

# FIDELITY SELECT FUNDRANKER™

Volume 6 Issue 2

The Right Funds at the Right Time

February 2011

## January Performance

The market set new bull market highs for the third month in a row in January. Energy, Energy Service, and Natural Resources led *Top Eight Model Portfolio* funds with one-month gains of 7.79%, 7.29%, and 5.14%. Industrial Equipment, Industrials, and Automotive followed with one-month gains of 4.42%, 4.02%, and 3.41%. Chemicals and Materials trailed with one-month gains of 1.81% and 0.27%. The *Top Eight Model Portfolio* ended January with a one-month gain of 4.733%, giving it a five-month winning streak.

*Top Eight Model Portfolio*, S&P 500 tracking portfolio, and Nasdaq Composite tracking portfolio 2011 YTD returns at the end of January were 4.733%, 2.383%, and 1.761%, respectively.

## Final Performance of Funds Sold on January 7

*Fundranker* exchanged six funds on January 7. Here are the returns they contributed to the *Top Eight Model Portfolio*:

Fund	Bought	Sold	Return
Air Transportation (FSAIX)	11/8/2010	1/7/2011	1.34%
Consumer Discretionary (FSCPX)	12/8/2010	1/7/2011	(0.53)%
Leisure (FDLSX)	11/8/2010	1/7/2011	1.36%
Retailing (FSRPX)	12/8/2010	1/7/2011	(1.94)%
Technology (FSPTX)	10/7/2010	1/7/2011	18.14%
Transportation (FSRFX)	3/5/2010	1/7/2011	29.81%

## Five-Month Surge

From September through January, the bull market that started in March, 2009, added a five-month surge to its already stellar performance. For September, 2010, through January, 2011, *Fundranker's Top Eight Model Portfolio* outperformed both the Nasdaq Composite Index and the S&P 500 Index. For that five-month period, it gained 30.39%, the Nasdaq Composite Index (as measured by Fidelity's Nasdaq Composite Index Fund) gained 28.11%, and the S&P 500 Index (as measured by Fidelity's Spartan 500 Index Fund) gained 23.46%. For the entire bull market so far, from March 9, 2009, through January 31, 2011, the Nasdaq Composite Index gained 115.552%, the S&P 500 Index gained 97.314%, and *Fundranker's Top Eight Model Portfolio* gained 90.091%.

## Fundranker Weights Energy and Technology

Over the last two months, *Fundranker* added three energy funds to its *Top Eight Model Portfolio*: Energy, Energy Service, and Natural Resources. As you can see at right, these three funds made some serious gains and contributed significantly to *Fundranker's* five-month surge. This month, *Fundranker* will add three technology funds to its *Top Eight Model Portfolio*: Communications Equipment, Electronics, and Technology.

## Holding Period Alert

If you purchased shares after January 7 of any funds which are being exchanged on February 7, to avoid roundtrip transactions under Fidelity's frequent trading policy for Select funds, you should wait at least 30 days after purchase before exchanging them.

For example, if you purchased the six new funds for January on January 10, note that *Fundranker* is exchanging three of them, Chemicals, Industrials, and Materials, this month. You should wait a full thirty days and exchange them on February 9 to avoid roundtrip transactions.

## 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 minimize 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 this month to balance those funds as much as possible.

Please note that since February is a short month, if you invest new money into a new or existing *Top Eight* portfolio, depending on your March exchange date, you may have to take special care to avoid roundtrip transactions in March.

## Subscribe to Fidelity Select Fundranker

You can subscribe to *Fidelity Select Fundranker* for \$49/first year, \$99/year thereafter. For these yearly fees, you will receive 12 issues of *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](http://www.fundranker.com), with a wealth of 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](http://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, peruse the *Fundranker Blog*, or use the *Contact Us* form at [www.fundranker.com](http://www.fundranker.com). We welcome your input.

## Top Eight Model Portfolio for February 2011

Fund Name (Symbol)	Purchase	Return to 1/31
1. Energy Service (FSESX)	12/8/2010	11.89%
2. Automotive (FSAVX)	10/7/2010	27.40%
3. Natural Resources (FNARX)	1/7/2011	5.41%
4. Energy (FSENX)	1/7/2011	7.05%
5. Electronics (FSELX)	2/7/2011	
6. Industrial Equipment (FSCGX)	1/7/2011	3.51%
7. Technology (FSPTX)	2/7/2011	
8. Communications Eqpt (FSDCX)	2/7/2011	
Funds to be sold on February 7:		
9. Industrials (FCYIX)	1/7/2011	3.40%
10. Chemicals (FSCHX)	1/7/2011	1.08%
11. Materials (FSDPX)	1/7/2011	0.22%

## Fundranker Exchanges for February 7

Sell Materials (FSDPX), buy Electronics (FSELX)  
Sell Chemicals (FSCHX), buy Technology (FSPTX)  
Sell Industrials (FCYIX), buy Communications Equipment (FSDCX)

## Fundranker Invest New Money Date

Invest new money on February 2.

## Optional Rebalancing Exchange Dates

Method 1: none; Method 2: None; Method 3: February 7 (see the rebalancing FAQ at [www.fundranker.com](http://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 March 2; otherwise *Fundranker* will exchange on March 9.

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<i>Fundranker Ratings for 1/31/11</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)	33.16	12.54	1.71	0.78	12.048	28
Automotive (FSAVX)	55.26*	37.52*	21.03*	3.41	32.305	2
Banking (FSRBX)	14.41	10.63	16.92*	1.19	11.788	29
Biotechnology (FBIOX)	9.86	14.50	4.77	0.63	7.440	36
Brokerage & Investment Mgmt (FSLBX)	15.60	14.21	10.90	1.07	10.445	32
Chemicals (FSCHX)	39.04*	30.11*	12.20	1.81	22.790	10
Communications Equipment (FSDCX)	43.87*	26.47*	12.92	4.53*	24.948	8
Computers (FDCPX)	40.14*	25.80	9.27	2.41	20.405	14
Construction & Housing (FSHOX)	30.05	25.90	21.01*	4.02	21.245	12
Consumer Discretionary (FSCPX)	32.70	20.59	6.33	(1.47)	14.538	23
Consumer Finance (FSVLX)	8.41	3.94	10.99	2.90	6.560	37
Consumer Staples (FDFAX)	13.51	9.88	0.92	(2.63)	5.420	39
Defense & Aerospace (FSDAX)	29.69	17.58	8.53	5.01*	16.203	19
Electronics (FSELX)	40.49*	35.75*	20.41*	7.61*	30.065	5
Energy (FSENX)	34.24	40.05*	26.51*	7.79*	30.148	4
Energy Service (FSESX)	41.32*	45.31*	28.92*	7.29*	34.710	1
Environment & Alternative Energy (FSLEX)	27.54	19.01	9.65	4.55*	16.188	20
Financial Services (FIDSX)	5.87	6.82	12.28	0.31	6.320	38
Gold (FSAGX)	34.55	14.01	(5.26)	(11.39)	7.978	35
Health Care (FSPHX)	20.44	24.50	12.10	3.49	15.133	21
Industrial Equipment (FSCGX)	42.45*	28.29*	19.05*	4.42*	27.553	6
Industrials (FCYIX)	41.09*	24.59	15.61*	4.02	23.328	9
Insurance (FSPCX)	20.02	12.66	6.70	1.04	10.105	33
IT Services (FBSOX)	26.54	23.36	7.20	2.27	14.843	22
Leisure (FDLSX)	34.12	16.69	2.34	(2.84)	12.578	27
Materials (FSDPX)	38.05*	28.84*	12.08	0.27	21.810	11
Medical Delivery (FSHCX)	21.19	29.17*	16.29*	5.35*	21.000	13
Medical Equipment & Systems (FSMEX)	13.99	21.30	12.94*	2.21	13.610	25
Multimedia (FBMPX)	33.23	17.04	4.17	0.82	13.815	24
Natural Gas (FSNGX)	15.60	26.01	16.44*	4.75*	17.700	16
Natural Resources (FNARX)	38.36*	38.06*	24.05*	5.14*	30.403	3
Pharmaceuticals (FPHAX)	18.27	18.65	3.98	0.89	10.448	31
Retailing (FSRPX)	27.58	22.61	6.18	(2.67)	13.425	26
Software & Computer Services (FSCSX)	31.15	27.02*	6.77	2.38	17.830	15
Technology (FSPTX)	45.03*	31.57*	11.76	4.26*	26.155	7
Telecommunications (FSTCX)	26.24	14.35	3.51	(1.36)	10.685	30
Transportation (FSRFX)	47.18*	13.92	4.71	(0.23)	17.395	17
Utilities (FSUTX)	17.78	10.68	1.95	1.51	7.980	34
Wireless (FWRLX)	30.09	18.57	7.92	4.94*	16.380	18

\*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

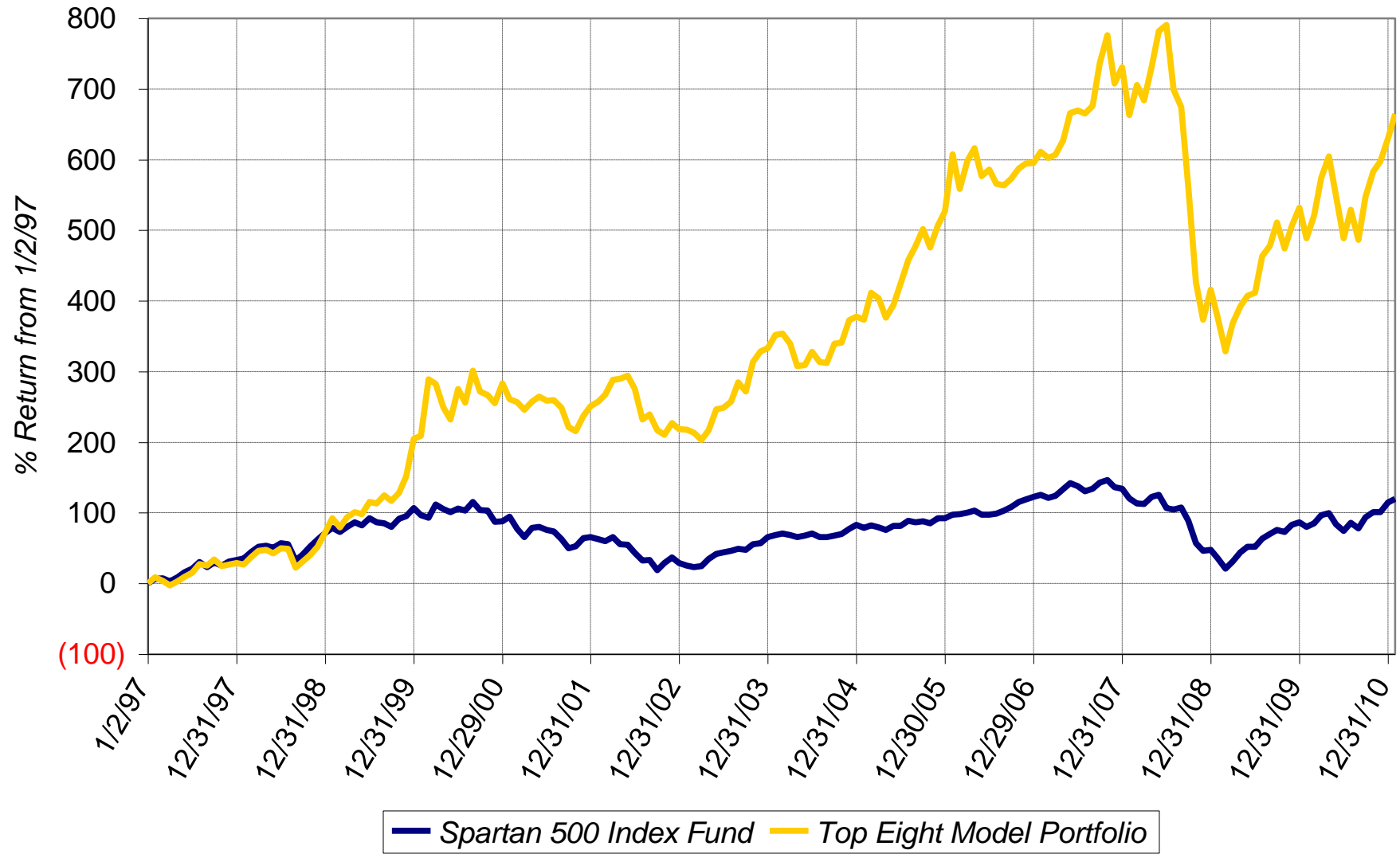
Sell on February 7, 2011

Buy on February 7, 2011

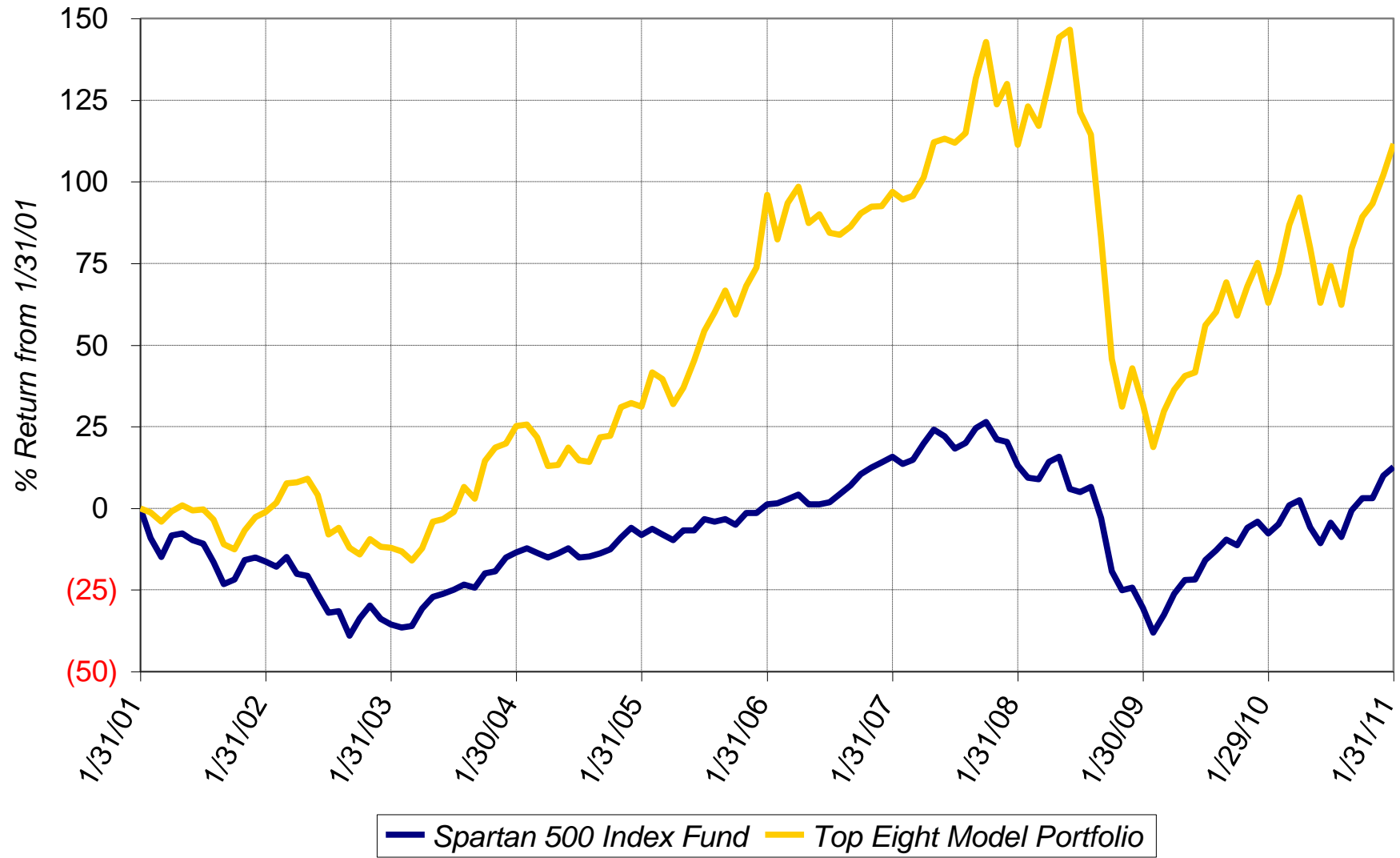
Hold

Fundranker Performance for January 2011													
12/31 Funds	12/31 Shares	12/31 Amount	<=1/7 Div Shrs	1/7 Shares	1/7 Amount	1/7 Funds	1/7 Shares	1/7 Amount	>1/7 Div Shrs	1/31 Shares	1/31 Amount	Jan Return	
FSAVX	494.568	22,349.53	none	494.568	23,348.56	FSAVX	468.407	22,113.51	none	468.407	21,888.66		
FSESX	304.120	22,617.40	none	304.120	22,060.86	FSESX	304.846	22,113.51	none	304.846	24,323.66		
FDLSX	235.583	21,473.39	none	235.583	21,626.52	FSDPX	325.534	22,113.51	none	325.534	22,162.35		
FSAIX	514.017	21,768.62	none	514.017	22,236.38	FSCHX	229.894	22,113.51	none	229.894	22,352.59		
FSCPX	881.530	21,606.30	none	881.530	21,571.04	FSCGX	646.216	22,113.51	none	646.216	22,888.97		
FSPTX	227.492	21,750.51	none	227.492	22,432.99	FNARX	636.910	22,113.51	none	636.910	23,310.91		
FSRFX	396.277	21,961.67	none	396.277	22,365.87	FSENX	420.089	22,113.51	none	420.089	23,672.02		
FSRPX	404.680	21,646.33	none	404.680	21,265.93	FCYIX	929.139	22,113.51	none	929.139	22,866.11		
<b>Top Eight</b>		<b>175,173.75</b>			<b>176,908.15</b>			<b>176,908.10</b>			<b>183,465.27</b>	<b>4.733</b>	
FNCMX	1,552.931	54,663.17	none						none	1,552.931	55,625.99	1.761	
FUSEX	1,157.031	51,464.74	none						none	1,157.031	52,691.19	2.383	
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 - Investor Class				33.628	28.498	20.633	(9.132)	(12.054)					
Yearly Summaries				2002	2003	2004	2005	2006					
				Return %	Return %	Return %	Return %	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	2008	2009	2010	2011 YTD					
				Return %	Return %	Return %	Return %	Return %					
<i>Top Eight Model Portfolio</i>				19.463	(37.882)	22.518	15.464	4.733					
Nasdaq Composite Index Fund				10.497	(40.041)	44.959	17.811	1.761					
Spartan 500 Index Fund - Investor Class				5.426	(37.047)	26.502	14.842	2.383					
Lifetime Summary				1/2/97 to 1/31/11		1/2/97 to 1/31/11							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				664.439		15.537							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund - Investor Class				119.547		5.743							
10-Year Summary				1/31/01 to 1/31/11		1/31/01 to 1/31/11							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				111.702		7.789							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund - Investor Class				12.658		1.199							
5-Year Summary				1/31/06 to 1/31/11		1/31/06 to 1/31/11							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				8.025		1.556							
Nasdaq Composite Index Fund				21.156		3.913							
Spartan 500 Index Fund - Investor Class				11.278		2.160							
3-Year Summary				1/31/08 to 1/31/11		1/31/08 to 1/31/11							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				0.189		0.063							
Nasdaq Composite Index Fund				15.701		4.982							
Spartan 500 Index Fund - Investor Class				(0.386)		(0.129)							
1-Year Summary				1/29/10 to 1/31/11									
				Total Return %									
<i>Top Eight Model Portfolio</i>				29.923									
Nasdaq Composite Index Fund				26.757									
Spartan 500 Index Fund - Investor Class				22.116									

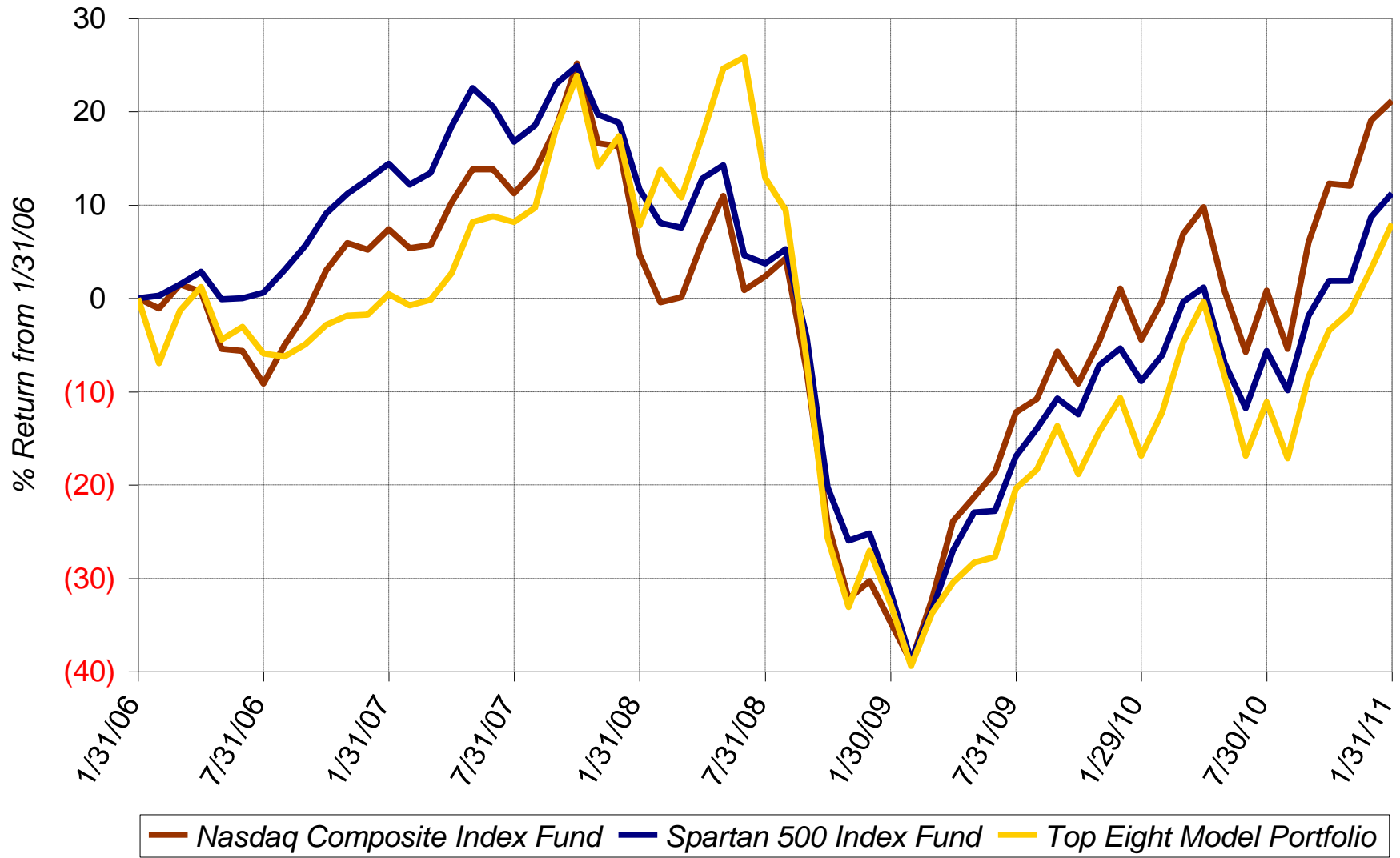
### Lifetime Chart



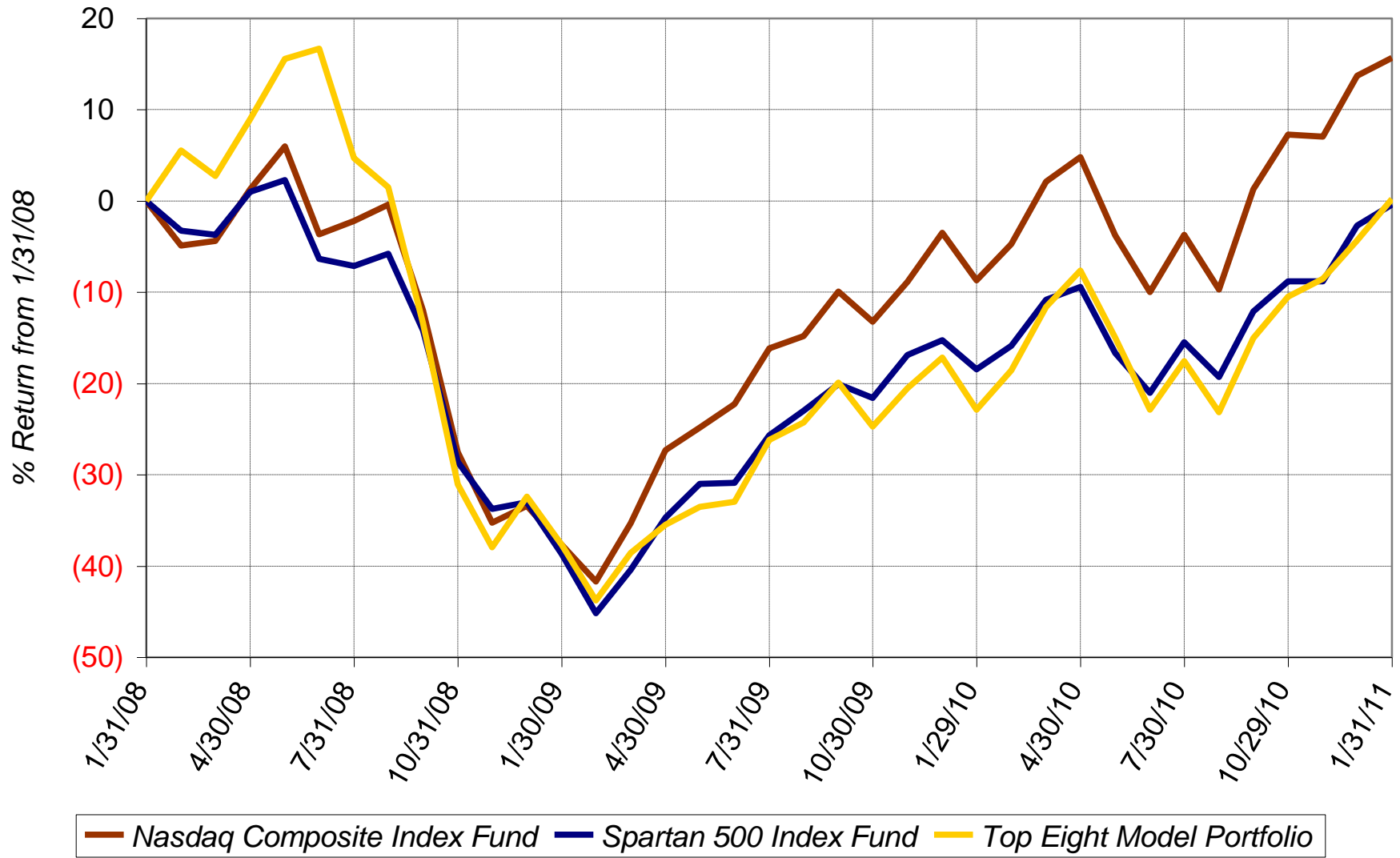
### 10-Year Chart



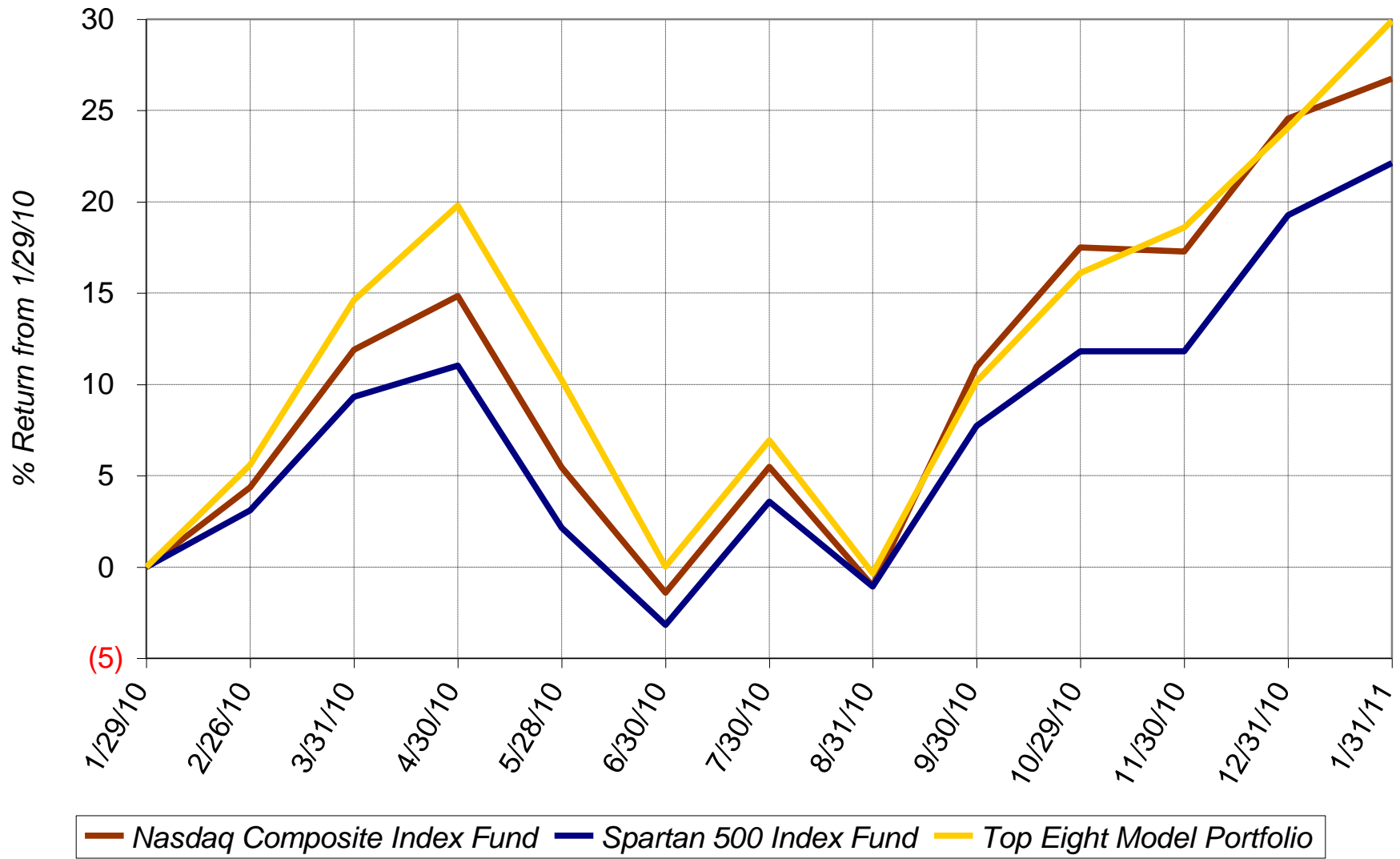
### 5-Year Chart



### 3-Year Chart



### 1-Year Chart





### Daily Chart January 2011

