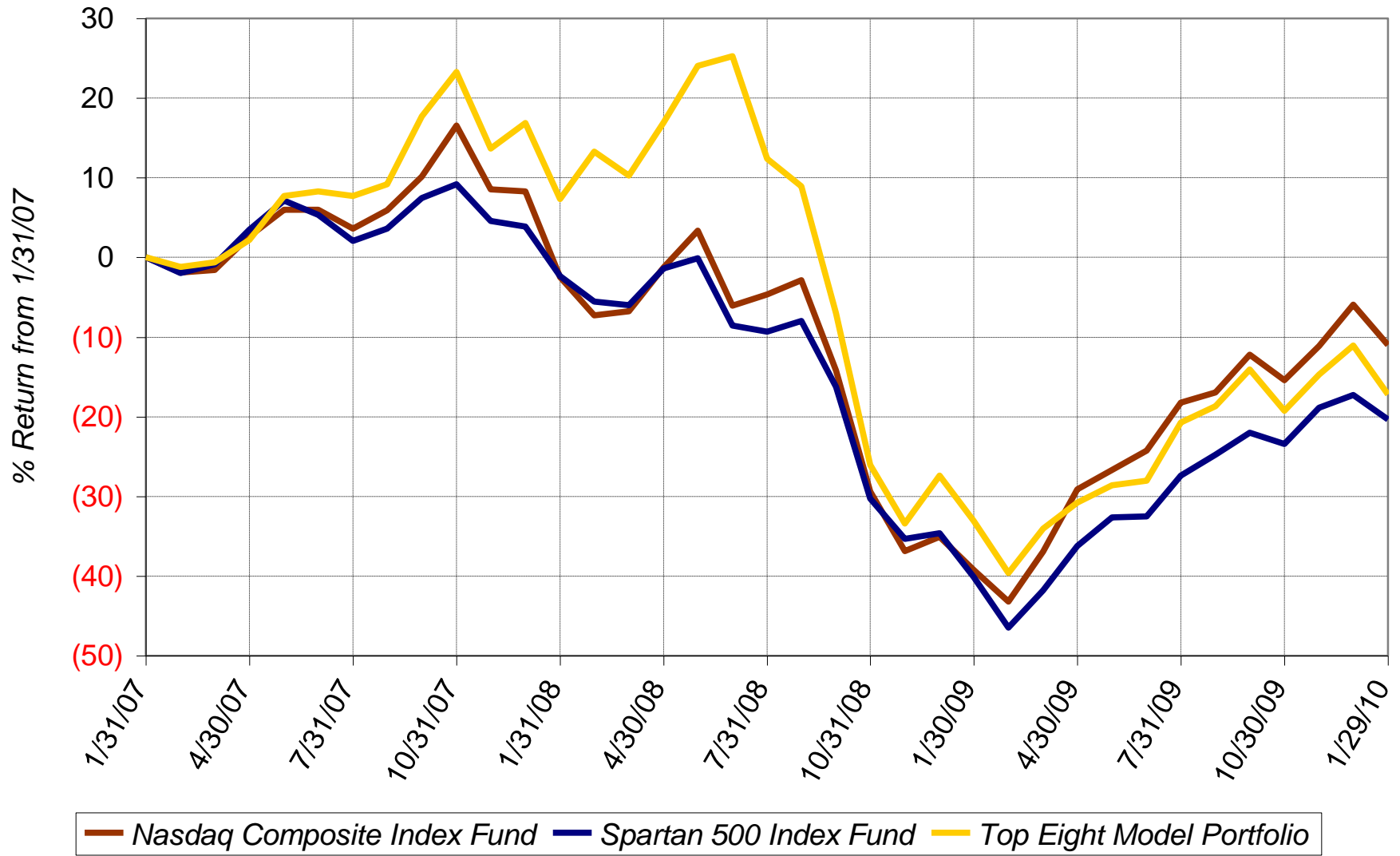
10-Year Chart



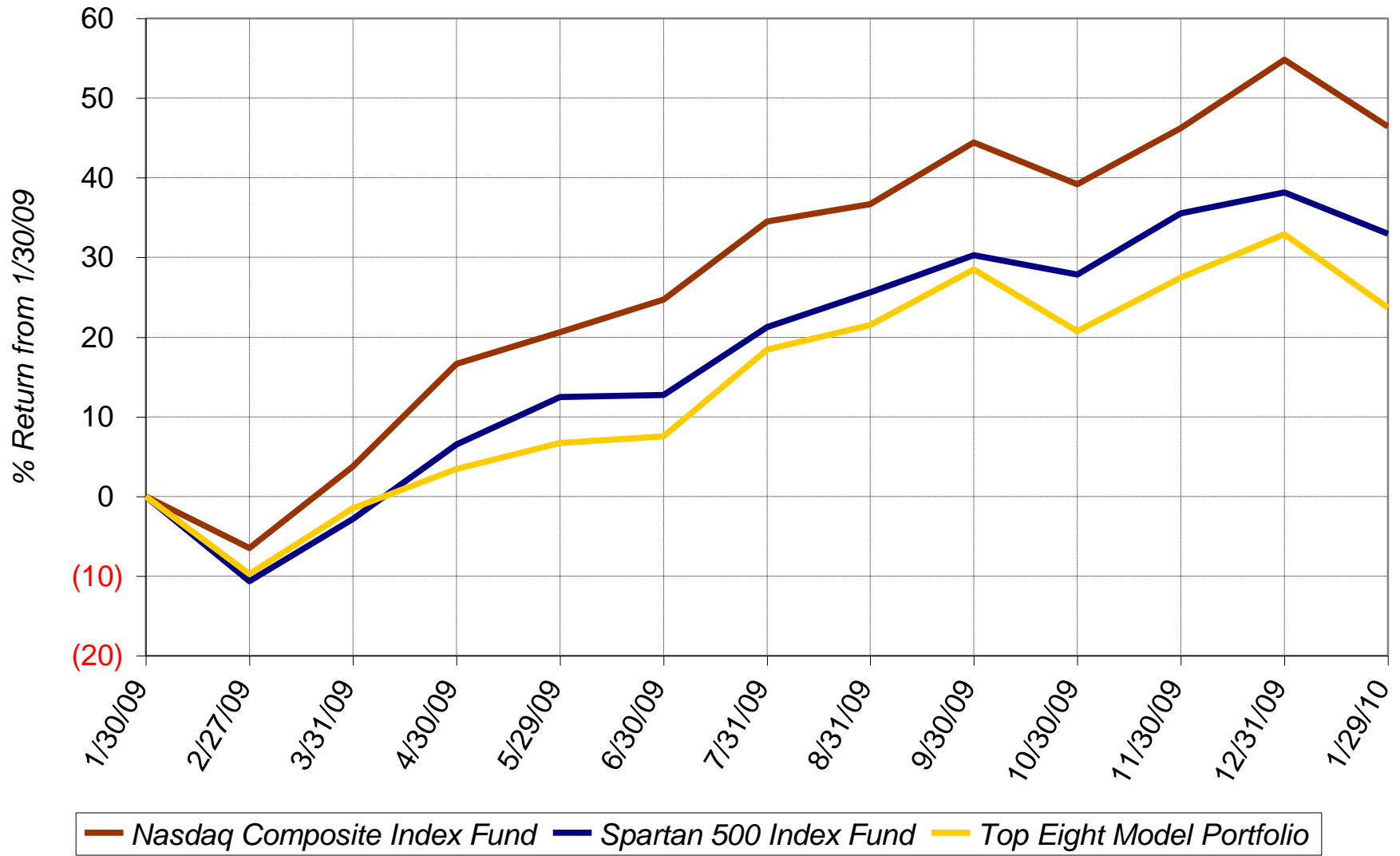
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart January 2010

