

# FIDELITY SELECT FUNDRANKER™

Volume 2 Issue 8

The Right Funds at the Right Time

August 2007

## July Performance

Energy Service again led the Top Eight Model Portfolio funds with a one-month return of 4.9%. Wireless and Technology followed with gains of less than 1%. Energy and Natural Resources each lost a fraction of a percent, while Chemicals lost 1%. Telecommunications and Automotive lost 2.3%, and 6%, respectively, which caused them to fall out of the Top Eight Model Portfolio.

The Top Eight Model Portfolio, Nasdaq Composite tracking portfolio, and S&P 500 tracking portfolio 2007 YTD returns are 10.103%, 5.742%, and 3.615%, respectively.

## Performance of Funds Sold in July

Three funds fell out of the Top Eight Model Portfolio for July: IT Services (FBSOX), Natural Gas (FSNGX), and Utilities Growth (FSUTX). Here are the returns they contributed to the Top Eight Model Portfolio:

Fund	Bought	Sold	Return
IT Services (FBSOX)	6/4/2007	7/5/2007	0.80%
Natural Gas (FSNGX)	4/12/2007	7/5/2007	8.16%
Utilities Growth (FSUTX)	3/12/2007	7/5/2007	6.48%

## What Happened to the Stock Market this Month?

The stock market dropped sharply, to put it mildly, on several days during the latter part of July. Despite some good news on earnings and inflation, concerns about housing, surging oil prices, and sub prime lending overwhelmed the overall market.

The Top Eight Model Portfolio, the Nasdaq Composite tracking portfolio, and the S&P 500 tracking portfolio all topped out for the month on July 19, but it was pretty much down hill after that:

Portfolio	Return as of 7/19/07	Return as of 7/31/07
Top Eight Model Portfolio	5.429	(0.558)
Nasdaq tracking portfolio	4.483	(2.227)
S&P 500 tracking portfolio	3.378	(3.090)

As you can see, the Top Eight Model Portfolio gained considerably more during the first part of the month, and it lost a little less during the later part of the month, which gave it a much better end-of-month bottom line than the Nasdaq Composite and S&P 500.

This is a good time to remind you that staying disciplined to the Fundranker system, that is, staying invested in the funds of the Top Eight Model Portfolio, is the best way to position yourself for future profits. Selling now and trying to time the market to buy back in exposes you to missing price advances in the funds in the Top Eight Model Portfolio. Also, the Top Eight Model Portfolio funds don't always follow the overall market, so even if you could time the market accurately, it still is likely to get you in trouble.

## Holding Period Alert

If you purchased shares after July 6 of any funds which are being exchanged on August 6, then to avoid a *roundtrip* transaction under Fidelity's frequent trading policy for Select funds, you should wait at least 31 days before exchanging the funds. Count the day you purchased shares as day 0. You can exchange the funds on the first business day on or after day 31.

If that date is after August 10, to get back closer in synch with Fundranker exchange dates, consider holding the funds through August and making appropriate exchanges on September 3 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 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. Allocate it to balance those funds as much as possible. In either case, when you make exchanges the following month, be careful to wait 31 days to avoid *roundtrip* transactions, described above in *Holding Period Alert*.

## 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. If an exchange date is more than a few days after the newsletter is emailed, you also will receive an exchange reminder email. *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, send a check for \$99 to Fidelity Select Fundranker, 39 Southchase Dr, Fletcher, NC 28732-9265. Include your name, mailing 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](http://www.fundranker.com).

## Top Eight Model Portfolio for August, 2007

1. Energy Service (FSESX) — 5<sup>th</sup> month
2. Wireless (FWRLX) — 3<sup>rd</sup> month
3. Technology (FSPTX) — 2<sup>nd</sup> month
4. Computers (FDCPX) — 1<sup>st</sup> month
5. Natural Resources (FNARX) — 5<sup>th</sup> month
6. Chemicals (FSCHX) — 2<sup>nd</sup> month
7. Energy (FSENX) — 5<sup>th</sup> month
8. Industrial Equipment (FSCGX) — 1<sup>st</sup> month

## Portfolio Exchanges for August 6, 2007

Sell Automotive (FSAVX), buy Computers (FDCPX)  
Sell Telecommunications (FSTCX), buy Industrial Eqpt (FSCGX)

## Upcoming Portfolio Exchange Date

If all funds to be sold have been held longer than one month, the next exchange date will be Tuesday, September 4.

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

## Invest New Money Date for August

Invest new money on August 2.

## Optional Rebalancing Exchange Dates

August 2, October 2, and November 2, 2007

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<i>Fundranker Ratings for 7/31/07</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)	21.83	1.96	4.81	1.31*	8.478	19
Automotive (FSAVX)	30.21*	6.98	2.59	(6.04)	9.435	17
Banking (FSRBX)	(4.07)	(9.59)	(8.76)	(7.60)	(7.505)	40
Biotechnology (FBIOX)	6.64	(3.40)	(5.25)	(1.02)	(0.758)	35
Brokerage & Investment Mgmt (FSLBX)	11.84	(6.93)	(8.80)	(6.84)	(2.683)	38
Chemicals (FSCHX)	34.17*	11.59*	7.03*	(1.01)	15.945	6
Communications Equipment (FSDCX)	27.18	13.96*	5.79*	(0.60)	13.583	10
Computers (FDCPX)	37.31*	8.99	9.45*	1.39*	17.285	4
Construction & Housing (FSHOX)	13.96	(7.87)	(4.81)	(6.06)	(1.195)	36
Consumer Discretionary (FSCPX)	12.26	(4.36)	(5.10)	(5.57)	(0.693)	34
Consumer Staples (FDFAX)	17.67	4.55	(1.01)	(0.49)	5.180	24
Defense & Aerospace (FSDAX)	26.36	9.07	5.41*	1.33*	12.543	14
Electronics (FSELX)	24.17	10.51	3.00	(0.83)	9.213	18
Energy (FSENX)	20.51	22.07*	8.11*	(0.34)	14.588	7
Energy Service (FSESX)	31.66*	39.57*	18.37*	4.88*	27.620	1
Environmental (FSLEX)	7.75	0.86	(1.45)	(2.65)	1.128	31
Financial Services (FIDSX)	4.86	(7.62)	(9.18)	(7.45)	(4.848)	39
Gold (FSAGX)	12.22	4.27	3.46	5.59*	7.385	21
Health Care (FSPHX)	10.44	1.95	(3.00)	(2.66)	1.683	30
Home Finance (FSVLX)	(7.51)	(15.95)	(13.73)	(12.26)	(12.363)	41
Industrial Equipment (FSCGX)	27.46*	12.18*	6.43*	(0.31)	14.440	8
Industrials (FCYIX)	25.35	10.95*	6.21*	(0.04)	12.618	13
Insurance (FSPCX)	9.45	(1.83)	(6.02)	(7.40)	(1.450)	37
IT Services (FBSOX)	29.67*	12.27*	5.38	(2.59)	13.183	12
Leisure (FDLSX)	20.61	(1.80)	(1.65)	(3.93)	3.308	26
Materials (FSDPX)	30.17*	12.41*	4.53	(1.43)	13.420	11
Medical Delivery (FSHCX)	13.73	2.53	(3.40)	(4.10)	2.190	29
Medical Equipment & Systems (FSMEX)	16.48	4.10	1.42	0.62*	6.655	22
Multimedia (FBMPX)	17.98	(3.12)	(1.22)	(4.67)	2.243	28
Natural Gas (FSNGX)	15.33	14.85*	1.59	(3.98)	7.948	20
Natural Resources (FNARX)	27.43	22.97*	8.31*	(0.35)	16.590	5
Networking & Infrastructure (FNINX)	27.94*	4.82	3.57	(1.14)	9.798	16
Paper & Forest Products (FSPFX)	20.83	2.09	(2.69)	(6.42)	3.453	25
Pharmaceuticals (FPHAX)	9.57	2.56	(5.11)	(4.79)	0.558	32
Retailing (FSRPX)	15.59	(3.72)	(7.06)	(6.46)	(0.413)	33
Software & Computer Services (FSCSX)	29.51*	5.32	3.08	0.89*	11.700	15
Technology (FSPTX)	33.94*	12.26*	8.03*	0.60*	17.708	3
Telecommunications (FSTCX)	36.00*	9.11	6.30*	(2.30)	14.278	9
Transportation (FSRFX)	17.57	3.87	1.09	(0.47)	5.515	23
Utilities Growth (FSUTX)	18.47	5.00	(8.13)	(4.94)	2.600	27
Wireless (FWRLX)	36.78*	19.14*	14.53*	0.70*	21.788	2

\*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

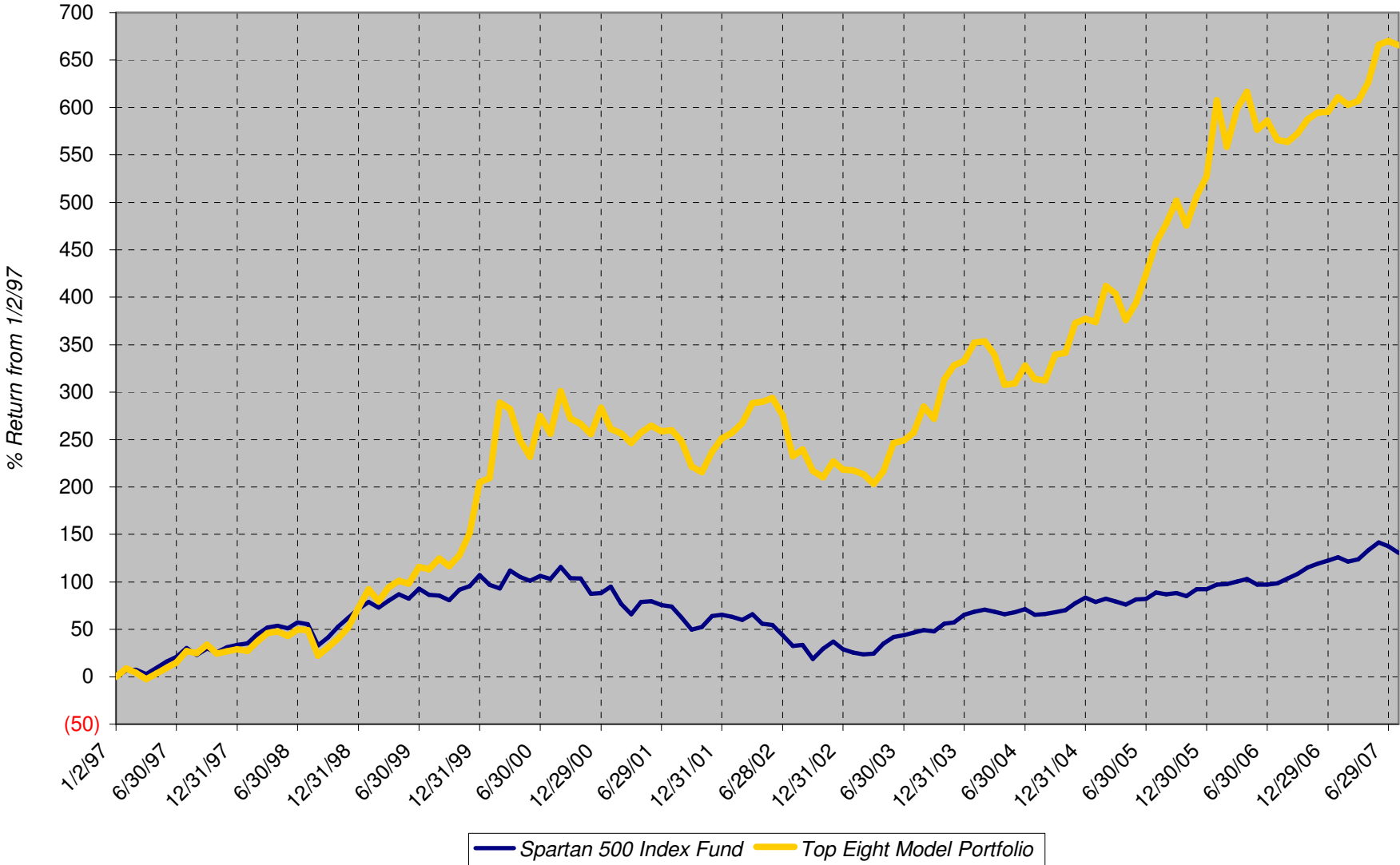
Sell on August 6, 2007

Buy on August 6, 2007

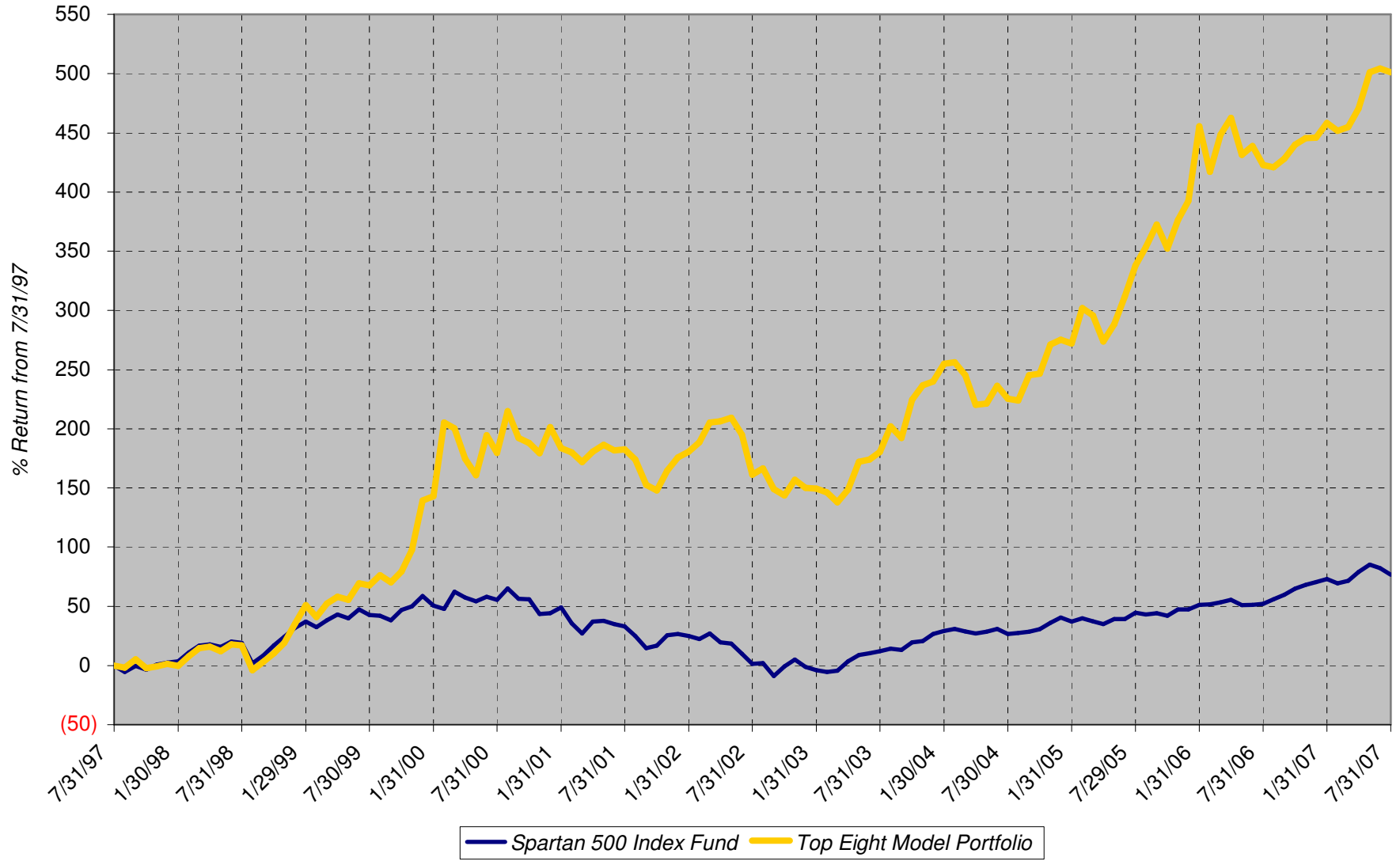
Hold

Fundranker Performance for July 2007													
6/29 Funds	6/29 Shares	6/29 Amount	<=7/5 Div Shrs	7/5 Shares	7/5 Amount	7/5 Funds	7/5 Shares	7/5 Amount	>7/5 Div Shrs	7/31 Shares	7/31 Amount	7/31 Amount	Jul Return
FSTCX	405.297	23,223.52	none	405.297	23,835.52	FWRLX2	2,671.628	23,617.19	none	2,671.628	22,949.28		
FNARX	670.523	22,965.41	none	670.523	23,521.95	FSEX	267.465	23,617.19	none	267.465	24,098.60		
FWRLX2	796.259	23,852.09	none	2,796.259	24,718.93	FSAVX	510.532	23,617.19	none	510.532	22,075.40		
FSNGX	495.134	22,370.15	none	495.134	22,840.53	FNARX	673.238	23,617.19	none	673.238	22,977.61		
FSUTX	364.786	22,288.42	none	364.786	22,707.93	FSTCX	401.585	23,617.19	none	401.585	22,480.73		
FSEX	276.018	23,712.71	none	276.018	24,372.39	FSCHX	298.046	23,617.19	none	298.046	22,991.27		
FSENX	388.098	22,890.02	none	388.098	23,433.36	FSENX	391.143	23,617.19	none	391.143	22,991.39		
FBSOX1	241.128	23,457.32	none	1,241.128	23,506.96	FSPTX	298.423	23,617.19	none	298.423	23,163.59		
<b>Top Eight</b>		<b>184,759.64</b>			<b>188,937.57</b>			<b>188,937.50</b>			<b>183,727.87</b>		<b>(0.558)</b>
FNCMX1	492.008	52,250.12	none						none	1,492.008	51,086.35		<b>(2.227)</b>
FSMKX	547.687	57,068.99	none						none	547.687	55,305.43		<b>(3.090)</b>
<b>Yearly Summaries</b>					<b>1997</b>		<b>1998</b>		<b>1999</b>		<b>2000</b>		<b>2001</b>
					Return %		Return %		Return %		Return %		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>
<b>Yearly Summaries</b>					<b>2002</b>		<b>2003</b>		<b>2004</b>		<b>2005</b>		<b>2006</b>
					Return %		Return %		Return %		Return %		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
<b>Lifetime Summary</b>					<b>1/2/97 to 7/31/07</b>		<b>1/2/97 to 7/31/07</b>						
					Total Return %		Average Annual Return %						
<i>Top Eight Model Portfolio</i>					665.533		21.206						
Nasdaq Composite Index Fund					N/A		N/A						
Spartan 500 Index Fund					130.439		8.207						
<b>10-Year Summary</b>					<b>7/31/97 to 7/31/07</b>		<b>7/31/97 to 7/31/07</b>						
					Total Return %		Average Annual Return %						
<i>Top Eight Model Portfolio</i>					501.151		19.646						
Nasdaq Composite Index Fund					N/A		N/A						
Spartan 500 Index Fund					76.514		5.847						
<b>5-Year Summary</b>					<b>7/31/02 to 7/31/07</b>		<b>7/31/02 to 7/31/07</b>						
					Total Return %		Average Annual Return %						
<i>Top Eight Model Portfolio</i>					130.422		18.169						
Nasdaq Composite Index Fund					N/A		N/A						
Spartan 500 Index Fund					73.937		11.706						
<b>3-Year Summary</b>					<b>7/30/04 to 7/31/07</b>		<b>7/30/04 to 7/31/07</b>						
					Total Return %		Average Annual Return %						
<i>Top Eight Model Portfolio</i>					84.935		22.746						
Nasdaq Composite Index Fund					36.637		10.966						
Spartan 500 Index Fund					39.314		11.686						
<b>1-Year Summary</b>					<b>7/31/06 to 7/31/07</b>		<b>7/31/06 to 7/31/07</b>						
					Total Return %		Average Annual Return %						
<i>Top Eight Model Portfolio</i>					14.975								
Nasdaq Composite Index Fund					22.450								
Spartan 500 Index Fund					16.054								
<b>YTD Summary</b>					<b>12/29/06 to 7/31/07</b>		<b>12/29/06 to 7/31/07</b>						
					Total Return %		Average Annual Return %						
<i>Top Eight Model Portfolio</i>					10.103								
Nasdaq Composite Index Fund					5.742								
Spartan 500 Index Fund					3.615								

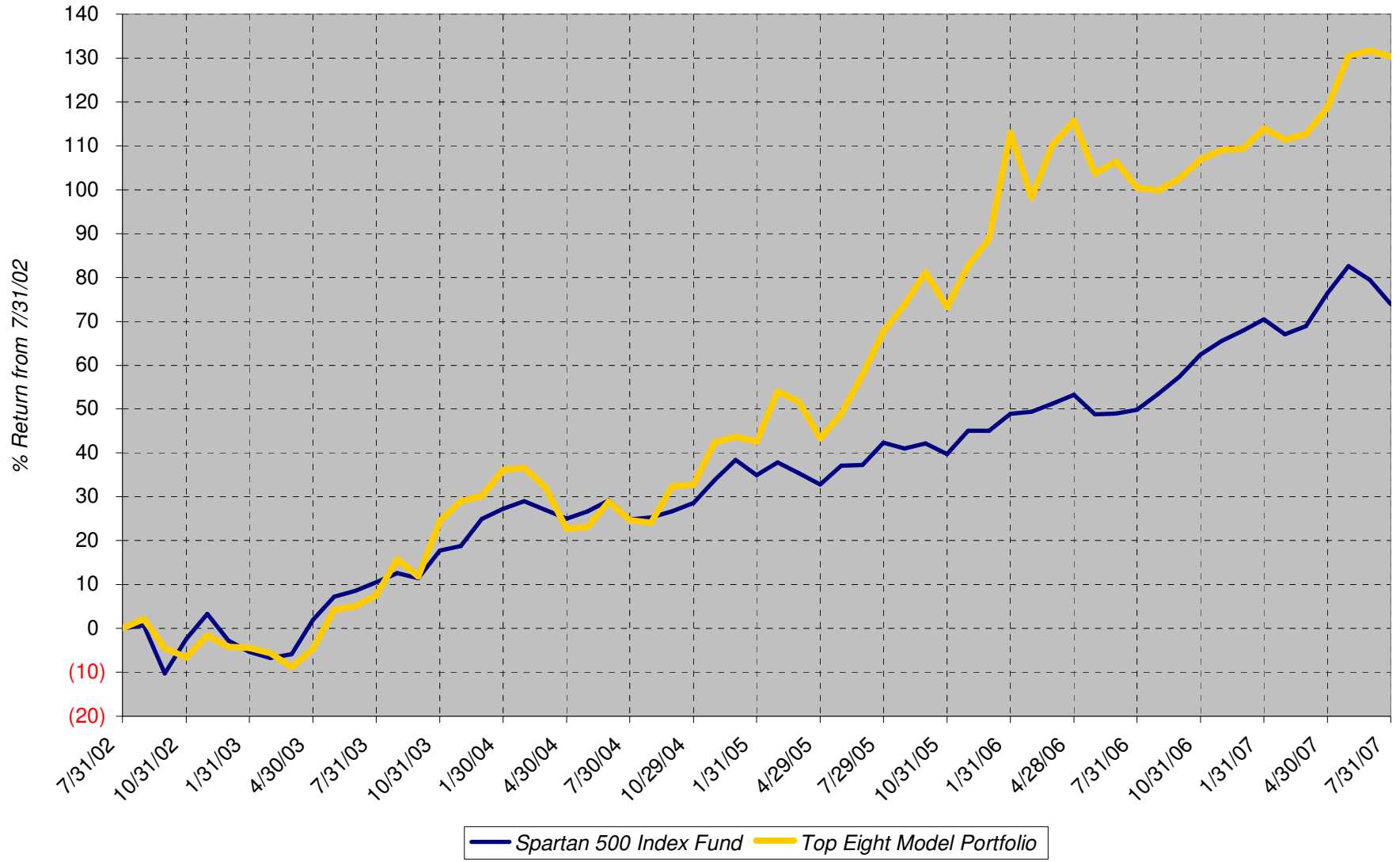
### Lifetime Chart



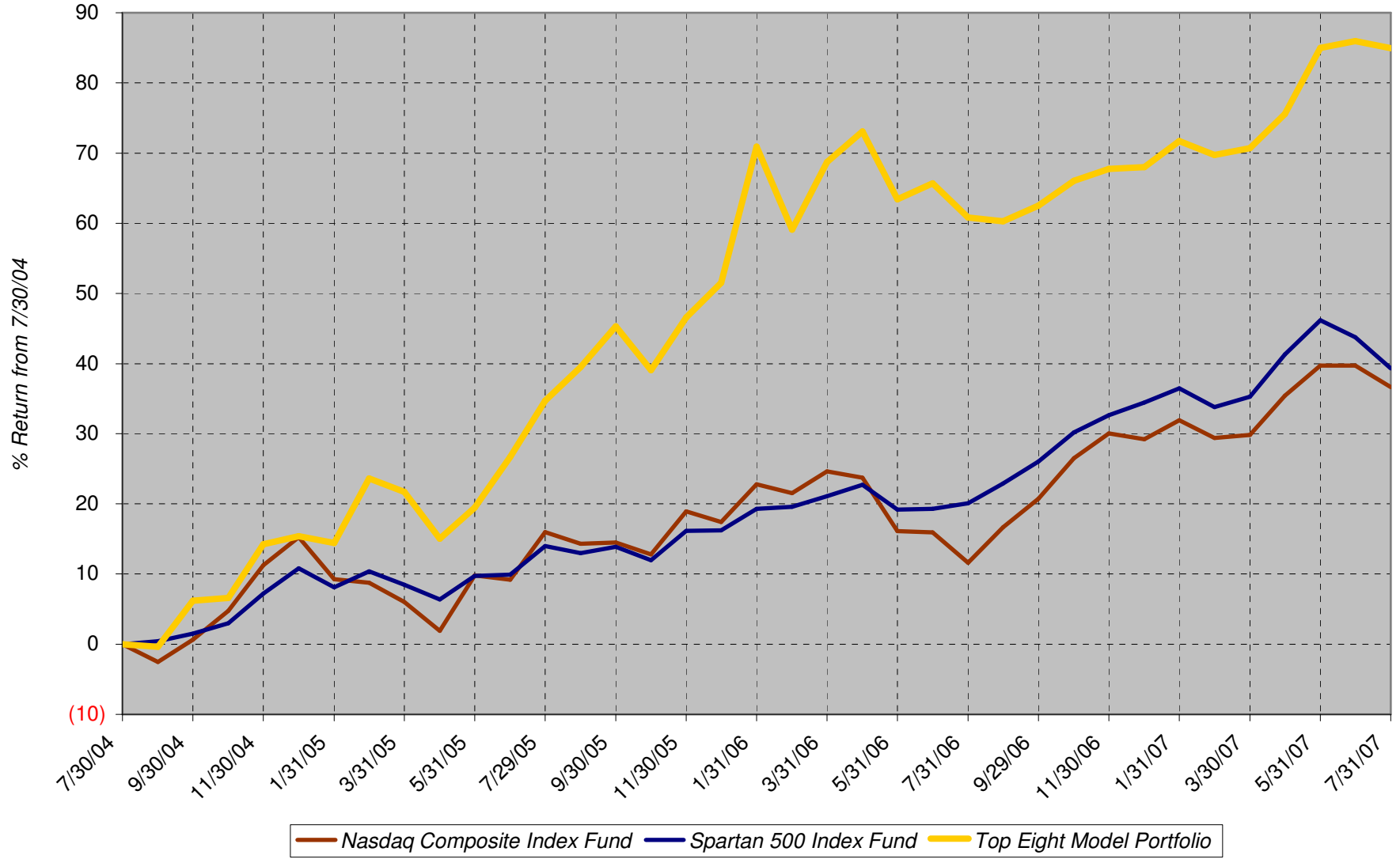
### 10-Year Chart



### 5-Year Chart



3-Year Chart



### 1-Year Chart

