

FIDELITY SELECT FUNDRANKER™

Volume 7 Issue 1

The Right Funds at the Right Time

January 2012

December Performance Mixed

A Santa Claus rally improved results for December and pushed the S&P 500 Index and the *Top Eight Model Portfolio* into the black for the month. The Nasdaq Composite Index ended in the red for December.

Six *Top Eight Model Portfolio* funds gained ground in December. Construction & Housing, Pharmaceuticals, and Biotechnology led the *Top Eight* with one-month gains of 3.90%, 3.69%, and 3.30%. Utilities, Consumer Staples, and Defense & Aerospace followed with one-month gains of 2.65%, 1.96%, and 0.40%. Medical Delivery and IT Services trailed with one-month losses of 0.85% and 1.71%. The *Top Eight Model Portfolio* gained 2.117% during December, outpacing both the S&P 500 and Nasdaq Composite Indexes, which gained 1.017% and lost 0.504%.

The S&P 500 Index stayed in the black for 2011 at the end of December with a 2011 gain of 2.036%, the Nasdaq Composite Index moved further into the red with a 2011 loss of 0.957%, and the *Top Eight Model Portfolio* showed a 2011 loss of 3.133%.

Final Performance of Funds Sold on December 7

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

Fund	Bought	Sold	Return
Leisure (FDLSX)	11/7/2011	12/7/2011	(0.77)%
Retailing (FSRPX)	8/4/2011	12/7/2011	9.80%
Software & Comp Svcs (FSCSX)	10/6/2011	12/7/2011	9.08%

Review of 2011 Performance

The bull market that began with recovery from the Great Recession charged into 2011, lifting markets and indexes to multi-year highs. The S&P 500 Index and the *Top Eight Model Portfolio* topped out at the end of April near their highs reached in October, 2007, in the final days of the bull market that preceded the Great Recession. The Nasdaq Composite Index surpassed its October, 2007, high in April, but it has a long, long way to go to reach its all-time high from March, 2000.

A multitude of international and domestic woes caused a five-month pullback that took a lot of steam out of the bull market and pushed the S&P 500 and Nasdaq Indexes as well as the *Top Eight Model Portfolio* into the red for 2011.

Improving economic data for the U.S. trumped further Euro zone problems over the last three months of 2011 and gave the bull market some renewed life. The S&P 500 Index scraped out a small gain for 2011. The Nasdaq Composite Index and the *Top Eight Model Portfolio* were slightly negative for the year.

Outlook for 2012

The New York Times has an excellent article today, which gathers viewpoints from six leading economists. Check it out at <http://tinyurl.com/7q2rjy6>. Just copy this tinyurl into your web browser to go to the New York Times article.

N. Gregory Mankiw wants the Federal Open Market Committee to offer even more clarity about its contingency plans.

Christina D. Romer calls for action to combat our unsustainable long-run budget deficit and persistent high unemployment.

Tyler Cowen forecasts that Europe won't get out of its mess anytime soon and not without more pain.

Robert H. Frank discusses his "toil index" and growing income inequality.

Robert J. Schiller calls for a tax credit to fix our housing crisis.

Richard H. Thaler wants to nudge employers to make getting healthy easier and, in turn, to combat our health care spending crisis.

Holding Period Alert

If you purchased shares after December 2 of any funds which

are being exchanged on January 3, 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 IT Services on December 5, you should wait a full thirty days and exchange IT Services on January 4 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 January 2012

Fund Name (Symbol)	Purchase	Return to 12/30
1. Construction & Housing (FSHOX)	11/7/2011	5.88%
2. Biotechnology (FBIOX)	5/9/2011	0.40%
3. Utilities (FSUTX)	9/6/2011	9.24%
4. Pharmaceuticals (FPHAX)	12/7/2011	2.83%
5. Leisure (FDLSX)	1/3/2012	
6. Consumer Staples (FDLAX)	12/7/2011	1.57%
7. Defense & Aerospace (FSDAX)	12/7/2011	0.55%
8. Health Care (FSPHX)	1/3/2012	

Funds to be sold on January 3:

9. Medical Delivery (FSHCX)	11/7/2011	1.60%
13. IT Services (FBSOX)	11/7/2011	(0.87)%

Fundranker Exchanges for January 3

Sell Medical Delivery (FSHCX), buy Leisure (FDLSX)
Sell IT Services (FBSOX), buy Health Care (FSPHX)

Fundranker Invest New Money Date

Invest new money on January 3.

Optional Rebalancing Exchange Dates

Method 1: none; Method 2: January 3; Method 3: January 3 (see the rebalancing FAQ at www.fundranker.com for more information)

Upcoming Fundranker Exchange Date

Fundranker will exchange on February 2.

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. © 2012 Fidelity Select Fundranker

<i>Fundranker</i> Ratings for 12/30/11 Fund (Symbol)	12-Month Return %	6-Month Return %	3-Month Return %	1-Month Return %	<i>Fundranker</i> Rating**	<i>Fundranker</i> Ranking
Air Transportation (FSAIX)	(6.07)	(8.10)	9.26	0.13	(1.195)	27
Automotive (FSAVX)	(26.16)	(26.05)	8.18	0.32	(10.928)	38
Banking (FSRBX)	(13.31)	(8.47)	17.46*	3.52*	1.800	14
Biotechnology (FBIOX)	18.18*	(0.26)	14.30*	3.30*	11.880	2
Brokerage & Investment Mgmt (FSLBX)	(22.84)	(16.98)	8.44	(1.12)	(8.125)	36
Chemicals (FSCHX)	0.29	(10.72)	17.65*	(0.02)	2.800	12
Communications Equipment (FSDCX)	(16.68)	(19.65)	7.33	(3.63)	(8.158)	37
Computers (FDCPX)	(4.48)	(9.34)	8.98	(2.23)	(1.768)	28
Construction & Housing (FSHOX)	2.89*	0.45*	24.65*	3.90*	11.973	1
Consumer Discretionary (FSCPX)	(1.66)	(5.61)	10.49	0.14	0.840	18
Consumer Finance (FSVLX)	(0.99)	(7.62)	8.31	1.10*	1.200	17
Consumer Staples (FDFAX)	8.84*	2.10*	8.68	1.96*	8.395	6
Defense & Aerospace (FSDAX)	7.33*	(5.12)	12.67	0.40*	5.820	7
Electronics (FSELX)	(8.49)	(11.90)	5.97	(1.90)	(4.080)	29
Energy (FSENX)	(4.85)	(13.96)	16.10*	(3.36)	(0.518)	22
Energy Service (FSESX)	(12.56)	(21.25)	17.02*	(5.89)	(4.670)	32
Environment & Alternative Energy (FSLEX)	(14.30)	(21.27)	6.28	(2.49)	(7.945)	35
Financial Services (FIDSX)	(20.35)	(15.89)	9.25	(0.01)	(6.750)	34
Gold (FSAGX)	(16.34)	(8.63)	(6.09)	(14.23)	(11.323)	39
Health Care (FSPHX)	7.82*	(6.43)	9.62	1.97*	5.245	8
Industrial Equipment (FSCGX)	(7.69)	(11.99)	16.02*	(2.27)	(0.483)	21
Industrials (FCYIX)	(4.88)	(11.10)	14.58*	(0.11)	0.623	20
Insurance (FSPCX)	(5.16)	(6.33)	13.68	0.38	0.643	19
IT Services (FBSOX)	2.25*	(6.09)	10.44	(1.71)	2.223	13
Leisure (FDLSX)	5.85*	(0.64)	15.65*	1.44*	8.575	5
Materials (FSDPX)	(8.20)	(12.96)	16.53*	(2.68)	(0.828)	24
Medical Delivery (FSHCX)	10.23*	(8.26)	11.76	(0.85)	4.220	9
Medical Equipment & Systems (FSMEX)	(3.42)	(14.54)	0.16	0.27	(4.383)	31
Multimedia (FBMPX)	1.83	(9.51)	13.73	2.25*	3.075	10
Natural Gas (FSNGX)	(7.67)	(11.13)	14.67*	(3.34)	(0.868)	25
Natural Resources (FNARX)	(9.25)	(15.59)	13.52	(5.33)	(4.163)	30
Pharmaceuticals (FPHAX)	13.70*	(0.73)	11.15	3.69*	8.953	4
Retailing (FSRPX)	3.36*	(3.46)	4.82	(2.67)	1.513	16
Software & Computer Services (FSCSX)	2.18*	(3.99)	10.23	(1.16)	2.815	11
Technology (FSPTX)	(9.56)	(12.17)	5.13	(3.23)	(4.958)	33
Telecommunications (FSTCX)	(4.24)	(11.89)	6.11	1.42*	(1.150)	26
Transportation (FSRFX)	(5.28)	(9.08)	16.18*	0.37	1.548	15
Utilities (FSUTX)	13.09*	3.64*	7.01	2.65*	9.598	3
Wireless (FWRLX)	(0.96)	(6.77)	6.06	(0.44)	(0.528)	23

*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

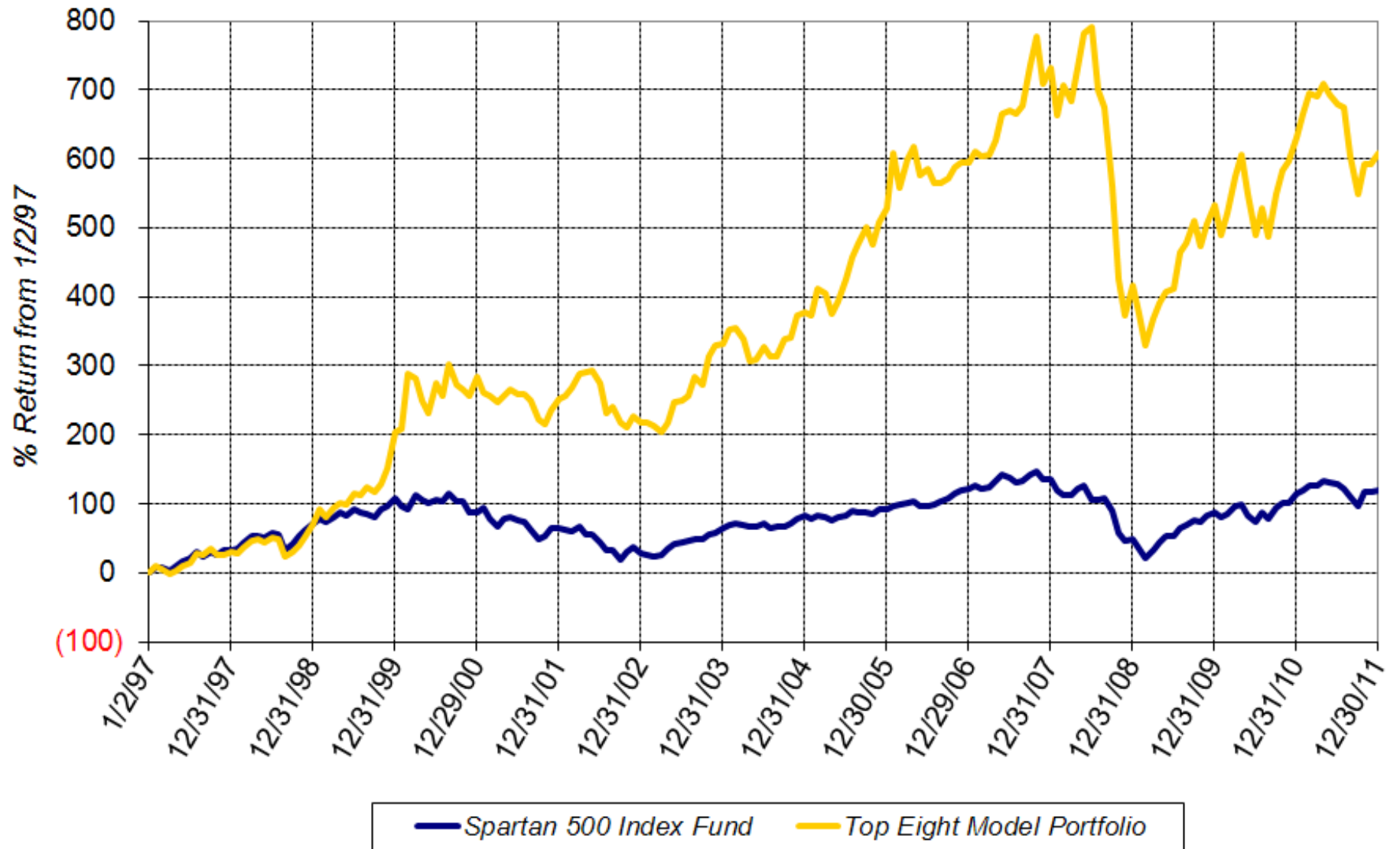
Sell on January 3, 2012

Buy on January 3, 2012

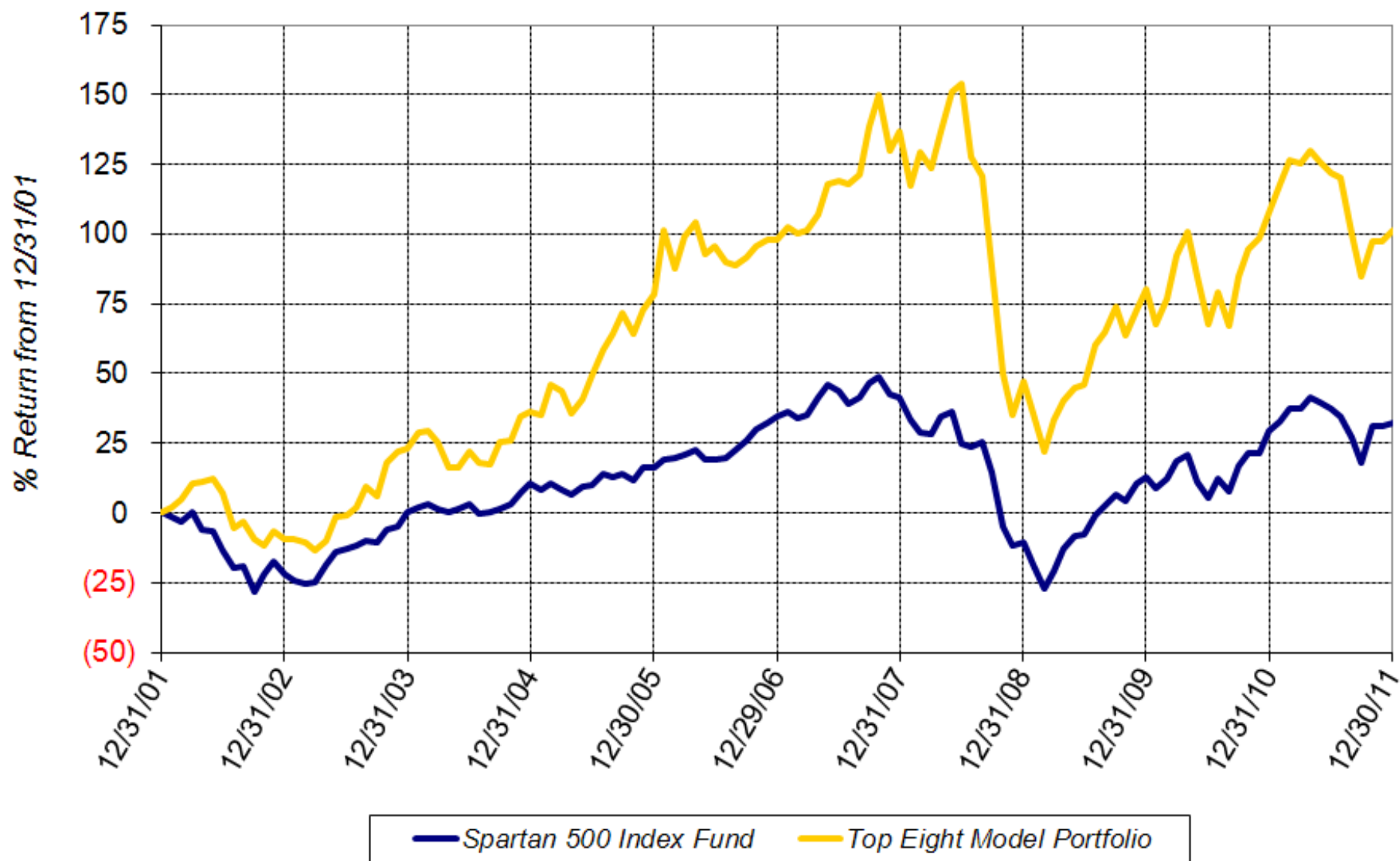
Hold

Fundranker Performance for December 2011													
11/30 Funds	11/30 Shares	11/30 Amount	<=12/7 Div Shrs	12/7 Shares	12/7 Amount	12/7 Funds	12/7 Shares	12/7 Amount	>12/7 Div Shrs	12/30 Shares	12/30 Amount	Dec Return	
FSRPX	374.884	20,191.25	none	374.884	20,614.87	FBIOX	252.111	20,973.13	none	252.111	21,706.76		
FDLSX	215.837	20,506.67	none	215.837	20,642.65	FSUTX	404.418	20,973.13	none	404.418	21,648.50		
FSCSX	239.162	20,242.67	none	239.162	20,625.33	FSHOX	589.464	20,973.13	4.162	593.626	21,263.68		
FSUTX	388.829	20,681.81	7.752	396.581	20,566.69	FSHCX	381.122	20,973.13	none	381.122	20,870.24		
FBSOX	952.924	20,621.28	none	952.924	21,002.44	FSDAX	268.748	20,973.13	1.745	270.493	21,087.63		
FBIOX	258.671	21,591.27	0.376	259.047	21,550.12	FPHAX	1,568.671	20,973.13	19.504	1,588.175	21,567.42		
FSHCX	382.677	21,135.25	none	382.677	21,058.72	FDFAX	288.926	20,973.13	9.168	298.094	21,301.80		
FSHOX	610.576	21,199.20	none	610.576	21,724.29	FBSOX	951.594	20,973.13	none	951.594	20,240.40		
Top Eight		166,169.40			167,785.11			167,785.00			169,686.43	2.117	
FNCMX1	1,552.931	54,414.70	none						12.270	1,565.201	54,140.30	(0.504)	
FUSEX1	1,173.453	51,983.97	none						6.872	1,180.325	52,512.66	1.017	
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					
				Return %	Return %	Return %	Return %	Return %					
<i>Top Eight Model Portfolio</i>				19.463	(37.882)	22.518	15.464	(3.133)					
Nasdaq Composite Index Fund				10.497	(40.041)	44.959	17.811	(0.957)					
Spartan 500 Index Fund - Investor Class				5.426	(37.047)	26.502	14.842	2.036					
Lifetime Summary				1/2/97 to 12/30/11		1/2/97 to 12/30/11							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				607.027		13.928							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund - Investor Class				118.803		5.359							
10-Year Summary				12/31/01 to 12/30/11		12/31/01 to 12/30/11							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				101.386		7.251							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund - Investor Class				32.179		2.829							
5-Year Summary				12/29/06 to 12/30/11		12/29/06 to 12/30/11							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				1.689		0.335							
Nasdaq Composite Index Fund				12.064		2.304							
Spartan 500 Index Fund - Investor Class				(1.617)		(0.326)							
3-Year Summary				12/31/08 to 12/30/11		12/31/08 to 12/30/11							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				37.033		11.073							
Nasdaq Composite Index Fund				69.144		19.148							
Spartan 500 Index Fund				48.236		14.021							
1-Year Summary				12/31/10 to 12/30/11		12/31/10 to 12/30/11							
				Total Return %		Total Return %							
<i>Top Eight Model Portfolio</i>				(3.133)		(3.133)							
Nasdaq Composite Index Fund				(0.957)		(0.957)							
Spartan 500 Index Fund - Investor Class				2.036		2.036							

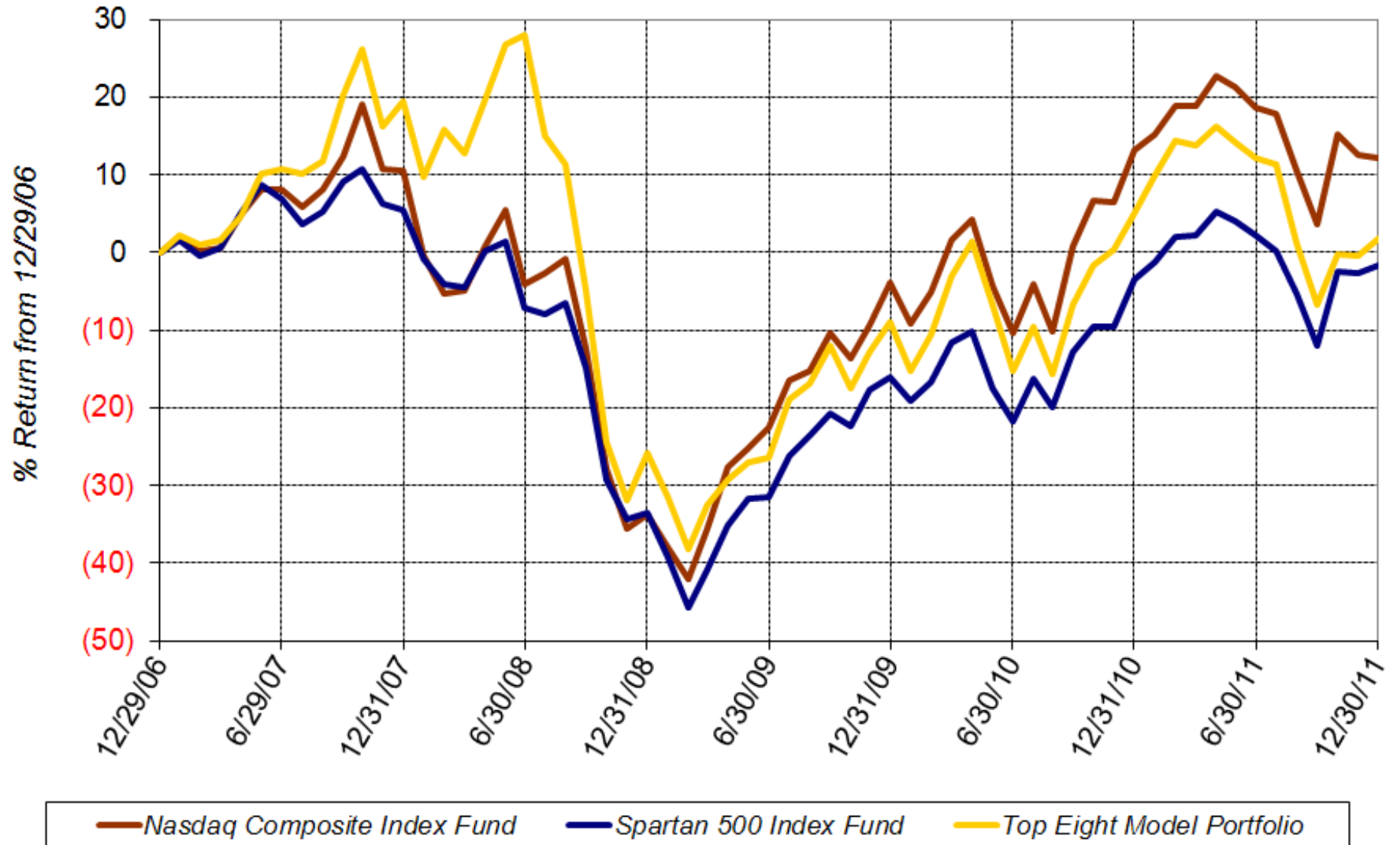
Lifetime Chart



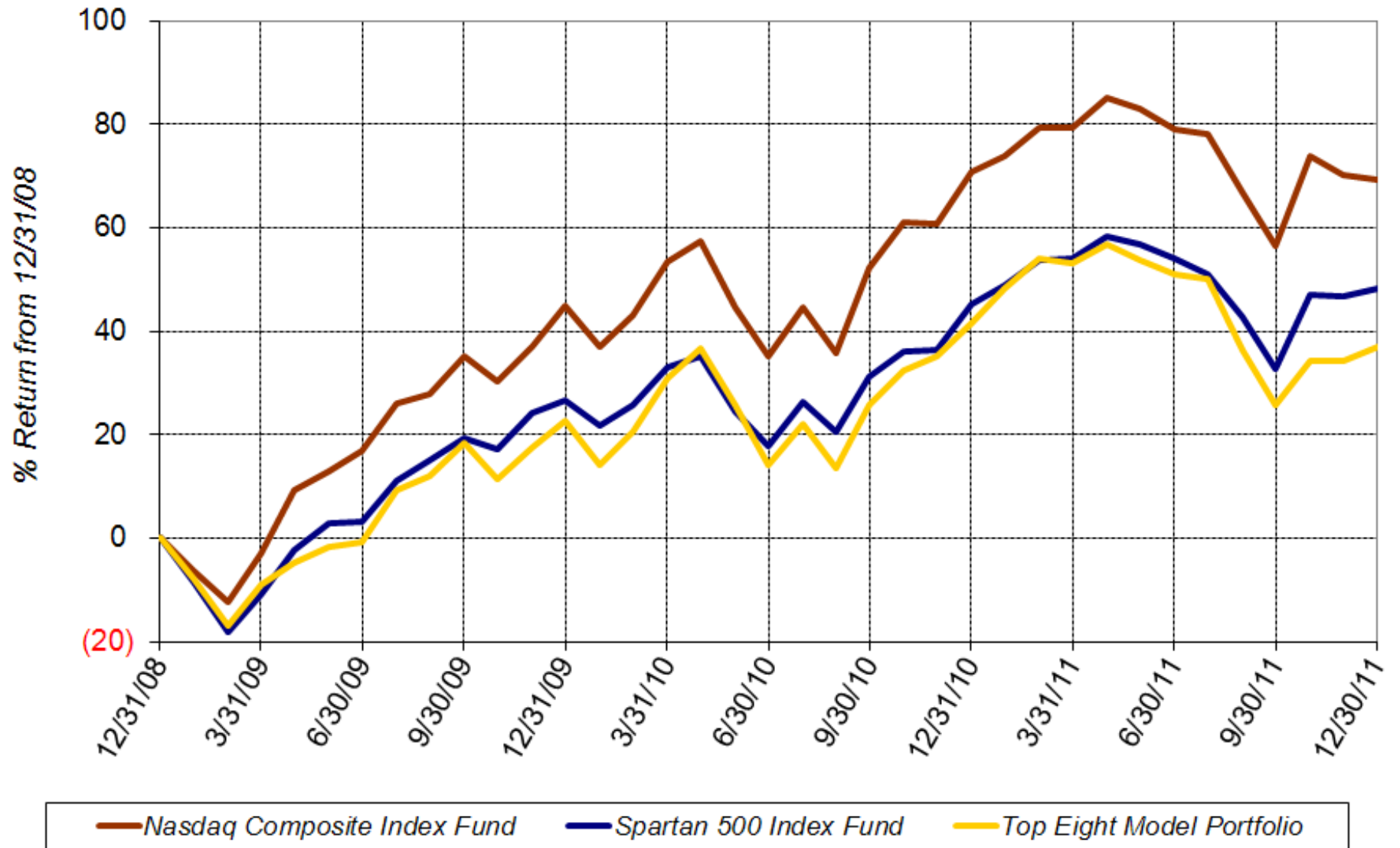
10-Year Chart



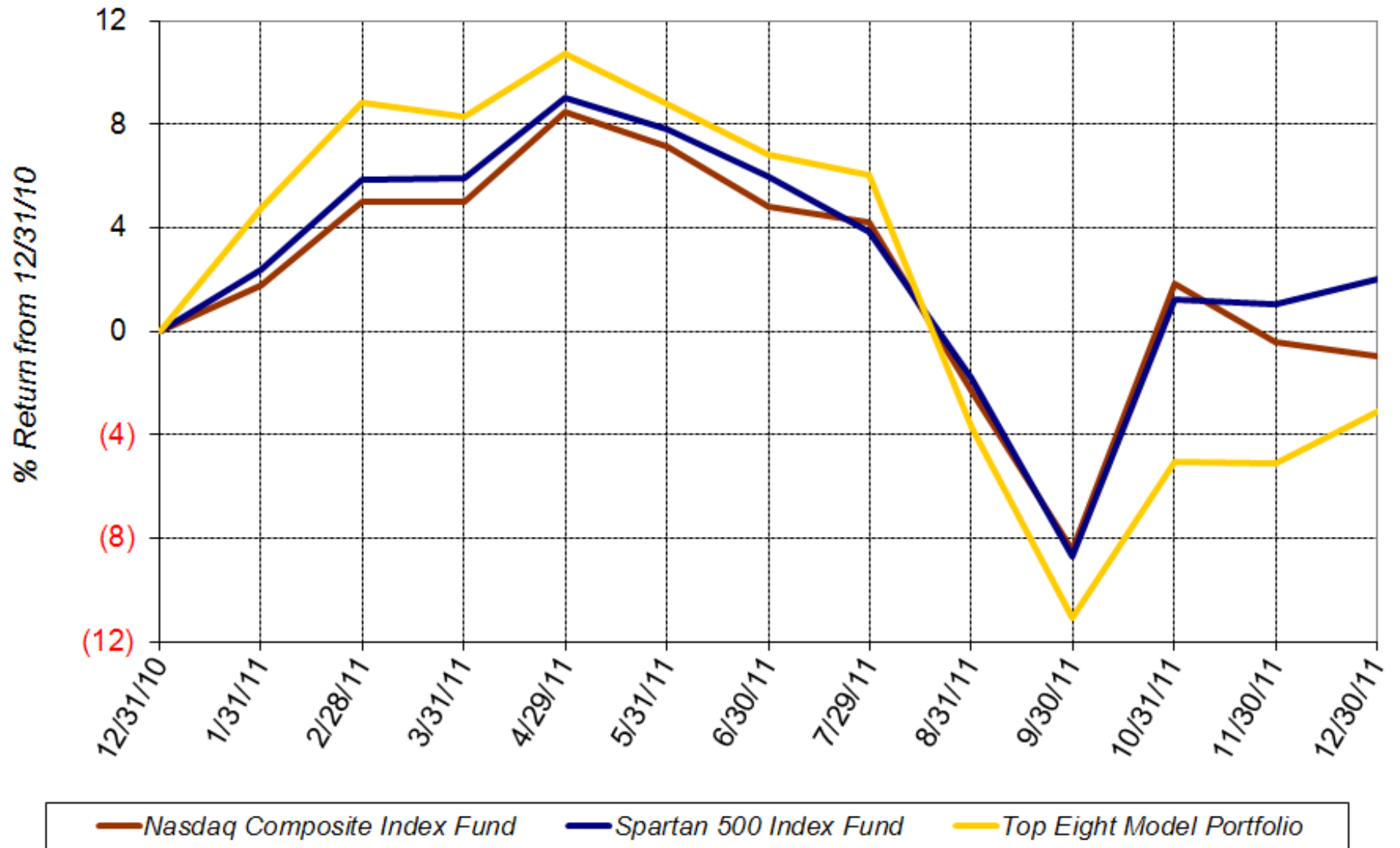
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart December 2011

