

FIDELITY SELECT FUNDRANKER™

Volume 7 Issue 11

The Right Funds at the Right Time

November 2012

October Performance Disappoints

The broad market made nice gains during the first week of October, fell during the second week, hit the month's high during the third week, and then fell during the final week, giving the S&P 500 a monthly loss after four months of gains.

Only two funds in the *Top Eight Model Portfolio* gained value in October. Construction & Housing gained 2.66%, and Consumer Finance gained 2.33%. Multimedia, Materials, Banking, Telecommunications, and Health Care had one-month losses ranging from 0.30% to 2.59%. Biotechnology had the worst loss at 6.16%.

During October, the *Top Eight Model Portfolio* outperformed the indexes with a one-month loss of 0.919%, while the S&P 500 and Nasdaq Composite Indexes lost 1.682% and 4.435%. For 2012 YTD through October, the Nasdaq Composite Index gained 15.236%, the S&P 500 Index gained 14.238%, and the *Top Eight Model Portfolio* gained 13.720%.

Final Performance of Funds Sold on October 4

Fundranker exchanged two funds on October 4. Here are the returns they contributed to the *Top Eight Model Portfolio*:

Fund	Bought	Sold	Return
Insurance (FSPCX)	9/4/2011	10/4/2012	4.69%
Retailing (FSRPX)	9/4/2012	10/4/2012	2.78%

Fiscal Cliff

What is the "fiscal cliff" that looms over the United States at the end of 2012 and the beginning of 2013? It has three important elements:

The Bush-era tax cuts, originally scheduled to expire at the end of 2010, were extended through 2012. They now are set to expire January 1, 2013.

Fiscal stimulus measures, such as the payroll tax cut and extended unemployment benefits, will expire at the end of 2012.

Because the deficit reduction super committee failed their task last year, automatic spending cuts, also known as sequester, will take effect in January, 2013.

Together, if not addressed, these three fiscal time bombs literally could drop our economy off a cliff, although it is unlikely that Congress will let that happen. The outcome of the November 6 election could significantly affect any compromise reached. Markets could be very volatile in the short term.

Fundranker Sets New Four-Plus-Year High

Fundranker's Top Eight Model Portfolio set a new four-plus-year high on October 5, when its value reached \$200,118.81. The *Top Eight Model Portfolio's* value hasn't been that high since July 7, 2008, when its value was \$200,165.51, shortly after the all-time high of \$217,042.57 it set on June 23, 2008.

Hurricane Sandy Closes Markets

Hurricane Sandy caused the closure of the New York Stock Exchange and other exchanges on Monday and Tuesday, October 29 and 30. This was the first weather-related closure suffered by the exchanges in 27 years.

Fidelity Viewpoints

Fidelity Investments provides expert viewpoints on various investing topics that are well worth the read. Of particular interest to *Fundranker's* 100% Select stock fund investment strategy is their recent article *The Case for U.S. Stocks*. To see this and other articles, see <https://www.fidelity.com/viewpoints/overview>.

Holding Period Alert

If you purchased shares after October 5 of any funds which are being exchanged on November 5, 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 Materials on October 8, you should wait a full 30 days and exchange Materials on November 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 November 2012

Fund Name (Symbol)	Purchase	Return to 10/31
1. Construction & Housing (FSHOX)	9/4/2012	6.83%
2. Consumer Finance (FSVLX)	3/5/2012	16.19%
3. Multimedia (FBMPX)	7/2/2012	9.18%
4. Biotechnology (FBIOX)	5/9/2011	32.80%
5. Insurance (FSPCX)	11/5/2012	
6. Brokerage & Invest Mgmt (FSLBX)	11/5/2012	
7. Health Care (FSPHX)	9/4/2012	1.72%
8. Telecommunications (FSTCX)	10/4/2012	(3.03)%
Funds to be sold on November 5:		
10. Banking (FSRBX)	8/2/2012	4.85%
15. Materials (FSDPX)	10/4/2011	(1.99)%

Fundranker Exchanges for November 5

Sell Banking (FSRBX), buy Insurance (FSPCX)
Sell Materials (FSDPX), buy Brokerage & Invest Mgmt (FSLBX)

Fundranker Invest New Money Date

Invest new money on November 2.

Optional Rebalancing Exchange Dates

Method 1: none; Method 2: November 2; Method 3: November 5 (see the rebalancing FAQ at www.fundranker.com for more information)

Upcoming Fundranker Exchange Date

If all funds to be exchanged were purchased before November 5, *Fundranker* will exchange on December 3. Otherwise, *Fundranker* will exchange on December 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 10/31/12 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)	10.69	(1.06)	3.19	3.00*	4.955	20
Automotive (FSAVX)	0.24	(5.14)	6.73*	1.88*	2.928	27
Banking (FSRBX)	26.17*	2.85	3.51	(1.92)	8.653	10
Biotechnology (FBIOX)	39.47*	10.60*	0.64	(6.16)	13.138	4
Brokerage & Investment Mgmt (FSLBX)	14.82	7.33*	11.29*	1.99*	11.858	6
Chemicals (FSCHX)	21.73*	1.55	3.64	(0.81)	7.528	13
Communications Equipment (FSDCX)	(10.35)	(12.82)	1.67	(6.64)	(7.035)	38
Computers (FDCPX)	5.03	(10.37)	(4.48)	(8.57)	(4.598)	37
Construction & Housing (FSHOX)	42.08*	9.41*	13.86*	2.66*	21.003	1
Consumer Discretionary (FSCPX)	16.57*	(0.18)	4.58	(1.01)	5.990	16
Consumer Finance (FSVLX)	31.79*	10.39*	8.59*	2.23*	17.250	2
Consumer Staples (FDFAX)	17.82*	5.11*	0.75	(0.95)	7.683	12
Defense & Aerospace (FSDAX)	9.17	(2.44)	4.38	1.16*	4.068	22
Electronics (FSELX)	(9.49)	(17.28)	(7.86)	(5.77)	(10.100)	39
Energy (FSENX)	0.74	(0.33)	4.86	(2.15)	0.780	32
Energy Service (FSESX)	(5.31)	(5.59)	(1.18)	(5.63)	(4.428)	36
Environment & Alternative Energy (FSLEX)	1.91	(0.50)	3.83	0.63*	2.468	28
Financial Services (FIDSX)	16.50	4.34	6.58*	1.90*	9.330	9
Gold (FSAGX)	(12.79)	9.58*	19.81*	(3.15)	5.363	19
Health Care (FSPHX)	23.61*	6.61*	6.39*	(2.59)	11.505	7
Industrial Equipment (FSCGX)	13.23	(2.04)	4.41	(1.25)	3.588	25
Industrials (FCYIX)	14.30	(0.28)	4.24	(0.49)	4.443	21
Insurance (FSPCX)	18.08*	6.18*	9.58*	1.97*	12.953	5
IT Services (FBSOX)	13.81	(1.25)	5.72	(3.00)	3.820	23
Leisure (FDLSX)	5.14	(10.03)	4.45	(4.96)	(1.350)	35
Materials (FSDPX)	13.38	3.16	6.37*	(1.15)	6.440	15
Medical Delivery (FSHCX)	12.71	(1.13)	7.39*	(0.44)	5.633	17
Medical Equipment & Systems (FSMEX)	10.28	(0.57)	3.89	(5.02)	2.145	29
Multimedia (FBMPX)	32.54*	13.21*	8.73*	(0.30)	16.545	3
Natural Gas (FSNGX)	(0.20)	(1.37)	(0.96)	(1.78)	(1.078)	34
Natural Resources (FNARX)	(1.60)	0.12	6.92*	(1.81)	1.908	30
Pharmaceuticals (FPHAX)	18.96*	4.80*	1.87	(2.30)	7.833	11
Retailing (FSRPX)	15.94	(2.54)	3.46	(2.16)	3.675	24
Software & Computer Services (FSCSX)	11.29	(3.07)	3.19	(5.57)	1.460	31
Technology (FSPTX)	6.41	(4.51)	1.84	(5.57)	(0.458)	33
Telecommunications (FSTCX)	19.08*	10.81*	2.36	(2.21)	9.510	8
Transportation (FSRFX)	7.20	(2.25)	(0.33)	3.30*	2.980	26
Utilities (FSUTX)	12.50	4.39	(0.09)	1.43*	5.558	18
Wireless (FWRLX)	12.69	6.01*	5.74	(1.46)	6.745	14

*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

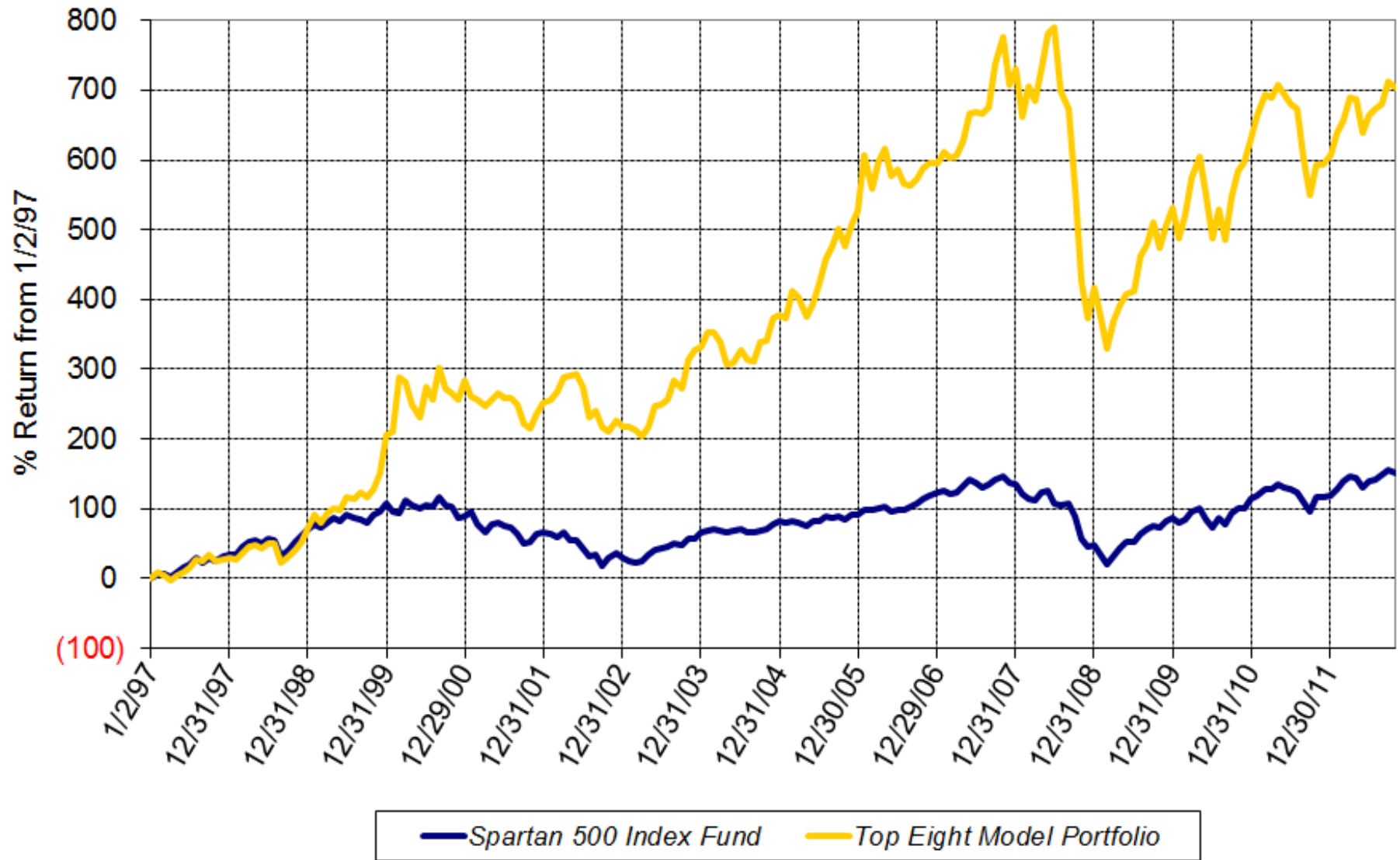
Sell on November 5, 2012

Buy on November 5, 2012

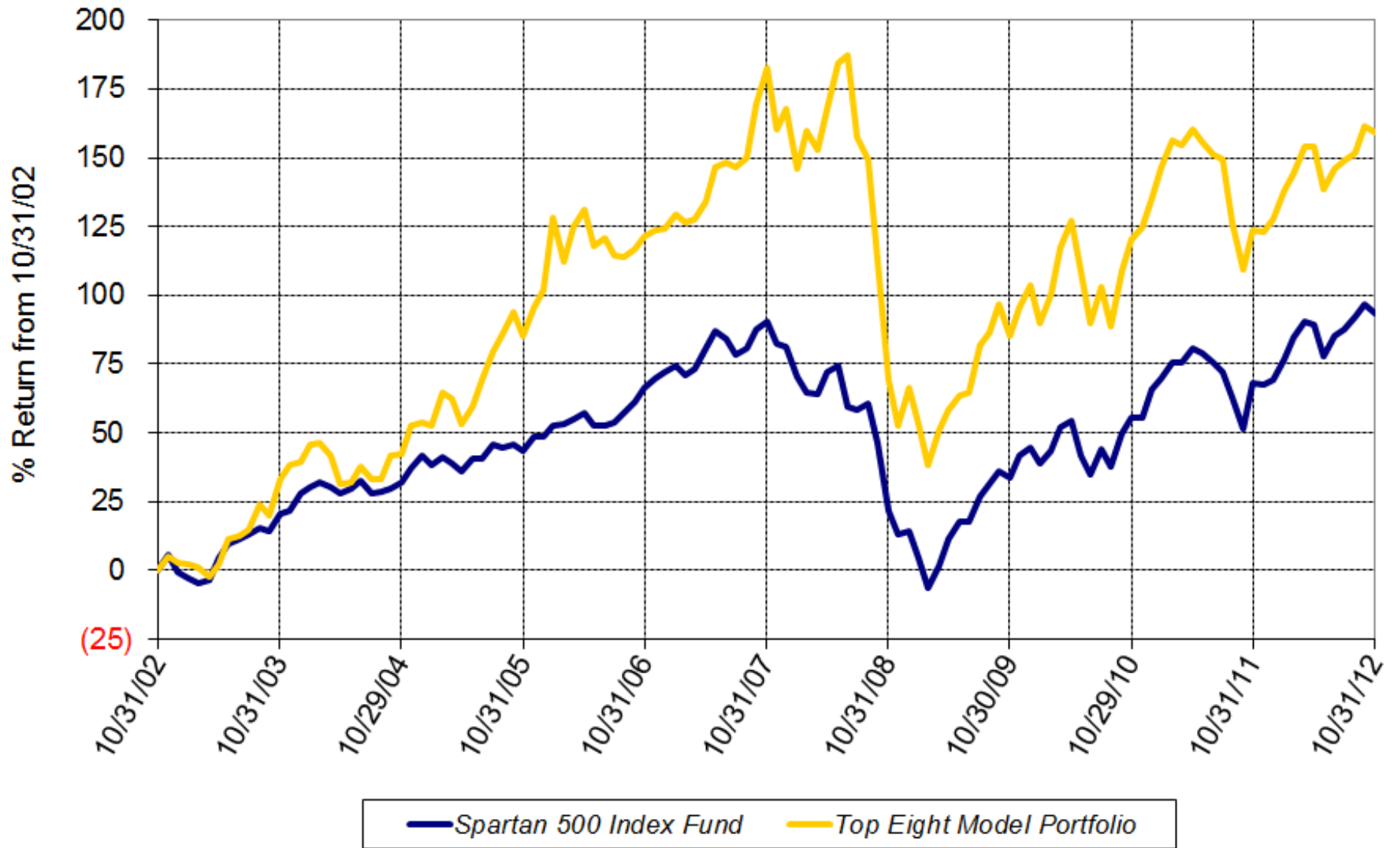
Hold

Fundranker Performance for October 2012													
9/28 Funds	9/28 Shares	9/28 Amount	<=10/4 Div Shrs	10/4 Shares	10/4 Amount	10/4 Funds	10/4 Shares	10/4 Amount	>10/4 Div Shrs	10/31 Shares	10/31 Amount	Oct Return	
FBIOX	214.135	24,554.86	none	214.135	25,145.87	FBIOX	212.385	24,940.32	none	212.385	22,854.75		
FSHOX	534.390	24,507.13	none	534.390	25,030.83	FSHOX	532.458	24,940.32	none	532.458	25,068.12		
FBMPX	438.803	24,665.12	none	438.803	25,160.96	FBMPX	434.955	24,940.32	none	434.955	24,374.88		
FSVLX	1,695.505	24,313.54	none	1,695.505	25,381.71	FSPHX	166.369	24,940.32	none	166.369	23,755.83		
FSRPX	375.787	23,877.51	none	375.787	24,204.44	FSVLX	1,666.020	24,940.32	none	1,666.020	24,423.85		
FSRBX	1,218.974	24,184.44	none	1,218.974	24,793.93	FSTCX	471.818	24,940.32	none	471.818	24,185.39		
FSPCX	468.202	24,060.90	none	468.202	24,655.52	FSRBX	1,226.171	24,940.32	none	1,226.171	23,861.29		
FSPHX	167.763	24,592.38	none	167.763	25,149.35	FSDPX	347.891	24,940.32	none	347.891	24,442.82		
Top Eight		194,755.88			199,522.61			199,522.60			192,966.93	(0.919)	
FNCMX	1,565.201	65,284.53	none						none	1,565.201	62,388.91	(4.435)	
FUSEX	1,191.373	61,117.43	none						6.258	1,197.631	59,989.34	(1.846)	
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>					13.720								
Nasdaq Composite Index Fund					15.236								
Spartan 500 Index Fund - Investor Class					14.238								
Lifetime Summary					1/2/97 to 10/31/12				1/2/97 to 10/31/12				
					Total Return %				Average Annual Return %				
<i>Top Eight Model Portfolio</i>					704.029				14.071				
Nasdaq Composite Index Fund					N/A				N/A				
Spartan 500 Index Fund - Investor Class					149.956				5.957				
10-Year Summary					10/31/02 to 10/31/12				10/31/02 to 10/31/12				
					Total Return %				Average Annual Return %				
<i>Top Eight Model Portfolio</i>					159.153				9.991				
Nasdaq Composite Index Fund					N/A				N/A				
Spartan 500 Index Fund - Investor Class					93.309				6.813				
5-Year Summary					10/31/07 to 10/31/12				10/31/07 to 10/31/12				
					Total Return %				Average Annual Return %				
<i>Top Eight Model Portfolio</i>					(8.264)				(1.710)				
Nasdaq Composite Index Fund					8.555				1.655				
Spartan 500 Index Fund - Investor Class					1.428				0.284				
3-Year Summary					10/30/09 to 10/31/12				10/30/09 to 10/31/12				
					Total Return %				Average Annual Return %				
<i>Top Eight Model Portfolio</i>					40.037				11.879				
Nasdaq Composite Index Fund					49.576				14.363				
Spartan 500 Index Fund - Investor Class					44.629				13.089				
1-Year Summary					10/31/11 to 10/31/12								
					Total Return %								
<i>Top Eight Model Portfolio</i>					15.996								
Nasdaq Composite Index Fund					12.095								
Spartan 500 Index Fund - Investor Class					15.140								

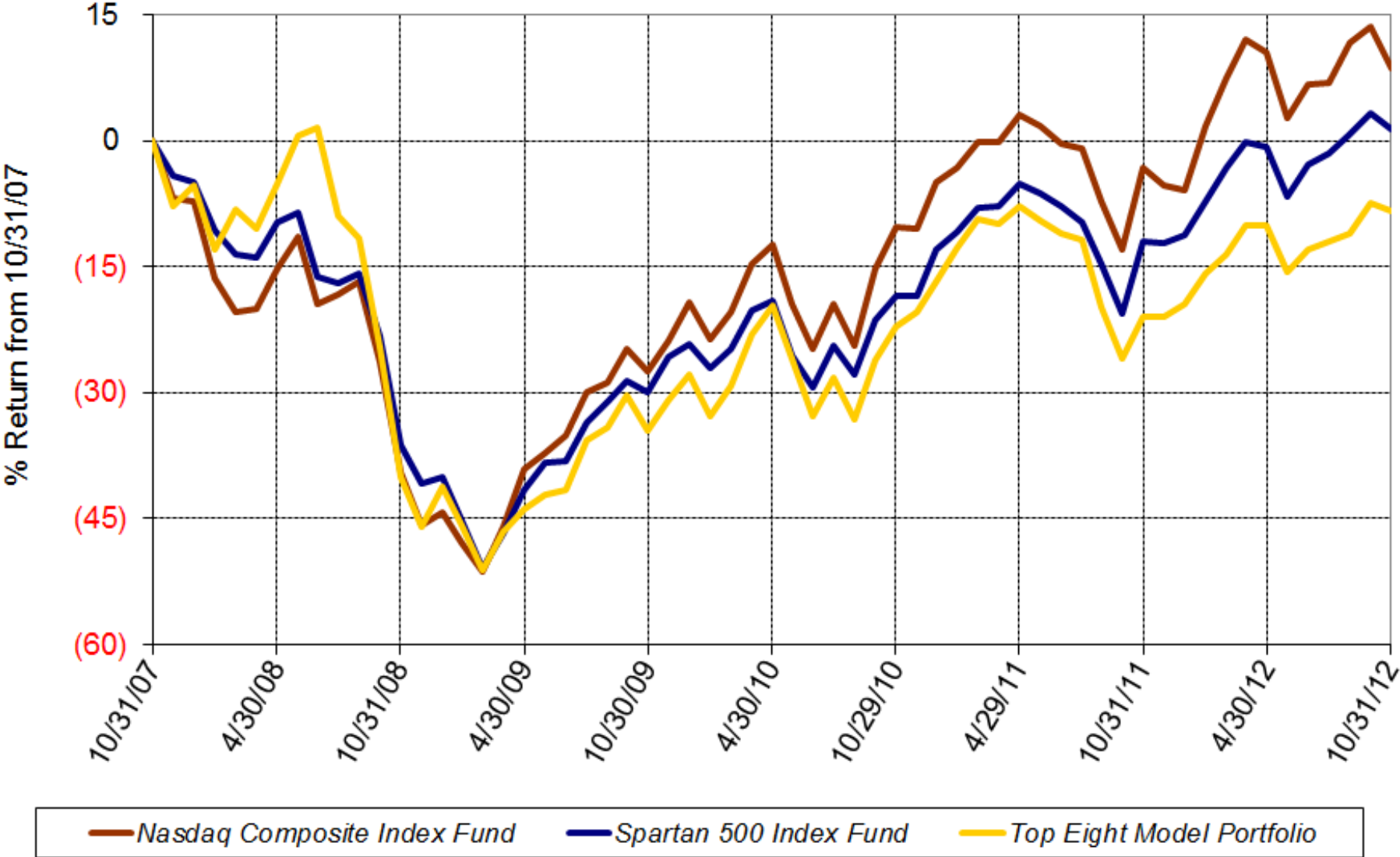
Lifetime Chart



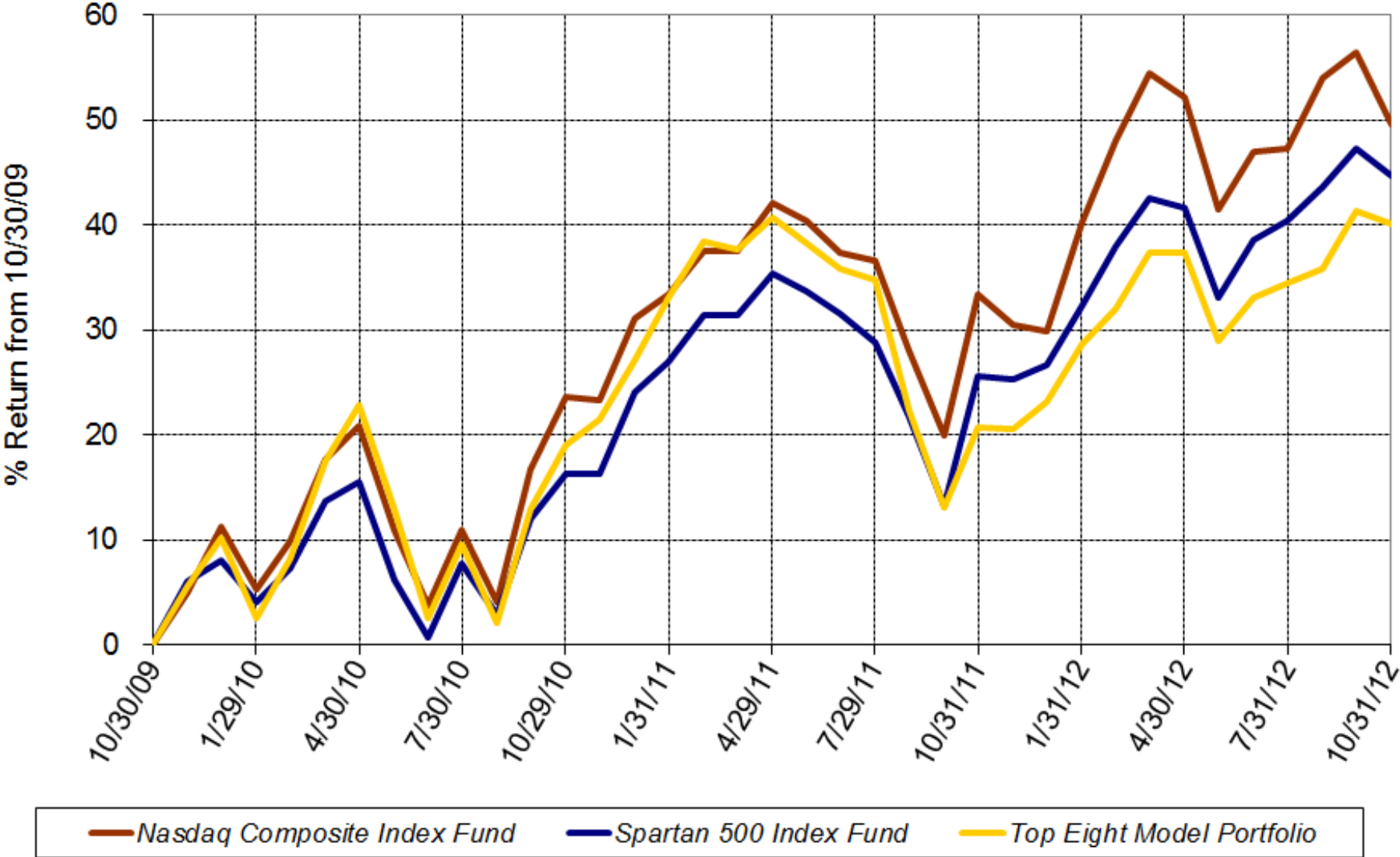
10-Year Chart



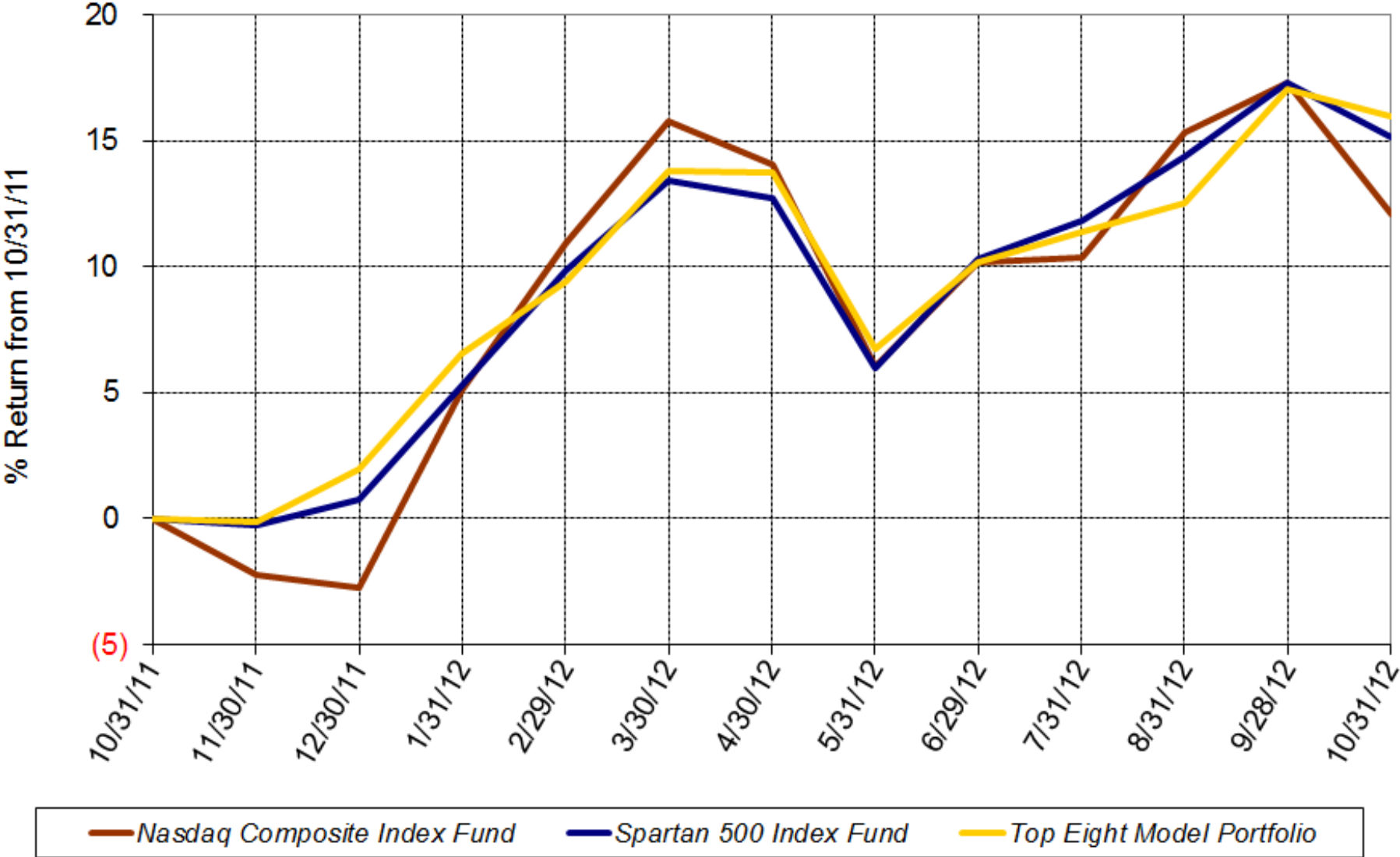
5-Year Chart



3-Year Chart



1-Year Chart



(5)

Daily Chart October 2012

