

FIDELITY SELECT FUNDRANKER™

Volume 5 Issue 6

The Right Funds at the Right Time

June 2010

May Performance

Market volatility that began in April continued through May. All 39 Select funds fell in May, many with double digit percentage losses. *Top Eight Model Portfolio* fund one-month losses ranged from 5.3% for Air Transportation to 9.9% for Banking, giving the *Top Eight Model Portfolio* a one-month loss of 7.987%, which unfortunately hit number nine in the *Top Ten Model Portfolio's Worst Months* list at right.

The *Top Eight Model Portfolio* still leads the indexes with a 2010 YTD gain of 2.604%. Nasdaq Composite and S&P 500 tracking portfolios fell enough in May to go negative YTD with returns of (0.266)% and (1.649)%, respectively.

Final Performance of Fund Sold on May 5

Fundranker exchanged one fund on May 5. Here is the return it contributed to the *Top Eight Model Portfolio*:

Fund	Bought	Sold	Return
Defense & Aerospace (FSDAX)	4/5/2010	5/5/2010	(0.72)%

Third Monthly Loss Since March 2009

In May, mostly due to investor worry over the European debt crisis, the market suffered its third monthly loss since recovery from the Great Recession began in March, 2009. From bull market highs they reached on April 23, *Fundranker's Top Eight Model Portfolio*, the S&P 500 tracking portfolio, and the Nasdaq Composite tracking portfolio had losses of 10.1%, 10.3%, and 10.7%, respectively, through May 29, officially putting them in a correction for the first time in this bull market.

This bull market was able to recover promptly from its two previous, but smaller downturns last October and January, but will it be able to overcome this newest setback? *Fundranker's Top Eight Model Portfolio* and Nasdaq Composite and S&P 500 tracking portfolios gained 3.5%, 2.4%, and 1.7%, respectively, over the last six trading days of May, marking a good start in the right direction.

Bearish Sentiment Soars

The American Association of Individual Investors reported this week that nearly 51% of investors were bearish about the market over the next six months in their latest weekly survey, a rise of 17% from the previous weekly survey. Intuitively, this may seem like bad news for the market, but investor confidence traditionally has been a contrarian indicator, so this drop from dangerously high investor confidence is actually another good indicator for the bull market to continue its run.

Holding Period Alert

If you purchased shares after May 5 of any funds which are being exchanged on June 4, 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 Best and Worst Months

1.	2/2000	25.635%	1.	10/2008	(20.429)%
2.	12/1999	21.159%	2.	8/1998	(17.961)%
3.	12/1998	13.445%	3.	9/2008	(14.663)%
4.	6/2000	13.011%	4.	7/2002	(11.551)%
5.	1/2006	12.835%	5.	7/2008	(10.255)%
6.	8/2000	12.601%	6.	11/2008	(9.982)%
7.	1/1999	11.490%	7.	2/2009	(9.776)%
8.	10/2003	11.191%	8.	4/2000	(8.140)%
9.	7/1997	10.606%	9.	5/2010	(7.987)%
10.	11/1999	10.174%	10.	1/2008	(7.831)%

Top Eight Model Portfolio for June 2010

Fund Name (Symbol)	Purchase	Return to 5/28
1. Transportation (FSRFX)	3/5/2010	8.48%
2. Air Transportation (FSAIX)	2/3/2010	10.57%
3. Retailing (FSRPX)	6/4/2010	
4. Multimedia (FBMPX)	2/3/2010	8.28%
5. Automotive (FSAVX)	5/4/2009	59.67%
6. Leisure (FDLSX)	6/4/2010	
7. Consumer Discretionary (FSCPX)	6/4/2010	
8. Computers (FDCPX)	6/4/2010	
Funds to be sold on June 4:		
9. Construction & Housing (FSHOX)	5/5/2010	(6.91)%
10. Banking (FSRBX)	4/5/2010	(5.00)%
11. Industrials (FCYIX)	4/5/2010	(5.95)%
13. Industrial Equipment (FSCGX)	4/5/2010	(6.77)%

Fundranker Exchanges for June 4

Sell Banking (FSRBX), buy Retailing (FSRPX)
Sell Industrial Equipment (FSCGX), buy Leisure (FDLSX)
Sell Industrials (FCYIX), buy Consumer Discretionary (FSCPX)
Sell Construction & Housing (FSHOX), buy Computers (FDCPX)

Fundranker Invest New Money Date

Invest new money on June 2.

Optional Rebalancing Exchange Dates

Method 1: none; Method 2: June 2; Method 3: June 4 (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 July 2; otherwise *Fundranker* will exchange on July 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 \$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 5/28/10</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)	67.39*	35.58*	4.28*	(5.30)	28.488	2
Automotive (FSAVX)	61.33*	10.50	2.57	(9.10)	17.325	5
Banking (FSRBX)	37.19*	14.66*	6.31*	(9.89)	15.068	10
Biotechnology (FBIOX)	12.48	2.02	(6.03)	(12.24)	(0.943)	35
Brokerage & Investment Mgmt (FSLBX)	20.93	1.74	0.90	(10.96)	3.153	27
Chemicals (FSCHX)	22.94	(1.33)	(3.80)	(10.62)	1.798	33
Communications Equipment (FSDCX)	31.93	9.51	2.65	(8.25)	8.960	18
Computers (FDCPX)	47.17*	9.14	5.44*	(4.61)	16.285	8
Construction & Housing (FSHOX)	36.91	18.49*	8.68*	(8.72)	15.840	9
Consumer Discretionary (FSCPX)	38.62*	15.43*	6.92*	(6.38)	16.648	7
Consumer Staples (FDFAX)	15.97	(2.68)	(3.82)	(6.62)	0.713	34
Defense & Aerospace (FSDAX)	29.95	11.92*	4.12*	(7.51)	11.620	14
Electronics (FSELX)	39.09*	12.03*	2.65	(6.77)	13.750	12
Energy (FSENX)	2.08	(6.17)	(9.30)	(12.96)	(6.588)	37
Energy Service (FSSEX)	0.18	(8.56)	(12.41)	(18.97)	(9.940)	39
Environmental (FSLEX)	16.16	0.82	0.27	(8.21)	2.260	32
Financial Services (FIDSX)	18.48	4.01	(0.08)	(10.58)	2.958	28
Gold (FSAGX)	14.69	(1.09)	11.92*	(2.39)	6.783	21
Health Care (FSPHX)	24.93	3.94	(2.21)	(6.13)	5.133	22
Home Finance (FSVLX)	29.65	14.23*	2.04	(7.24)	10.670	16
Industrial Equipment (FSCGX)	39.26*	10.08	3.89	(9.41)	11.955	13
Industrials (FCYIX)	40.44*	10.83*	5.00*	(8.84)	14.858	11
Insurance (FSPCX)	31.31	5.65	(0.64)	(7.67)	7.163	19
IT Services (FBSOX)	34.14	1.48	0.53	(8.86)	6.823	20
Leisure (FDLSX)	35.16	19.11*	10.66*	(5.93)	16.750	6
Materials (FSDPX)	26.67	(0.60)	(1.22)	(9.69)	3.790	25
Medical Delivery (FSHCX)	34.34	7.50	(1.42)	(2.21)	9.553	17
Medical Equipment & Systems (FSMEX)	20.97	2.68	(4.20)	(7.75)	2.925	29
Multimedia (FBMPX)	46.92*	13.02*	5.48*	(7.14)	17.570	4
Natural Gas (FSNGX)	(2.10)	(7.05)	(11.56)	(12.80)	(8.378)	38
Natural Resources (FNARX)	5.55	(4.61)	(5.50)	(11.21)	(3.943)	36
Pharmaceuticals (FPHAX)	21.30	(0.78)	(3.81)	(7.03)	2.420	31
Retailing (FSRPX)	44.16*	16.45*	6.05*	(6.17)	18.123	3
Software & Computer Services (FSCSX)	29.74	(0.39)	(1.08)	(8.20)	5.018	23
Technology (FSPTX)	38.75*	6.56	2.99	(7.32)	11.245	15
Telecommunications (FSTCX)	14.79	2.52	3.23	(3.25)	4.323	24
Transportation (FSRFX)	65.98*	31.11*	12.72*	(5.51)	29.075	1
Utilities (FSUTX)	15.94	1.71	1.33	(5.58)	3.350	26
Wireless (FWRLX)	9.75	3.11	1.85	(4.49)	2.555	30

*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

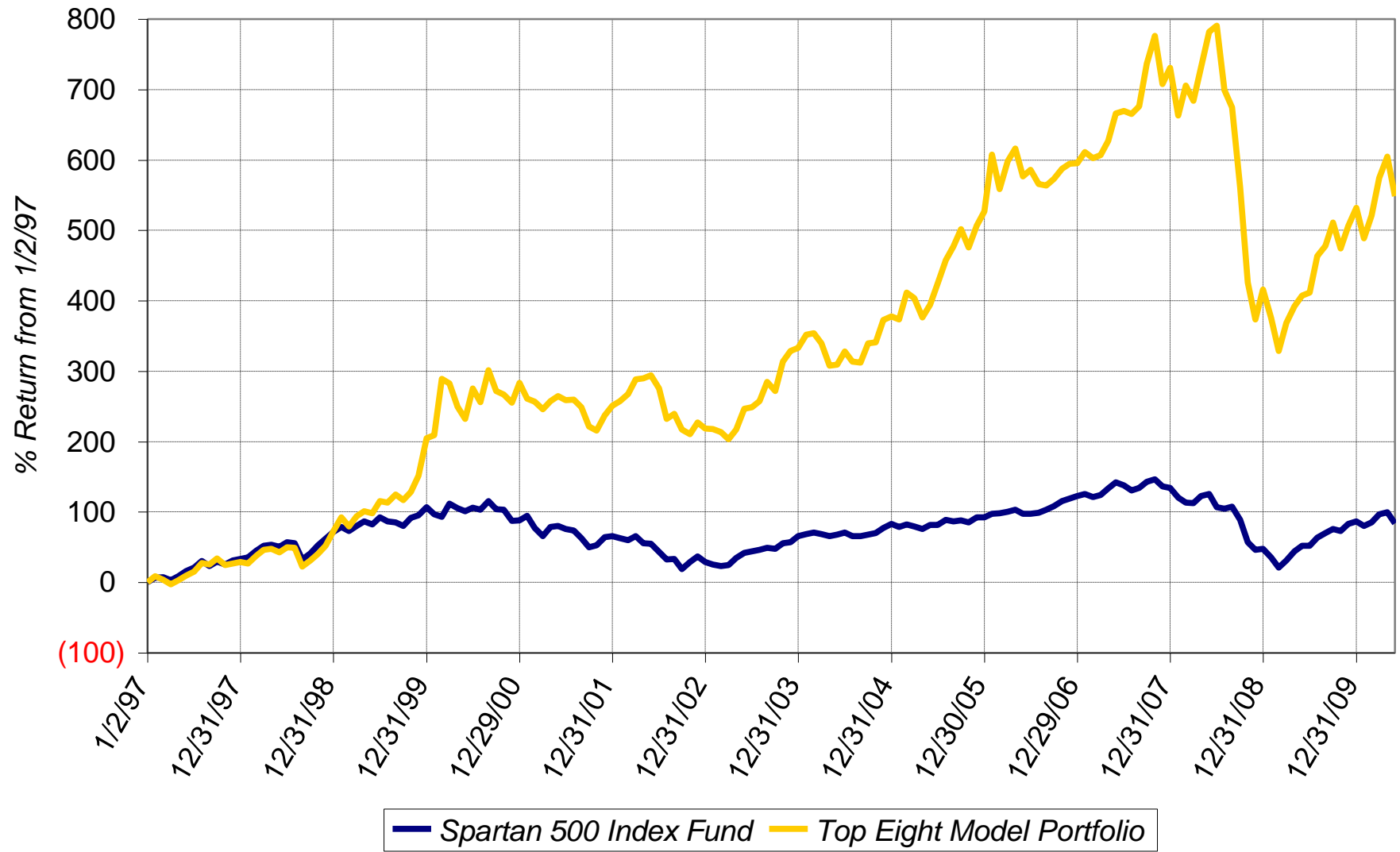
Sell on June 4, 2010

Buy on June 4, 2010

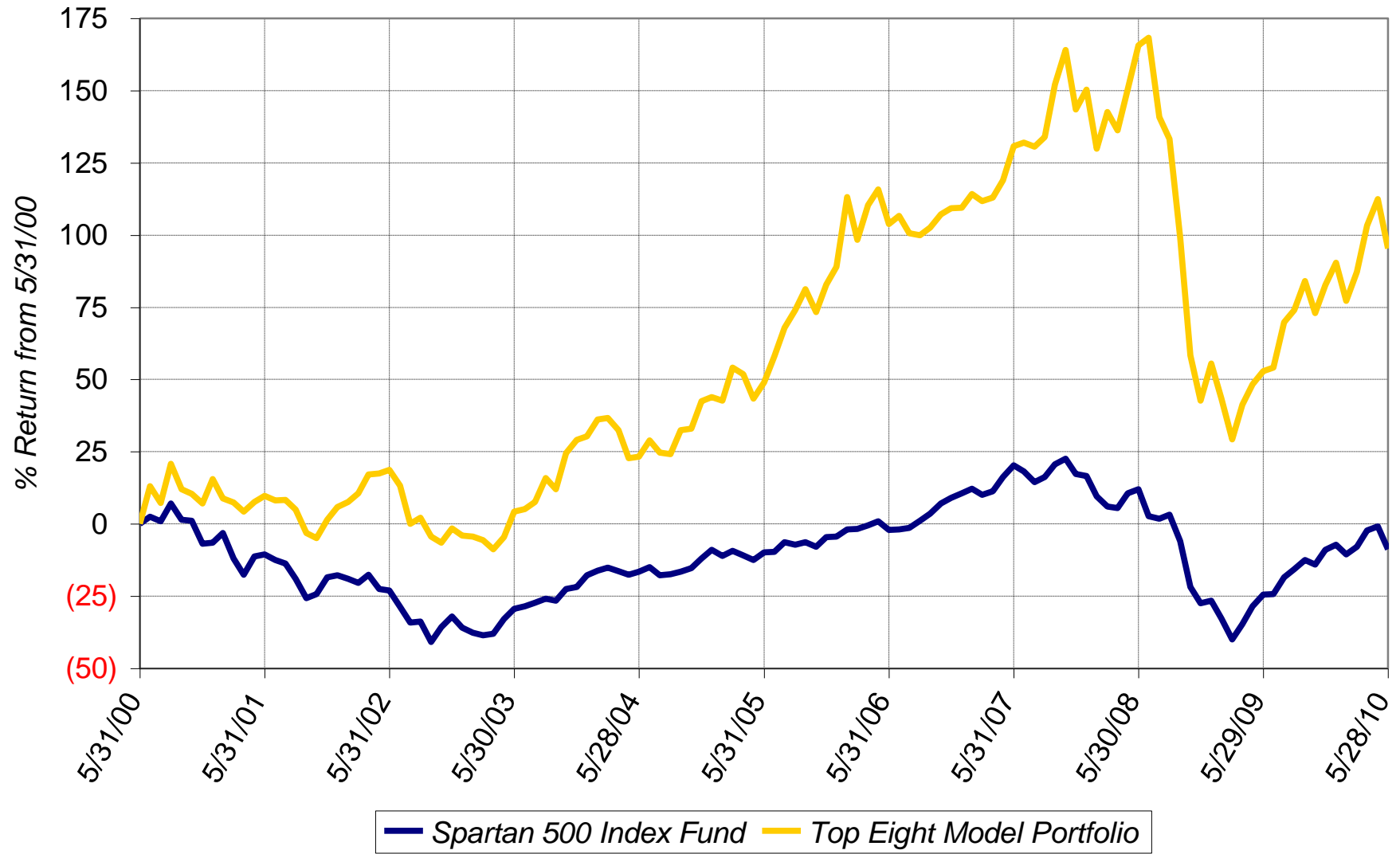
Hold

Fundranker Performance for May 2010													
4/30 Funds	4/30 Shares	4/30 Amount	<=5/5 Div Shrs	5/5 Shares	5/5 Amount	5/5 Funds	5/5 Shares	5/5 Amount	>5/5 Div Shrs	5/28 Shares	5/28 Amount	May Return	
FSAVX	597.775	20,952.01	none	597.775	20,055.35	FSRFX	419.334	20,585.11	none	419.334	19,834.50		
FSAIX	532.611	20,702.59	none	532.611	20,223.24	FSAIX	542.141	20,585.11	none	542.141	19,956.21		
FSRFX	426.330	21,342.08	none	426.330	20,928.54	FSAVX	613.565	20,585.11	none	613.565	19,548.18		
FSRBX	1,106.152	21,691.64	none	1,106.152	21,348.73	FSRBX	1,066.586	20,585.11	none	1,066.586	18,846.57		
FSCGX	706.547	21,175.21	none	706.547	20,532.26	FSCGX	708.366	20,585.11	none	708.366	19,232.14		
FBMPX	543.945	21,246.49	none	543.945	20,561.12	FBMPX	544.580	20,585.11	none	544.580	19,751.92		
FCYIX	1,003.148	21,226.61	none	1,003.148	20,604.66	FCYIX	1,002.196	20,585.11	none	1,002.196	19,332.36		
FSDAX	298.728	20,839.27	none	298.728	20,427.02	FSHOX	590.508	20,585.11	none	590.508	19,161.98		
Top Eight		169,175.90			164,680.92			164,680.90			155,663.86	(7.987)	
FNCMX	1,543.031	50,395.39	none						none	1,543.031	46,275.50	(8.175)	
FUSEX	1,139.753	47,903.82	none						none	1,139.753	44,074.25	(7.994)	
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 - Investor Class				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 - Investor Class				(22.173)	28.487	10.733	4.858	15.712					
Yearly Summaries				2007 Return %	2008 Return %	2009 Return %	2010 YTD Return %						
<i>Top Eight Model Portfolio</i>				19.463	(37.882)	22.518	2.604						
Nasdaq Composite Index Fund				10.497	(40.041)	44.959	(0.266)						
Spartan 500 Index Fund - Investor Class				5.426	(37.047)	26.502	(1.649)						
Lifetime Summary				1/2/97 to 5/28/10 Total Return %		1/2/97 to 5/28/10 Average Annual Return %							
<i>Top Eight Model Portfolio</i>				548.599		14.953							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund - Investor Class				83.643		4.635							
10-Year Summary				5/31/00 to 5/28/10 Total Return %		5/31/00 to 5/28/10 Average Annual Return %							
<i>Top Eight Model Portfolio</i>				95.419		6.929							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund - Investor Class				(8.701)		(0.906)							
5-Year Summary				5/31/05 to 5/28/10 Total Return %		5/31/05 to 5/28/10 Average Annual Return %							
<i>Top Eight Model Portfolio</i>				31.154		5.574							
Nasdaq Composite Index Fund				12.759		2.431							
Spartan 500 Index Fund - Investor Class				1.160		0.231							
3-Year Summary				5/31/07 to 5/28/10 Total Return %		5/31/07 to 5/28/10 Average Annual Return %							
<i>Top Eight Model Portfolio</i>				(15.296)		(5.383)							
Nasdaq Composite Index Fund				(11.435)		(3.967)							
Spartan 500 Index Fund - Investor Class				(24.054)		(8.764)							
1-Year Summary				5/29/09 to 5/28/10 Total Return %									
<i>Top Eight Model Portfolio</i>				27.829									
Nasdaq Composite Index Fund				28.052									
Spartan 500 Index Fund - Investor Class				20.798									

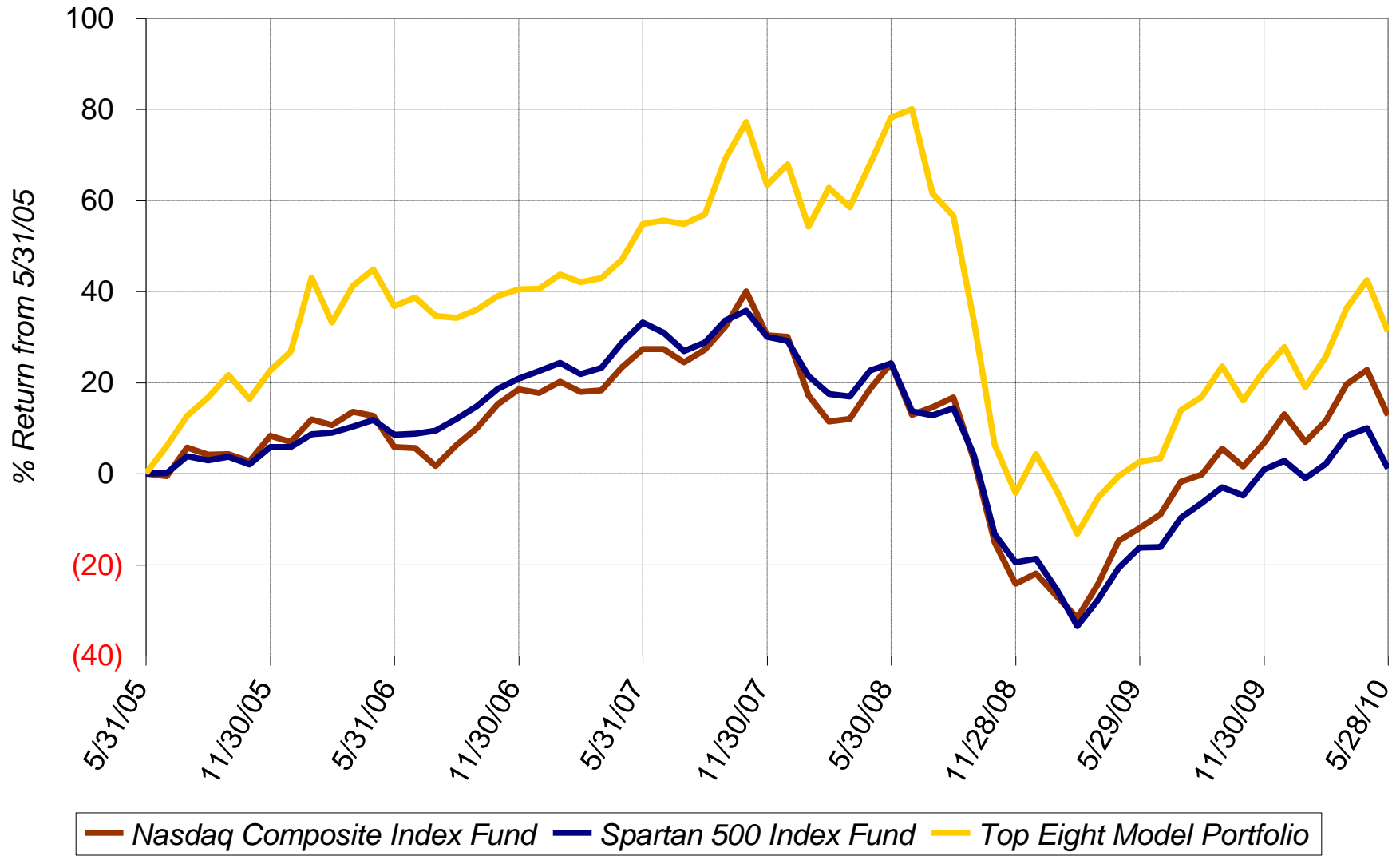
Lifetime Chart



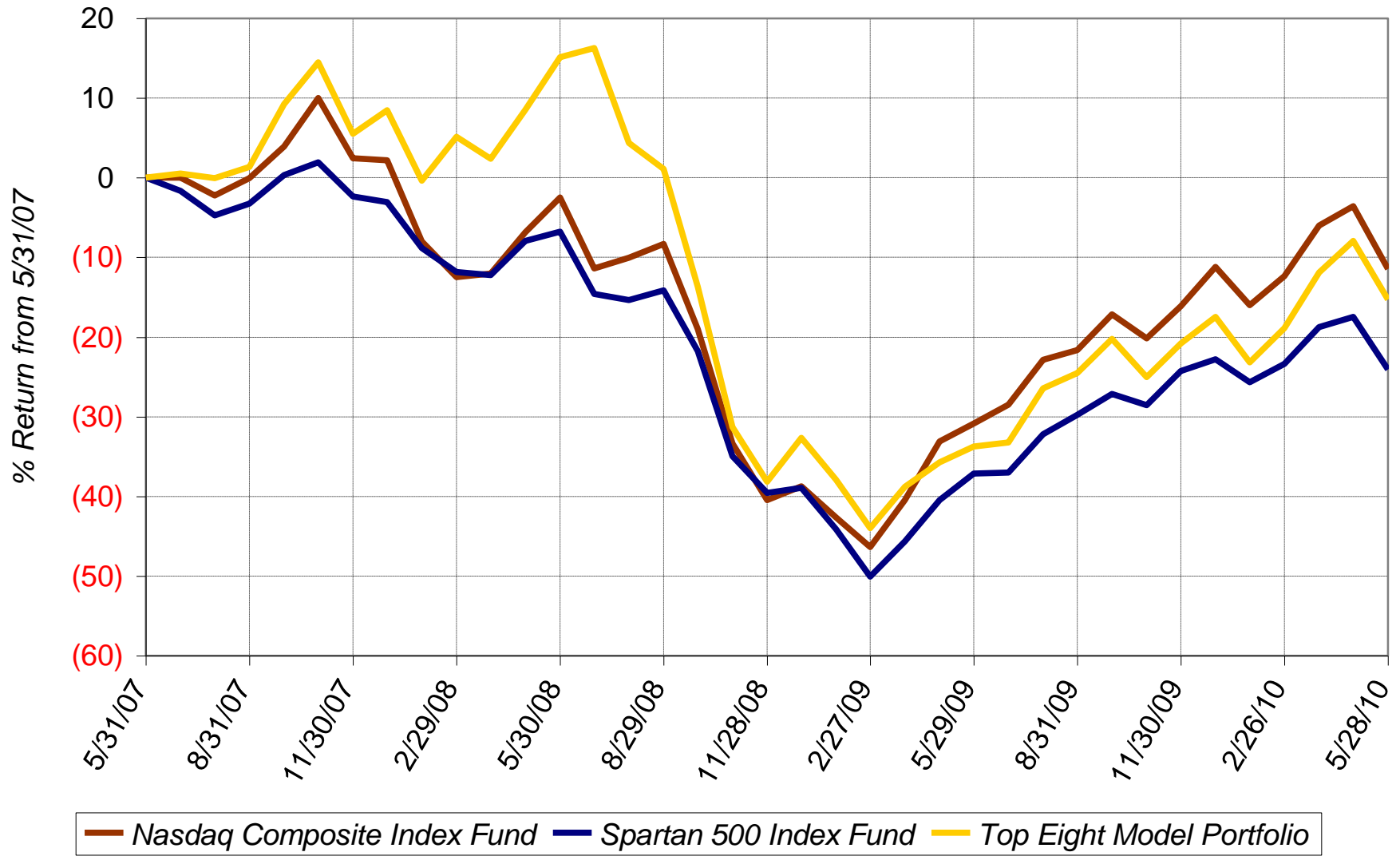
10-Year Chart



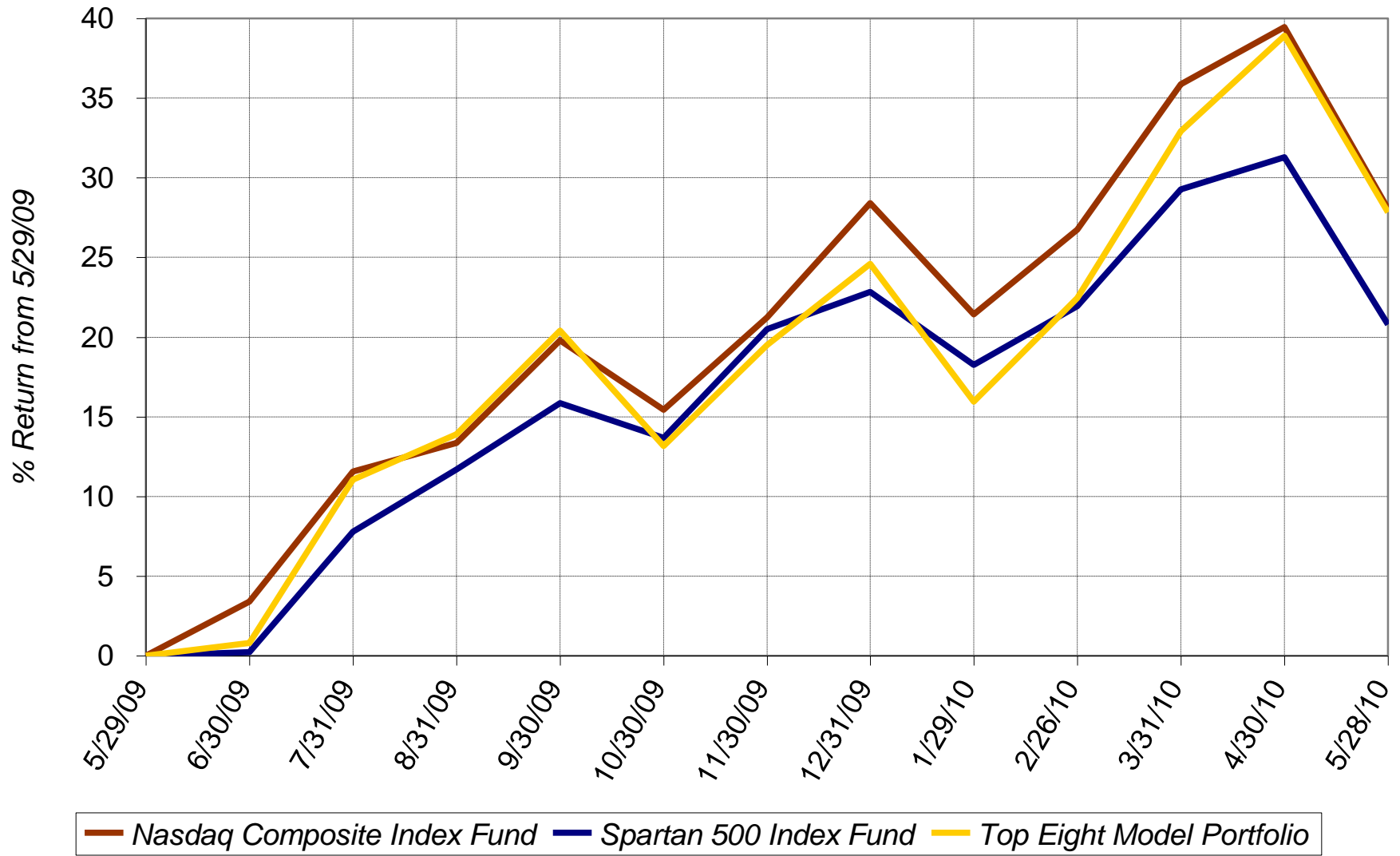
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart May 2010

