

# FIDELITY SELECT FUNDRANKER™

Volume 1 Issue 7

July 2006

## June Performance

Even though a large majority of the Select funds were down during June, the Top Eight Model Portfolio had an overall gain of 1.4%. Air Transportation, Natural Gas, and Transportation were the star performers, each gaining 4%. Energy and Natural Resources each gained 2%. Energy Service, Industrial Materials, and Gold trailed with losses of 0.5%, 1%, and 2%, respectively. Check out the Fundranker ratings on page two—five of the top six one-month returns belonged to funds in the Top Eight Model Portfolio.

The Nasdaq Composite and S&P 500 tracking portfolios were down 0.2% and up 0.1%, respectively. The Top Eight Model Portfolio is up 9.3% YTD compared to the Nasdaq Composite and S&P 500 tracking portfolios being down 1.3% YTD and up 2.7% YTD, respectively.

## No Exchanges for July

This is one of the infrequent months when none of the funds in the Top Eight Model Portfolio dropped out. We will hold the same eight funds for the month of July.

## Analysis of Up and Down Months

How volatile has the Top Eight Model Portfolio been in the past compared to the S&P 500? The Top Eight Model Portfolio and the S&P 500 tracking portfolio both have gone up approximately three months for every two months they have gone down. The Top Eight Model Portfolio's up months, however, consistently were considerably better than those of the S&P 500 tracking portfolio, while its down months consistently were only a little worse than those of the S&P 500 tracking portfolio.

Here is a tabulation of up and down months for 1997 through 2006 for the Top Eight Model Portfolio and the S&P 500 tracking portfolio that give the details behind these assertions:

Consecutive Months Up	Number of Periods		Average Gain	
	Top 8	SP500	Top 8	SP500
1	13	11	6.6%	3.7%
2	5	6	7.0%	7.8%
3	2	3	19.6%	10.9%
4	2	1	23.2%	26.7%
5	5	3	42.4%	20.3%
6		3		17.6%
7	1		24.7%	

Consecutive Months Down	Number of Periods		Average Loss	
	Top 8	SP500	Top 8	SP500
1	15	14	(3.6)%	(3.2)%
2	7	7	(10.5)%	(7.5)%
3	4	3	(12.0)%	(9.7)%
4	1	2	(7.3)%	(21.3)%

In nine and a half years, the Top Eight Model Portfolio had nearly the same numbers of up and down periods as the S&P 500. Up periods for both portfolios accounted for 69 months and had an average length of approximately 2.5 months. Down periods accounted for only 45 months in both portfolios and had an average length of approximately 1.7 months. There were twice as many up periods as down periods of three months or longer for both portfolios. The Top Eight Model Portfolio outdid the S&P 500 in periods of four months or longer, having eight up periods to one down period against the S&P 500 portfolio's seven up periods to two down periods. In general, the Top Eight Model Portfolio gained considerably more than the S&P 500 in up periods, but it lost only a little more than the S&P 500 in down periods.

## Short Trading Day Alert

Because the Top Eight Model Portfolio is holding the same funds for July as it did in June, we have no exchanges to make this month. Be aware, however, that the stock exchanges are only open until 1pm ET on July 3 and that any exchanges you enter after that time will not be processed until July 5, when the stock exchanges reopen after the July 4 holiday. If you are adding money to any of your funds or balancing them, make sure you enter your exchanges before 1pm ET on Monday, July 3.

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## Questions and Suggestions

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## 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. 9/2001	(7.795)%
5. 1/2006	12.835%	5. 9/2000	(7.245)%
6. 8/2000	12.601%	6. 4/2004	(7.224)%
7. 1/1999	11.490%	7. 10/1997	(7.032)%
8. 10/2003	11.191%	8. 2/2006	(6.929)%
9. 7/1997	10.606%	9. 2/1999	(6.647)%
10. 11/1999	10.174%	10. 9/2002	(6.529)%

## Top Eight Model Portfolio for July, 2006

1. Gold (FSAGX)
2. Natural Resources (FNARX)
3. Energy (FSENX)
4. Air Transportation (FSAIX)
5. Transportation (FSRFX)
6. Energy Service (FSESX)
7. Industrial Materials (FSDPX)
8. Natural Gas (FSNGX)

## Exchanges for July 3, 2006

There are no exchanges for July 3, 2006.

## Upcoming Exchange Dates

Upcoming exchange dates are August 2, September 5, October 4, November 2, December 4, 2006, and January 2, 2007.

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<i>Fundranker</i> Ratings for 6/30/06	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)	38.64*	15.11*	1.02*	4.33*	18.775	4
Automotive (FSAVX)	5.17	0.47	(4.35)	(2.25)	(0.240)	31
Banking (FSRBX)	7.62	3.30	(0.18)	(0.52)	2.555	23
Biotechnology (FBIOX)	11.78	(2.81)	(8.36)	0.88*	1.373	28
Brokerage & Investment Mgmt (FSLBX)	24.55*	1.97	(8.94)	(2.71)	4.718	17
Business Services & Outsourcing (FBSOX)	19.08*	6.51	(1.06)	0.90*	8.358	12
Chemicals (FSCHX)	9.95	4.69	(1.55)	(2.65)	2.610	22
Computers (FDCPX)	1.22	(5.43)	(9.42)	(3.59)	(4.305)	41
Construction & Housing (FSHOX)	(2.44)	(3.10)	(9.24)	(1.90)	(4.170)	40
Consumer Industries (FSCPX)	5.71	2.27	(2.18)	0.44	1.560	27
Cyclical Industries (FCYIX)	22.56*	9.45*	(2.33)	(0.90)	9.195	11
Defense & Aerospace (FSDAX)	15.10	6.77	(5.62)	(1.10)	3.788	19
Developing Communications (FSDCX)	11.34	(0.85)	(14.45)	(3.41)	(1.843)	34
Electronics (FSELX)	7.25	(3.93)	(9.32)	(2.87)	(2.218)	36
Energy (FSENX)	39.88*	15.93*	3.79*	2.01*	19.403	3
Energy Service (FSESX)	45.20*	15.01*	2.34*	(0.58)	18.493	6
Environmental (FSLEX)	17.42	9.46*	(7.06)	(2.39)	5.358	15
Financial Services (FIDSX)	12.26	1.79	(2.97)	(1.02)	2.515	24
Food & Agriculture (FDFAX)	13.73	7.25	2.22*	1.65*	8.213	13
Gold (FSAGX)	69.56*	15.03*	(1.94)	(2.05)	22.150	1
Health Care (FSPHX)	5.26	(3.94)	(5.66)	(0.39)	(1.183)	32
Home Finance (FSVLX)	4.84	2.88	0.61*	(0.69)	2.910	21
Industrial Equipment (FSCGX)	23.68*	10.76*	(2.22)	(1.20)	9.755	10
Industrial Materials (FSDPX)	38.77*	13.43*	3.25*	(1.10)	16.588	7
Insurance (FSPCX)	7.71	(2.26)	(2.20)	(0.35)	0.725	29
Leisure (FDLSX)	14.11	5.55	(4.14)	0.70	4.055	18
Medical Delivery (FSHCX)	1.42	(8.51)	(8.78)	1.19*	(2.670)	37
Medical Equipment & Systems (FSMEX)	(2.23)	(6.03)	(6.49)	(1.22)	(3.993)	39
Multimedia (FBMPX)	9.30	0.12	(1.21)	0.38	2.148	25
Natural Gas (FSNGX)	30.94*	8.56	2.54*	4.28*	14.580	8
Natural Resources (FNARX)	46.80*	18.45*	4.07*	2.04*	21.840	2
Networking & Infrastructure (FNINX)	9.48	(1.70)	(16.91)	(4.55)	(3.420)	38
Paper & Forest Products (FSPFX)	10.59	(1.31)	(6.25)	(0.54)	0.623	30
Pharmaceuticals (FPHAX)	17.41	4.76	(2.05)	(0.49)	4.908	16
Retailing (FSRPX)	5.45	4.81	(2.36)	0.39	2.073	26
Software & Computer Services (FSCSX)	10.17	3.39	(4.10)	1.34*	3.700	20
Technology (FSPTX)	4.65	(3.37)	(8.49)	(1.31)	(2.130)	35
Telecommunications (FSTCX)	17.49	8.71*	(4.86)	1.74*	7.770	14
Transportation (FSRFX)	38.51*	14.20*	2.02*	4.00*	18.683	5
Utilities Growth (FSUTX)	14.82	10.98*	2.31*	3.69*	10.950	9
Wireless (FWRLX)	8.42	(2.04)	(9.82)	(2.32)	(1.440)	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

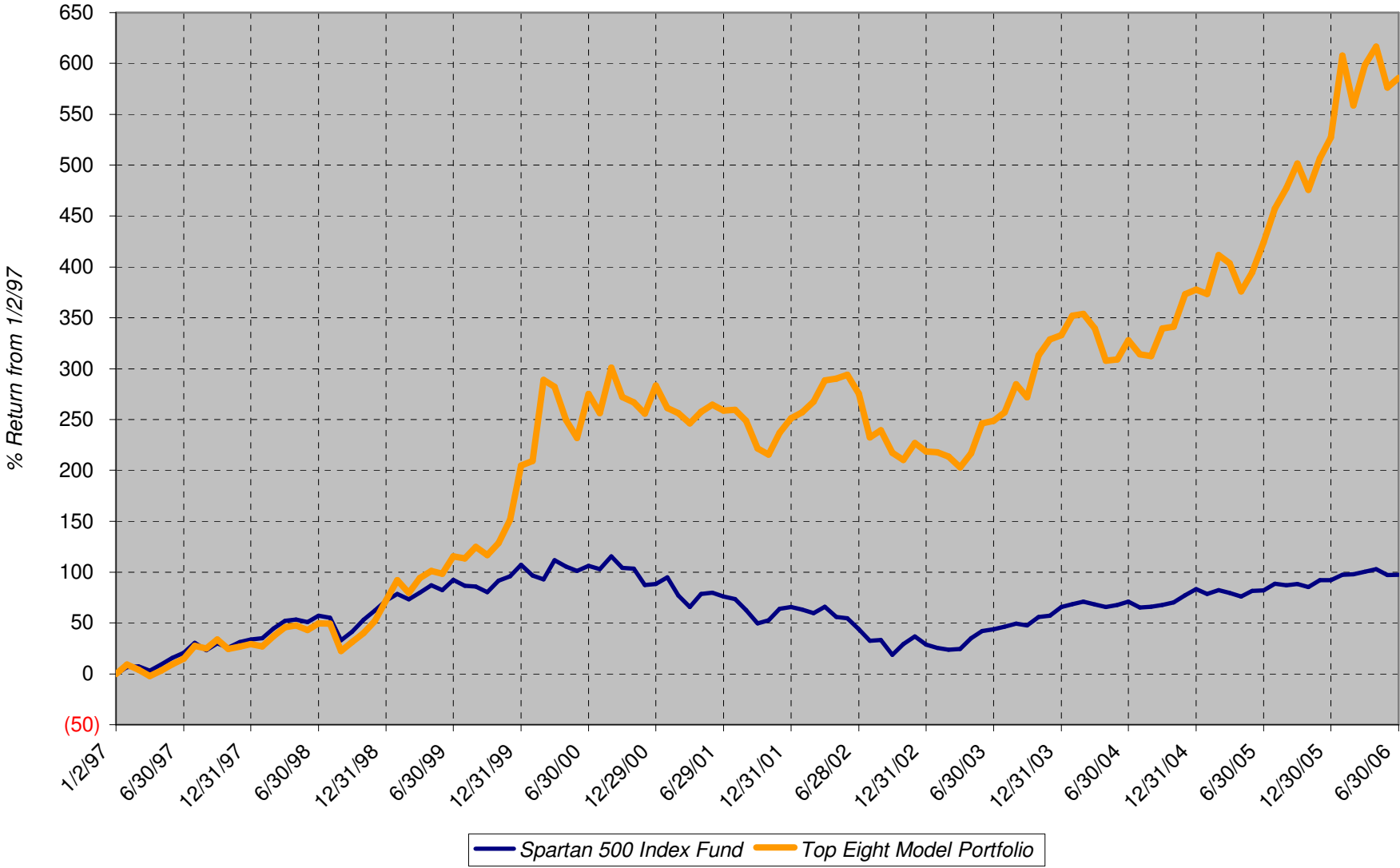
Sell on July 3, 2006

Buy on July 3, 2006

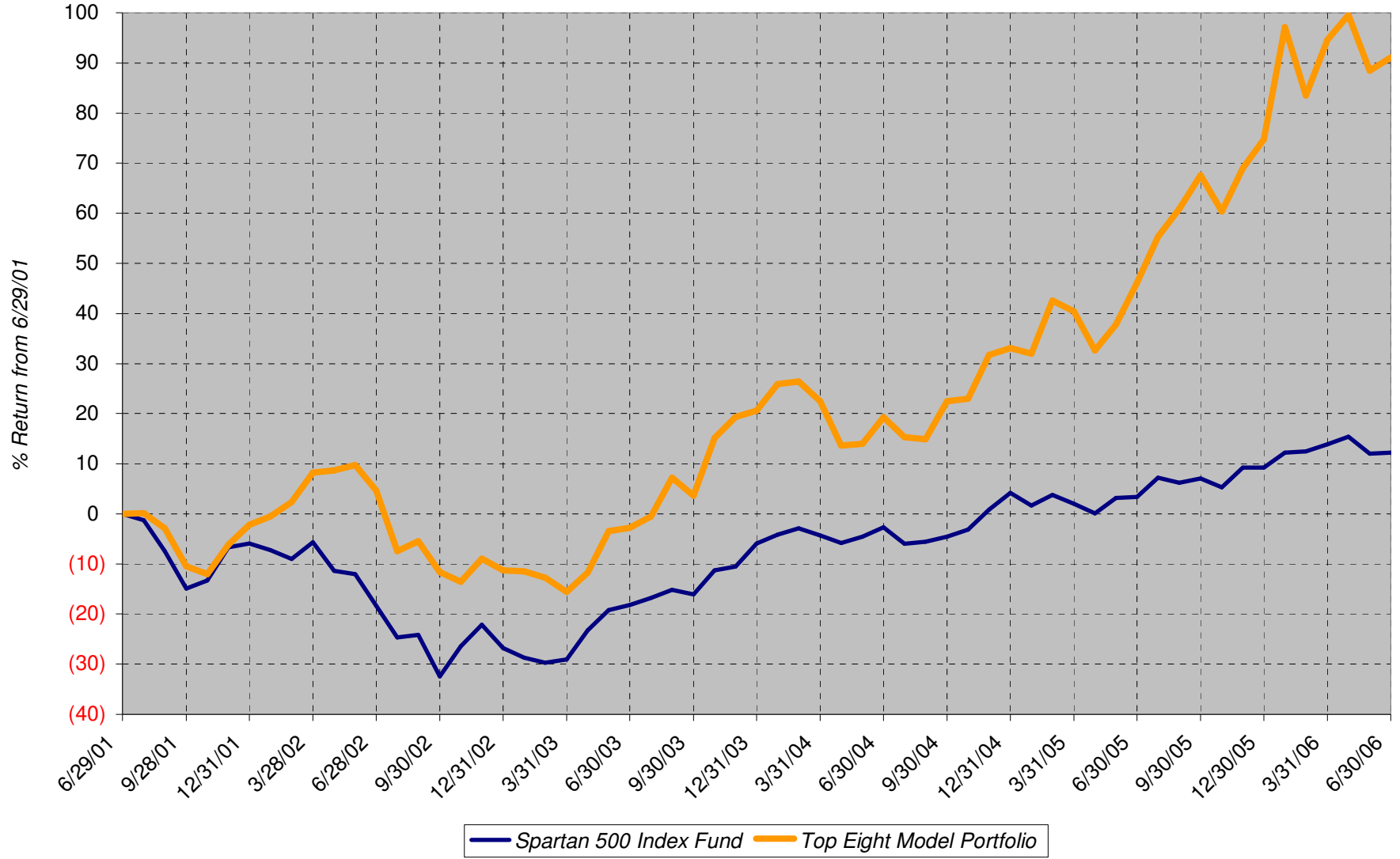
Hold

Fundranker Performance for June 2006													
5/31 Funds	5/31 Shares	5/31 Amount	<=6/2 Div Shrs	6/2 Shares	6/2 Amount	6/2 Funds	6/2 Shares	6/2 Amount	>6/2 Div Shrs	6/30 Shares	6/30 Amount	Jun Return	
FSAGX	561.616	19,752.03	none	561.616	19,909.29	FSAGX	583.575	20,687.74	none	583.575	20,104.16		
FSEX	267.703	19,930.49	none	267.703	20,495.34	FSEX	270.216	20,687.74	none	270.216	20,001.39		
FNARX	730.025	20,061.09	none	730.025	20,586.71	FNARX	733.608	20,687.74	none	733.608	20,570.37		
FSENX	395.707	20,101.92	none	395.707	20,584.68	FSENX	397.688	20,687.74	none	397.688	20,608.19		
FSDPX	430.157	21,125.01	none	430.157	21,598.18	FSDPX	412.024	20,687.74	none	412.024	20,012.01		
FSAIX	466.727	20,498.65	none	466.727	20,848.70	FSAIX	463.124	20,687.74	none	463.124	21,220.34		
FSLBX	293.945	20,479.15	none	293.945	20,773.09	FSNGX	511.946	20,687.74	none	511.946	20,974.43		
FSLEX	1,161.953	20,380.66	none	1,161.953	20,706.00	FSRFX	404.294	20,687.74	none	404.294	21,128.40		
<b>Top Eight</b>		<b>162,329.00</b>			<b>165,501.99</b>			<b>165,501.90</b>			<b>164,619.29</b>	<b>1.411</b>	
FNCMX1	1,476.297	43,417.89	none						none	1,476.297	43,329.32	(0.204)	
FSMKX	536.250	47,302.61	2.650						none	538.900	47,363.92	0.130	
<b>Yearly Summaries</b>				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)					
<b>Yearly Summaries</b>				2002	2003	2004	2005						
				Return %	Return %	Return %	Return %						
<i>Top Eight Model Portfolio</i>				(9.333)	35.952	10.340	31.341						
Nasdaq Composite Index Fund				N/A	N/A	8.598	1.902						
Spartan 500 Index Fund				(22.173)	28.487	10.733	4.858						
<b>Lifetime Summary</b>				1/2/97 to 6/30/06		1/2/97 to 6/30/06							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				585.914		22.470							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund				97.350		7.418							
<b>5-Year Summary</b>				6/29/01 to 6/30/06		6/29/01 to 6/30/06							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				91.111		13.830							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund				12.203		2.329							
<b>3-Year Summary</b>				6/30/03 to 6/30/06		6/30/03 to 6/30/06							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				96.646		25.284							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund				37.137		11.101							
<b>2-Year Summary</b>				6/30/04 to 6/30/06		6/30/04 to 6/30/06							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				60.236		26.584							
Nasdaq Composite Index Fund				6.889		3.387							
Spartan 500 Index Fund				15.344		7.398							
<b>1-Year Summary</b>				6/30/05 to 6/30/06		6/30/05 to 6/30/06							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				30.809		30.809							
Nasdaq Composite Index Fund				6.149		6.149							
Spartan 500 Index Fund				8.554		8.554							
<b>YTD Summary</b>				12/30/05 to 6/30/06		12/30/05 to 6/30/06							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				9.369		9.369							
Nasdaq Composite Index Fund				(1.317)		(1.317)							
Spartan 500 Index Fund				2.679		2.679							

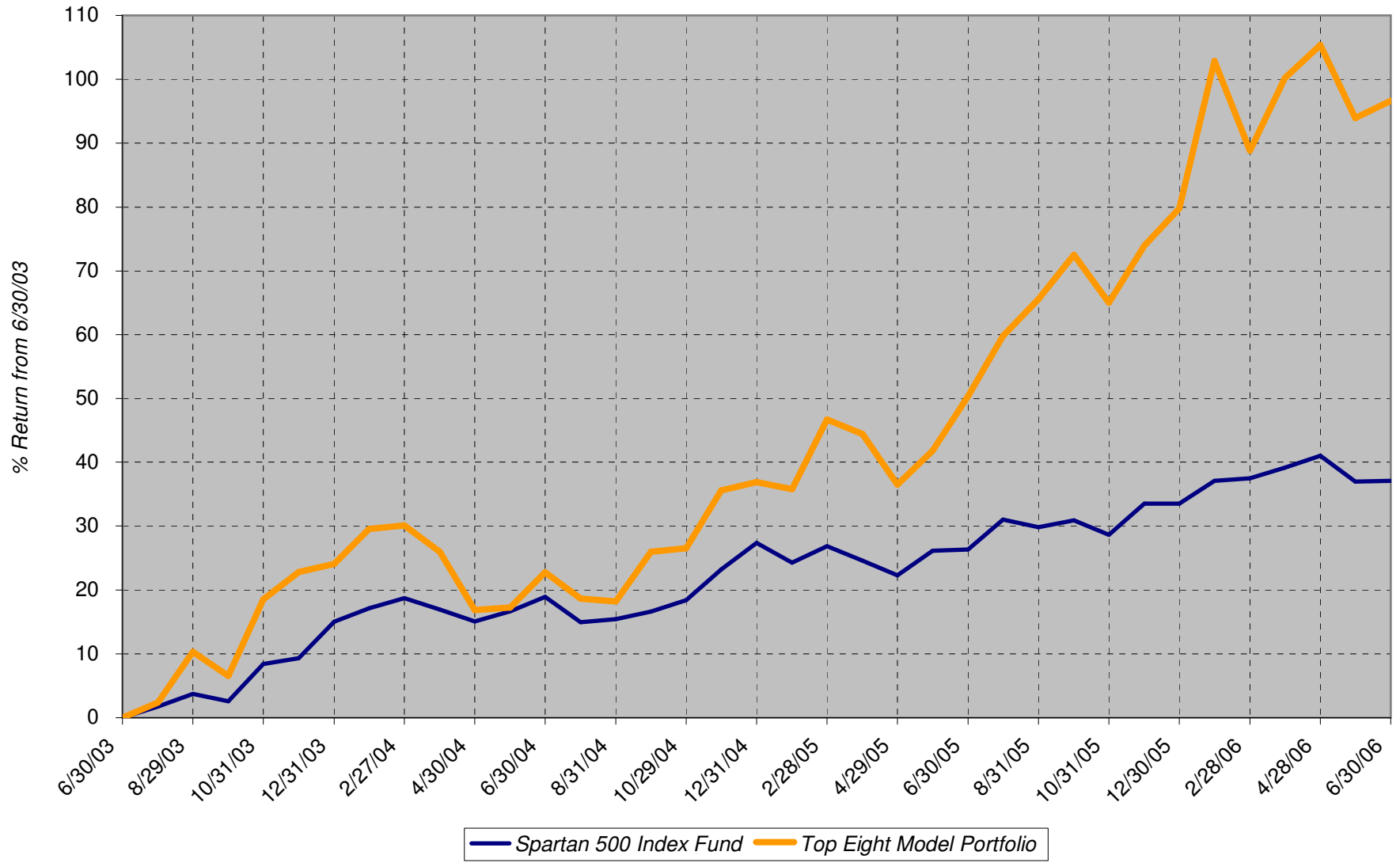
### Lifetime Chart



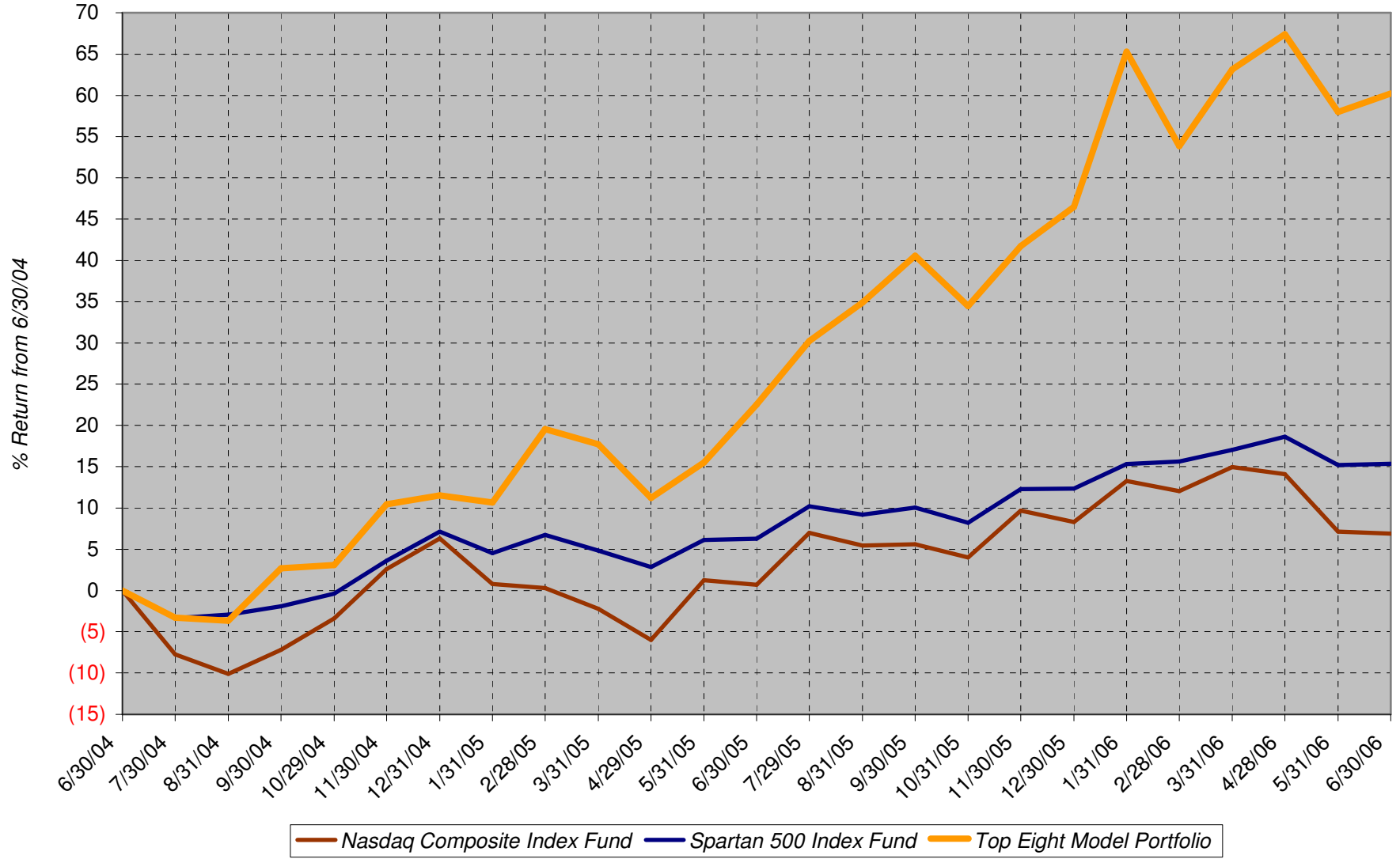
### 5-Year Chart



### 3-Year Chart



2-Year Chart



### 1-Year Chart

