

FIDELITY SELECT FUNDRANKER™

Volume 6 Issue 3

The Right Funds at the Right Time

March 2011

February Performance

The market set new bull market highs still again in February, extending its streak of new highs to four months in a row. Energy Service, Energy, Communications Equipment, and Natural Resources led *Top Eight Model Portfolio* funds with one-month gains of 7.62%, 6.87%, 6.82%, and 6.75%. Technology, Electronics, and Industrial Equipment followed with one-month gains of 2.70%, 2.52%, and 2.09%. Automotive trailed with a one-month gain of just 0.28%. The *Top Eight Model Portfolio* ended February with a one-month gain of 3.931%, giving it a six-month winning streak.

Top Eight Model Portfolio, S&P 500 tracking portfolio, and Nasdaq Composite tracking portfolio 2011 YTD returns at the end of February were 8.851%, 5.868%, and 4.972%, respectively.

Final Performance of Funds Sold on February 7

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

Fund	Bought	Sold	Return
Chemicals (FSCHX)	1/7/2011	2/7/2011	4.69%
Industrials (FCYIX)	1/7/2011	2/7/2011	6.13%
Materials (FSDPX)	1/7/2011	2/7/2011	3.58%

Cyclical or Secular Bull Market?

Are we nearing the end of a cyclical bull market, which typically lasts about two years, or are we part way into a secular bull market, which would last much longer?

According to Ned Davis Research, there have been 34 cyclical bull markets since 1900 but only four secular bull markets over that period, although those four lasted from six to 24 years.

There are many arguments for either scenario. See this recent article in USA Today: http://www.usatoday.com/money/markets/2011-02-24-bullmarket24_CV_N.htm. *Fundranker* will help us either way.

Energy Weighting Pays Off in February

Energy Service, Energy, and Natural Resources performed phenomenally in February and moved to the top three positions in *Fundranker's Top Eight Model Portfolio* for March. Only Gold and Multimedia beat all three of these funds in February. Considering the continuing political turmoil, protests, and upheavals in the Middle East, *Fundranker's* energy funds easily could continue to outperform.

Technology Weighting Fares Poorly

Fundranker added three technology funds to its *Top Eight Model Portfolio* in February: Communications Equipment, Electronics, and Technology. Communications Equipment gained 6.82% for the entire month of February, but unfortunately for us, it reaped most of that gain before we bought it on February 7. From February 7 to 28, it gained only 0.61%. Electronics and Technology gained 2.52% and 2.70% for the entire month of February, but they actually lost ground after we bought them on February 7 through February 28, as you can see at right. Multimedia zoomed up from out of nowhere and knocked Technology out of the *Top Eight Model Portfolio* altogether. Stay tuned to see how our remaining two technology funds do moving forward.

Holding Period Alert

If you purchased shares after February 7 of any funds which are being exchanged on March 9, to avoid roundtrip transactions under Fidelity's frequent trading policy for Select funds, you should wait at least 30 days after your purchase before exchanging them.

For example, if you purchased the three new funds for February on February 8, note that *Fundranker* is exchanging one of them, Technology, this month. You should wait a full thirty days and exchange it on March 10 to avoid a roundtrip transaction.

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 although February was a short month, if you invested new money into a new or existing *Top Eight* portfolio on February 2, you won't have to worry about roundtrip transactions since we are exchanging on March 9 this month.

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, 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.

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. We welcome your input.

Top Eight Model Portfolio for March 2011

Fund Name (Symbol)	Purchase	Return to 2/28
1. Energy Service (FSESX)	12/8/2010	20.42%
2. Energy (FSENX)	1/7/2011	14.40%
3. Natural Resources (FNARX)	1/7/2011	12.53%
4. Communications Eqpt (FSDCX)	2/7/2011	0.61%
5. Automotive (FSAVX)	10/7/2010	27.75%
6. Electronics (FSELX)	2/7/2011	(1.09)%
7. Multimedia (FBMPX)	3/9/2011	
8. Industrial Equipment (FSCGX)	1/7/2011	5.67%
Fund to be sold on March 9:		
9. Technology (FSPTX)	2/7/2011	(1.22)%

Fundranker Exchange for March 9

Sell Technology (FSPTX), buy Multimedia (FBMPX)

Fundranker Invest New Money Date

Invest new money on March 2.

Optional Rebalancing Exchange Dates

Method 1: none; Method 2: March 2; Method 3: March 9 (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 April 4; otherwise *Fundranker* will exchange on April 8.

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<i>Fundranker Ratings for 2/28/11</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)	22.33	21.74	2.86	0.87	11.950	35
Automotive (FSAVX)	50.87*	48.20*	14.24	0.28	30.398	5
Banking (FSRBX)	13.83	27.84	18.32*	1.01	16.250	28
Biotechnology (FBIOX)	9.11	19.41	8.71	0.80	9.508	38
Brokerage & Investment Mgmt (FSLBX)	15.08	26.21	15.95	2.08	14.830	30
Chemicals (FSCHX)	37.74*	37.74*	14.25	3.72*	26.363	10
Communications Equipment (FSDCX)	42.38*	43.00*	20.87*	6.82*	32.268	4
Computers (FDCPX)	37.21*	38.51*	11.32	3.51	24.638	12
Construction & Housing (FSHOX)	26.24	34.23	20.16*	2.63	21.815	16
Consumer Discretionary (FSCPX)	29.75	30.57	5.59	3.44	17.338	23
Consumer Finance (FSVLX)	5.83	20.25	14.08	2.40	10.640	37
Consumer Staples (FDFAX)	13.55	14.68	4.51	2.15	8.723	39
Defense & Aerospace (FSDAX)	26.79	29.15	11.44	1.72	17.275	24
Electronics (FSELX)	34.87	54.32*	20.59*	2.52	30.075	6
Energy (FSENX)	38.95*	58.00*	26.36*	6.87*	36.545	2
Energy Service (FSESX)	47.37*	68.47*	25.84*	7.62*	41.325	1
Environment & Alternative Energy (FSLEX)	28.96	28.02	15.16	3.12	18.815	21
Financial Services (FIDSX)	6.24	22.11	17.95*	1.68	12.995	34
Gold (FSAGX)	37.35*	12.70	0.67	9.31*	17.008	25
Health Care (FSPHX)	22.86	33.44	15.03	3.85*	19.795	17
Industrial Equipment (FSCGX)	38.87*	41.76*	17.10*	2.09	27.955	8
Industrials (FCYIX)	37.85*	37.72	15.44	2.56	24.393	13
Insurance (FSPCX)	21.31	23.59	13.82	4.97*	16.923	26
IT Services (FBSOX)	30.62	33.19	11.77	3.29	19.718	18
Leisure (FDLSX)	31.17	25.35	1.61	3.06	15.298	29
Materials (FSDPX)	35.70	36.41	13.39	2.98	22.120	15
Medical Delivery (FSHCX)	24.68	41.41*	18.31*	5.69*	25.523	11
Medical Equipment & Systems (FSMEX)	17.12	34.62	15.66	4.82*	19.055	20
Multimedia (FBMPX)	39.34*	36.58	17.67*	10.70*	29.073	7
Natural Gas (FSNGX)	17.58	37.99*	19.83*	4.82*	23.055	14
Natural Resources (FNARX)	42.09*	54.14*	24.18*	6.75*	35.790	3
Pharmaceuticals (FPHAX)	19.68	20.84	9.26	2.41	13.048	33
Retailing (FSRPX)	22.27	29.87	3.45	3.13	14.680	31
Software & Computer Services (FSCSX)	30.85	33.60	11.47	2.33	19.563	19
Technology (FSPTX)	41.71*	39.85*	13.45	2.70	26.428	9
Telecommunications (FSTCX)	27.24	19.43	8.05	2.75	14.368	32
Transportation (FSRFX)	34.45	25.10	5.08	1.75	16.595	27
Utilities (FSUTX)	22.04	11.47	8.45	2.38	11.085	36
Wireless (FWRLX)	29.55	24.54	14.35	2.60	17.760	22

*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

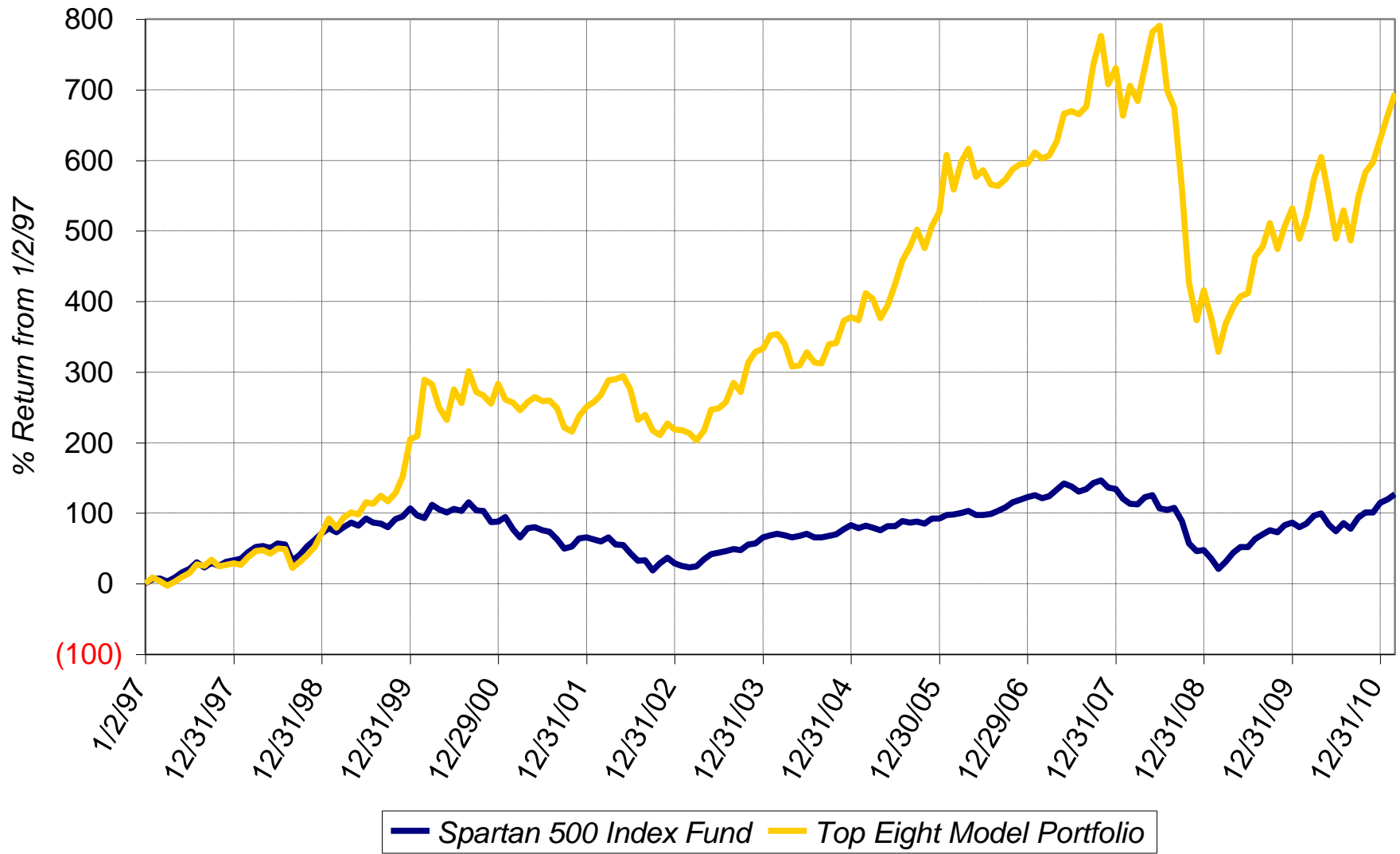
Sell on March 9, 2011

Buy on March 9, 2011

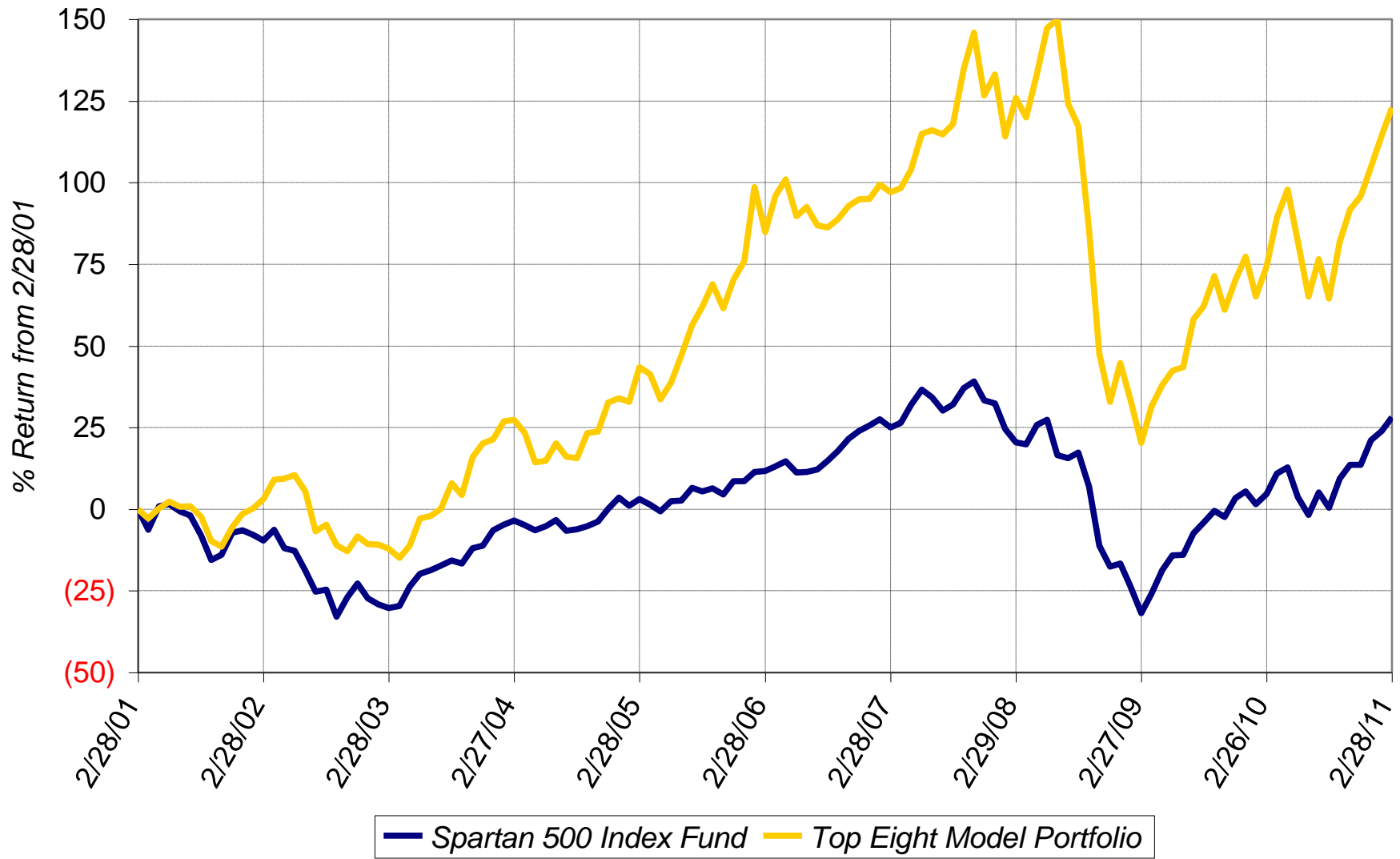
Hold

Fundranker Performance for February 2011													
1/31 Funds	1/31 Shares	1/31 Amount	<=2/7 Div Shrs	2/7 Shares	2/7 Amount	2/7 Funds	2/7 Shares	2/7 Amount	>2/7 Div Shrs	2/28 Shares	2/28 Amount	Feb Return	
FSAVX	468.407	21,888.66	none	468.407	22,071.34	FSESX	287.190	23,520.85	none	287.190	24,661.01		
FSESX	304.846	24,323.66	none	304.846	24,966.89	FSAVX	499.169	23,520.85	none	499.169	23,391.06		
FSDPX	325.534	22,162.35	none	325.534	22,904.57	FNARX	628.060	23,520.85	none	628.060	24,538.30		
FSCHX	229.894	22,352.59	none	229.894	23,150.33	FSENX	408.136	23,520.85	none	408.136	24,577.95		
FSCGX	646.216	22,888.97	none	646.216	23,541.65	FSELX	435.975	23,520.85	none	435.975	23,263.63		
FNARX	636.910	23,310.91	none	636.910	23,852.28	FSCGX	645.645	23,520.85	none	645.645	23,346.52		
FSENX	420.089	23,672.02	none	420.089	24,209.73	FSPTX	226.970	23,520.85	none	226.970	23,234.92		
FCYIX	929.139	22,866.11	none	929.139	23,470.05	FSDCX	799.485	23,520.85	none	799.485	23,664.76		
Top Eight		183,465.27			188,166.84			188,166.80			190,678.15	3.931	
FNCMX	1,552.931	55,625.99	none						none	1,552.931	57,380.80	3.155	
FUSEX	1,157.031	52,691.19	none						none	1,157.031	54,484.59	3.404	
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 Return %	2011 YTD Return %					
<i>Top Eight Model Portfolio</i>				19.463	(37.882)	22.518	15.464	8.851					
Nasdaq Composite Index Fund				10.497	(40.041)	44.959	17.811	4.972					
Spartan 500 Index Fund - Investor Class				5.426	(37.047)	26.502	14.842	5.868					
Lifetime Summary				1/2/97 to 2/28/11 Total Return %		1/2/97 to 2/28/11 Average Annual Return %							
<i>Top Eight Model Portfolio</i>				694.492		15.754							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund - Investor Class				127.019		5.958							
10-Year Summary				2/28/01 to 2/28/11 Total Return %		2/28/01 to 2/28/11 Average Annual Return %							
<i>Top Eight Model Portfolio</i>				122.923		8.347							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund - Investor Class				28.212		2.516							
5-Year Summary				2/28/06 to 2/28/11 Total Return %		2/28/06 to 2/28/11 Average Annual Return %							
<i>Top Eight Model Portfolio</i>				20.630		3.822							
Nasdaq Composite Index Fund				26.318		4.784							
Spartan 500 Index Fund - Investor Class				14.754		2.791							
3-Year Summary				2/29/08 to 2/28/11 Total Return %		2/29/08 to 2/28/11 Average Annual Return %							
<i>Top Eight Model Portfolio</i>				(1.343)		(0.450)							
Nasdaq Composite Index Fund				25.504		7.866							
Spartan 500 Index Fund - Investor Class				6.470		2.112							
1-Year Summary				2/26/10 to 2/28/11 Total Return %									
<i>Top Eight Model Portfolio</i>				27.870									
Nasdaq Composite Index Fund				25.293									
Spartan 500 Index Fund - Investor Class				22.470									

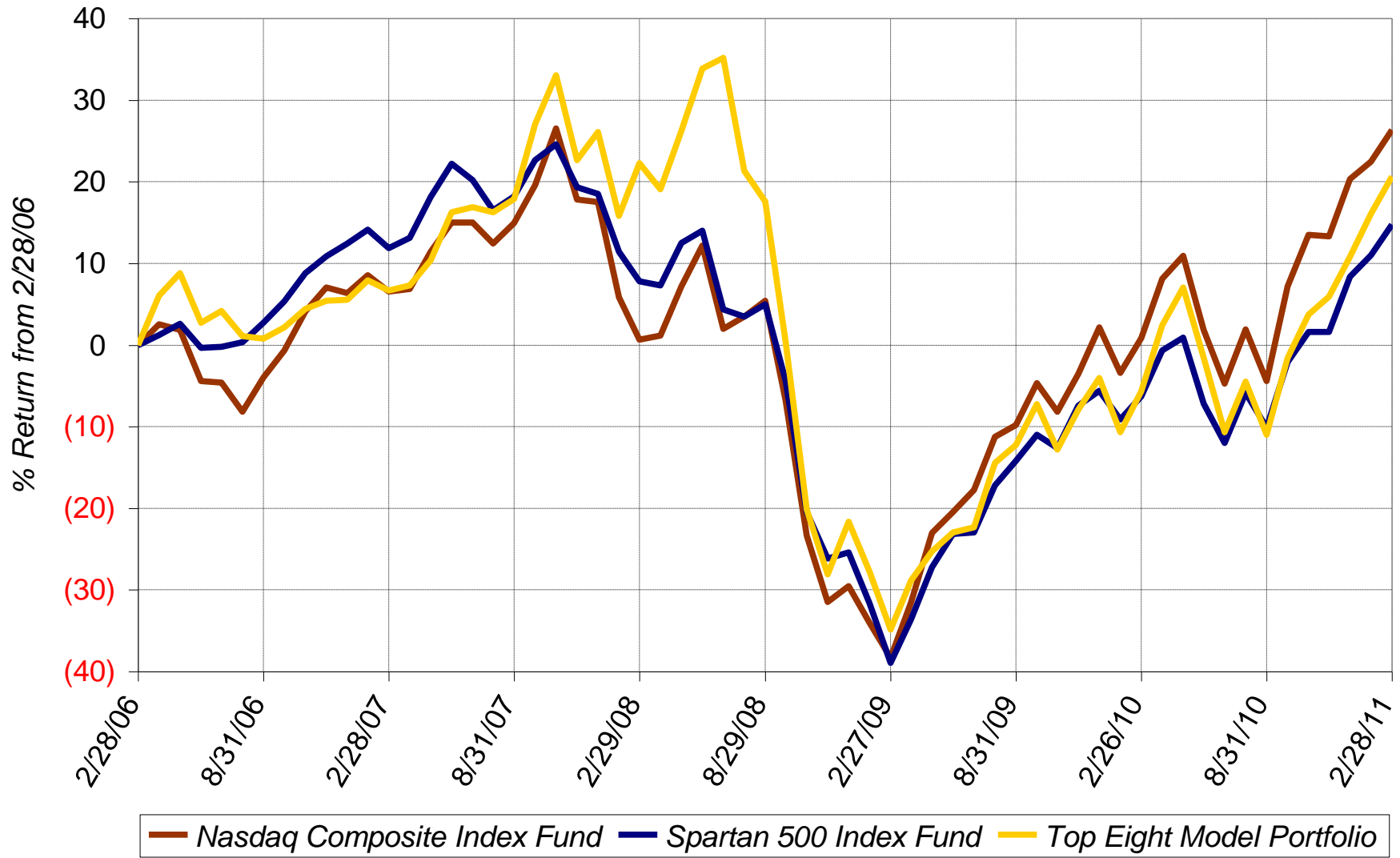
Lifetime Chart



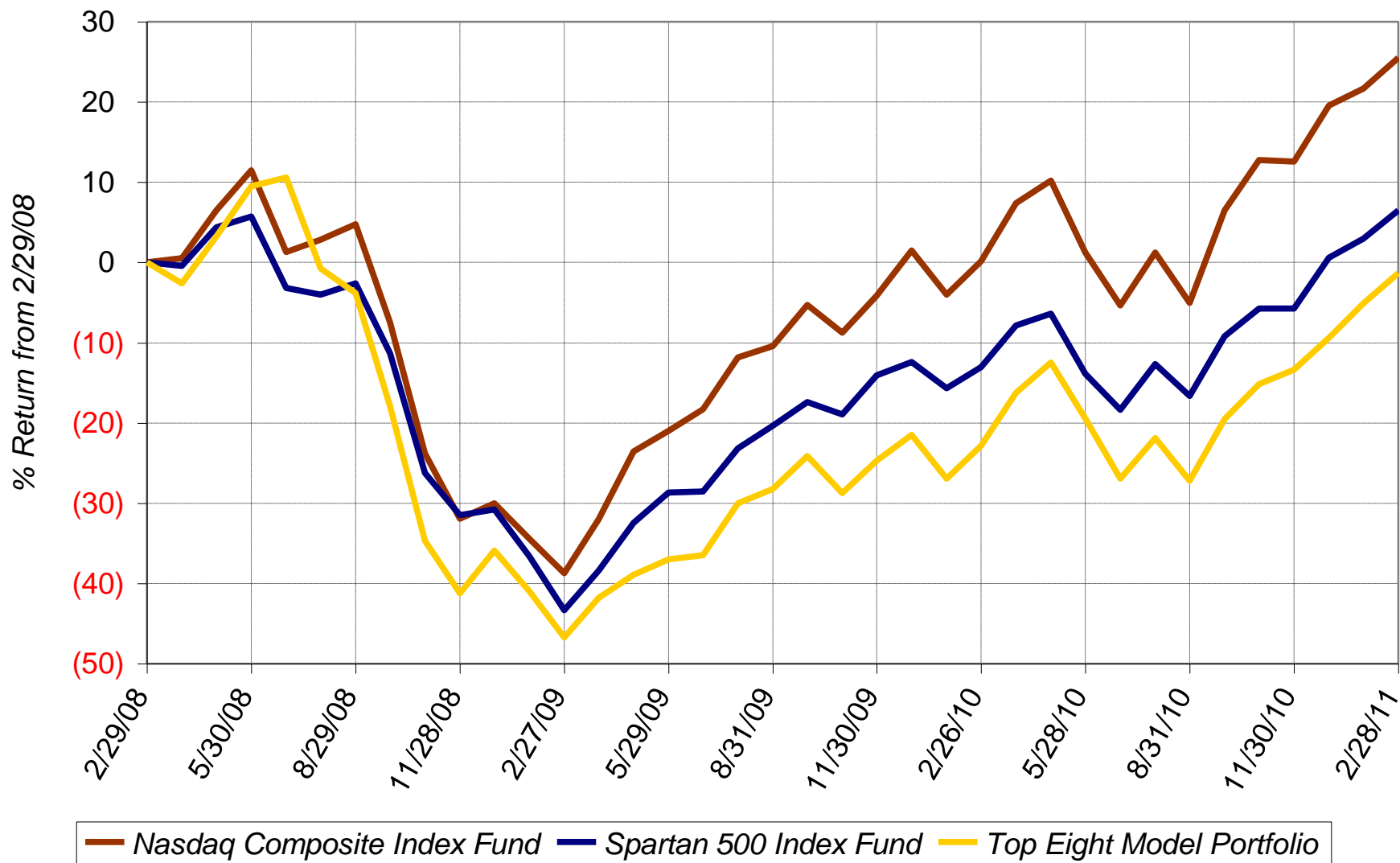
10-Year Chart



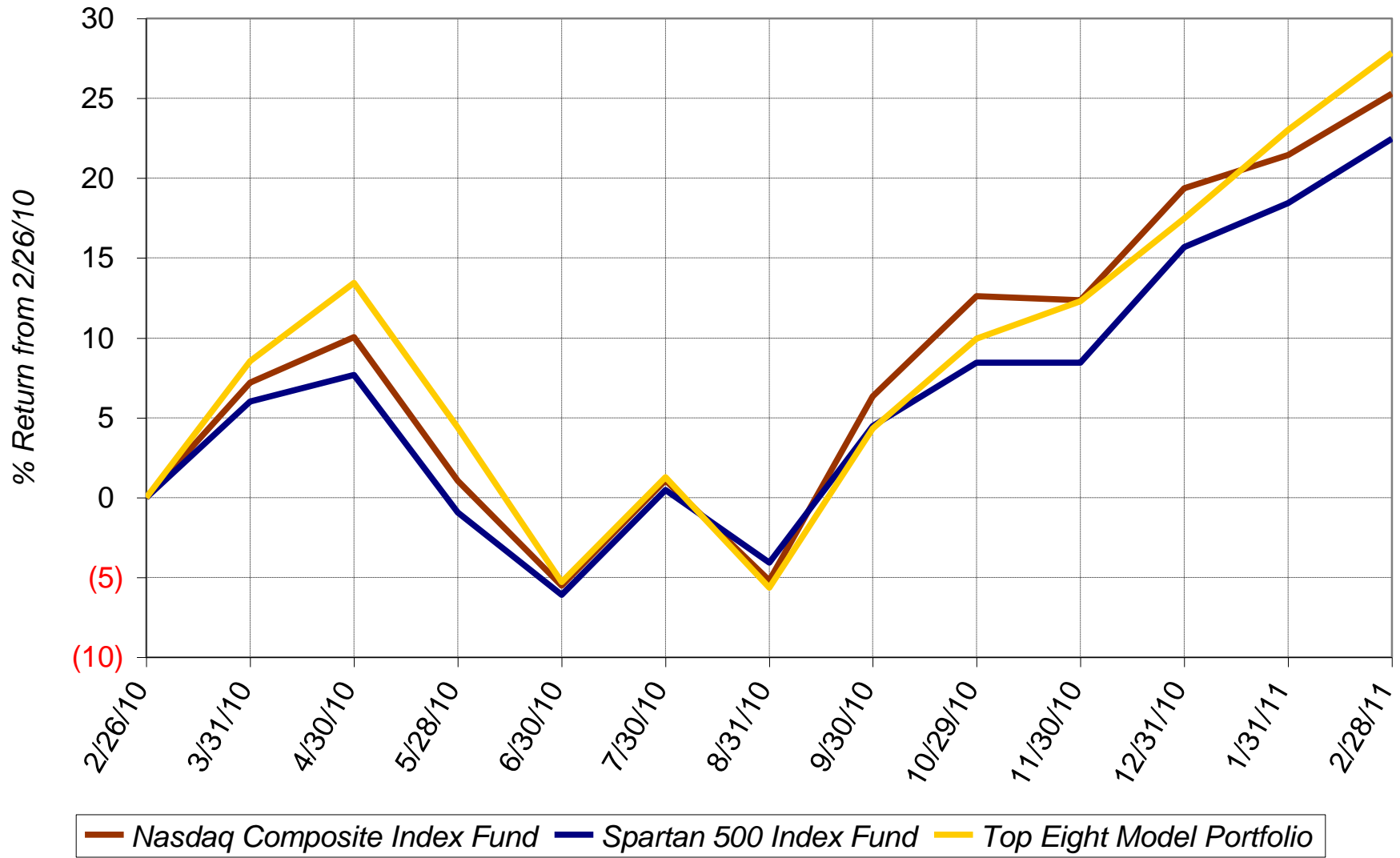
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart February 2011

