

FIDELITY SELECT FUNDRANKER™

Volume 3 Issue 9

The Right Funds at the Right Time

September 2008

August Performance

IT Services and Medical Equipment & Systems led the way for the *Top Eight Model Portfolio* in August with one-month gains of 3.9% and 3.8%, respectively. Environmental followed with a gain of 0.8%. Natural Resources, Chemicals, Biotechnology, Materials, and Energy Service pulled the *Top Eight Model Portfolio* into the red for the month with losses ranging from 2.0% to 3.7%.

Even though the *Top Eight Model Portfolio* has had two negative months in a row, it is still outperforming the Nasdaq Composite and S&P 500 for 2008: *Top Eight Model Portfolio*, Nasdaq Composite tracking portfolio, and S&P 500 tracking portfolio 2008 YTD returns are (6.765)%, (10.282)%, and (11.428)%, respectively.

Final Performance of Funds Sold on August 4

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

| Fund | Bought | Sold | Return |
|---------------------|-----------|----------|----------|
| Energy (FSENX) | 12/3/2007 | 8/4/2008 | (4.89)% |
| Gold (FSAGX) | 6/2/2008 | 8/4/2008 | (12.21)% |
| Natural Gas (FSNGX) | 1/3/2008 | 8/4/2008 | (13.68)% |

Starting Gradually with *Fundranker*

If you feel you must start gradually with the *Fidelity Select Fundranker* system, especially if you are limited by IRA yearly contribution limits, you'll have to start with a subset of the funds in the *Top Eight Model Portfolio*. We have not tested the *Fundranker* system with subsets, so we cannot make any claims about past performance using this methodology.

Since you will be less diversified, choose your subset of the *Top Eight Model Portfolio* funds carefully using your own criteria, so that you are comfortable with it. For example, you could review historical performance of *Top Eight* funds on *Fidelity Investments'* website, www.fidelity.com, to help you decide which of them fit you best as far as how stable or volatile they are, or, when you add another *Top Eight* fund to your portfolio, you might choose a fund from a sector that doesn't overlap with a fund you already own.

1. Buy as many of the *Top Eight Model Portfolio* funds at \$3,000 each (\$600 each for SEP-IRA and Keogh accounts) on a *Fundranker Invest New Money Date* (see box at right). Put any extra in one of the funds, or leave it in Select Money Market to use later when you invest more.

2. With each additional investment or IRA contribution, buy more funds in the *Top Eight Model Portfolio* on a *Fundranker Invest New Money Date*.

3. Each time one of your funds reaches the \$6,000 (\$1,200 for SEP-IRA or Keogh) threshold, exchange \$3,000 (\$600 for SEP-IRA or Keogh) on a *Fundranker Invest New Money Date* into another fund of the *Top Eight Model Portfolio*.

4. As you would if you owned all eight funds in the *Top Eight Model Portfolio*, if any of your funds fall out of the *Top Eight Model Portfolio*, exchange them. If you have held them long enough to avoid roundtrip transactions, exchange them on the *Fundranker Invest New Money Date* for that month or on the *Fundranker* exchange date, otherwise. Exchange them to any of the *Top Eight* funds not already in your portfolio.

Holding Period Alert

If you purchased shares after August 1 of any funds which are being exchanged on September 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 September 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, 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, 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.

Top Eight Model Portfolio for September, 2008

| Fund Name (Symbol) | Purchase | Purchase-to-8/29 |
|-----------------------------------|-----------|------------------|
| 1. Medical Eqpt & Systems (FSMEX) | 8/4/2008 | 3.16% |
| 2. Biotechnology (FBIOX) | 7/2/2008 | 8.51% |
| 3. IT Services (FBSOX) | 8/4/2008 | 4.42% |
| 4. Chemicals (FSCHX) | 12/3/2007 | 2.75% |
| 5. Energy Service (FSESX) | 3/6/2008 | 8.5% |
| 6. Communications Eqpt (FSDCX) | 9/2/2008 | |
| 7. Retailing (FSRPX) | 9/2/2008 | |
| 8. Environmental (FSLEX) | 8/4/2008 | 2.56% |
| Funds to be sold on September 2 | | |
| 14. Natural Resources (FNARX) | 4/12/2007 | 22.06% |
| 19. Materials (FSDPX) | 10/2/2007 | (4.55)% |

Fundranker Exchanges for September 2

Sell Materials (FSDPX), buy Communications Equipment (FSDCX)
Sell Natural Resources (FNARX), buy Retailing (FSRPX)

Upcoming Fundranker Exchange Date

The next exchange date will be October 2.

Fundranker Invest New Money Date

Invest new money on September 2.

Optional Rebalancing Exchange Dates

September 2, October 2, and December 2, 2008 (see the rebalancing FAQ at www.fundranker.com for more information)

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| <i>Fundranker Ratings for 8/29/08</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) | (30.63) | (13.91) | (5.47) | 6.41* | (9.900) | 35 |
| Automotive (FSAVX) | (29.71) | (17.12) | (20.04) | (0.73) | (16.900) | 40 |
| Banking (FSRBX) | (33.68) | (12.92) | (11.09) | 1.80 | (13.973) | 38 |
| Biotechnology (FBIOX) | 8.33* | 14.51* | 9.99* | (3.37) | 10.365 | 2 |
| Brokerage & Investment Mgmt (FSLBX) | (14.02) | (9.70) | (12.88) | 1.14 | (8.865) | 33 |
| Chemicals (FSCHX) | 9.64* | 3.31* | (7.85) | (2.09) | 2.753 | 4 |
| Communications Equipment (FSDCX) | (9.12) | 7.79* | (7.44) | 5.31* | 1.135 | 6 |
| Computers (FDCPX) | (10.71) | 2.16* | (10.08) | 1.93 | (3.175) | 21 |
| Construction & Housing (FSHOX) | (12.65) | 0.57 | (5.80) | 8.19* | (1.423) | 16 |
| Consumer Discretionary (FSCPX) | (16.36) | (1.73) | (4.87) | 6.91* | (3.013) | 20 |
| Consumer Staples (FDFAX) | 1.26* | (2.54) | (5.65) | 1.43 | (0.375) | 12 |
| Defense & Aerospace (FSDAX) | (13.65) | (6.60) | (10.18) | 5.31* | (5.280) | 28 |
| Electronics (FSELX) | (23.72) | 1.21 | (12.00) | 3.58* | (6.733) | 30 |
| Energy (FSENX) | 10.23* | (3.69) | (16.42) | (1.33) | (1.803) | 17 |
| Energy Service (FSESX) | 9.65* | 8.67* | (11.66) | (3.73) | 2.733 | 5 |
| Environmental (FSLEX) | 1.60* | 1.98 | (6.04) | 0.84 | 0.595 | 8 |
| Financial Services (FIDSX) | (32.71) | (16.23) | (13.91) | (0.94) | (15.948) | 39 |
| Gold (FSAGX) | 9.01* | (26.60) | (18.39) | (12.38) | (11.090) | 36 |
| Health Care (FSPHX) | (5.11) | (1.10) | 0.13* | 2.13 | 0.012 | 11 |
| Home Finance (FSVLX) | (51.94) | (28.80) | (25.37) | (1.77) | (26.970) | 41 |
| Industrial Equipment (FSCGX) | (5.64) | (1.84) | (8.64) | 1.10 | (3.755) | 25 |
| Industrials (FCYIX) | (3.36) | 1.47 | (7.00) | 1.47 | (1.855) | 18 |
| Insurance (FSPCX) | (29.91) | (16.43) | (11.37) | 2.57 | (13.785) | 37 |
| IT Services (FBSOX) | 5.24* | 13.54* | (3.12) | 3.90* | 7.890 | 3 |
| Leisure (FDLSX) | (12.50) | (3.27) | (5.71) | 4.15* | (3.333) | 22 |
| Materials (FSDPX) | 4.30* | (2.25) | (12.17) | (3.71) | (2.458) | 19 |
| Medical Delivery (FSHCX) | (14.00) | (8.41) | (3.61) | 3.35 | (5.668) | 29 |
| Medical Equipment & Systems (FSMEX) | 14.57* | 10.48* | 7.22* | 3.82* | 13.023 | 1 |
| Multimedia (FBMPX) | (16.40) | (3.48) | (7.52) | 4.83* | (4.643) | 27 |
| Natural Gas (FSNGX) | 12.48* | (9.61) | (20.11) | (1.61) | (3.713) | 24 |
| Natural Resources (FNARX) | 12.33* | (4.01) | (15.86) | (2.04) | (1.395) | 14 |
| Networking & Infrastructure (FNINX) | (20.15) | 6.60* | (10.26) | 2.94 | (4.218) | 26 |
| Paper & Forest Products (FSPFX) | (13.15) | 0.87 | (5.04) | 2.96 | (3.590) | 23 |
| Pharmaceuticals (FPHAX) | (5.25) | (0.45) | 0.58* | 2.06 | 0.235 | 10 |
| Retailing (FSRPX) | (14.88) | 6.04* | (2.10) | 7.10* | 1.040 | 7 |
| Software & Computer Services (FSCSX) | (1.95) | 2.50* | (12.04) | 1.91 | (1.395) | 14 |
| Technology (FSPTX) | (11.60) | 3.60* | (10.65) | 5.15* | (1.375) | 13 |
| Telecommunications (FSTCX) | (26.04) | (2.99) | (9.88) | 1.82 | (9.273) | 34 |
| Transportation (FSRFX) | (6.01) | 4.69* | (2.84) | 1.99 | 0.458 | 9 |
| Utilities Growth (FSUTX) | (6.23) | (4.71) | (13.18) | (3.85) | (6.993) | 31 |
| Wireless (FWRLX) | (18.60) | (3.18) | (11.05) | (0.28) | (8.278) | 32 |

*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

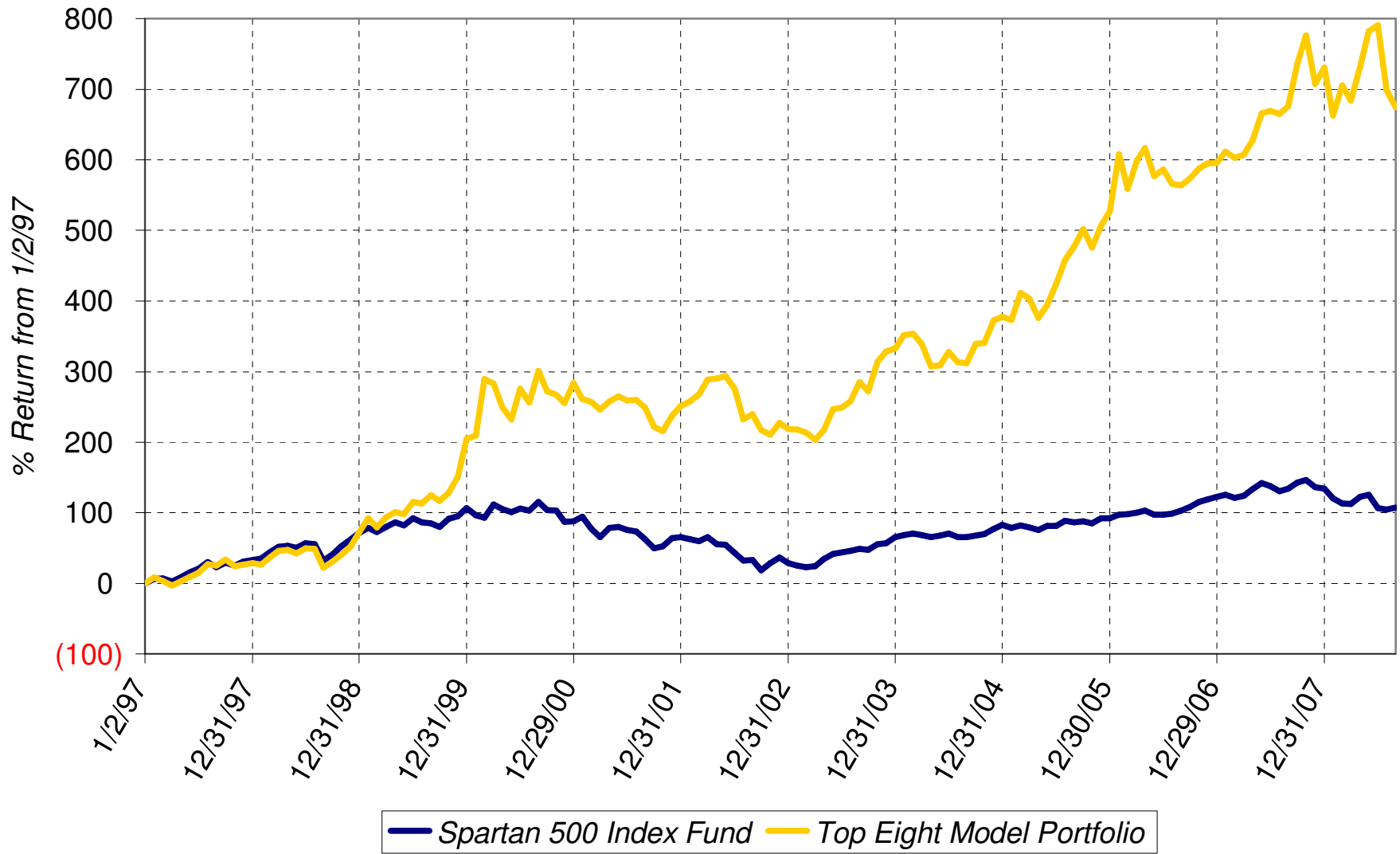
Sell on September 2, 2008

Buy on September 2, 2008

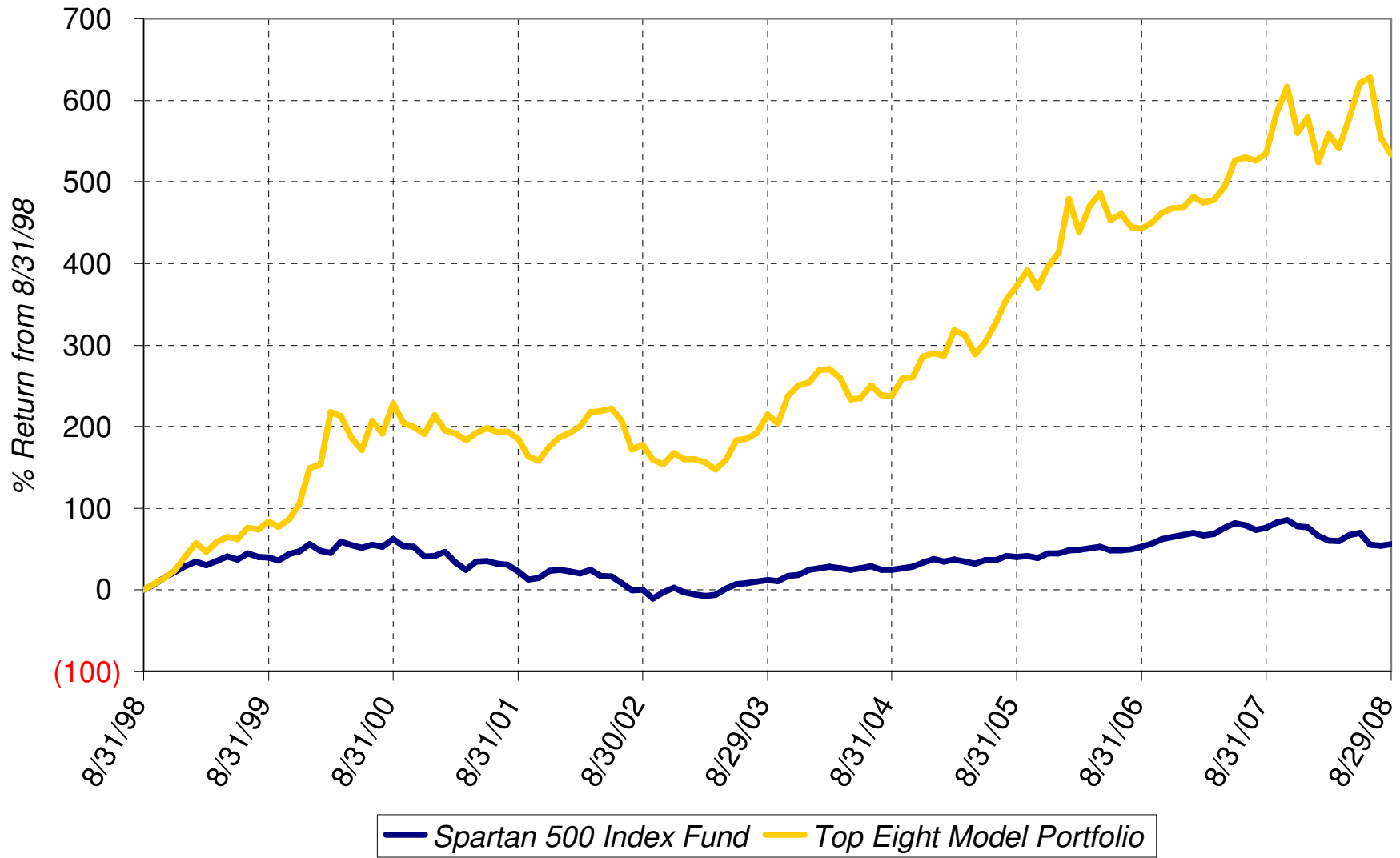
Hold

| Fundranker Performance for August 2008 | | | | | | | | | | | | | |
|--|----------------|-------------------|-------------------|------------------|---------------------------------------|---|------------------|-------------------|------------------|----------------|-------------------|----------------|--|
| 7/31 Funds | 7/31 Shares | 7/31 Amount | <=8/4 Div Shrs | 8/4 Shares | 8/4 Amount | 8/4 Funds | 8/4 Shares | 8/4 Amount | >8/4 Div Shrs | 8/29 Shares | 8/29 Amount | Aug Return | |
| FSESX | 227.951 | 22,868.04 | none | 227.951 | 21,507.18 | FBIOX | 312.198 | 22,500.12 | none | 312.198 | 22,368.99 | | |
| FNARX | 585.265 | 22,087.90 | none | 585.265 | 20,484.28 | FSMEX | 888.630 | 22,500.12 | none | 888.630 | 23,211.02 | | |
| FSENX | 351.943 | 21,725.44 | none | 351.943 | 20,152.26 | FSESX | 238.475 | 22,500.12 | none | 238.475 | 23,031.92 | | |
| FSNGX | 473.986 | 20,855.38 | none | 473.986 | 19,300.71 | FSCHX | 280.725 | 22,500.12 | none | 280.725 | 23,561.25 | | |
| FSAGX | 596.518 | 23,079.28 | none | 596.518 | 21,790.80 | FSLEX | 1,277.690 | 22,500.12 | none | 1,277.690 | 23,075.08 | | |
| FSCHX | 306.823 | 26,300.87 | none | 306.823 | 24,591.86 | FSDPX | 418.997 | 22,500.12 | none | 418.997 | 23,350.70 | | |
| FSDPX | 448.167 | 25,939.91 | none | 448.167 | 24,066.57 | FNARX | 642.861 | 22,500.12 | none | 642.861 | 23,766.57 | | |
| FBIOX | 390.000 | 28,918.50 | none | 390.000 | 28,107.30 | FBSOX | 1,401.004 | 22,500.12 | none | 1,401.004 | 23,494.84 | | |
| Top Eight | | 191,775.32 | | | 180,000.96 | | | 180,001.00 | | | 185,860.37 | (3.084) | |
| FNCMX | 1,520.467 | 47,012.84 | none | | | | | | none | 1,520.467 | 47,894.71 | 1.876 | |
| FSMKX | 558.632 | 49,131.68 | none | | | | | | none | 558.632 | 49,841.15 | 1.444 | |
| 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 | (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 Return % | 2003 Return % | 2004 Return % | 2005 Return % | 2006 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 | | | | (22.173) | 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 8/29/08 Total Return % | 1/2/97 to 8/29/08 Average Annual Return % | | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | | 674.418 | 19.178 | | | | | | | |
| Nasdaq Composite Index Fund | | | | | N/A | N/A | | | | | | | |
| Spartan 500 Index Fund | | | | | 107.671 | 6.464 | | | | | | | |
| 10-Year Summary | | | | | 8/31/98 to 8/29/08 Total Return % | 8/31/98 to 8/29/08 Average Annual Return % | | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | | 533.184 | 20.269 | | | | | | | |
| Nasdaq Composite Index Fund | | | | | N/A | N/A | | | | | | | |
| Spartan 500 Index Fund | | | | | 56.274 | 4.566 | | | | | | | |
| 5-Year Summary | | | | | 8/29/03 to 8/29/08 Total Return % | 8/29/03 to 8/29/08 Average Annual Return % | | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | | 101.238 | 15.012 | | | | | | | |
| Nasdaq Composite Index Fund | | | | | N/A | N/A | | | | | | | |
| Spartan 500 Index Fund | | | | | 39.157 | 6.832 | | | | | | | |
| 3-Year Summary | | | | | 8/31/05 to 8/29/08 Total Return % | 8/31/05 to 8/29/08 Average Annual Return % | | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | | 34.110 | 10.278 | | | | | | | |
| Nasdaq Composite Index Fund | | | | | 12.061 | 3.869 | | | | | | | |
| Spartan 500 Index Fund | | | | | 11.163 | 3.591 | | | | | | | |
| 1-Year Summary | | | | | 8/31/07 to 8/29/08 Total Return % | | | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | | (0.246) | | | | | | | | |
| Nasdaq Composite Index Fund | | | | | (8.283) | | | | | | | | |
| Spartan 500 Index Fund | | | | | (11.208) | | | | | | | | |
| YTD Summary | | | | | 12/31/07 to 8/29/08 Total Return % | | | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | | (6.765) | | | | | | | | |
| Nasdaq Composite Index Fund | | | | | (10.282) | | | | | | | | |
| Spartan 500 Index Fund | | | | | (11.428) | | | | | | | | |

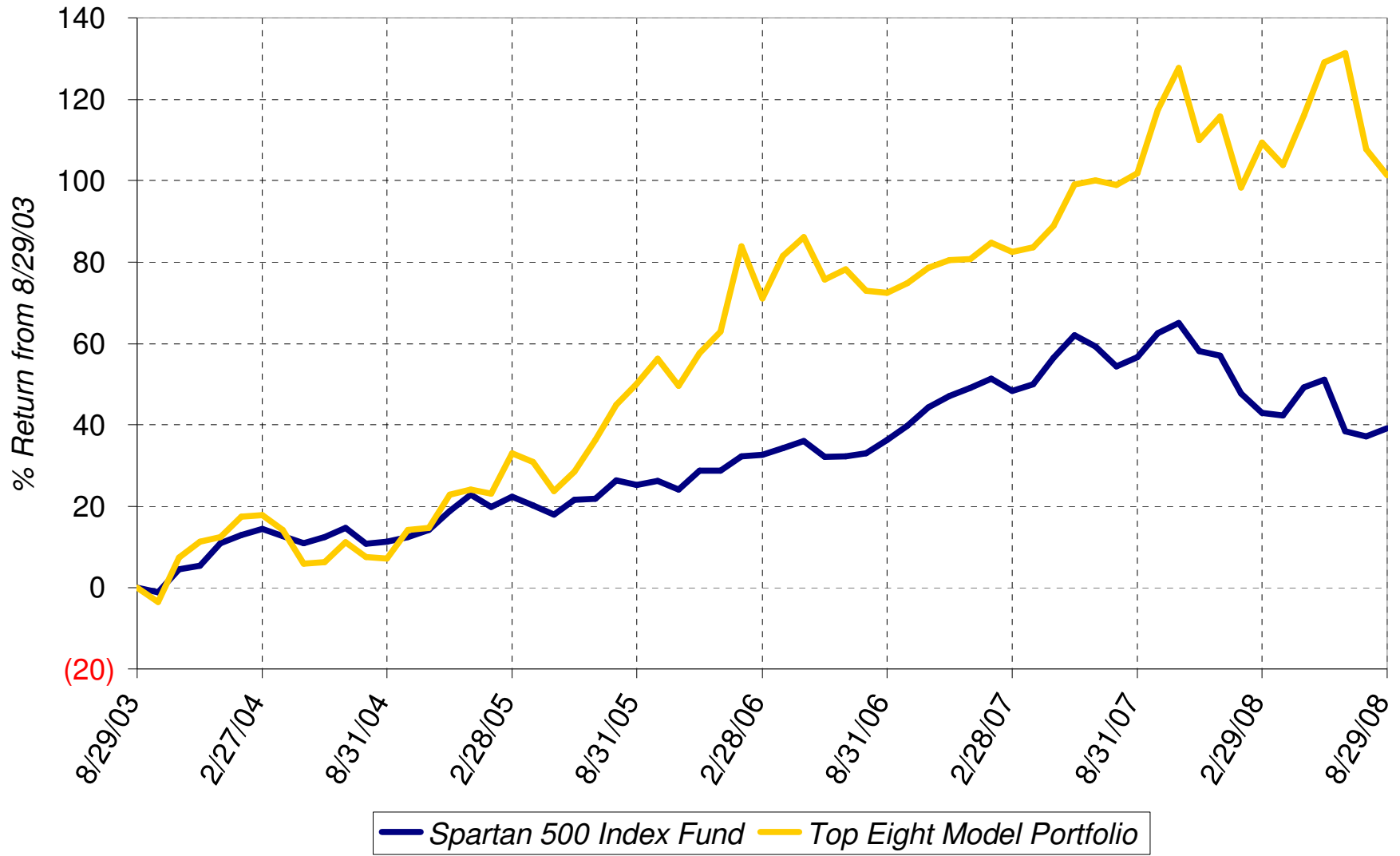
Lifetime Chart



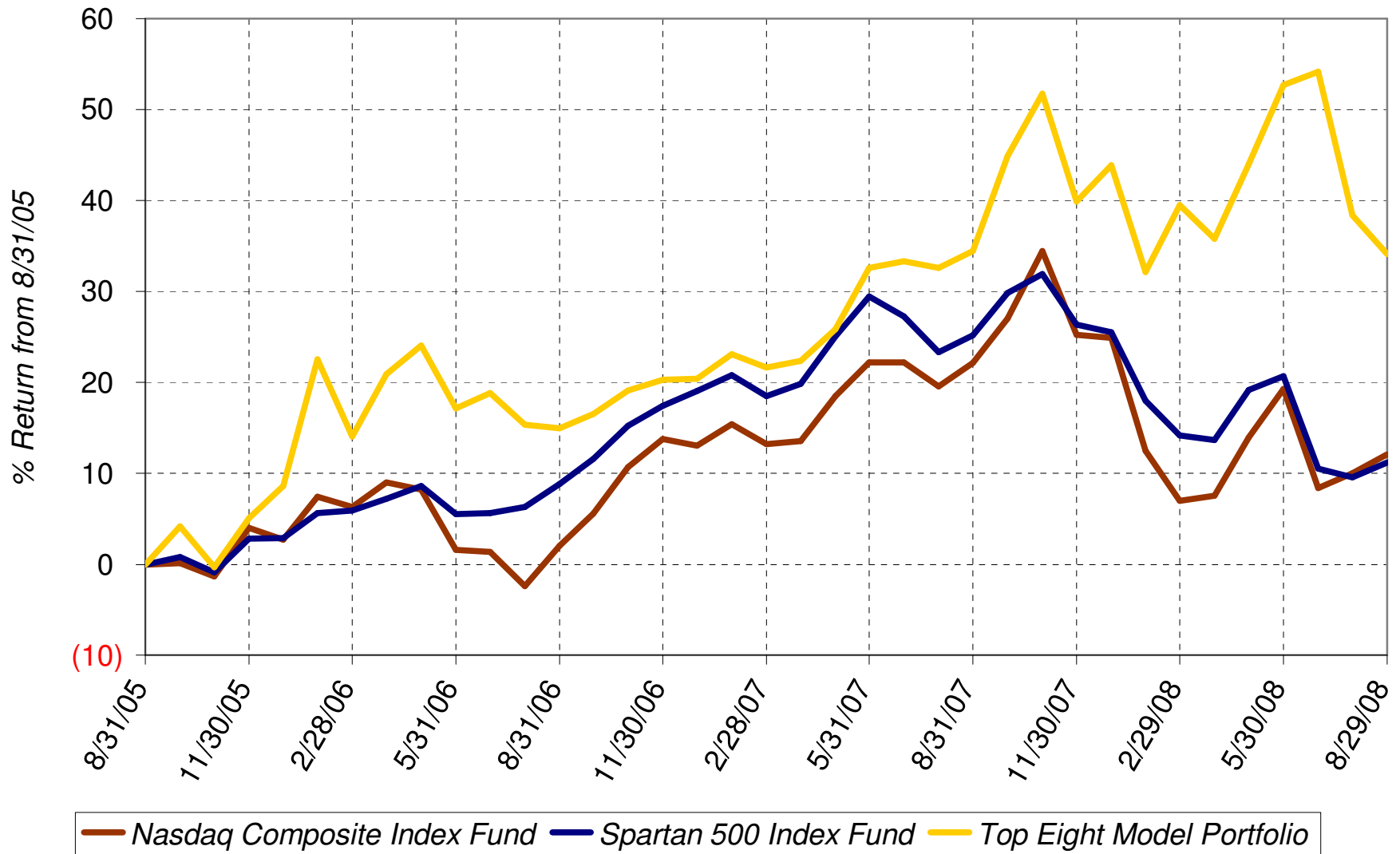
10-Year Chart



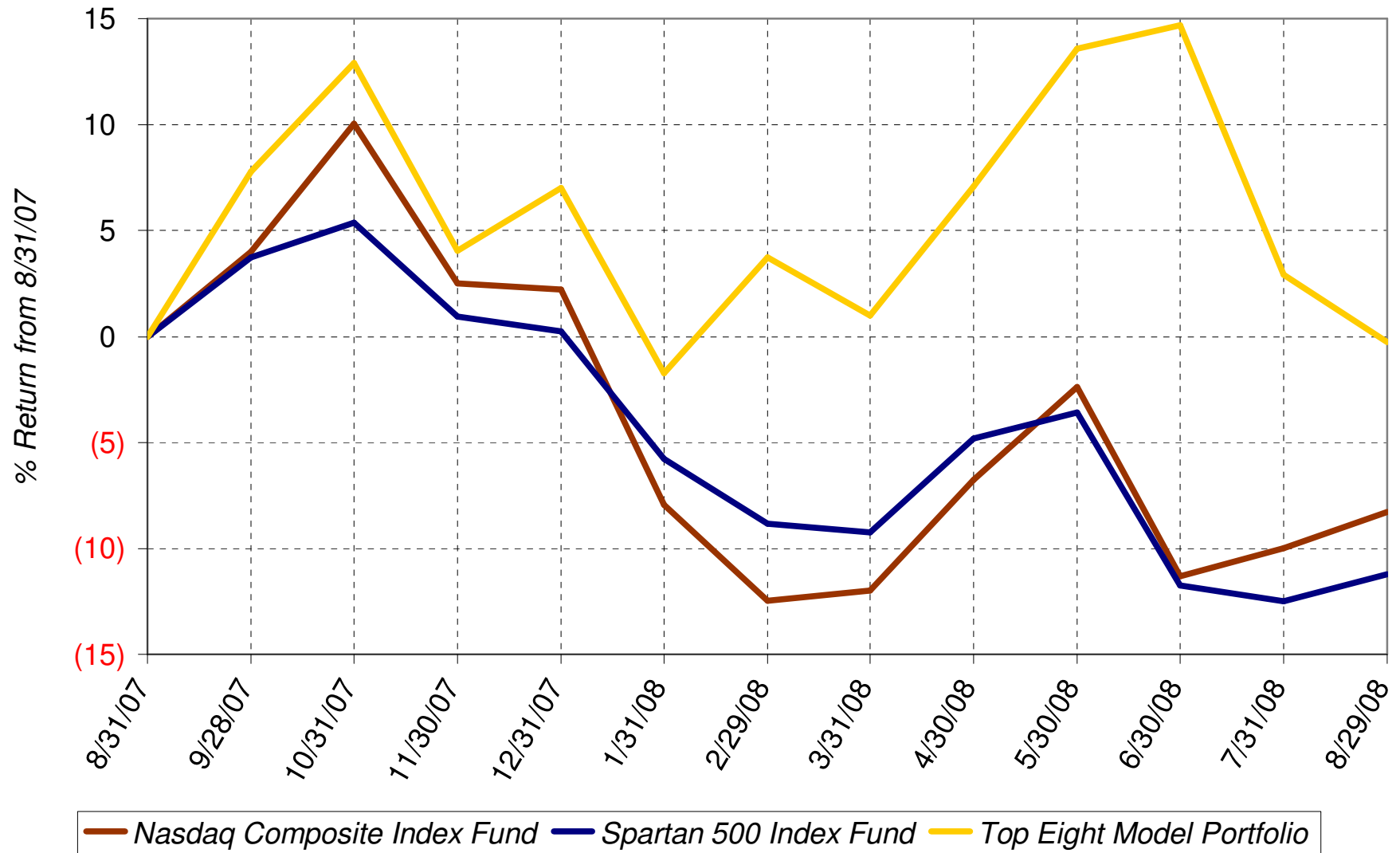
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart August 2008

