

FIDELITY SELECT FUNDRAKER™

Volume 1 Issue 9

September 2006

August Performance

The Top Eight Model Portfolio's best performers were Gold, Food & Agriculture, Pharmaceuticals, and Utilities Growth with 3.8%, 3.0%, 2.4%, and 2.0% returns, respectively. Banking followed with a 0.3% return. Energy, Natural Resources, and Natural Gas pulled the Top Eight Model Portfolio into the red this month with -4.4%, -3.9%, and -3.4% returns, respectively. The Top Eight Model Portfolio and S&P 500 tracking portfolio have YTD returns of 5.8%, while the Nasdaq Composite tracking portfolio trails with a -0.7% YTD return.

September Exchanges

The Top Eight Model Portfolio's four worst performers, Banking, Energy, Natural Resources, and Natural Gas, fell out of the Portfolio. Software & Computer Services, Telecommunications, Industrial Materials, and Financial Services moved up into the Portfolio.

New Fidelity Policy on Frequent Exchanges

One of the underlying reasons that Fidelity Select Fundranker concentrates on Fidelity's Select Funds was Fidelity's old policy on frequent exchanges of Select funds. It stated that Fidelity "anticipates that shareholders will purchase and sell fund shares frequently" and that "each fund accommodates frequent trading." Because of this policy, Fidelity Select Fundranker was able to preset exchange dates that allowed for distribution of the newsletter as well as avoided Fidelity's short-term trading fees.

Fidelity's new policy on frequent exchanges of Select Funds, which takes effect October 1, makes things a little more difficult for Fidelity Select Fundranker. The new policy states that Fidelity "has adopted policies and procedures designed to discourage excessive or short-term trading of fund shares for each Select stock fund." The new policy also states that "excessive trading activity is measured by the number of roundtrip transactions in a shareholder's account" and that "a roundtrip transaction occurs when a shareholder buys and then sells shares of a fund within 30 days."

To complicate matters, Fidelity counts this holding period a little differently than it does to determine whether short-term trading fees are applicable. Think of the day that you purchase shares in a Select fund as day zero; you can sell those shares on day 31 without causing a roundtrip transaction. To determine how long shares have been held for short-term trading fee purposes, however, Fidelity counts the day that shares are purchased as day one and considers the shares as long-term on day 30. So the holding period to avoid short-term trading fees is 29 days, while the holding period for avoiding roundtrip transactions is 31 days.

Twelve 29-day holding periods fit easily in a year with a few days to spare. Twelve 31-day holding periods obviously don't fit into a year, so Fidelity Select Fundranker no longer can preset its exchange dates.

Starting with exchanges in October, Fidelity Select Fundranker will set the exchange date for a month after determining which funds in the Top Eight Model Portfolio are to be exchanged. If all the funds to be sold in a particular month have been held longer than one month, the exchange date will be the first business day on or after the second day of the month. If any of the funds that are to be sold have been held only one month, the exchange date will be the first business day on or after 31 days after the previous exchange date.

Holding Period Alert

If you made any exchanges or additional purchases in your funds after August 7, and any of those funds are being exchanged this month, then to avoid short-term trading fees, you should count

the date you purchased them as day one, and wait until on or after day 30 to exchange them. Note that Fidelity's new frequent exchanges policy does not take effect until October 1, so this month's exchanges are not affected by it.

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 will also receive an email a few days in advance of each issue to alert you to the upcoming issue and exchange date. Although there is a *Fidelity Select Fundranker* website, www.fundranker.com, with much historical information about the *Fidelity Select Fundranker* system, subscribing to the newsletter is the only way to get timely notice of the monthly exchanges. To subscribe, send a check for \$99 to Fidelity Select Fundranker, 39 Southchase Dr, Fletcher, NC 28732-9265. Please include your name, snail mail address, 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 frequently asked questions 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. 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 September, 2006

1. Gold (FSAGX)
2. Software & Computer Services (FSCSX)
3. Utilities Growth (FSUTX)
4. Telecommunications (FSTCX)
5. Food & Agriculture (FDFAX)
6. Pharmaceuticals (FPHAX)
7. Industrial Materials (FSDPX)
8. Financial Services (FIDSX)

Exchanges for September 5, 2006

Sell Nat Resources (FNARX), buy Software & Comp Svcs (FSCSX)
Sell Energy (FSENX), buy Telecommunications (FSTCX)
Sell Natural Gas (FSNGX), buy Industrial Materials (FSDPX)
Sell Banking (FSRBX), buy Financial Services (FIDSX)

Upcoming Exchange Date

If all funds to be sold have been held longer than one month, the exchange date will be October 2.

If any of the funds to be sold have been held only one month, the exchange date will be October 6.

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 \$99/year. *Fidelity Select Fundranker* is not affiliated with *Fidelity Investments*. All facts and figures are obtained from reliable sources but are subject to revision. Before buying a fund, please read its prospectus. Past results are not an assurance of future performance. For more information, go to www.fundranker.com. © 2006 Fidelity Select Fundranker

| <i>Fundranker Ratings for 8/31/06</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) | 18.90* | (1.33) | (4.42) | (2.64) | 3.628 | 20 |
| Automotive (FSAVX) | (5.40) | (1.19) | (3.28) | 2.04 | (1.958) | 39 |
| Banking (FSRBX) | 10.52 | 3.65* | 2.78* | 0.30 | 6.313 | 10 |
| Biotechnology (FBIOX) | 0.70 | (11.26) | (0.03) | 0.77 | (2.455) | 40 |
| Brokerage & Investment Mgmt (FSLBX) | 23.11* | (4.21) | 0.89 | 1.14 | 6.233 | 12 |
| Business Services & Outsourcing (FBSOX) | 11.22 | (1.86) | (1.62) | 3.59* | 3.833 | 19 |
| Chemicals (FSCHX) | 6.97 | (0.64) | (3.71) | 2.26 | 1.220 | 30 |
| Computers (FDCPX) | (0.67) | (5.83) | (0.08) | 9.41* | 1.708 | 28 |
| Construction & Housing (FSHOX) | (7.68) | (10.72) | (5.30) | 2.68 | (5.255) | 41 |
| Consumer Industries (FSCPX) | 7.06 | 1.00 | 1.72 | 3.04 | 3.205 | 21 |
| Cyclical Industries (FCYIX) | 11.61 | (1.52) | (4.46) | 1.51 | 1.785 | 26 |
| Defense & Aerospace (FSDAX) | 9.31 | (1.09) | (1.23) | (0.87) | 1.530 | 29 |
| Developing Communications (FSDCX) | 3.81 | (9.55) | (4.58) | 8.29* | 0.493 | 33 |
| Electronics (FSELX) | 0.95 | (8.97) | (1.92) | 7.26* | 0.330 | 34 |
| Energy (FSENX) | 14.35* | 5.42* | (2.40) | (4.36) | 5.253 | 13 |
| Energy Service (FSESX) | 13.14 | 1.88* | (8.88) | (6.65) | 0.873 | 31 |
| Environmental (FSLEX) | 4.87 | (5.54) | (6.61) | 0.00 | (1.820) | 38 |
| Financial Services (FIDSX) | 14.89* | 1.25 | 2.65* | 2.14 | 7.233 | 8 |
| Food & Agriculture (FDFAX) | 16.03* | 9.82* | 7.21* | 3.00 | 12.015 | 5 |
| Gold (FSAGX) | 67.42* | 10.56* | 1.71 | 3.80* | 23.873 | 1 |
| Health Care (FSPHX) | 5.82 | 0.06 | 6.06* | 2.98 | 4.730 | 16 |
| Home Finance (FSVLX) | 6.87 | 1.13 | (0.54) | 0.88 | 2.085 | 23 |
| Industrial Equipment (FSCGX) | 12.11 | (1.34) | (4.35) | 1.89 | 2.078 | 24 |
| Industrial Materials (FSDPX) | 23.47* | 3.53* | (5.15) | 0.47 | 7.580 | 7 |
| Insurance (FSPCX) | 9.95 | 0.57 | 3.05* | 3.25 | 5.205 | 14 |
| Leisure (FDLSX) | 8.37 | (1.71) | (3.63) | 3.59* | 2.655 | 22 |
| Medical Delivery (FSHCX) | 2.50 | (4.98) | 5.90* | 5.11* | 4.133 | 18 |
| Medical Equipment & Systems (FSMEX) | 1.28 | (0.02) | 6.35* | 4.42* | 5.008 | 15 |
| Multimedia (FBMPX) | 5.82 | (0.19) | (0.85) | 2.10 | 1.720 | 27 |
| Natural Gas (FSNGX) | 9.29 | 5.41* | 1.35 | (3.42) | 4.158 | 17 |
| Natural Resources (FNARX) | 19.14* | 5.25* | (3.28) | (3.87) | 6.310 | 11 |
| Networking & Infrastructure (FNINX) | 2.26 | (12.40) | (6.61) | 10.78* | (0.493) | 35 |
| Paper & Forest Products (FSPFX) | 11.63 | 0.50 | 2.16* | 4.49* | 6.695 | 9 |
| Pharmaceuticals (FPHAX) | 15.94* | 5.47* | 5.13* | 2.40 | 10.235 | 6 |
| Retailing (FSRPX) | 4.44 | (1.64) | (1.91) | 2.54 | 0.858 | 32 |
| Software & Computer Services (FSCSX) | 15.14* | 7.43* | 8.22* | 5.38* | 13.043 | 2 |
| Technology (FSPTX) | 1.74 | (4.88) | 0.34 | 7.06* | 2.065 | 25 |
| Telecommunications (FSTCX) | 18.07* | 4.69* | 6.10* | 5.28* | 12.535 | 4 |
| Transportation (FSRFX) | 11.83 | (6.89) | (8.78) | (2.16) | (1.500) | 37 |
| Utilities Growth (FSUTX) | 17.10* | 9.23* | 9.96* | 2.01 | 12.575 | 3 |
| Wireless (FWRLX) | 1.72 | (5.91) | (1.24) | 1.59 | (0.960) | 36 |

*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

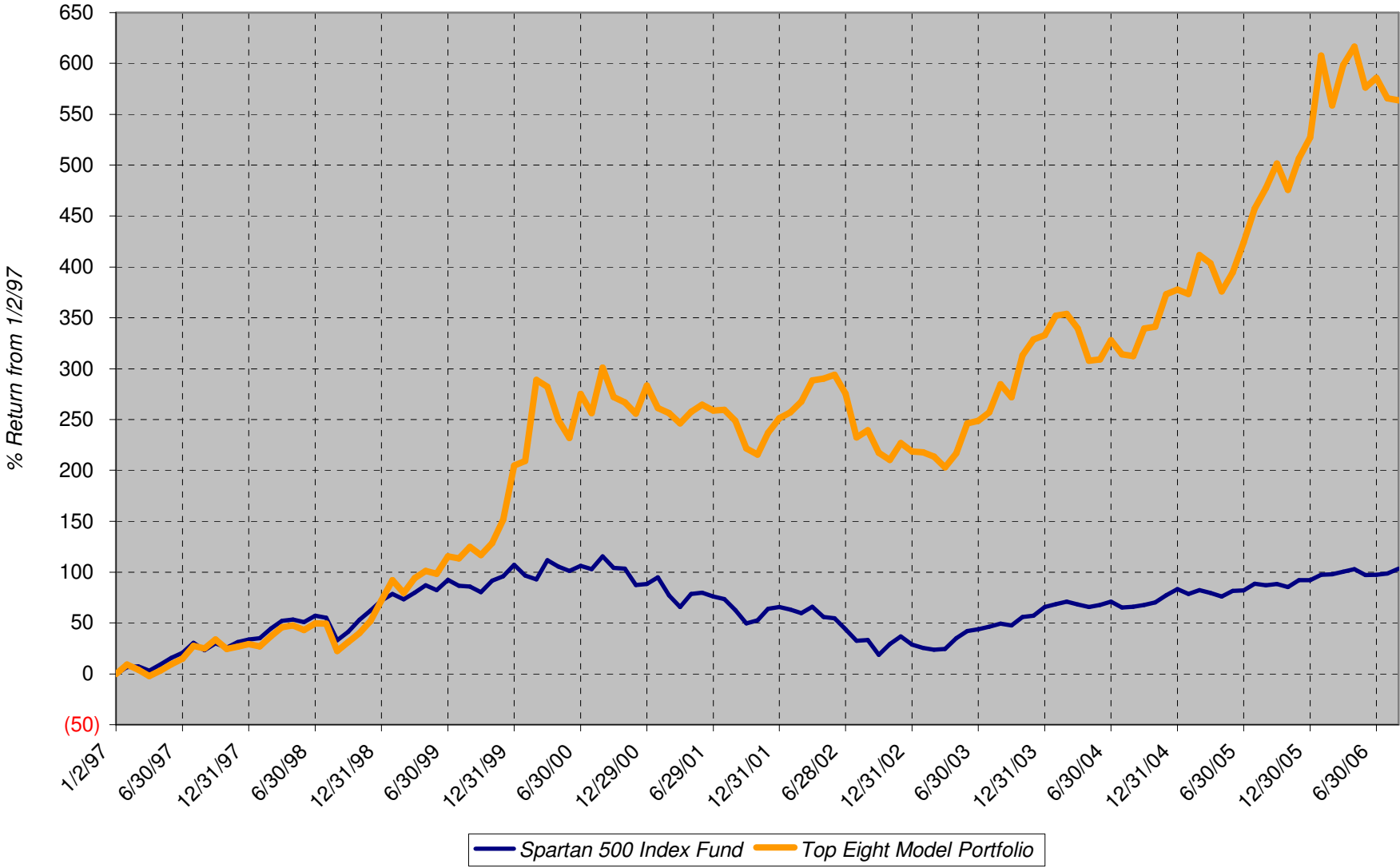
Sell on September 5, 2006

Buy on September 5, 2006

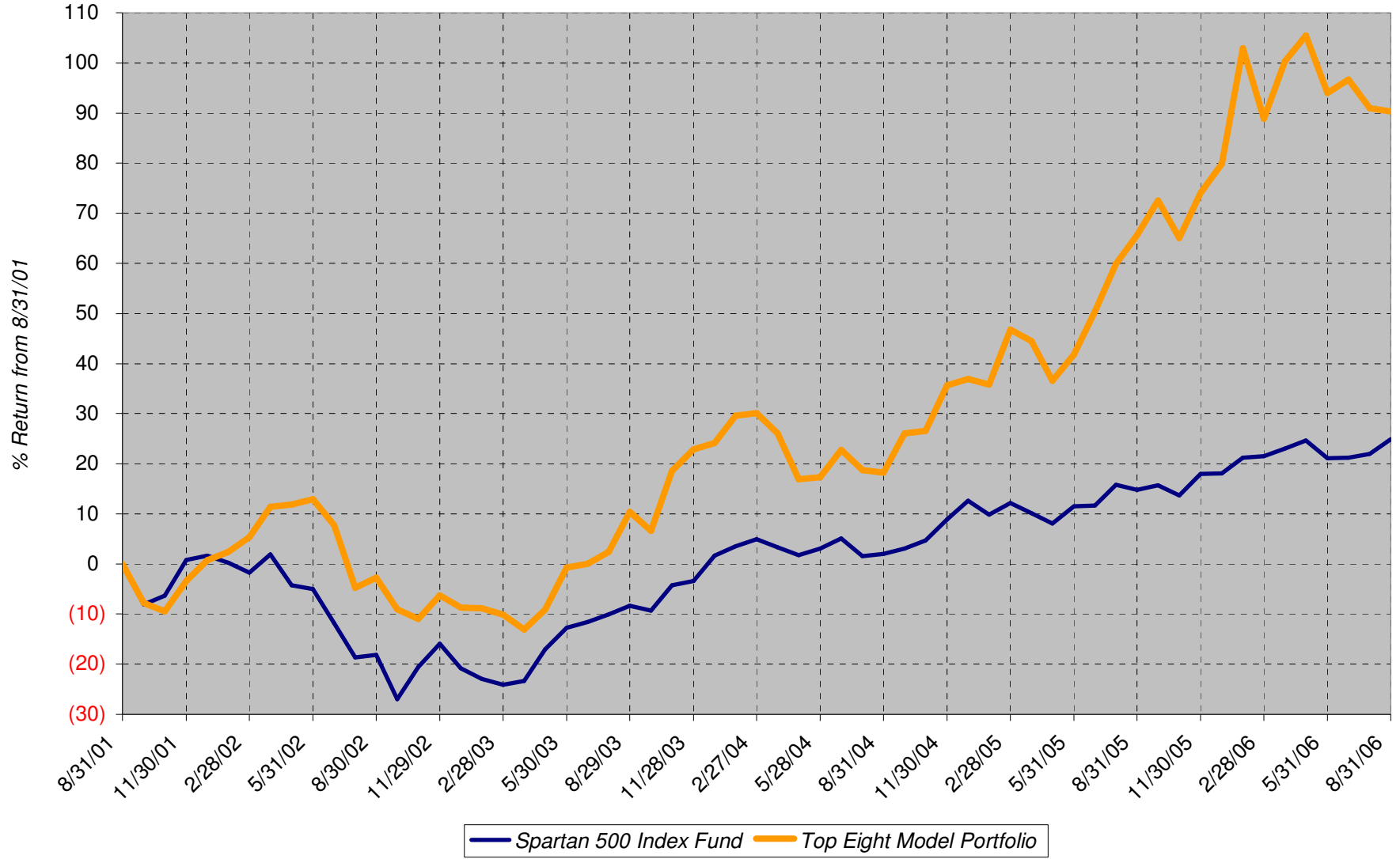
Hold

| Fundranker Performance for August 2006 | | | | | | | | | | | | | |
|--|-----------|-------------------|----------|---------|----------------------------|--------|-------------|-------------------|-------------|----------------------------|-------------------|----------------|-------------|
| 7/31 | 7/31 | 7/31 | <=8/2 | 8/2 | 8/2 | 8/2 | 8/2 | 8/2 | 8/2 | >8/2 | 8/31 | 8/31 | Aug |
| Funds | Shares | Amount | Div Shrs | Shares | Amount | Funds | Shares | Amount | Div Shrs | Shares | Amount | Return | |
| FSAGX | 588.164 | 20,268.13 | none | 588.164 | 20,821.01 | FSAGX | 567.346 | 20,084.05 | none | 567.346 | 20,293.97 | | |
| FNARX | 734.222 | 20,301.24 | none | 734.222 | 20,462.77 | FSUTX | 399.047 | 20,084.05 | none | 399.047 | 20,215.72 | | |
| FSENX | 397.902 | 20,627.24 | none | 397.902 | 20,774.46 | FDFAX | 364.436 | 20,084.05 | none | 364.436 | 20,656.23 | | |
| FSAIX | 451.426 | 19,465.49 | none | 451.426 | 19,158.52 | FPHAX1 | 1,925.604 | 20,084.05 | none | 1,925.604 | 20,507.68 | | |
| FSRFX | 395.639 | 18,535.69 | none | 395.639 | 18,337.87 | FNARX | 720.633 | 20,084.05 | none | 720.633 | 19,154.43 | | |
| FSESX | 277.764 | 20,185.11 | none | 277.764 | 20,298.99 | FSENX | 384.678 | 20,084.05 | none | 384.678 | 19,072.34 | | |
| FSDPX | 424.439 | 19,676.99 | none | 424.439 | 19,914.68 | FSNGX | 483.254 | 20,084.05 | none | 483.254 | 19,243.17 | | |
| FSNGX | 502.986 | 20,738.11 | none | 502.986 | 20,904.10 | FSRBX | 539.459 | 20,084.05 | none | 539.459 | 20,116.43 | | |
| Top Eight | | 159,798.00 | | | 160,672.40 | | | 160,672.40 | | | 159,259.97 | (0.337) | |
| FNCMX1 | 1,476.297 | 41,720.15 | none | | | | | | none | 1,476.297 | 43,609.81 | 4.529 | |
| FSMKX | 538.900 | 47,654.93 | none | | | | | | none | 538.900 | 48,786.62 | 2.375 | |
| 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 | | |
| | | | | | 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 | | |
| Lifetime Summary | | | | | 1/2/97 to 8/31/06 | | | | | 1/2/97 to 8/31/06 | | | |
| | | | | | Total Return % | | | | | Average Annual Return % | | | |
| <i>Top Eight Model Portfolio</i> | | | | | 563.583 | | | | | 21.625 | | | |
| Nasdaq Composite Index Fund | | | | | N/A | | | | | N/A | | | |
| Spartan 500 Index Fund | | | | | 103.278 | | | | | 7.615 | | | |
| 5-Year Summary | | | | | 8/31/01 to 8/31/06 | | | | | 8/31/01 to 8/31/06 | | | |
| | | | | | Total Return % | | | | | Average Annual Return % | | | |
| <i>Top Eight Model Portfolio</i> | | | | | 90.323 | | | | | 13.736 | | | |
| Nasdaq Composite Index Fund | | | | | N/A | | | | | N/A | | | |
| Spartan 500 Index Fund | | | | | 24.863 | | | | | 4.541 | | | |
| 3-Year Summary | | | | | 8/29/03 to 8/31/06 | | | | | 8/29/03 to 8/31/06 | | | |
| | | | | | Total Return % | | | | | Average Annual Return % | | | |
| <i>Top Eight Model Portfolio</i> | | | | | 72.437 | | | | | 19.916 | | | |
| Nasdaq Composite Index Fund | | | | | N/A | | | | | N/A | | | |
| Spartan 500 Index Fund | | | | | 36.213 | | | | | 10.851 | | | |
| 2-Year Summary | | | | | 8/31/04 to 8/31/06 | | | | | 8/31/04 to 8/31/06 | | | |
| | | | | | Total Return % | | | | | Average Annual Return % | | | |
| <i>Top Eight Model Portfolio</i> | | | | | 60.938 | | | | | 26.861 | | | |
| Nasdaq Composite Index Fund | | | | | 19.691 | | | | | 9.403 | | | |
| Spartan 500 Index Fund | | | | | 22.411 | | | | | 10.640 | | | |
| 1-Year Summary | | | | | 8/31/05 to 8/31/06 | | | | | 8/31/05 to 8/31/06 | | | |
| | | | | | Total Return % | | | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | | 14.916 | | | | | | | | |
| Nasdaq Composite Index Fund | | | | | 2.035 | | | | | | | | |
| Spartan 500 Index Fund | | | | | 8.811 | | | | | | | | |
| YTD Summary | | | | | 12/30/05 to 8/31/06 | | | | | 12/30/05 to 8/31/06 | | | |
| | | | | | Total Return % | | | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | | 5.808 | | | | | | | | |
| Nasdaq Composite Index Fund | | | | | (0.678) | | | | | | | | |
| Spartan 500 Index Fund | | | | | 5.763 | | | | | | | | |

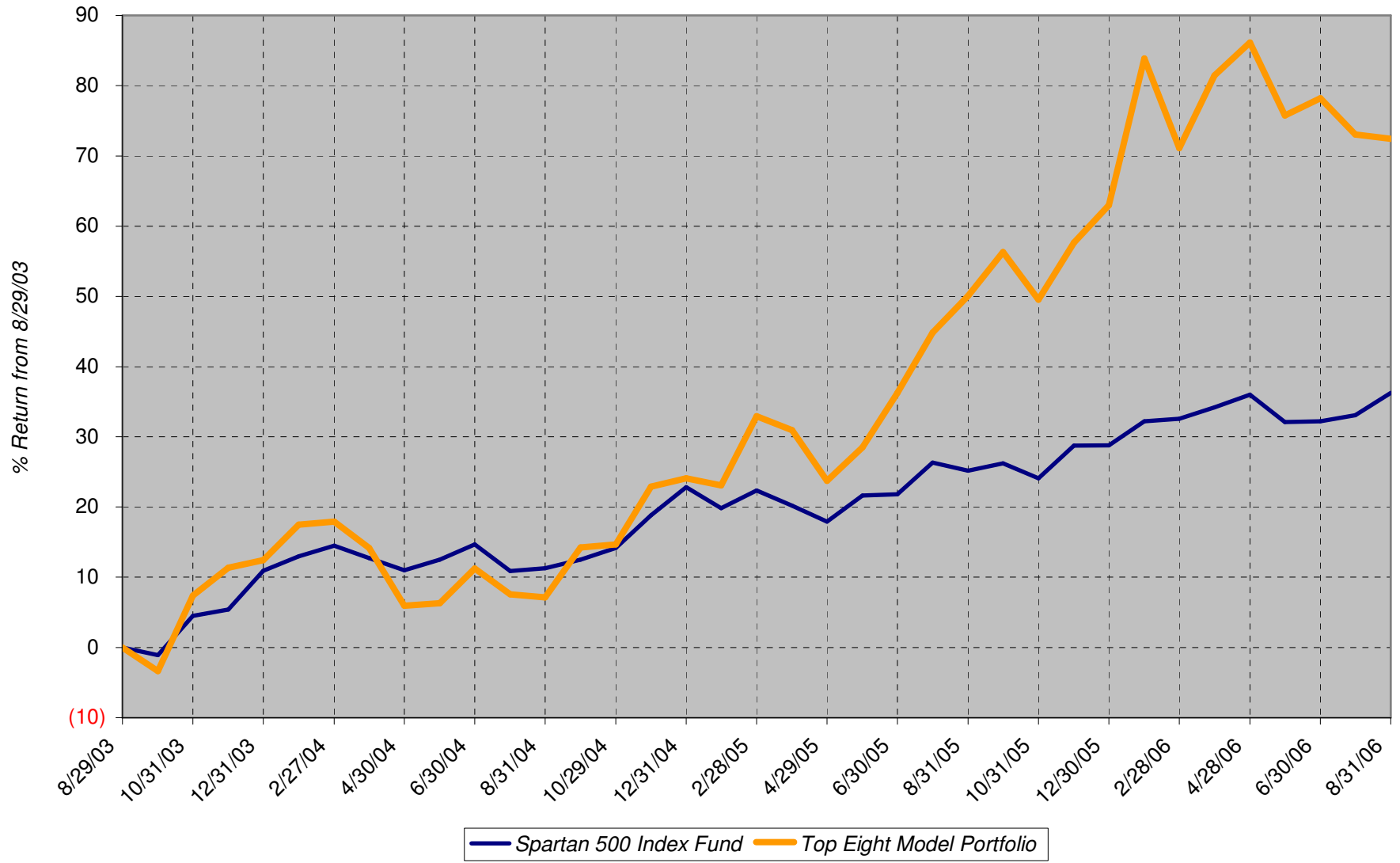
Lifetime Chart



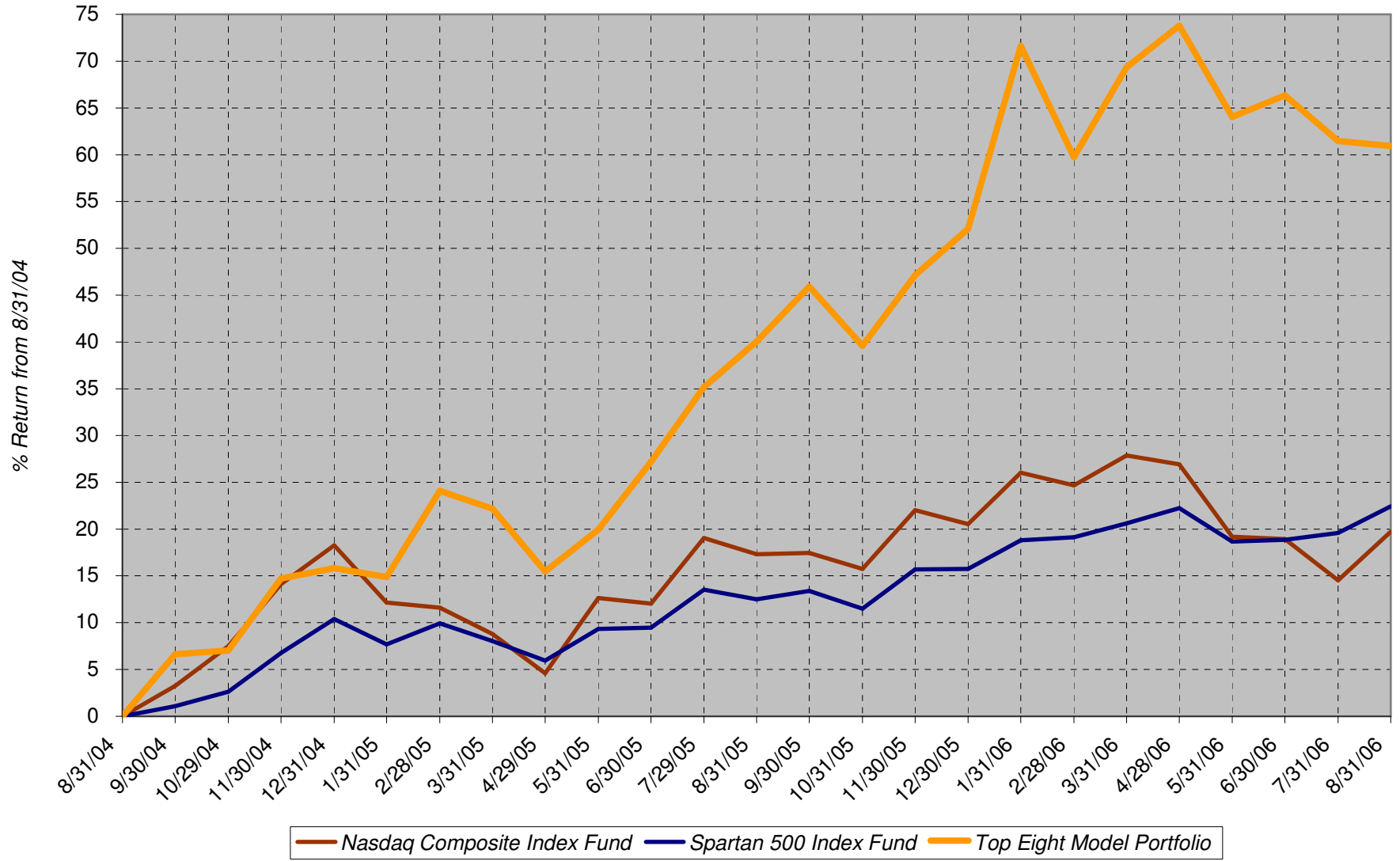
5-Year Chart



3-Year Chart



2-Year Chart



1-Year Chart

