

# FIDELITY SELECT FUNDRANKER™

Volume 7 Issue 7

The Right Funds at the Right Time

July 2012

## June Performance Rebounds

The broad market's May decline continued in early June but rebounded in mid and late June, giving the S&P 500 its first monthly gain since March.

Seven of eight funds in the *Top Eight Model Portfolio* gained ground in June. Biotechnology, Construction & Housing, and Consumer Finance outperformed with one-month gains of 7.64%, 6.12%, and 5.50%. Banking and Utilities followed with identical one-month gains of 3.49%. Retailing and Consumer Discretionary trailed with one-month gains of 1.43% and 1.39%. Leisure had a one-month loss of 1.10%.

During June, the S&P 500 Index gained 4.098%, the Nasdaq Composite Index gained 3.899%, and the *Top Eight Model Portfolio* gained 3.217%. For 2012 YTD through June 29, the Nasdaq Composite Index gained 13.241%, the S&P 500 Index gained 9.443%, and the *Top Eight Model Portfolio* gained 8.025%.

## Final Performance of Fund Sold on June 4

*Fundranker* exchanged one fund on June 4. Here is the return it contributed to the *Top Eight Model Portfolio*:

Fund	Bought	Sold	Return
Computers (FDCPX)	3/5/2012	6/4/2012	(10.62)%

## EU Summit

Time.com has a great article about the European Union summit that occurred last week and in which European leaders seemed to make some headway toward solving the euro crisis. Copy this quick link, <http://ti.me/QIBgGR>, to your browser to see the whole article. Here is a quick synopsis:

European Union leaders met in Brussels last Thursday to try once again to hammer out policies to address the euro crisis. It has never been easy for them. Even though all the euro countries sought agreement on a growth stimulus measure, Spain and Italy blocked it until Germany and others softened rules of EU bailouts. Through 17 hours of negotiation through 5am Friday morning, they succeeded in adopting three measures to confront major factors in the crisis:

The first measure will allow EU bailout funds to be paid directly to troubled euro-zone banks rather than channeled through national governments. Spanish Prime Minister Mariano Rajoy insisted on this provision because his government is already strapped with crippling debt and cannot take on still more. The old structure was designed to hold governments accountable for EU taxpayer rescue money, but it causes a vicious circle of governments borrowing EU rescue funds to bail out banks that in turn hold enormous amounts of their own government's debt.

The second provision was to use \$149 billion in existing emergency reserves toward economic growth stimulus that will soon start funding of infrastructure projects, business development in strategic areas such as sustainable energy, and youth employment programs.

The third measure, taken at the insistence of Italian Prime Minister Mario Monti, will create more flexible conditions under which struggling euro-zone members can appeal for funding to counter the market forces driving up their borrowing costs.

The broad US stock market reacted very positively to the outcome of this summit by rising 2.5% on Friday.

## Holding Period Alert

If you purchased shares after June 1 of any funds which are being exchanged on July 2, 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 Retailing on June 4, you should wait a full 30 days and exchange Retailing on July 5 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](http://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](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 July 2012

Fund Name (Symbol)	Purchase	Return to 6/29
1. Biotechnology (FBIOX)	5/9/2011	28.82%
2. Construction & Housing (FSHOX)	11/7/2011	24.47%
3. Multimedia (FBMPX)	7/2/2012	
4. Consumer Finance (FSVLX)	3/5/2012	4.94%
5. Consumer Staples (FDFAX)	7/2/2012	
6. Health Care (FSPHX)	7/2/2012	
7. Pharmaceuticals (FPHAX)	7/2/2012	
8. Utilities (FSUTX)	6/4/2012	4.25%
Funds to be sold on July 2:		
9. Retailing (FSRPX)	4/2/2012	(3.64)%
10. Banking (FSRBX)	4/2/2012	(2.58)%
12. Consumer Discretionary (FSCPX)	5/2/2012	(5.37)%
23. Leisure (FDLSX)	1/3/2012	7.26%

## Fundranker Exchanges for July 2

Sell Retailing (FSRPX), buy Multimedia (FBMPX)  
Sell Banking (FSRBX), buy Consumer Staples (FDFAX)  
Sell Consumer Discretionary (FSCPX), buy Health Care (FSPHX)  
Sell Leisure (FDLSX), buy Pharmaceuticals (FPHAX)

## Fundranker Invest New Money Date

Invest new money on July 2.

## Optional Rebalancing Exchange Dates

Method 1: none; Method 2: July 2; Method 3: July 2 (see the rebalancing FAQ at [www.fundranker.com](http://www.fundranker.com) for more information)

## Upcoming Fundranker Exchange Date

Regardless of how long funds to be exchanged have been held, *Fundranker* will exchange on August 2, which will avoid roundtrip transactions in any case.

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<i>Fundranker Ratings for 6/29/12</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)	1.99	10.98	(1.52)	1.13	3.145	21
Automotive (FSAVX)	(21.85)	5.69	(14.35)	(1.20)	(7.928)	35
Banking (FSRBX)	7.04*	16.95*	(1.86)	3.49	8.405	10
Biotechnology (FBIOX)	27.97*	28.31*	6.99*	7.64*	21.728	1
Brokerage & Investment Mgmt (FSLBX)	(8.32)	10.44	(9.44)	5.22*	0.475	28
Chemicals (FSCHX)	2.96	15.33*	(2.38)	4.26	6.043	13
Communications Equipment (FSDCX)	(24.88)	(6.51)	(18.80)	1.18	(12.253)	38
Computers (FDCPX)	2.61	13.17*	(9.67)	2.49	3.150	20
Construction & Housing (FSHOX)	18.09*	17.56*	(0.73)	6.12*	13.260	2
Consumer Discretionary (FSCPX)	7.52*	13.92*	(3.31)	1.39	6.880	12
Consumer Finance (FSVLX)	10.81*	19.96*	(1.17)	5.50*	11.775	4
Consumer Staples (FDFAX)	11.95*	9.65	1.27*	5.71*	10.145	5
Defense & Aerospace (FSDAX)	(0.45)	4.93	(4.99)	2.72	0.553	26
Electronics (FSELX)	(7.17)	5.36	(14.78)	2.76	(3.458)	31
Energy (FSENX)	(18.20)	(4.93)	(10.92)	4.46	(7.398)	34
Energy Service (FSSEX)	(28.26)	(8.90)	(13.14)	(0.70)	(12.750)	39
Environment & Alternative Energy (FSLEX)	(19.53)	2.20	(6.20)	3.01	(5.130)	33
Financial Services (FIDSX)	(3.28)	14.99*	(6.59)	3.99	3.278	18
Gold (FSAGX)	(22.29)	(14.94)	(11.90)	1.15	(11.995)	37
Health Care (FSPHX)	6.14	13.44*	1.54*	4.97*	9.523	6
Industrial Equipment (FSCGX)	(3.11)	10.09	(7.17)	2.35	0.540	27
Industrials (FCYIX)	(3.32)	8.76	(5.50)	2.39	0.583	25
Insurance (FSPCX)	1.14	7.97	(1.91)	3.39	2.648	22
IT Services (FBSOX)	4.92	11.73	(5.70)	4.36	3.828	17
Leisure (FDLSX)	6.60*	7.29	(7.41)	(1.10)	2.345	23
Materials (FSDPX)	(6.54)	7.37	(4.74)	4.30	0.097	30
Medical Delivery (FSHCX)	2.30	11.50	(4.23)	3.35	3.230	19
Medical Equipment & Systems (FSMEX)	(3.16)	13.32*	(1.19)	5.42*	5.598	14
Multimedia (FBMPX)	6.55*	17.75*	1.48*	7.08*	12.215	3
Natural Gas (FSNGX)	(13.30)	(2.44)	(5.75)	3.94	(4.388)	32
Natural Resources (FNARX)	(21.07)	(6.49)	(12.18)	3.39	(9.088)	36
Pharmaceuticals (FPHAX)	8.29*	9.09	2.31*	5.97*	9.415	7
Retailing (FSRPX)	12.15*	16.17*	(3.37)	1.43	8.595	9
Software & Computer Services (FSCSX)	8.52*	13.02	(6.16)	4.48*	6.965	11
Technology (FSPTX)	(0.96)	12.76	(7.71)	3.22	1.828	24
Telecommunications (FSTCX)	(3.70)	9.30	2.73*	5.92*	5.563	15
Transportation (FSRFX)	(0.77)	9.14	0.31*	2.67	3.838	16
Utilities (FSUTX)	10.71*	6.83	6.99*	3.49	9.005	8
Wireless (FWRLX)	(4.72)	2.21	(5.61)	4.96*	0.210	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

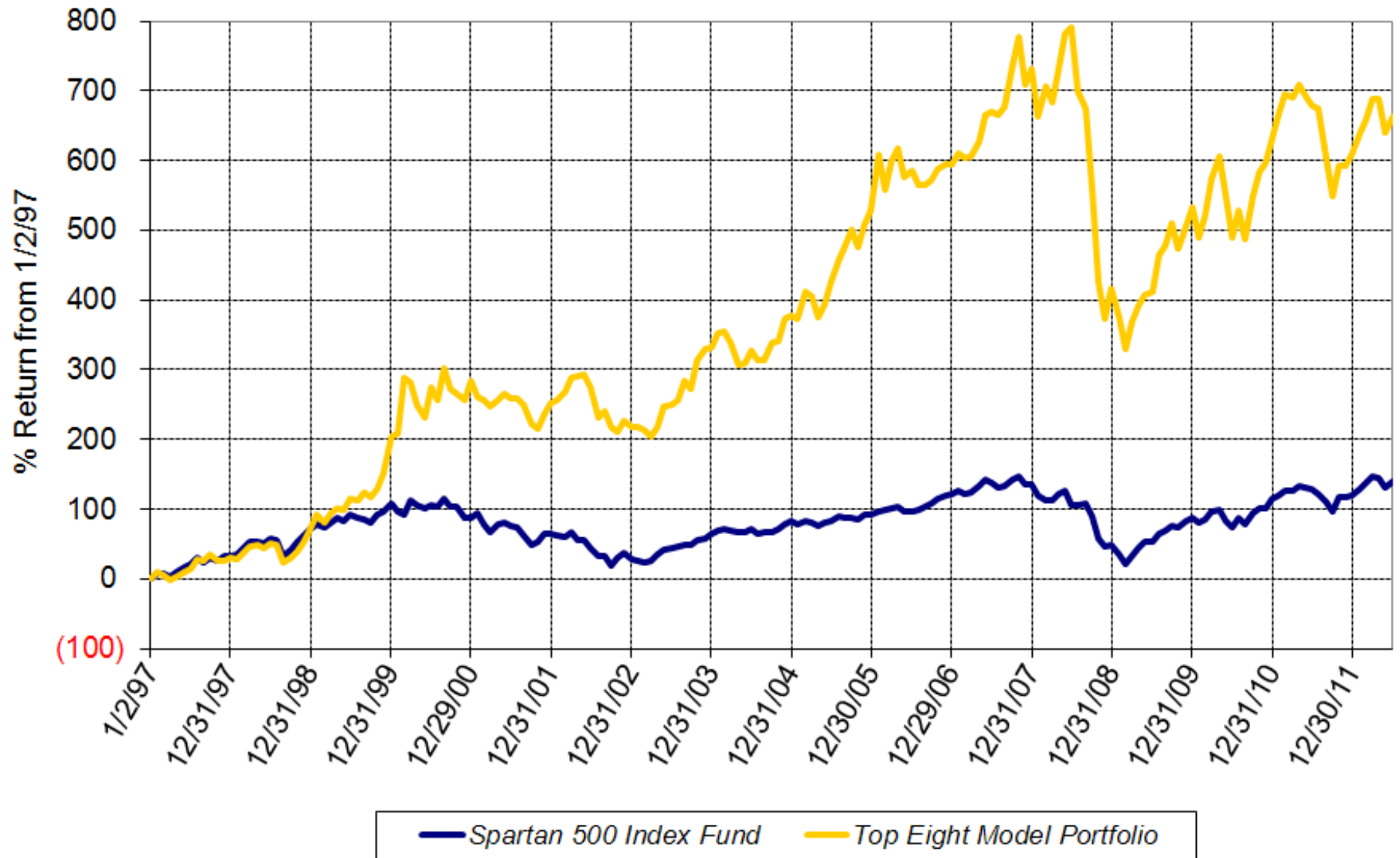
Sell on July 2, 2012

Buy on July 2, 2012

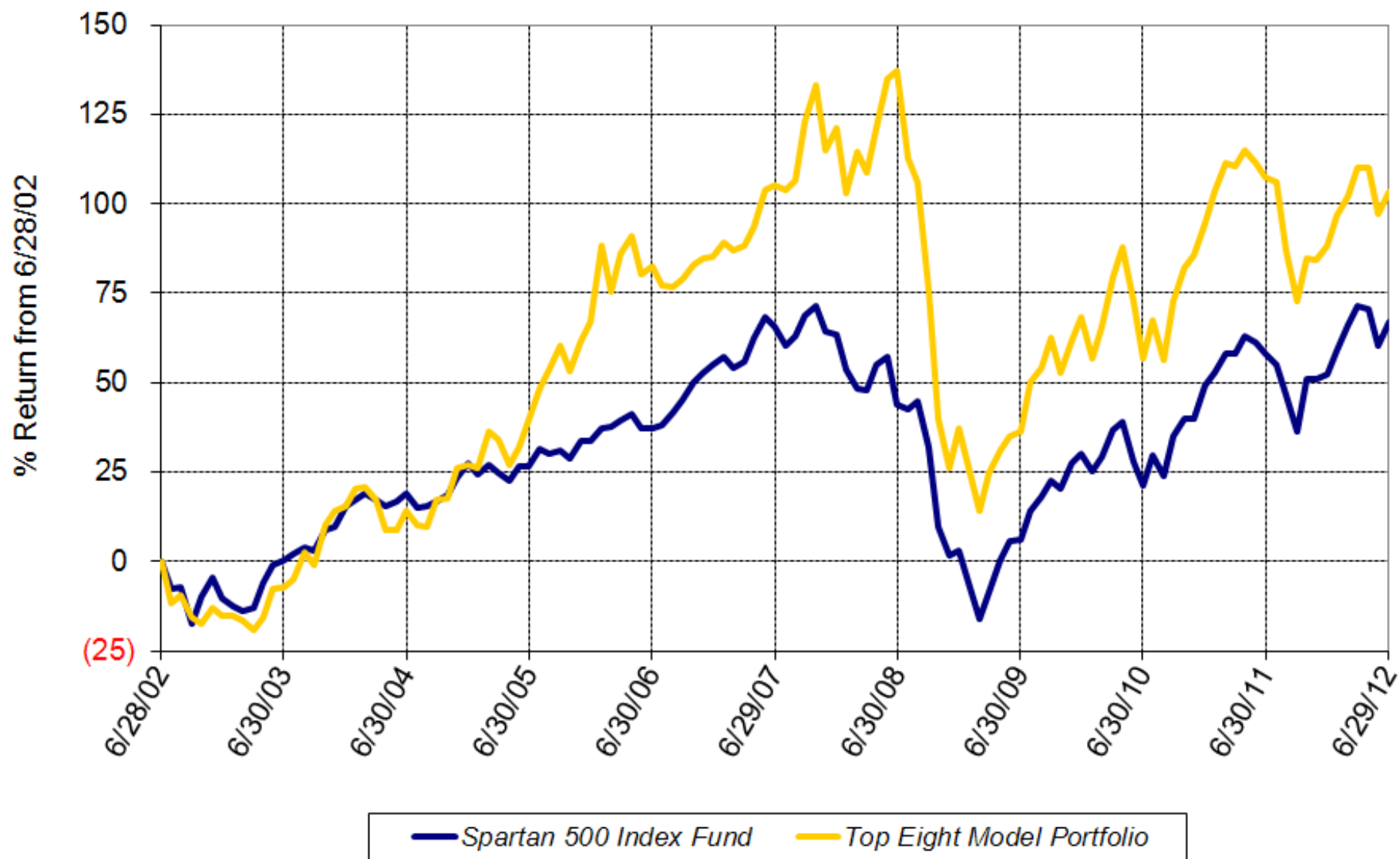
Hold

Fundranker Performance for June 2012													
5/31 Funds	5/31 Shares	5/31 Amount	<=6/4 Div Shrs	6/4 Shares	6/4 Amount	6/4 Funds	6/4 Shares	6/4 Amount	>6/4 Div Shrs	6/29 Shares	6/29 Amount	Jun Return	
FSRPX	368.871	21,623.22	none	368.871	21,265.41	FBIOX	226.492	21,398.96	none	226.492	23,643.50		
FSHOX	544.211	21,594.29	none	544.211	20,658.25	FSRPX	371.188	21,398.96	none	371.188	22,070.84		
FDLSX	210.105	21,941.27	none	210.105	21,044.12	FSRBX1	2,263.221	21,398.96	none	1,263.221	23,571.70		
FBIOX	244.853	23,745.84	none	244.853	23,133.71	FSUTX	391.994	21,398.96	none	391.994	22,308.38		
FSCPX	859.280	22,246.76	none	859.280	21,610.89	FSHOX	563.724	21,398.96	none	563.724	23,738.42		
FSVLX	1,796.265	22,543.13	none	1,796.265	21,591.11	FSVLX	1,780.280	21,398.96	none	1,780.280	23,570.91		
FSRBX1	1,256.533	22,655.29	none	1,256.533	21,285.67	FSCPX	850.853	21,398.96	none	850.853	22,334.89		
FDCPX	356.940	21,241.50	none	356.940	20,602.58	FDLSX	213.648	21,398.96	none	213.648	22,065.57		
<b>Top Eight</b>		<b>177,591.30</b>			<b>171,191.74</b>			<b>171,191.70</b>			<b>183,304.21</b>	<b>3.217</b>	
FNCMX1	1,565.201	59,008.08	none						none	1,565.201	61,308.92	3.899	
FUSEX1	1,184.490	55,209.08	none						none	1,184.490	57,471.45	4.098	
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>				8.025									
Nasdaq Composite Index Fund				13.241									
Spartan 500 Index Fund - Investor Class				9.443									
Lifetime Summary				1/2/97 to 6/29/12									
				Total Return %									
<i>Top Eight Model Portfolio</i>				663.768									
Nasdaq Composite Index Fund				N/A									
Spartan 500 Index Fund - Investor Class				139.464									
10-Year Summary				6/28/02 to 6/29/12									
				Total Return %									
<i>Top Eight Model Portfolio</i>				103.336									
Nasdaq Composite Index Fund				N/A									
Spartan 500 Index Fund - Investor Class				66.725									
5-Year Summary				6/29/07 to 6/29/12									
				Total Return %									
<i>Top Eight Model Portfolio</i>				(0.788)									
Nasdaq Composite Index Fund				17.337									
Spartan 500 Index Fund - Investor Class				0.705									
3-Year Summary				6/30/09 to 6/29/12									
				Total Return %									
<i>Top Eight Model Portfolio</i>				49.318									
Nasdaq Composite Index Fund				64.076									
Spartan 500 Index Fund - Investor Class				57.183									
1-Year Summary				6/30/11 to 6/29/12									
				Total Return %									
<i>Top Eight Model Portfolio</i>				(2.031)									
Nasdaq Composite Index Fund				7.019									
Spartan 500 Index Fund - Investor Class				5.355									

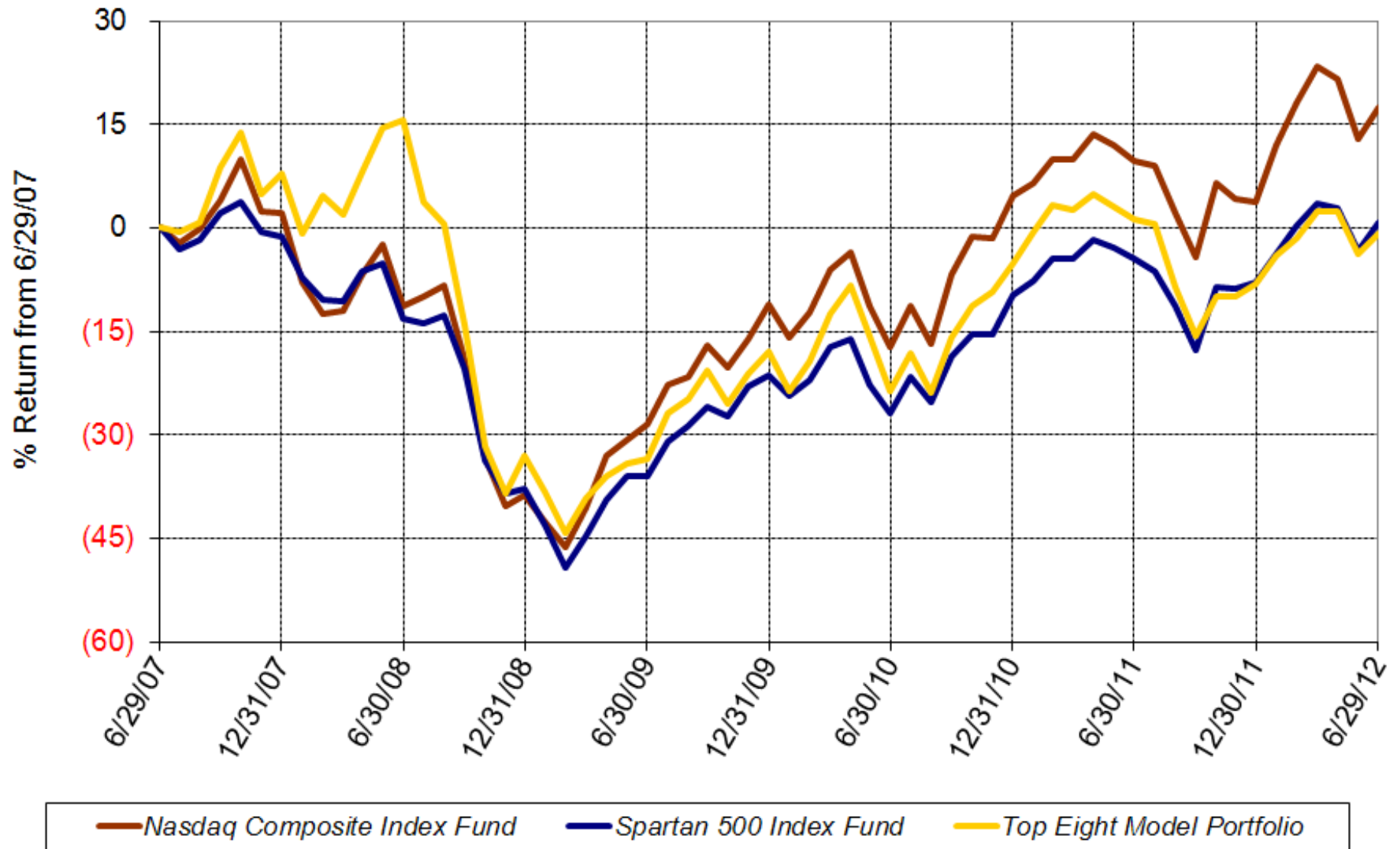
### Lifetime Chart



### 10-Year Chart

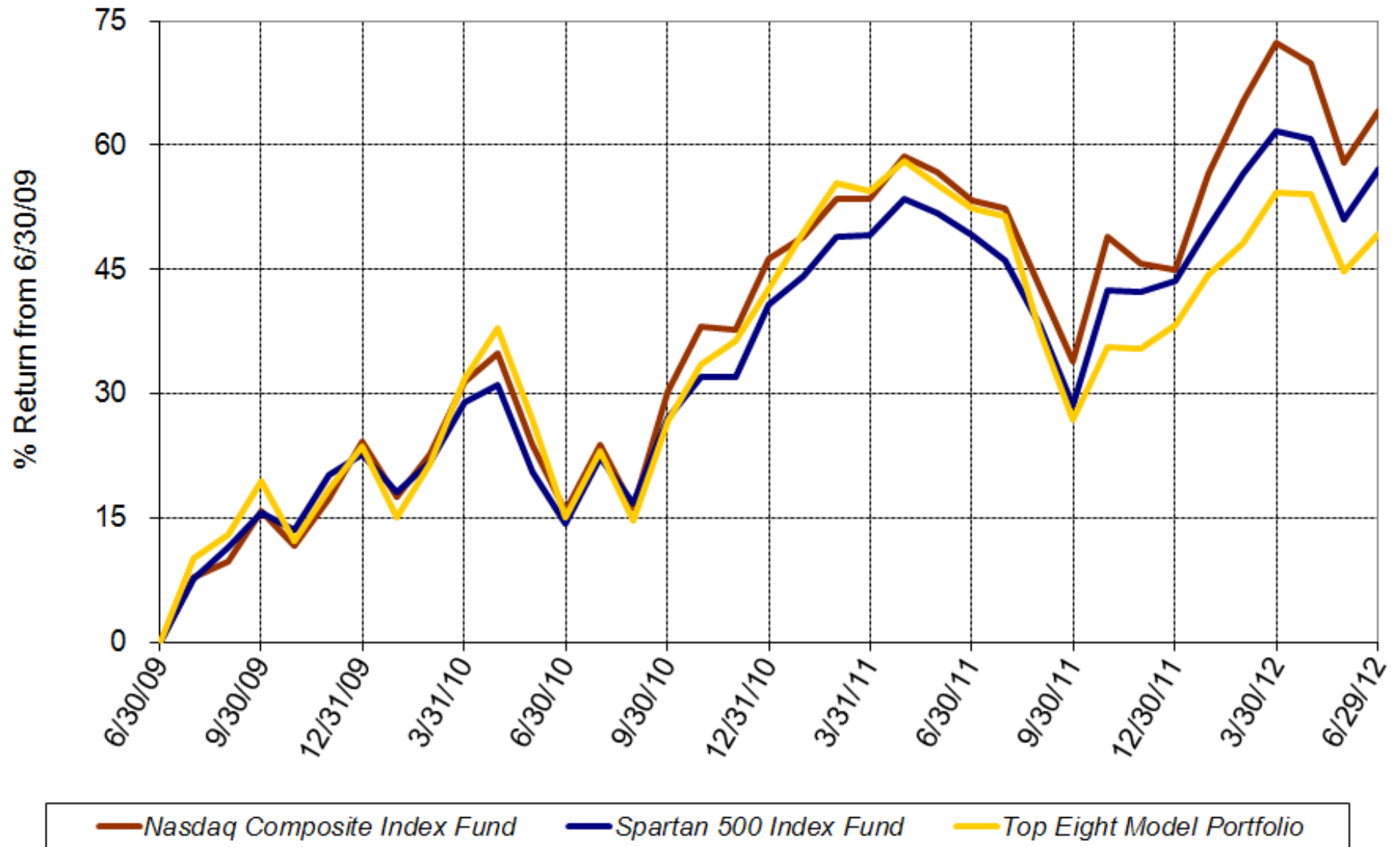


### 5-Year Chart

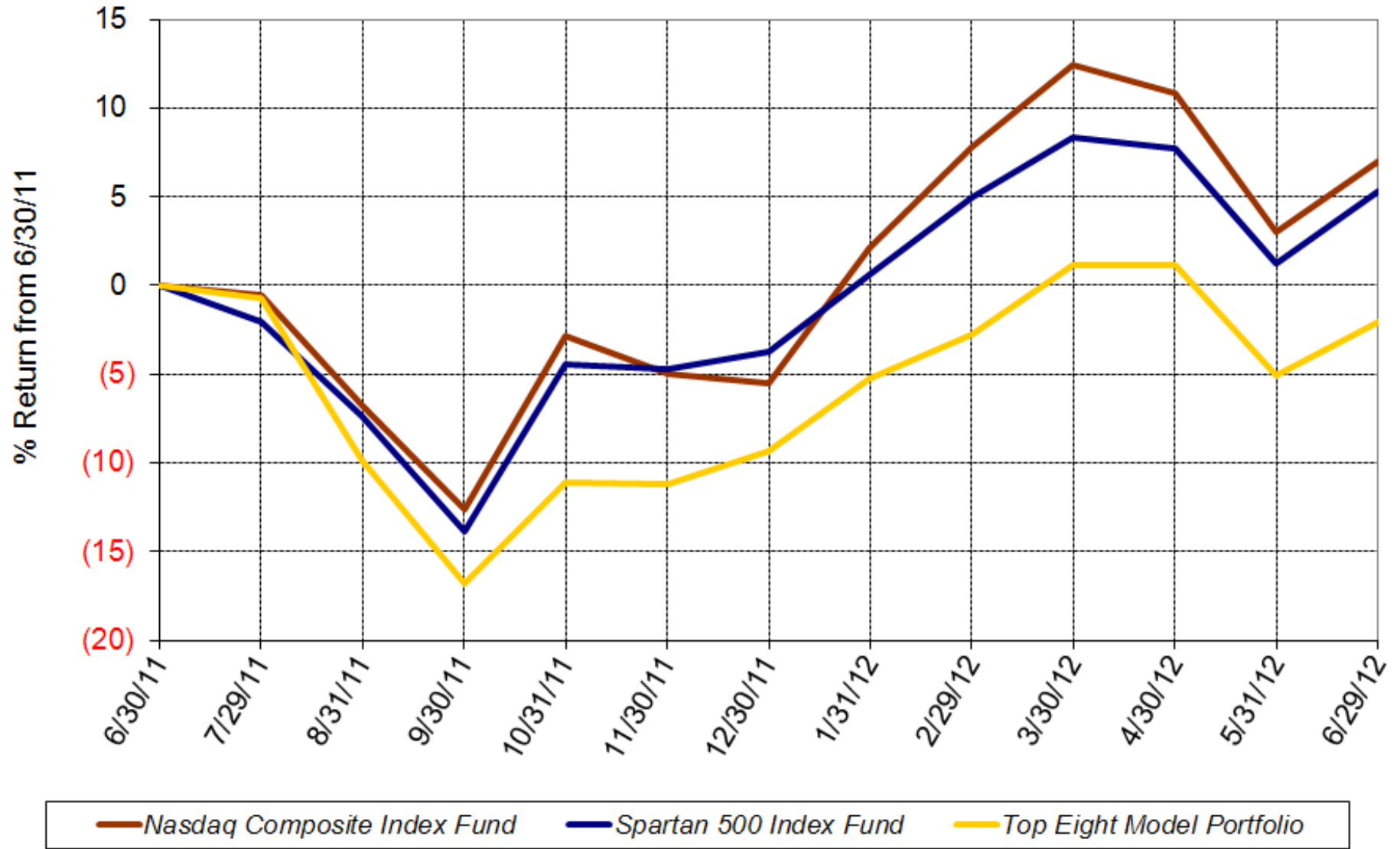




### 3-Year Chart



### 1-Year Chart





### Daily Chart June 2012

