

FIDELITY SELECT FUNDRANKER™

Volume 7 Issue 6

The Right Funds at the Right Time

June 2012

May Performance Disappoints

The broad market was in the black only on the first two trading days of May, giving the S&P 500 its second monthly loss in a row.

All eight funds in the *Top Eight Model Portfolio* sported losses for May. Biotechnology rallied to a fractional gain through May 29, but fell to a 0.33% loss through May 31. The other seven funds in the *Top Eight* fell dramatically with losses ranging from 4.70% to 10.05%.

During May, the S&P 500 Index lost 6.009%, the *Top Eight Model Portfolio* lost 6.123%, and the Nasdaq Composite Index lost 7.074%. For 2012 YTD through May 31, the Nasdaq Composite Index gained 8.991%, the S&P 500 Index gained 5.135%, and the *Top Eight Model Portfolio* gained 4.659%.

Final Performance of Fund Sold on May 2

Fundranker exchanged one fund on May 2. Here is the return it contributed to the *Top Eight Model Portfolio*:

Fund	Bought	Sold	Return
Software & Comp Svcs (FSCSX)	3/5/2012	5/2/2012	2.85%

Consumer Confidence Falls and Rises?

The Conference Board, a private research group, announced on Tuesday that its Consumer Confidence Index fell to 64.9 from a revised April reading of 68.7, a drop of nearly four points, which surprised economists, who expected the measure to rise to 70.

The May reading puts the index at its lowest level since January and way below 90, a level that would indicate a healthy economy. However, it remains significantly above the 40 level it reached last October and stands in stark contrast to its all-time low of 25.3 reached in February, 2009.

Many economists consider consumer confidence to be a contrarian indicator for the stock market, and with good reason. After that all-time low reading in February, 2009, a new bull market was born, one that continues to this day, over three years later, albeit with a couple of 10%+ corrections along the way, as well as this current downturn. Markets rallied after October's reading of 40, and the pace of that rally increased after the index fell to 61.1 in January from 64.8 in December. Although this correlation is merely anecdotal evidence, it very well may portend an upswing in the market in the near term.

To be fair, though, we also need to consider readings of the Reuters/University of Michigan Consumer Sentiment Index, which is telling a different story. It rose to 79.3 in May from 76.4 in April, its third straight monthly increase, and stands at its highest level since October, 2007. Cue the Twilight Zone music--we all know what happened to world stock markets beginning in late 2007.

So what gives, here? How can two measures of consumer confidence measure it so differently? One answer comes from HIS Global Insight, a leading provider of global economic and financial intelligence. Their econometric analysis of the two measures indicates that the Conference Board's Consumer Confidence Index has been more strongly impacted by weak labor market conditions, while the Reuters/University of Michigan's Consumer Sentiment Index has been more strongly impacted by falling gasoline prices.

It appears that consumer confidence can't give us a very clear picture of where the economy has been or where it is going. The best we can do is count on *Fidelity Select Fundranker's* technical system to position us unemotionally and as well as possible for the future.

Holding Period Alert

If you purchased shares after May 4 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 after your purchase before exchanging them.

For example, if you purchased shares of Computers on May 7, you should wait a full 30 days and exchange Computers on June 6 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.

Note that if you invest new money in one or more funds in the *Top Eight Model Portfolio* on June 4, you will need to wait until July 5 to exchange funds with new shares to avoid roundtrip transactions, regardless of *Fundranker's* regular exchange date for July. For this reason, you may want to postpone investing new money until July, so that you can stay in sync with *Fundranker's* exchange dates.

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 June 2012

Fund Name (Symbol)	Purchase	Return to 5/31
1. Biotechnology (FBIOX)	5/9/2011	19.68%
2. Retailing (FSRPX)	4/2/2012	(5.00)%
3. Banking (FSRBX)	4/2/2012	(5.86)%
4. Utilities (FSUTX)	6/4/2012	
5. Construction & Housing (FSHOX)	11/7/2011	17.29%
6. Consumer Finance (FSVLX)	3/5/2012	(0.53)%
7. Consumer Discretionary (FSCPX)	5/2/2012	(6.67)%
8. Leisure (FDLSX)	1/3/2012	8.35%
Fund to be sold on June 4:		
23. Computers (FDCPX)	3/5/2012	(7.85)%

Fundranker Exchange for June 4

Sell Computers (FDCPX), buy Utilities (FSUTX)

Fundranker Invest New Money Date

Invest new money on June 4.

Optional Rebalancing Exchange Dates

Method 1: none; Method 2: none; 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 5.

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 5/31/12	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)	0.07*	9.87*	(0.60)	(1.79)	3.888	9
Automotive (FSAVX)	(20.90)	7.31	(12.40)	(7.40)	(8.348)	31
Banking (FSRBX)	0.56*	16.98*	1.21*	(4.70)	6.513	3
Biotechnology (FBIOX)	16.01*	23.14*	4.93*	(0.33)	13.938	1
Brokerage & Investment Mgmt (FSLBX)	(16.91)	3.78	(11.28)	(8.45)	(8.215)	30
Chemicals (FSCHX)	(2.52)	10.59*	(4.76)	(6.88)	0.108	14
Communications Equipment (FSDCX)	(29.94)	(10.95)	(16.83)	(14.04)	(17.940)	36
Computers (FDCPX)	(1.81)	7.96	(8.29)	(10.05)	(3.048)	23
Construction & Housing (FSHOX)	7.33*	15.09*	(0.82)	(7.79)	5.453	5
Consumer Discretionary (FSCPX)	5.49*	12.51*	(0.23)	(5.61)	5.040	7
Consumer Finance (FSVLX)	4.61*	14.96*	(0.53)	(5.50)	5.385	6
Consumer Staples (FDFAX)	3.37*	5.76	(1.55)	(4.32)	1.815	12
Defense & Aerospace (FSDAX)	(1.51)	2.56	(7.43)	(7.53)	(3.478)	25
Electronics (FSELX)	(16.08)	0.59	(14.94)	(11.69)	(10.530)	32
Energy (FSENX)	(23.83)	(12.05)	(18.57)	(13.29)	(16.935)	35
Energy Service (FSESX)	(28.19)	(13.66)	(18.29)	(12.91)	(18.263)	37
Environment & Alternative Energy (FSLEX)	(23.77)	(3.25)	(8.33)	(6.97)	(10.580)	33
Financial Services (FIDSX)	(10.66)	10.56*	(6.06)	(6.81)	(2.243)	20
Gold (FSAGX)	(27.17)	(27.87)	(22.74)	(7.04)	(21.205)	39
Health Care (FSPHX)	(0.11)	10.20*	(0.62)	(3.91)	2.390	10
Industrial Equipment (FSCGX)	(7.80)	5.12	(8.38)	(8.20)	(4.815)	27
Industrials (FCYIX)	(6.67)	6.10	(6.17)	(6.89)	(3.408)	24
Insurance (FSPCX)	(4.55)	4.83	(2.59)	(6.20)	(2.128)	18
IT Services (FBSOX)	(0.12)	5.24	(4.19)	(9.57)	(2.160)	19
Leisure (FDLSX)	8.66*	10.05*	(1.85)	(6.53)	4.583	8
Materials (FSDPX)	(11.33)	0.19	(8.92)	(7.74)	(6.950)	28
Medical Delivery (FSHCX)	(2.06)	6.97	(3.56)	(4.26)	(0.728)	17
Medical Equipment & Systems (FSMEX)	(10.00)	7.78	(3.33)	(5.72)	(2.818)	21
Multimedia (FBMPX)	(2.36)	12.44*	(2.35)	(4.36)	1.843	11
Natural Gas (FSNGX)	(19.52)	(9.27)	(13.23)	(9.13)	(12.788)	34
Natural Resources (FNARX)	(25.99)	(14.37)	(19.97)	(13.08)	(18.353)	38
Pharmaceuticals (FPHAX)	0.59*	6.74	(0.92)	(4.60)	1.453	13
Retailing (FSRPX)	10.96*	11.47*	1.97*	(8.10)	7.075	2
Software & Computer Services (FSCSX)	2.46*	6.91	(6.70)	(8.80)	(0.533)	16
Technology (FSPTX)	(7.16)	5.71	(7.00)	(8.73)	(4.295)	26
Telecommunications (FSTCX)	(11.44)	4.65	(2.27)	(2.49)	(2.888)	22
Transportation (FSRFX)	(4.71)	6.70	(0.97)	(2.02)	(0.250)	15
Utilities (FSUTX)	6.62*	5.95	5.13*	(0.99)	6.178	4
Wireless (FWRLX)	(13.35)	(3.05)	(8.07)	(7.71)	(8.045)	29

*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

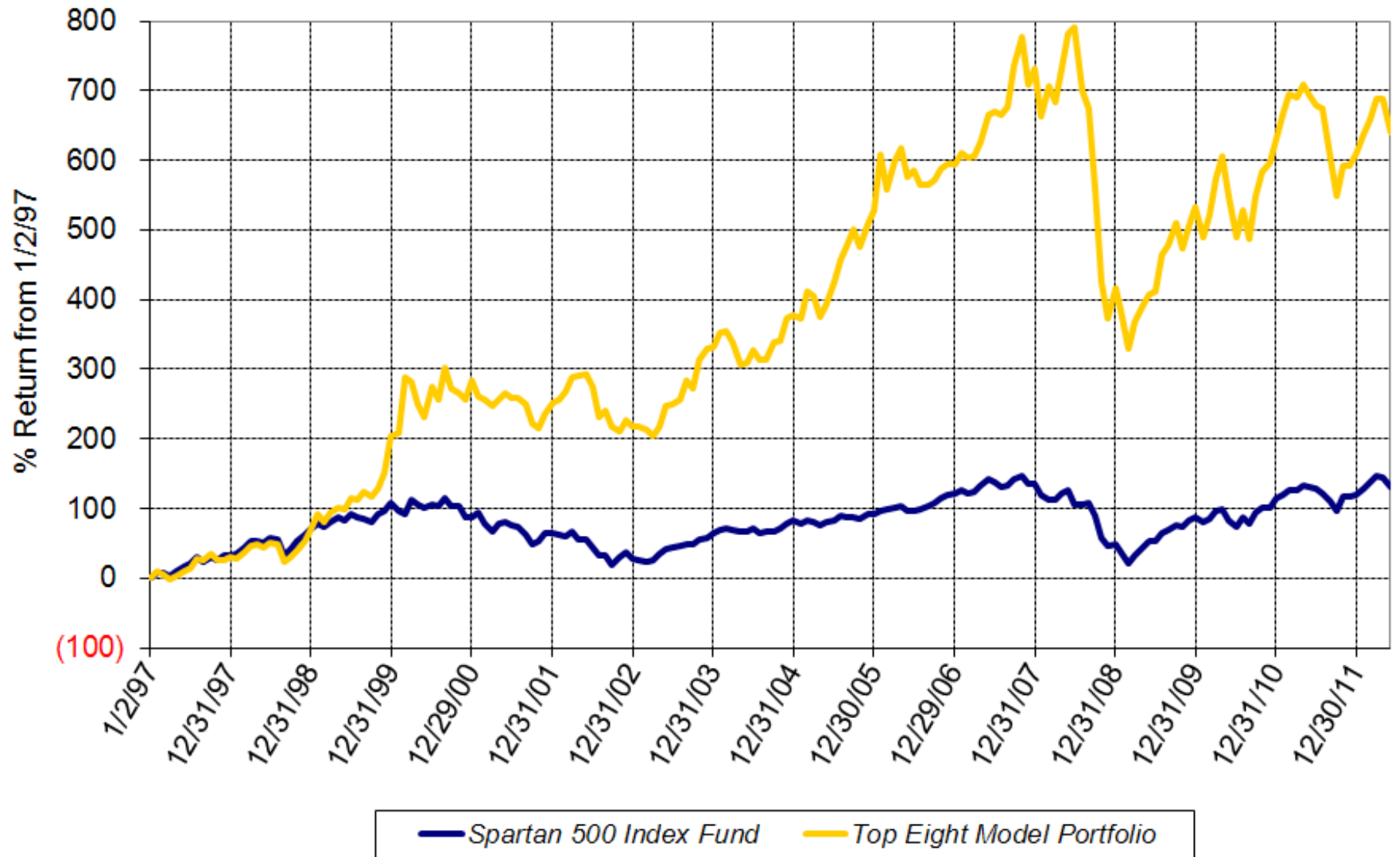
Sell on June 4, 2012

Buy on June 4, 2012

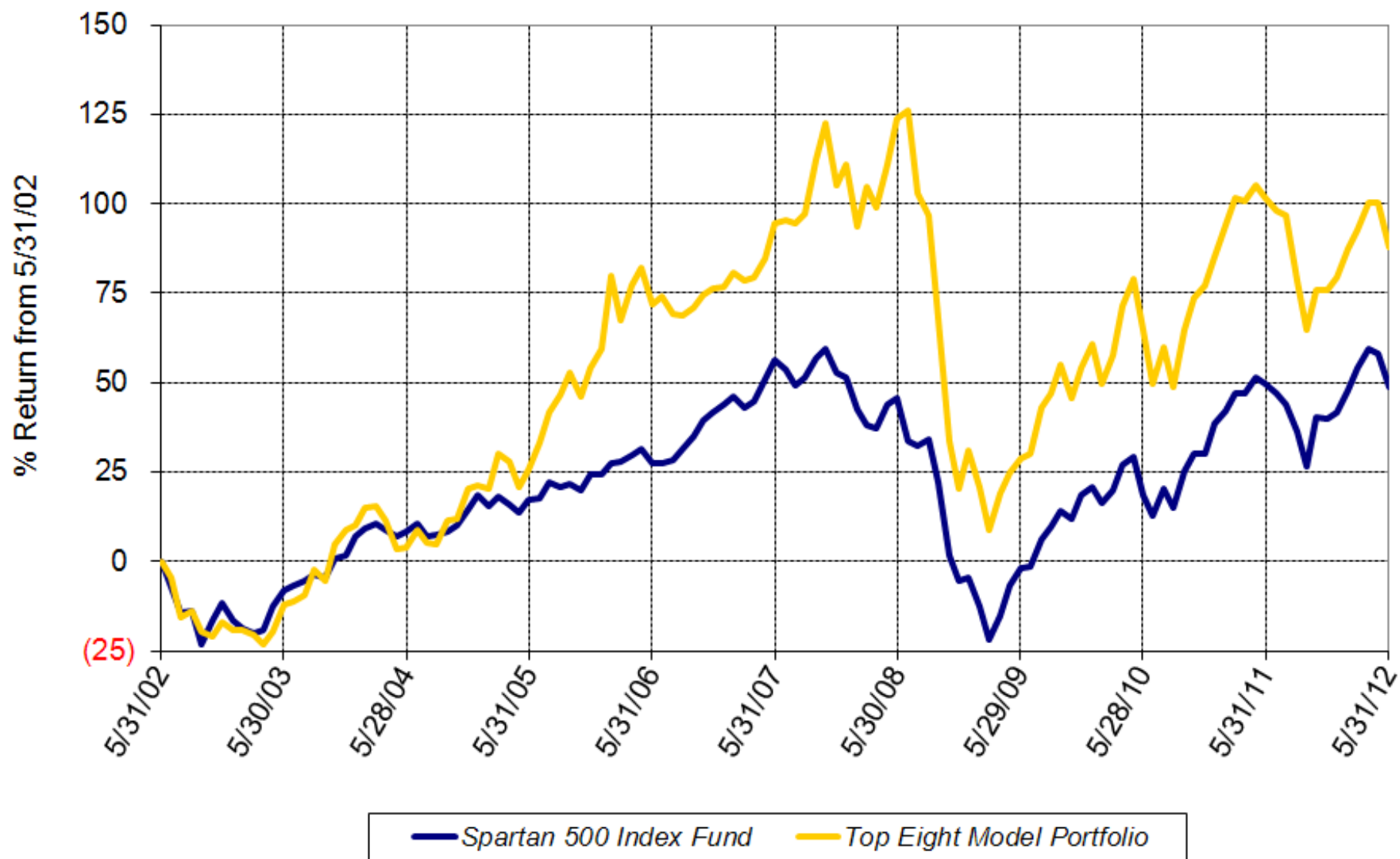
Hold

Fundranker Performance for May 2012													
4/30 Funds	4/30 Shares	4/30 Amount	<=5/2 Div Shrs	5/2 Shares	5/2 Amount	5/2 Funds	5/2 Shares	5/2 Amount	>5/2 Div Shrs	5/31 Shares	5/31 Amount	May Return	
FBIOX	242.058	23,552.24	none	242.058	23,564.35	FSRPX	368.871	23,836.43	none	368.871	21,623.22		
FSHOX	561.881	24,177.74	none	561.881	24,610.39	FSHOX	544.211	23,836.43	none	544.211	21,594.29		
FDCPX	348.164	23,034.53	none	348.164	23,250.39	FDLSX	210.105	23,836.43	none	210.105	21,941.27		
FDLSX	212.025	23,687.43	none	212.025	24,054.24	FBIOX	244.853	23,836.43	none	244.853	23,745.84		
FSRPX	385.541	24,593.66	none	385.541	24,913.66	FSCPX	859.280	23,836.43	none	859.280	22,246.76		
FSCSX	266.125	23,238.04	none	266.125	23,363.11	FSVLX	1,796.265	23,836.43	none	1,796.265	22,543.13		
FSVLX	1,761.327	23,390.42	none	1,761.327	23,372.81	FSRBX	1,256.533	23,836.43	none	1,256.533	22,655.29		
FSRBX	1,242.092	23,500.38	none	1,242.092	23,562.49	FDCPX	356.940	23,836.43	none	356.940	21,241.50		
Top Eight		189,174.44			190,691.44			190,691.40			177,591.30	(6.123)	
FNCMX	1,565.201	63,500.20	none						none	1,565.201	59,008.08	(7.074)	
FUSEX	1,184.490	58,738.86	none						none	1,184.490	55,209.08	(6.009)	
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					
Yearly Summaries				2012 YTD									
				Return %									
<i>Top Eight Model Portfolio</i>				4.659									
Nasdaq Composite Index Fund				8.991									
Spartan 500 Index Fund - Investor Class				5.135									
Lifetime Summary				1/2/97 to 5/31/12									
				Total Return %									
<i>Top Eight Model Portfolio</i>				639.964									
Nasdaq Composite Index Fund				N/A									
Spartan 500 Index Fund - Investor Class				130.038									
10-Year Summary				5/31/02 to 5/31/12									
				Total Return %									
<i>Top Eight Model Portfolio</i>				87.897									
Nasdaq Composite Index Fund				N/A									
Spartan 500 Index Fund - Investor Class				48.732									
5-Year Summary				5/31/07 to 5/31/12									
				Total Return %									
<i>Top Eight Model Portfolio</i>				(3.364)									
Nasdaq Composite Index Fund				12.934									
Spartan 500 Index Fund - Investor Class				(4.868)									
3-Year Summary				5/29/09 to 5/31/12									
				Total Return %									
<i>Top Eight Model Portfolio</i>				45.835									
Nasdaq Composite Index Fund				63.286									
Spartan 500 Index Fund - Investor Class				51.316									
1-Year Summary				5/31/11 to 5/31/12									
				Total Return %									
<i>Top Eight Model Portfolio</i>				(6.770)									
Nasdaq Composite Index Fund				0.790									
Spartan 500 Index Fund - Investor Class				(0.487)									

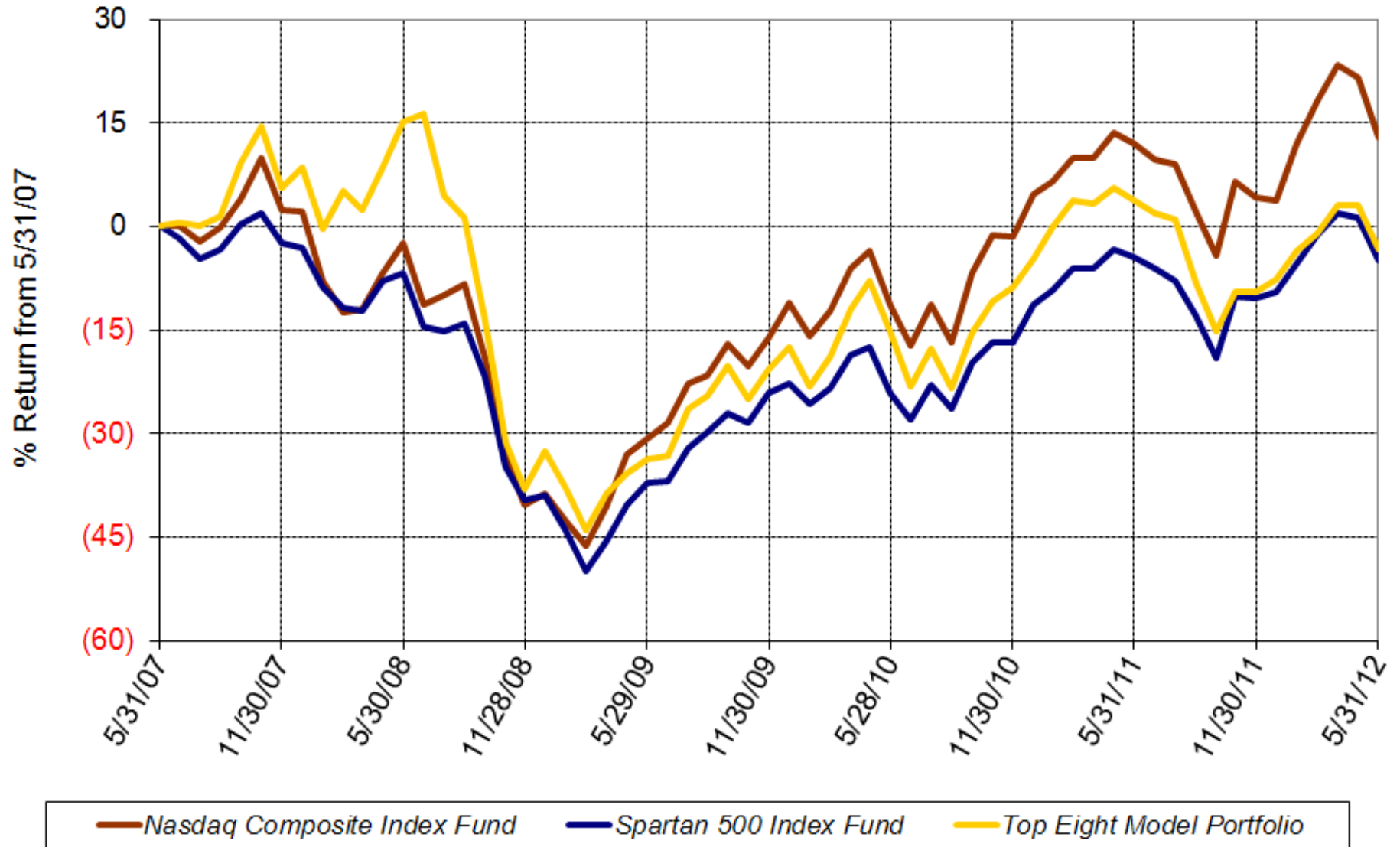
Lifetime Chart



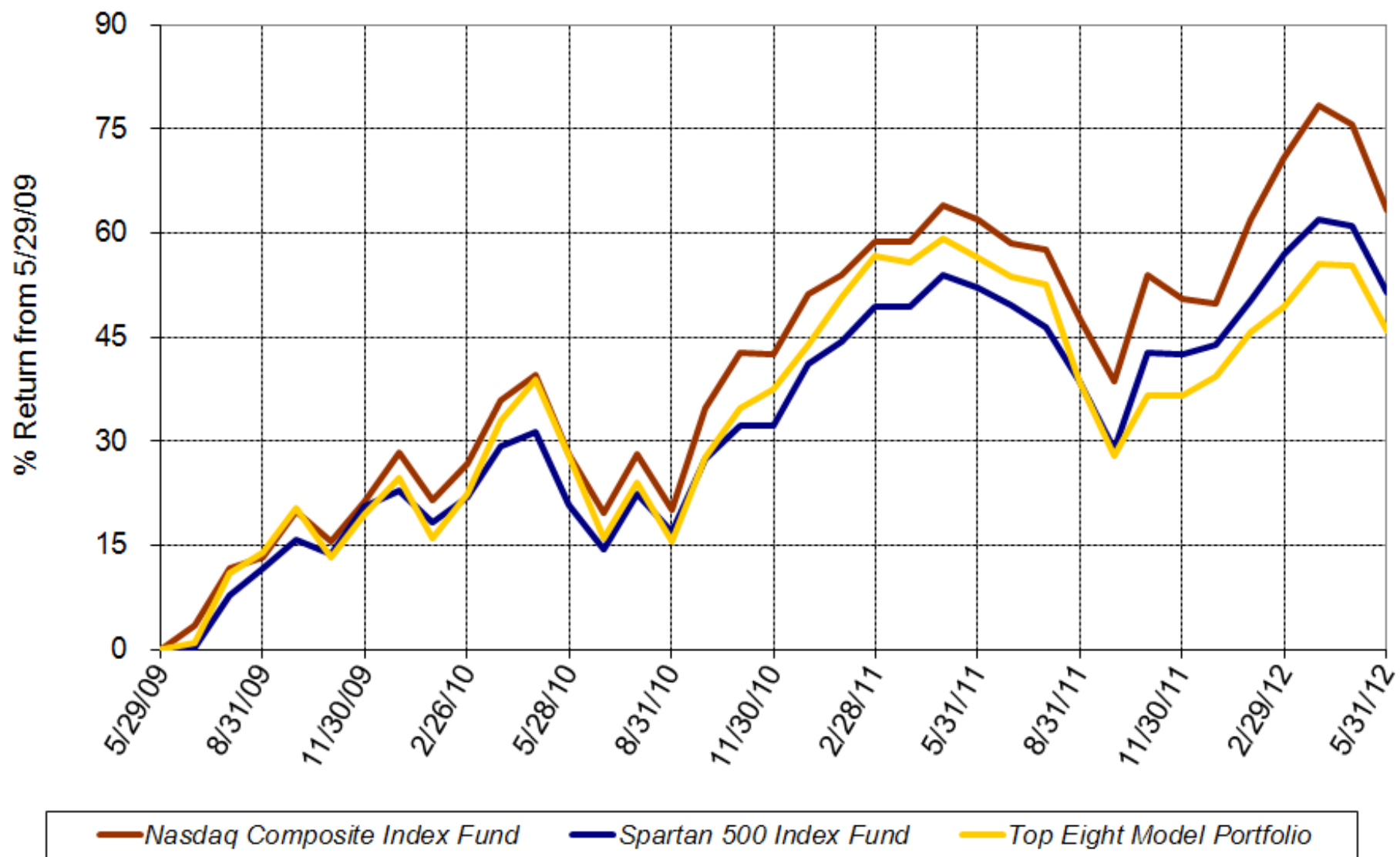
10-Year Chart



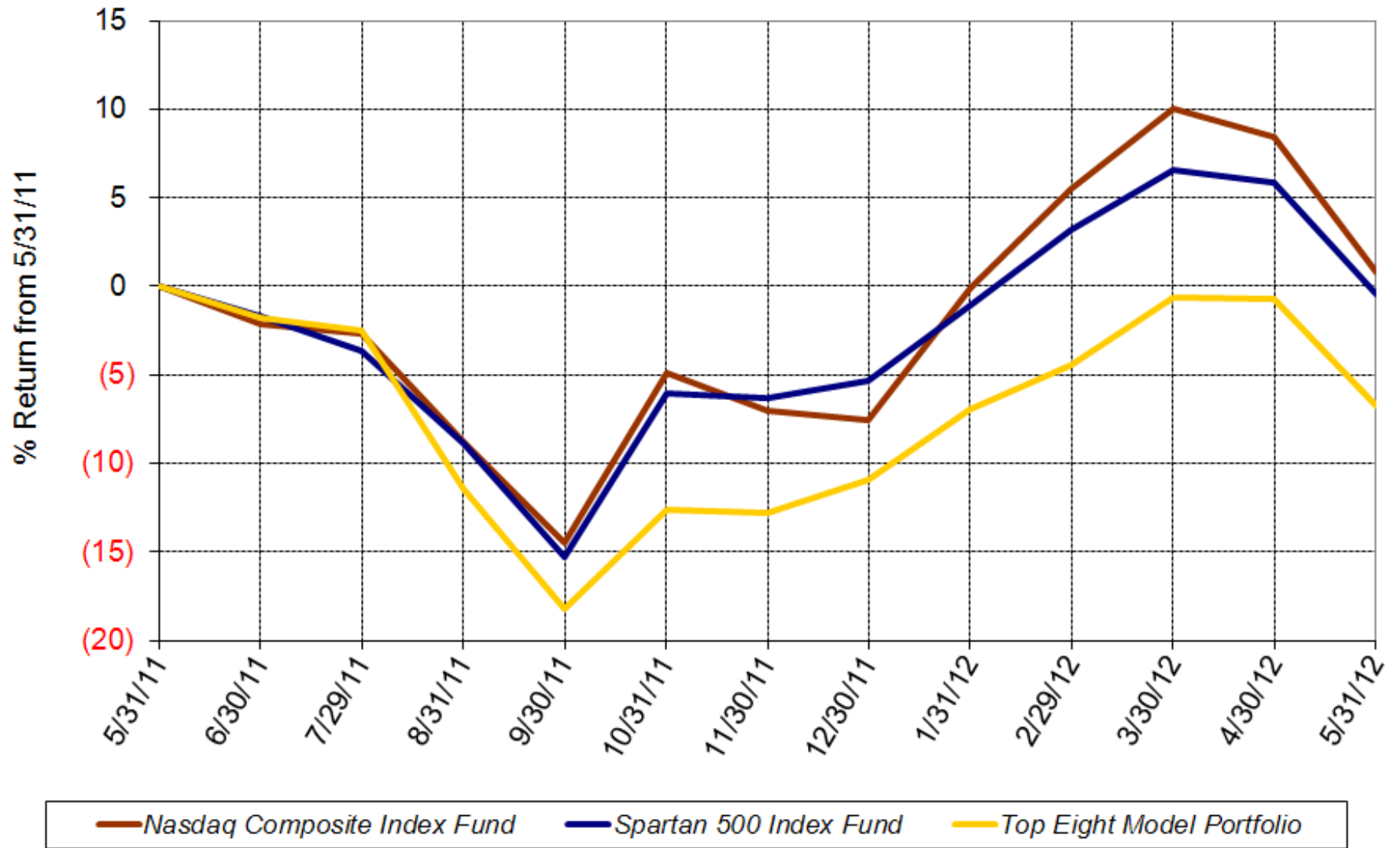
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart May 2012

