

FIDELITY SELECT FUNDRANKER™

Volume 6 Issue 10

The Right Funds at the Right Time

October 2011

September Performance

Stocks staged multiple-day rallies twice in September, but fell significantly before, between, and after those rallies. Markets ended September with their worst quarter since 2008.

All eight *Top Eight Model Portfolio* funds fell in September. Utilities, Biotechnology, Retailing, Pharmaceuticals, and Consumer Staples had one-month losses ranging from 0.76% to 5.73%. Medical Delivery, Leisure, and Gold had one-month losses of 8.53%, 9.35%, and 13.69%, respectively. The *Top Eight Model Portfolio* lost 7.674% during September.

With that loss, the *Top Eight Model Portfolio* remains behind both the S&P 500 Index and the Nasdaq Composite Index for 2011 YTD total returns at the end of September. The three measures now sport YTD losses of 11.095%, 8.728%, and 8.437%, respectively.

Final Performance of Funds Sold on September 6

Fundranker exchanged three funds on September 6. Here are the returns they contributed to the *Top Eight Model Portfolio*:

Fund	Bought	Sold	Return
Energy (FSENX)	1/7/2011	9/6/2011	(6.57)%
Energy Service (FSESX)	12/8/2010	9/6/2011	(3.77)%
Natural Resources (FNARX)	8/4/2011	9/6/2011	(9.94)%

Is a Double-Dip Recession Imminent?

Are we headed into a double-dip recession? Here are some data to consider.

Gross Domestic Product grew only 0.4% and 1.3% in the first and second quarters of 2011. Economists predict 1.8% growth in GDP for the third quarter of 2011, less than 2% for all of 2011, and about the same in 2012. Growth seems to be picking up, but very, very slowly, and not really enough to signal a healthy recovery.

The Labor Department reported this week that weekly claims for unemployment insurance dropped 37,000 last week to 391,000. While claims below 400,000 are considered an encouraging factor for job growth, further weeks of falling unemployment claims are desperately needed to make any impact on the unemployment rate.

In the latest revision to the Commerce Department's second quarter GDP report, released this week, figures for business investment showed an increase of 10.3%, revised up from 6.3%. Figures for consumer spending showed an increase of 0.7%, revised up from the previous estimate of a 0.4%. Consumer spending makes up 70% of GDP, so this upward revision is welcome news, but the miniscule increase still indicates reluctance by consumers to spend. Consumer and business confidence continues to be critical to a healthy recovery.

Sales of existing homes showed a surprising increase of 7.7% in August, but much of that increase was due to investors buying distressed homes with cash. Historically low interest rates are positive for housing, but the anemic job market discourages would-be home buyers.

Data on jobs, spending, income and manufacturing all seem to indicate an economy that is treading water—signaling neither a steep fall into a new recession nor a healthy recovery. The economy continues growing but may be only one shock away from another recession.

Holding Period Alert

If you purchased shares after September 6 of any funds which are being exchanged on October 6, 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 shares of Gold on September 7, you should wait a full thirty days and exchange Gold on October 7 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.

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 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 *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 October 2011

Fund Name (Symbol)	Purchase	Return to 9/30
1. Utilities (FSUTX)	9/6/2011	2.08%
2. Consumer Staples (FDFAX)	9/6/2011	(2.82)%
3. Retailing (FSRPX)	8/4/2011	(0.14)%
4. Biotechnology (FBIOX)	5/9/2011	(12.16)%
5. Pharmaceuticals (FPHAX)	5/9/2011	(10.36)%
6. Health Care (FSPHX)	10/6/2011	
7. Medical Eqpt & Systems (FSMEX)	10/6/2011	
8. Software & Comp Services (FSCSX)	10/6/2011	
Funds to be sold on October 6:		
10. Leisure (FDLSX)	8/4/2011	(7.68)%
11. Medical Delivery (FSHCX)	4/8/2011	(14.38)%
12. Gold (FSAGX)	9/6/2011	(16.15)%

Fundranker Exchanges for October 6

Sell Gold (FSAGX), buy Health Care (FSPHX)
Sell Leisure (FDLSX), buy Medical Equipment & Systems (FSMEX)
Sell Med Delivery (FSHCX), buy Software & Comp Services (FSCSX)

Fundranker Invest New Money Date

Invest new money on October 3.

Optional Rebalancing Exchange Dates

Method 1: none; Method 2: October 3; Method 3: October 6 (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 November 2; otherwise, *Fundranker* will exchange on November 7.

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. © 2011 Fidelity Select Fundranker

<i>Fundranker</i> Ratings for 9/30/11	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)	(6.90)	(15.83)	(15.88)	(3.42)	(10.508)	19
Automotive (FSAVX)	(14.30)	(31.56)	(31.64)	(13.61)	(22.778)	38
Banking (FSRBX)	(14.63)	(26.40)	(22.08)	(9.36)	(18.118)	31
Biotechnology (FBIOX)	10.45*	(3.86)	(12.74)	(3.65)	(1.450)	4
Brokerage & Investment Mgmt (FSLBX)	(20.06)	(29.43)	(23.45)	(11.56)	(21.125)	37
Chemicals (FSCHX)	2.70	(21.83)	(24.12)	(16.40)	(14.913)	25
Communications Equipment (FSDCX)	(13.78)	(28.47)	(25.14)	(9.02)	(19.103)	35
Computers (FDCPX)	(0.44)	(16.90)	(16.81)	(4.63)	(9.695)	18
Construction & Housing (FSHOX)	(5.13)	(22.50)	(19.41)	(11.28)	(14.580)	24
Consumer Discretionary (FSCPX)	1.24	(12.67)	(14.58)	(7.13)	(8.285)	15
Consumer Finance (FSVLX)	(2.40)	(13.61)	(14.71)	(7.57)	(9.573)	17
Consumer Staples (FDFAX)	7.21*	(0.89)	(6.05)	(5.03)	(0.190)	2
Defense & Aerospace (FSDAX)	4.76*	(12.39)	(15.79)	(5.52)	(6.235)	9
Electronics (FSELX)	4.65*	(17.47)	(16.86)	(4.18)	(7.465)	13
Energy (FSENX)	1.97	(30.55)	(25.89)	(17.03)	(17.875)	29
Energy Service (FSESX)	(5.46)	(37.06)	(32.71)	(24.22)	(24.863)	39
Environment & Alternative Energy (FSLEX)	(12.76)	(26.28)	(25.92)	(10.98)	(18.985)	34
Financial Services (FIDSX)	(20.25)	(27.04)	(23.01)	(11.61)	(20.478)	36
Gold (FSAGX)	(2.92)	(9.20)	(2.71)	(13.69)	(7.130)	12
Health Care (FSPHX)	9.78*	(10.94)	(14.65)	(5.76)	(4.393)	6
Industrial Equipment (FSCGX)	(6.14)	(26.50)	(24.14)	(11.76)	(17.135)	28
Industrials (FCYIX)	(4.42)	(23.54)	(22.42)	(9.51)	(14.973)	26
Insurance (FSPCX)	(9.73)	(19.80)	(17.60)	(6.67)	(13.450)	23
IT Services (FBSOX)	2.12	(14.27)	(14.97)	(5.77)	(8.223)	14
Leisure (FDLSX)	3.69*	(9.32)	(14.08)	(9.35)	(6.265)	10
Materials (FSDPX)	(4.76)	(25.14)	(25.30)	(17.08)	(18.070)	30
Medical Delivery (FSHCX)	11.36*	(14.74)	(17.91)	(8.53)	(6.455)	11
Medical Equipment & Systems (FSMEX)	8.20*	(11.23)	(14.68)	(6.54)	(5.063)	7
Multimedia (FBMPX)	0.00	(18.79)	(20.43)	(8.91)	(12.033)	22
Natural Gas (FSNGX)	(7.04)	(27.80)	(22.50)	(15.86)	(18.300)	32
Natural Resources (FNARX)	(0.27)	(30.53)	(25.64)	(18.34)	(18.695)	33
Pharmaceuticals (FPHAX)	9.09*	(4.08)	(10.69)	(4.70)	(1.595)	5
Retailing (FSRPX)	10.48*	(3.62)	(7.90)	(4.21)	(0.313)	3
Software & Computer Services (FSCSX)	4.94*	(12.29)	(12.90)	(5.37)	(5.405)	8
Technology (FSPTX)	(2.27)	(18.93)	(16.46)	(7.40)	(11.265)	21
Telecommunications (FSTCX)	(3.58)	(13.12)	(16.97)	(8.82)	(10.623)	20
Transportation (FSRFX)	(8.76)	(21.38)	(21.74)	(10.01)	(15.473)	27
Utilities (FSUTX)	9.71*	1.53*	(3.15)	(0.76)	3.833	1
Wireless (FWRLX)	(1.36)	(12.85)	(12.10)	(7.82)	(8.533)	16

*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

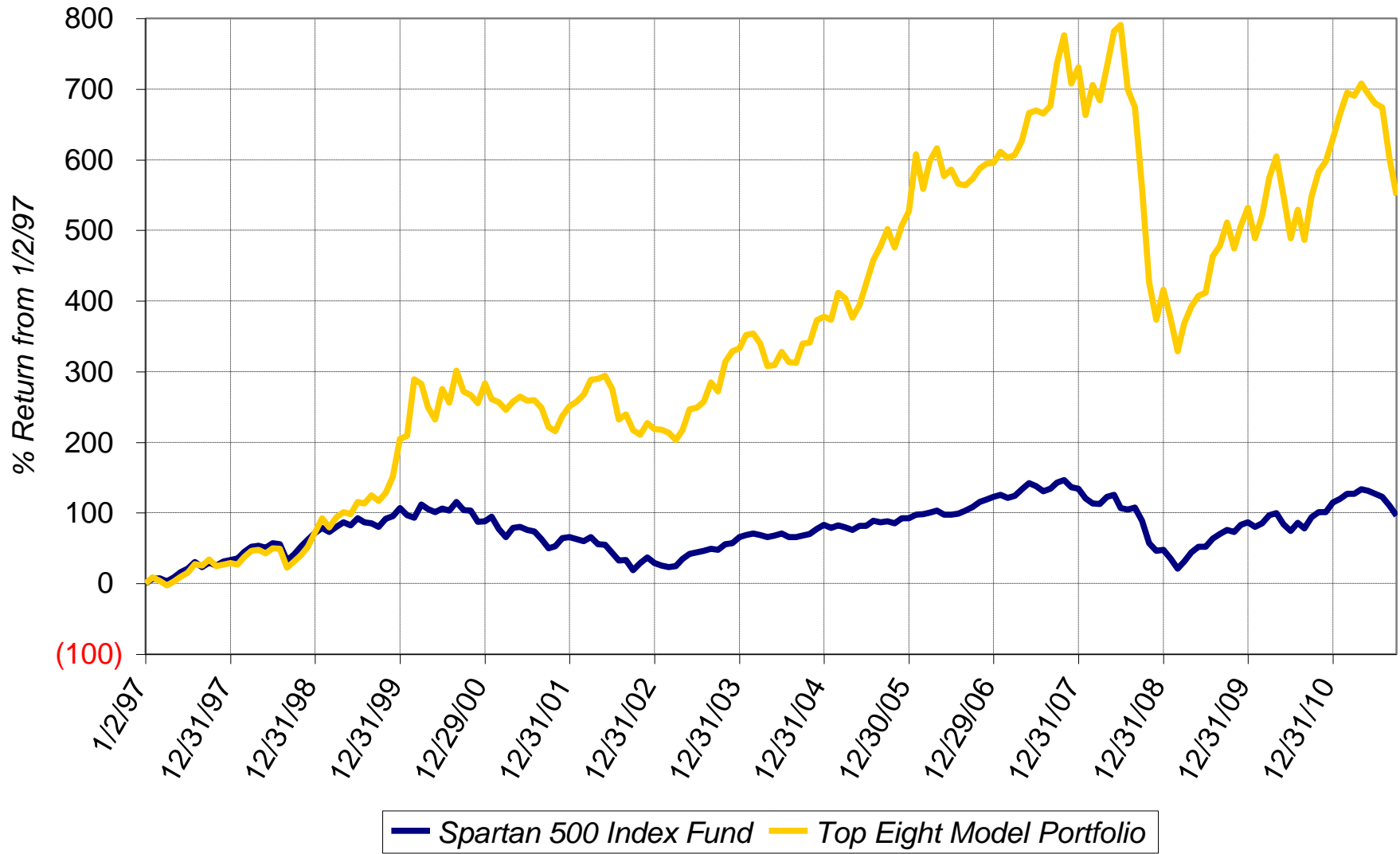
Sell on October 6, 2011

Buy on October 6, 2011

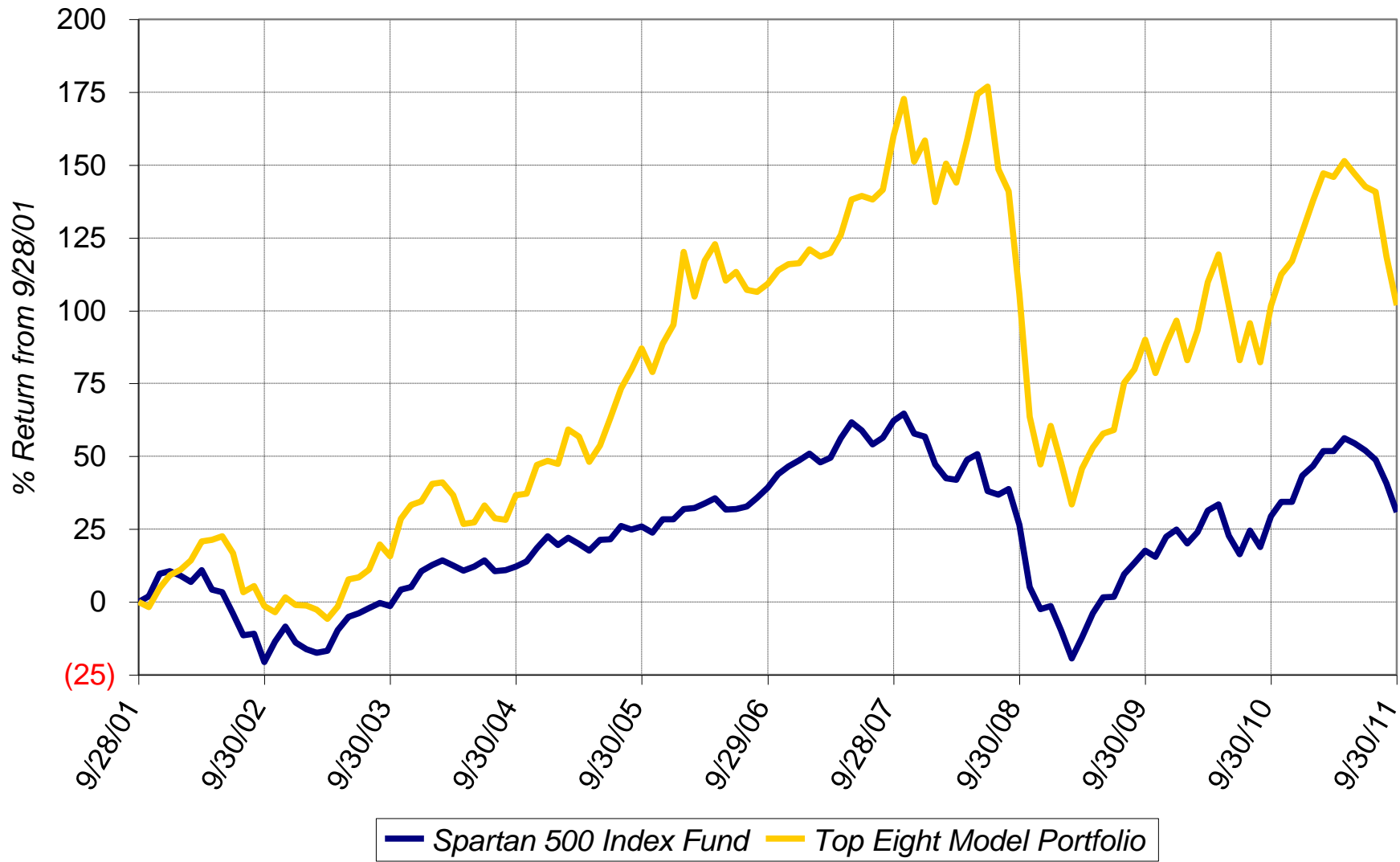
Hold

Fundranker Performance for September 2011													
8/31 Funds	8/31 Shares	8/31 Amount	<=9/6 Div Shrs	9/6 Shares	9/6 Amount	9/6 Funds	9/6 Shares	9/6 Amount	>9/6 Div Shrs	9/30 Shares	9/30 Amount	Sep Return	
FSESX	273.274	20,039.18	none	273.274	18,752.06	FSAGX	373.097	20,255.44	none	373.097	16,983.38		
FSRPX	413.785	21,603.71	none	413.785	20,908.56	FSRPX	400.860	20,255.44	none	400.860	20,047.01		
FSHCX	393.961	21,104.49	none	393.961	20,296.87	FDFA	290.151	20,255.44	none	290.151	19,683.84		
FBIOX	277.445	21,723.94	none	277.445	21,163.50	FDLSX	229.004	20,255.44	none	229.004	19,085.19		
FDLSX	229.560	21,105.75	none	229.560	20,304.58	FPHAX	1,613.979	20,255.44	none	1,613.979	19,964.92		
FSENX	400.355	20,646.31	none	400.355	19,665.44	FBIOX	265.541	20,255.44	none	265.541	20,032.41		
FPHAX	1,660.446	21,552.59	none	1,660.446	20,838.60	FSHCX	393.157	20,255.44	none	393.157	19,264.69		
FNARX	614.542	20,906.72	none	614.542	20,113.96	FSUTX	405.271	20,255.44	none	405.271	20,676.93		
Top Eight		168,682.69			162,043.57			162,043.50			155,738.37	(7.674)	
FNCMX	1,552.931	53,389.77	none						none	1,552.931	50,050.97	(6.254)	
FUSEX	1,167.320	50,533.28	none						none	1,167.320	46,972.96	(7.045)	
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	(11.095)					
Nasdaq Composite Index Fund				10.497	(40.041)	44.959	17.811	(8.437)					
Spartan 500 Index Fund - Investor Class				5.426	(37.047)	26.502	14.842	(8.728)					
Lifetime Summary				1/2/97 to 9/30/11		1/2/97 to 9/30/11							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				548.910		13.518							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund - Investor Class				95.721		4.658							
10-Year Summary				9/28/01 to 9/30/11		9/28/01 to 9/30/11							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				101.848		7.276							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund - Investor Class				30.821		2.723							
5-Year Summary				9/29/06 to 9/30/11		9/29/06 to 9/30/11							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				(3.531)		(0.716)							
Nasdaq Composite Index Fund				10.903		2.091							
Spartan 500 Index Fund - Investor Class				(6.123)		(1.256)							
3-Year Summary				9/30/08 to 9/30/11		9/30/08 to 9/30/11							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				(1.809)		(0.607)							
Nasdaq Composite Index Fund				18.283		5.757							
Spartan 500 Index Fund - Investor Class				3.477		1.146							
1-Year Summary				9/30/10 to 9/30/11		9/30/10 to 9/30/11							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				0.118		0.118							
Nasdaq Composite Index Fund				2.778		2.778							
Spartan 500 Index Fund - Investor Class				1.059		1.059							

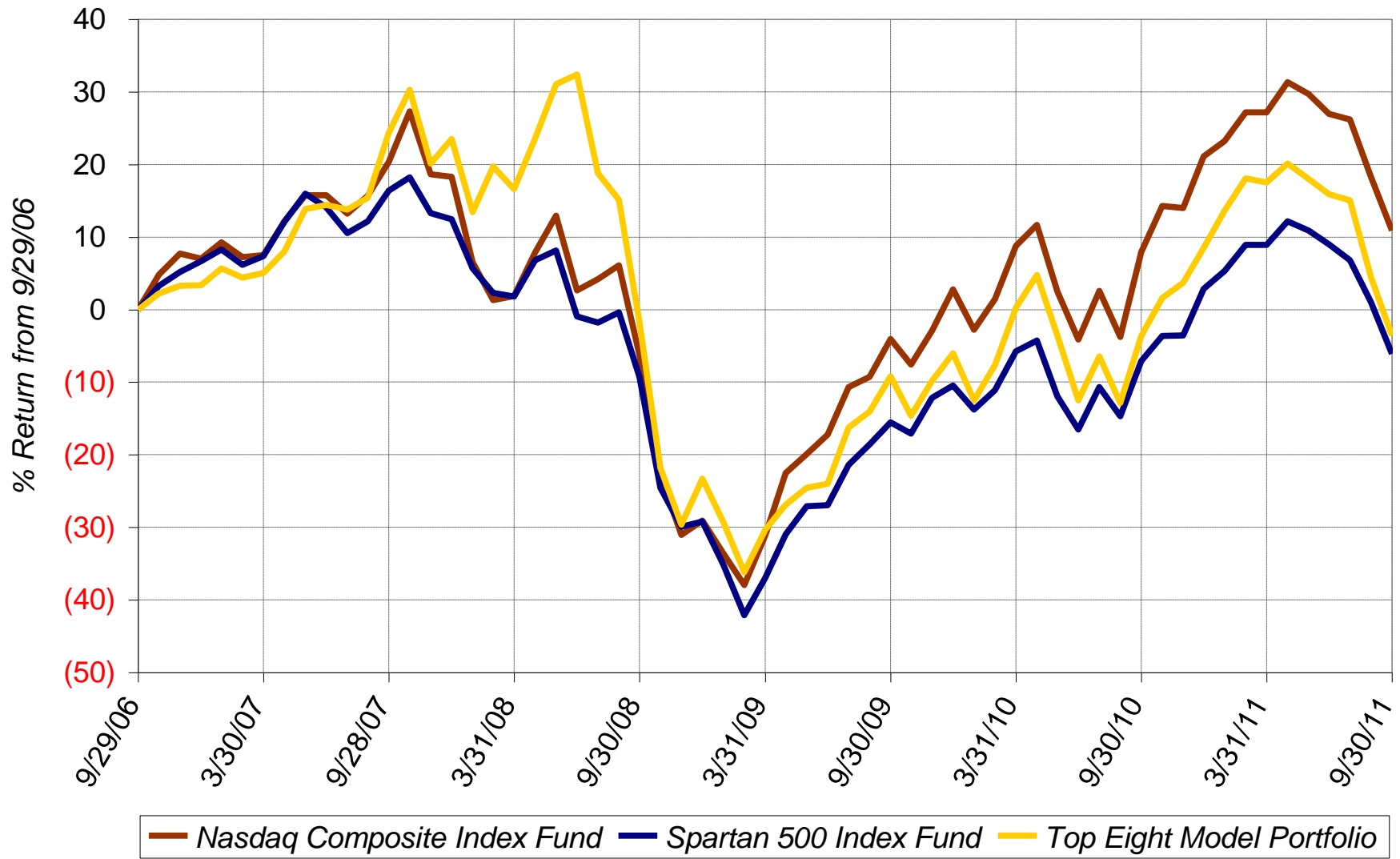
Lifetime Chart



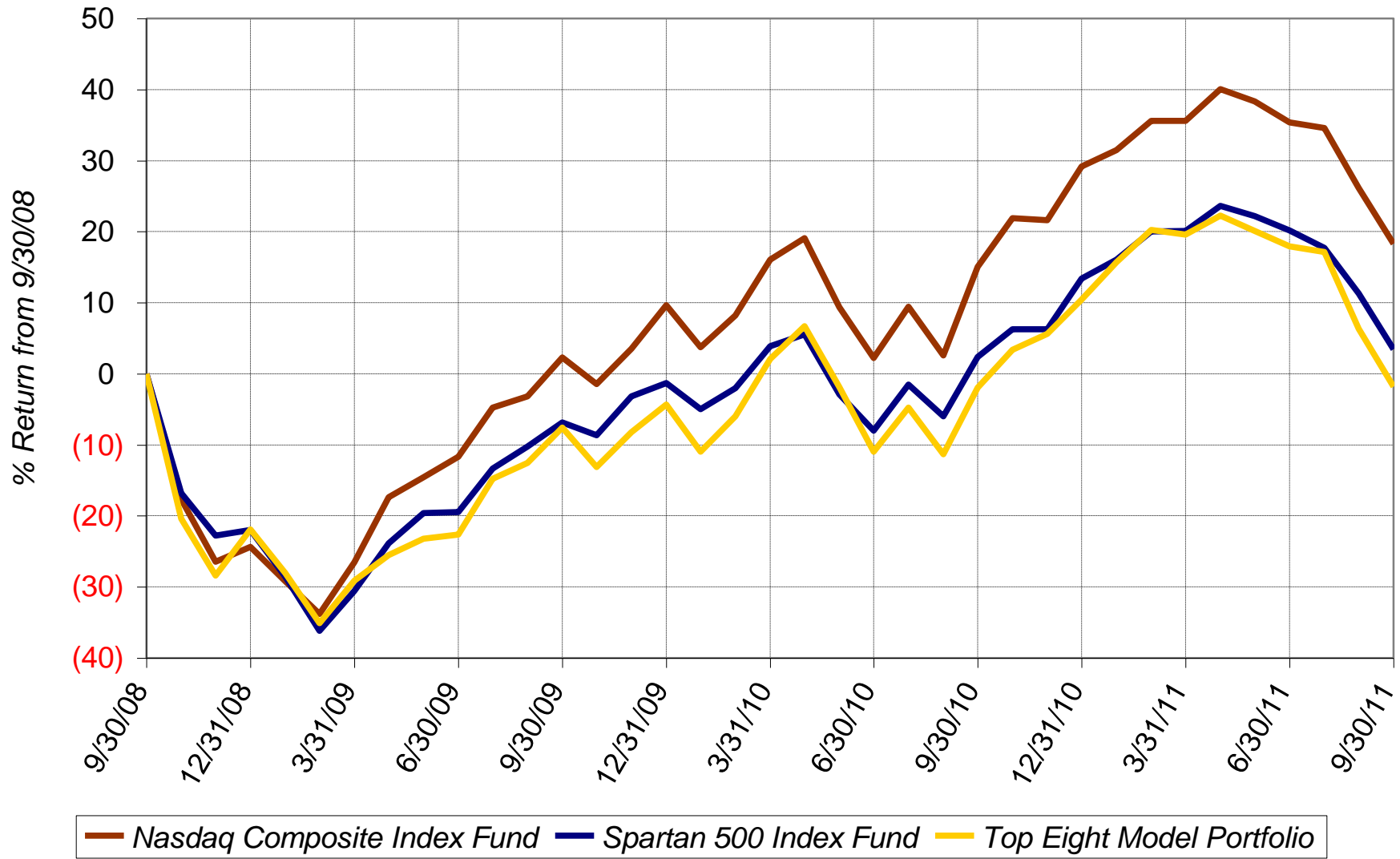
10-Year Chart



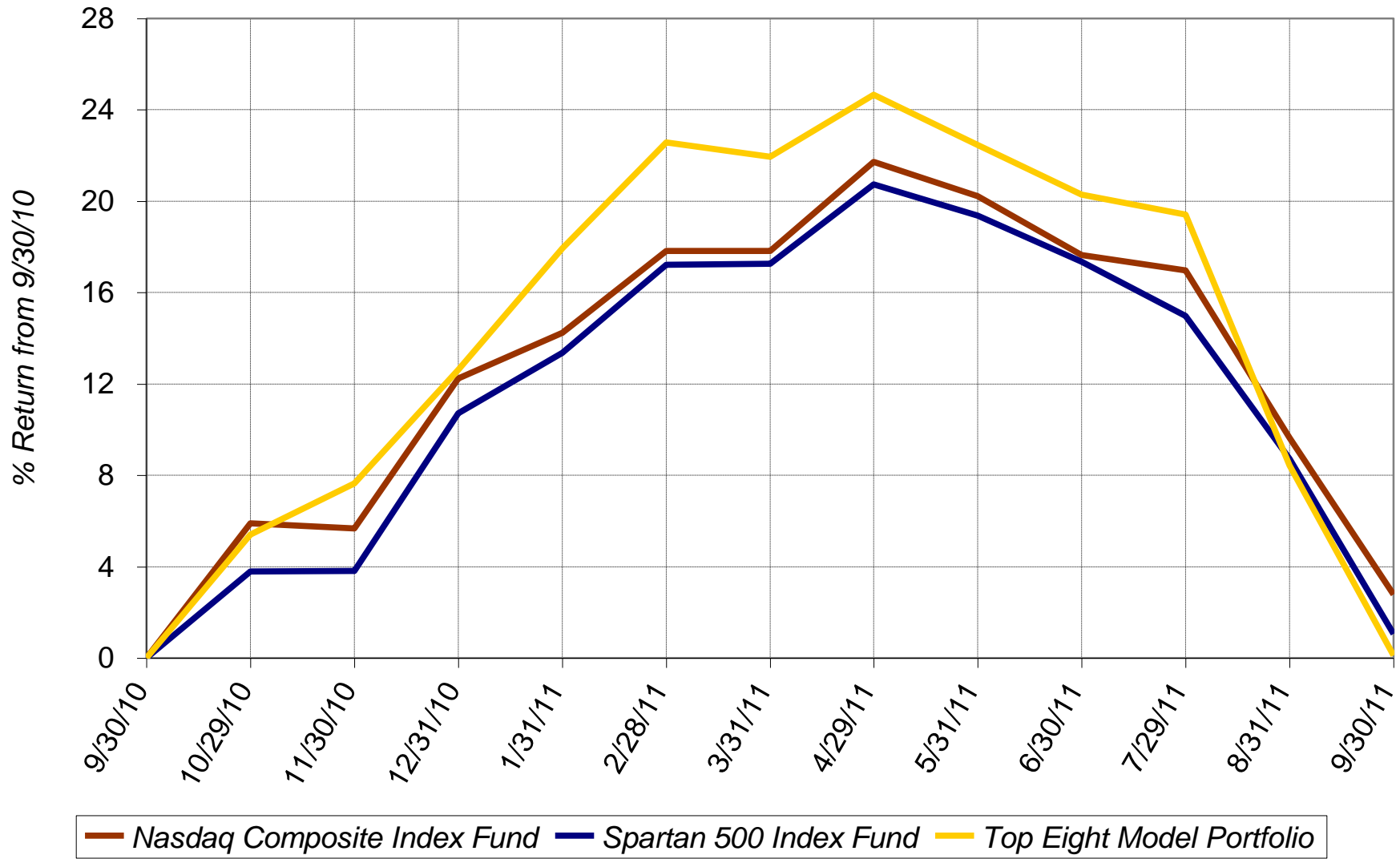
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart September 2011

