

FIDELITY SELECT FUNDRANKER™

Volume 8 Issue 12

The Right Funds at the Right Time

December 2013

Broad Market Rises in November

The S&P 500 Index set seven new all-time highs in November and is on track to its best yearly performance since 1998.

All eight funds in the *Top Eight Model Portfolio* gained value in November. Health Care, Biotechnology, and Air Transportation outperformed with one-month gains of 6.64%, 5.68%, and 5.29%. Defense & Aerospace, IT Services, Software & Computer Services, and Retailing followed with one-month gains ranging from 4.50% to 4.17%. Automotive gained 2.60%.

During November, the *Top Eight Model Portfolio* gained 4.714%, while the Nasdaq Composite and S&P 500 Indexes gained only 3.754% and 3.033%. For 2013 YTD total return through November, the *Top Eight Model Portfolio* gained 40.102%, while the Nasdaq Composite and S&P 500 Indexes gained 35.786% and 29.003%.

House-Senate Budget Conference Committee

Prospects for a bipartisan House-Senate Budget Conference Committee, which first convened October 30, to strike a grand bargain looked dim at the outset given the unbending and contradictory stands of Republicans and Democrats. In fact, in an entire month, because of their inability to compromise on revenue vs. budget cuts, the two parties succeeded only in agreeing that they should limit the scope of their budget deliberations to alleviating the harmful effects that automatic sequester cuts are wreaking on the American economy. And that scope is even further limited to fiscal year 2014 and possibly fiscal year 2015 despite the fact that the sequester, unless changed by Congress, will last through 2021.

The Continuing Appropriations Act, 2014, charged the bipartisan conference committee to develop a budget framework by December 13, funded government through January 15 at sequester levels, and suspended the debt ceiling until February 7. The idea behind the December 13 deadline for a budget framework was to give House and Senate budget committees time to flesh out and pass budgets by January 15 to avoid another shutdown. So if this conference committee fails to reach a meaningful compromise, even of limited scope, we easily could be back to a full-on Senate and House standoff, 2014 version, similar to the one in October that resulted in a 16-day government shutdown.

Lurching from one budget crisis to the next is no way to govern. It's no wonder that Congressional approval ratings are at all-time lows. When heartfelt and apparently irreconcilable differences seem to be the norm, perhaps incrementally muddling through crises is the best we can expect from our governmental leaders.

Health Care Hits \$200 NAV per Share

Health Care hit \$200 NAV per share on November 27 and climbed even higher on November 29. Despite ongoing Congressional battles over the Affordable Care Act and the error-ridden rollouts of healthcare.gov and other state healthcare marketplace websites, investors obviously think the health care sector is a good place to invest. Health Care moved up to the number two spot in the *Top Eight Model Portfolio* for December after posting the highest November return of all 39 Fidelity Select funds.

Retailing Exits Top Eight Model Portfolio

A one-month gain of 4.17%, a mid-range return compared to other Select funds, in November wasn't good enough to keep Retailing in our *Top Eight Model Portfolio* for December.

Combined Thanksgiving and Black Friday sales climbed 2.3% from 2012, but a shortened holiday shopping season in 2013 could be problematic for overall holiday retail sales. Time will tell if *Fundranker* has called this one correctly.

Holding Period Alert

If you purchased shares after November 1 of any funds which are being exchanged on December 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 new shares of Retailing on November 4, you should wait a full 30 days and exchange Retailing on December 4 to avoid roundtrip transactions.

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 December 2013

Fund Name (Symbol)	Purchase	Return to 11/29
1. Air Transportation (FSAIX)	10/2/2013	12.70%
2. Health Care (FSPHX)	8/5/2013	12.99%
3. Biotechnology (FBIOX)	3/6/2013	41.65%
4. Transportation (FSRFX)	12/2/2013	
5. Defense & Aerospace (FSDAX)	7/5/2013	18.25%
6. Automotive (FSAVX)	5/6/2013	26.63%
7. Leisure (FDLSX)	12/2/2013	
8. IT Services (FBSOX)	9/4/2013	9.45%
Funds to be sold on December 2:		
10. Software & Comp Srvcs (FSCSX)	9/4/2013	13.75%
11. Retailing (FSRPX)	9/4/2013	13.57%

Fundranker Exchanges for December 2

Sell Retailing (FSRPX), buy Transportation (FSRFX)
Sell Software & Comp Srvcs (FSCSX), buy Leisure (FDLSX)

Fundranker Invest New Money Date

Invest new money on December 2.

Optional Rebalancing Exchange Dates

Method 1: Dec 2, 3; Method 2: Dec 2; Method 3: Dec 2 (see the rebalancing FAQ at www.fundranker.com for more information)

Upcoming Fundranker Exchange Date

Fundranker will exchange on January 2, which date will avoid roundtrip transactions even for funds held only one month as long as they were purchased no later than December 3.

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. © 2013 Fidelity Select Fundranker

<i>Fundranker</i> Ratings for 11/29/13 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)	55.73*	25.29*	22.90*	5.29*	31.303	1
Automotive (FSAVX)	58.20*	20.40*	11.16	2.60	25.090	6
Banking (FSRBX)	39.00	16.93	12.23	5.30*	19.365	17
Biotechnology (FBIOX)	62.30*	22.79*	11.46	5.68*	28.558	3
Brokerage & Investment Mgmt (FSLBX)	49.90*	14.16	15.99*	5.31*	24.340	9
Chemicals (FSCHX)	31.12	14.14	11.86	2.28	14.850	23
Communications Equipment (FSDCX)	27.28	12.19	8.69	2.81	12.743	29
Computers (FDCPX)	29.92	9.79	8.79	4.92*	14.355	24
Construction & Housing (FSHOX)	18.96	0.62	7.62	0.09	6.823	38
Consumer Discretionary (FSCPX)	36.43	16.25	12.68	3.31	17.168	19
Consumer Finance (FSVLX)	31.21	10.80	8.94	2.33	13.320	27
Consumer Staples (FDFAX)	18.29	6.45	7.91	0.41	8.265	35
Defense & Aerospace (FSDAX)	46.64*	21.81*	16.73*	4.50*	26.420	5
Electronics (FSELX)	35.89	10.12	7.04	1.17	13.555	25
Energy (FSENX)	24.28	9.42	5.92	(2.29)	9.333	33
Energy Service (FSESX)	29.65	11.54	6.66	(2.25)	11.400	30
Environment & Alternative Energy (FSLEX)	36.44	13.88	12.21	2.21	16.185	21
Financial Services (FIDSX)	34.31	11.19	11.42	4.58*	16.375	20
Gold (FSAGX)	(51.45)	(22.55)	(21.24)	(12.36)	(26.900)	39
Health Care (FSPHX)	52.12*	24.31*	16.45*	6.64*	28.880	2
Industrial Equipment (FSCGX)	30.54	14.15	13.10	2.16	14.988	22
Industrials (FCYIX)	37.64	15.79	13.51	3.02	17.490	18
Insurance (FSPCX)	42.50*	16.08	15.16*	4.23	21.493	12
IT Services (FBSOX)	46.30*	21.41*	14.14*	4.26	24.528	8
Leisure (FDLSX)	44.00*	19.14*	15.16*	4.65*	24.738	7
Materials (FSDPX)	21.23	9.64	8.67	1.70	10.310	32
Medical Delivery (FSHCX)	35.22	17.03*	11.88	6.18*	19.578	16
Medical Equipment & Systems (FSMEX)	38.91	17.86*	13.65*	3.49	20.478	14
Multimedia (FBMPX)	42.36*	16.90	13.29	1.88	19.608	15
Natural Gas (FSNGX)	25.69	12.58	7.81	(1.60)	11.120	31
Natural Resources (FNARX)	18.54	8.63	4.15	(3.76)	6.890	37
Pharmaceuticals (FPHAX)	39.12	16.95	13.90*	6.06*	21.008	13
Retailing (FSRPX)	38.35	21.08*	15.63*	4.17	21.808	11
Software & Computer Services (FSCSX)	44.34*	21.67*	14.45*	4.47	24.233	10
Technology (FSPTX)	25.56	14.67	9.17	2.76	13.040	28
Telecommunications (FSTCX)	20.16	8.26	7.89	(1.63)	8.670	34
Transportation (FSRFX)	50.30*	19.41*	17.99*	5.45*	27.288	4
Utilities (FSUTX)	18.34	6.77	5.79	(1.84)	7.265	36
Wireless (FWRLX)	25.79	14.41	12.40	0.69	13.323	26

*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

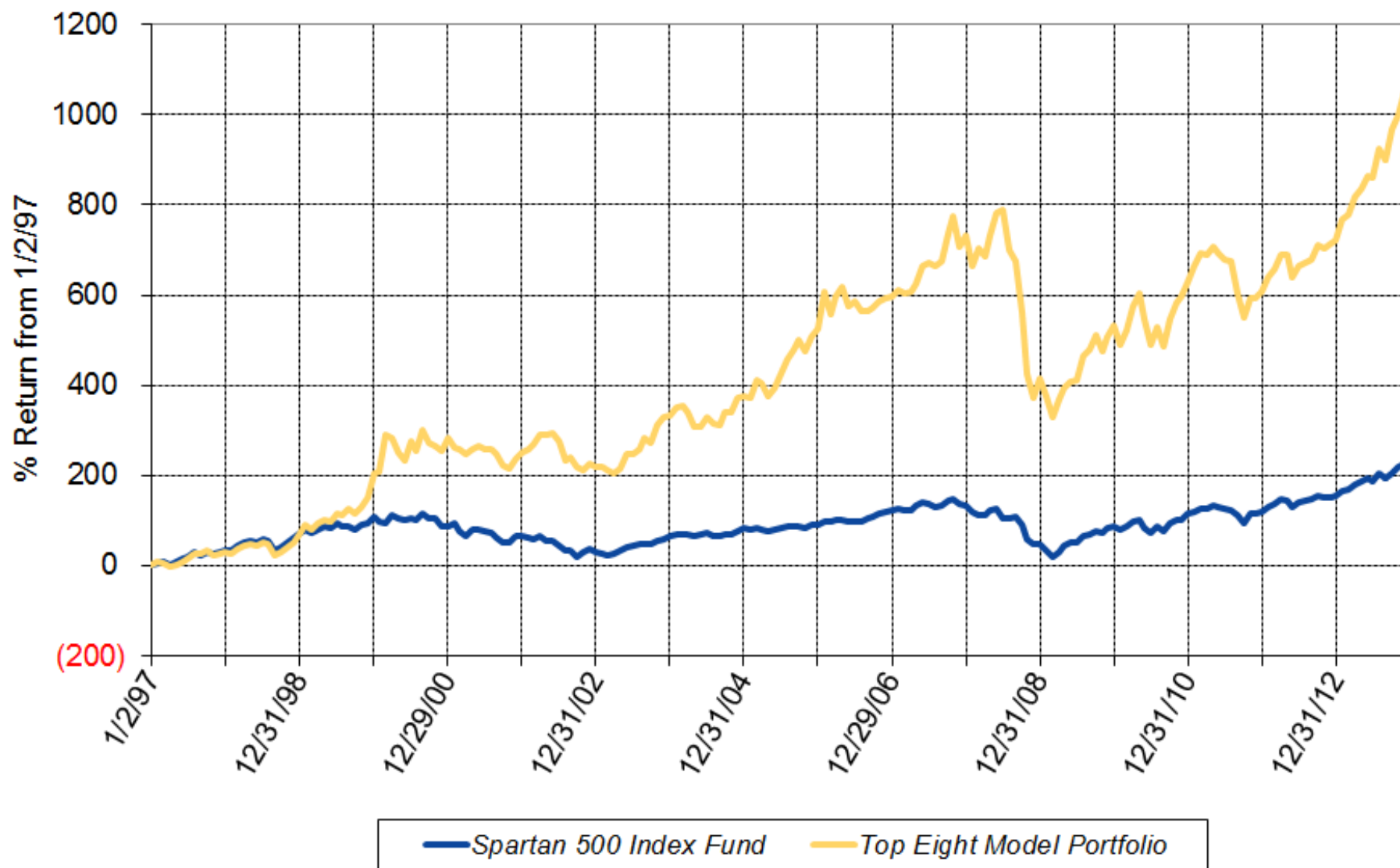
Sell on December 2, 2013

Buy on December 2, 2013

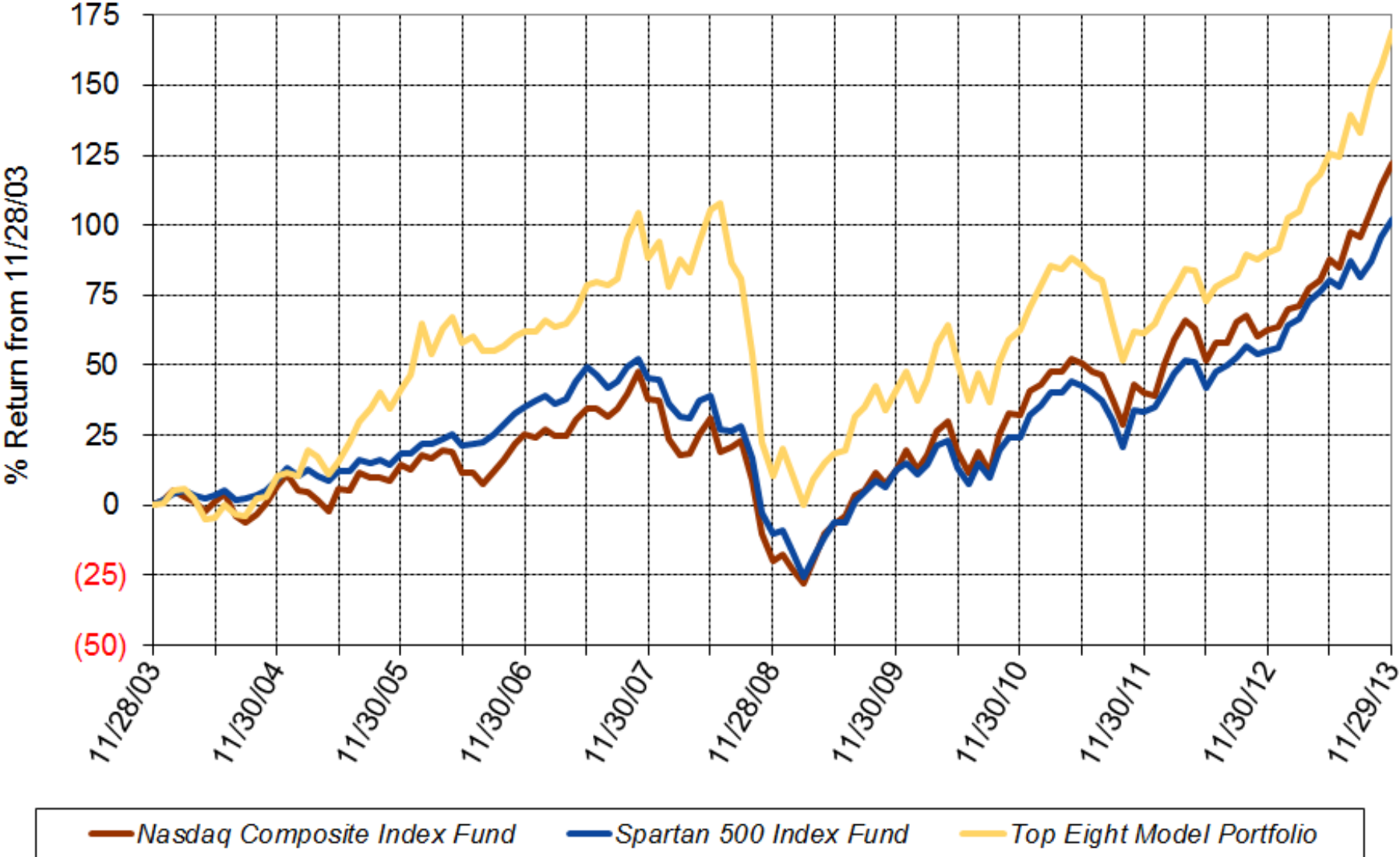
Hold

Fundranker Performance for November 2013													
10/31 Funds	10/31 Shares	10/31 Amount	<=11/4 Div Shrs	11/4 Shares	11/4 Amount	11/4 Funds	11/4 Shares	11/4 Amount	>11/4 Div Shrs	11/29 Shares	11/29 Amount	Nov Return	
FBIOX	180.670	30,712.09	none	180.670	30,668.73	FSAIX	576.268	33,193.04	none	576.268	34,426.25		
FSAVX	591.954	32,758.73	none	591.954	32,960.00	FSAVX	596.139	33,193.04	none	596.139	33,848.77		
FSDAX	285.635	33,690.65	none	285.635	33,842.03	FSRPX	389.179	33,193.04	none	389.179	34,489.04		
FSPHX	176.165	33,080.26	none	176.165	33,476.63	FSDAX	280.157	33,193.04	none	280.157	34,532.15		
FSRPX	391.977	33,345.48	none	391.977	33,431.72	FBSOX	953.549	33,193.04	none	953.549	34,556.62		
FBSOX	951.978	33,090.76	none	951.978	33,138.35	FBIOX	195.541	33,193.04	none	195.541	35,128.94		
FSAIX	609.151	34,563.23	none	609.151	35,087.10	FSCSX	295.812	33,193.04	none	295.812	34,530.13		
FSCSX	293.555	32,801.84	none	293.555	32,939.81	FSPHX	174.673	33,193.04	none	174.673	34,978.27		
Top Eight		264,043.04			265,544.37			265,544.30			276,490.17	4.714	
FNCMX1	1,584.044	83,130.63	none						none	1,584.044	86,251.20	3.754	
FUSEX1	1,223.070	76,221.72	none						none	1,223.070	78,533.32	3.033	
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	2013 YTD								
				Return %	Return %								
<i>Top Eight Model Portfolio</i>				16.302	40.102								
Nasdaq Composite Index Fund				17.325	35.786								
Spartan 500 Index Fund - Investor Class				15.929	29.003								
Lifetime Summary				1/2/97 to 11/29/13		1/2/97 to 11/29/13							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				1,052.042		15.544							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund - Investor Class				227.222		7.259							
10-Year Summary				11/28/03 to 11/29/13		11/28/03 to 11/29/13							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				168.851		10.395							
Nasdaq Composite Index Fund				121.950		8.299							
Spartan 500 Index Fund - Investor Class				108.021		7.600							
5-Year Summary				11/28/08 to 11/29/13		11/28/08 to 11/29/13							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				143.371		19.469							
Nasdaq Composite Index Fund				177.122		22.612							
Spartan 500 Index Fund - Investor Class				124.034		17.507							
3-Year Summary				11/30/10 to 11/29/13		11/30/10 to 11/29/13							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				65.108		18.192							
Nasdaq Composite Index Fund				67.608		18.786							
Spartan 500 Index Fund - Investor Class				62.758		17.629							
1-Year Summary				11/30/12 to 11/29/13		11/30/12 to 11/29/13							
				Total Return %		Total Return %							
<i>Top Eight Model Portfolio</i>				41.477		41.477							
Nasdaq Composite Index Fund				36.366		36.366							
Spartan 500 Index Fund - Investor Class				30.184		30.184							

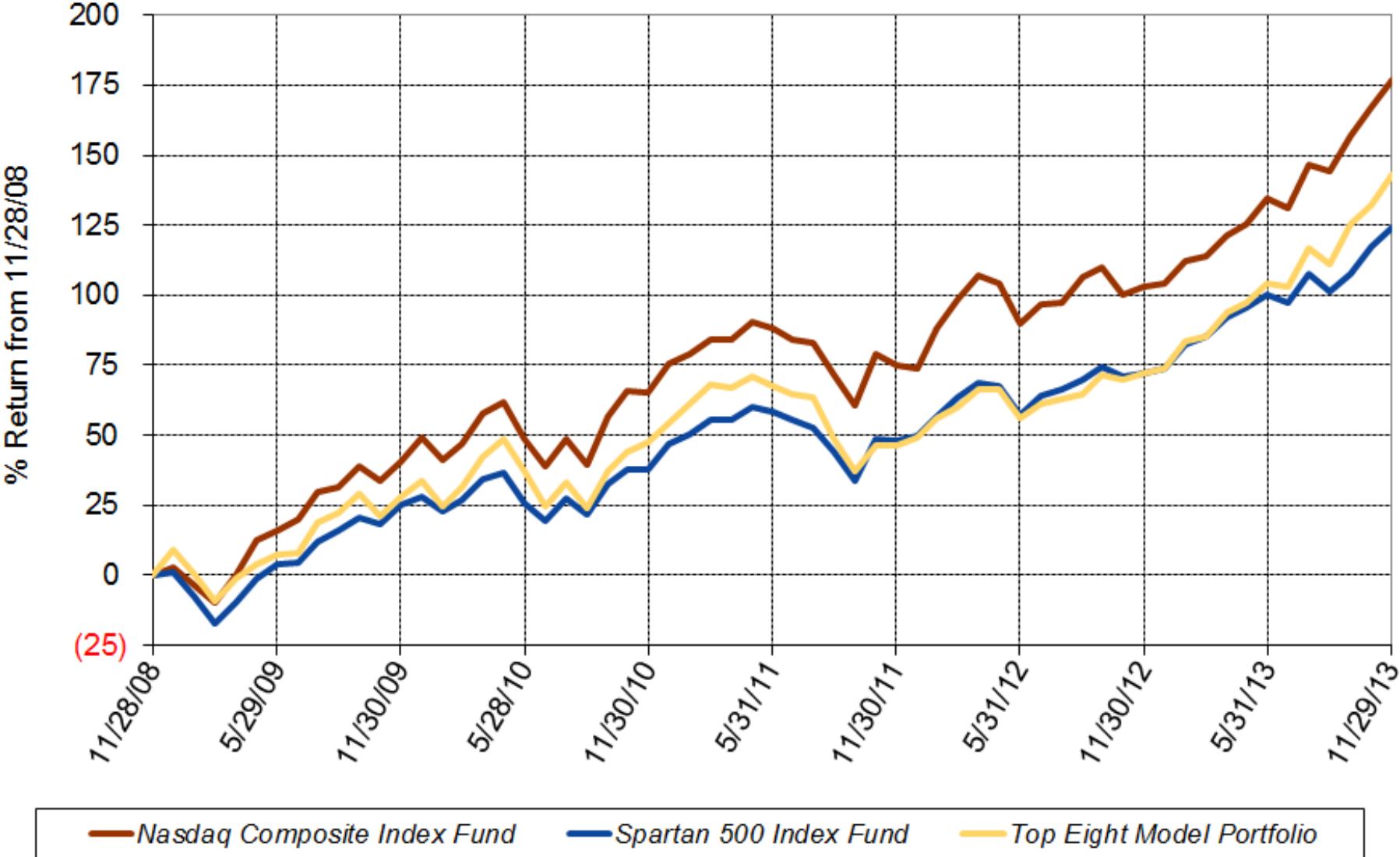
Lifetime Chart



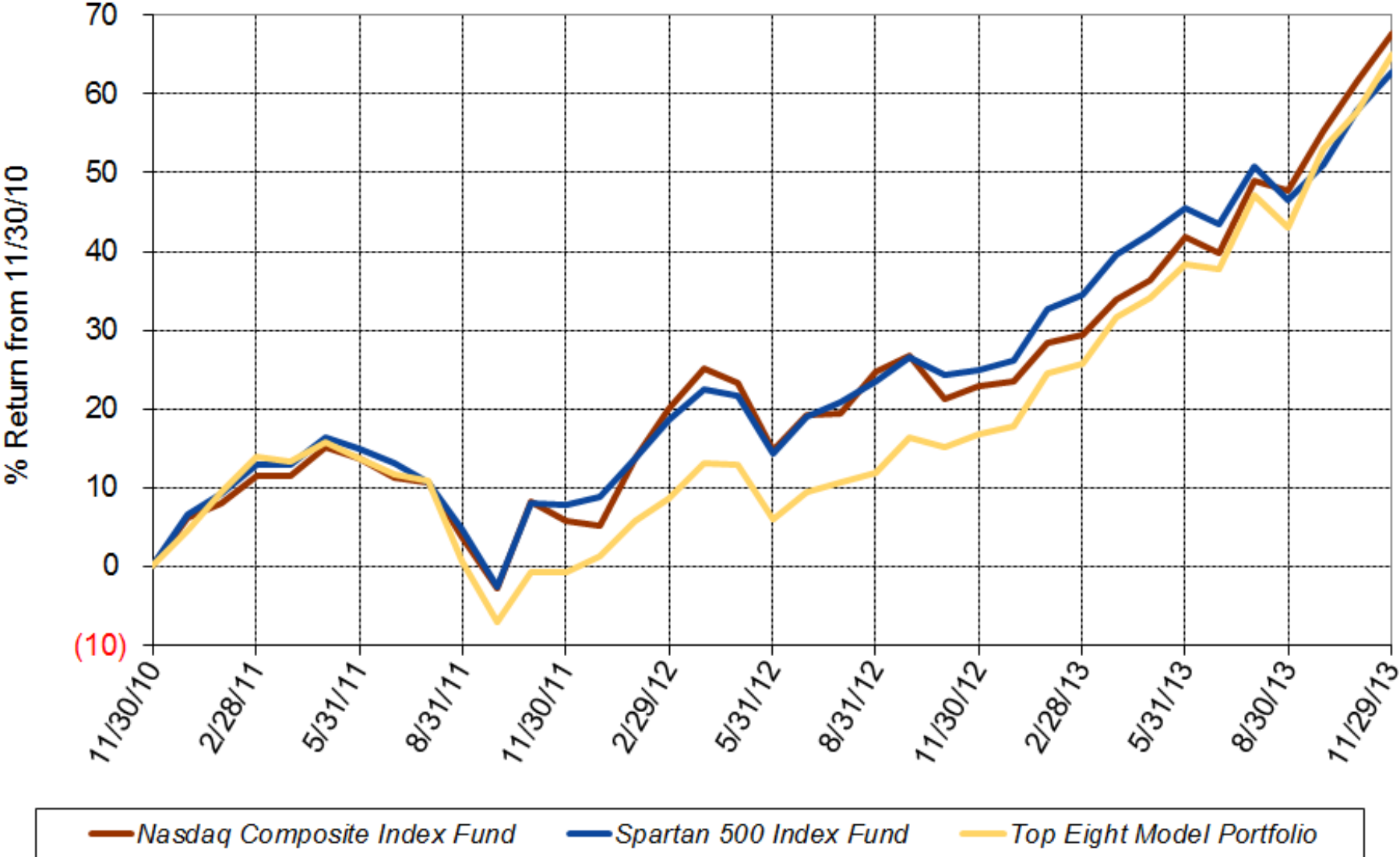
10-Year Chart



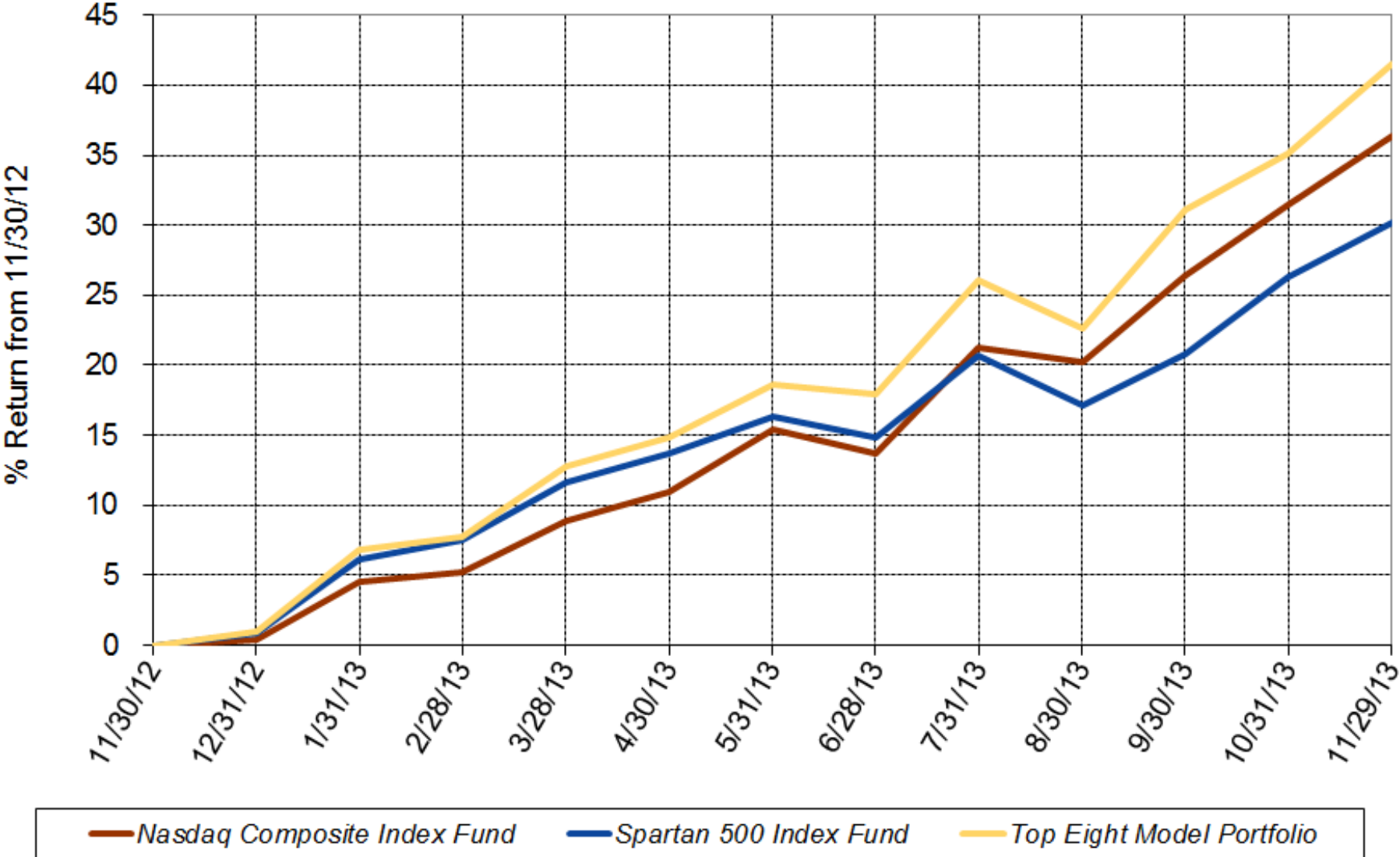
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart November 2013

