

FIDELITY SELECT FUNDRANKER™

Volume 10 Issue 8

The Right Funds at the Right Time

August 2015

Broad Market Recovers after Five-day Selloff

The broad market S&P 500 Index moved higher for much of July except for a 5-day selloff just after mid-month. The Nasdaq Composite and S&P 500 Indexes and the *Top Eight Model Portfolio* all hit new all-time highs again in July.

Seven funds in our *Top Eight Model Portfolio* gained value in July. Retailing, Pharmaceuticals, Leisure, and IT Services excelled with one-month gains ranging from 6.79% down to 4.11%. Health Care, Multimedia, and Biotechnology followed with one-month gains of 3.77%, 3.04%, and 2.73%. Medical Delivery lost 1.43%.

In July, the *Top Eight Model Portfolio* gained 3.336%, while the Nasdaq Composite and S&P 500 Indexes gained 2.897% and 2.095%. For YTD through July, the *Top Eight Model Portfolio* gained 10.820%, the Nasdaq Composite Index gained 8.840%, and the S&P 500 Index gained 3.375%.

Final Performance of Funds Sold on July 2

Fundranker exchanged three funds on July 2. Here are the returns they contributed to the *Top Eight Model Portfolio*:

Fund	Bought	Sold	Return
Electronics (FSELX)	5/6/2015	7/2/2015	(1.09)%
Medical Eqpt & Systems (FSMEX)	11/5/2014	7/2/2015	14.25%
Technology (FSPTX)	6/2/2015	7/2/2015	(3.11)%

Top Eight Model Portfolio Hits New All-Time Highs

Our *Top Eight Model Portfolio* hit new all-time highs for the second month in a row in July, most recently on July 20. From January 2, 1997, through July 20, 2015, on a total return basis, which includes dividends, our *Top Eight Model Portfolio* gained 1,397.391%, while the S&P 500 Index gained only 298.317%.

Fed Watch

The Federal Open Market Committee met on July 28 and 29. Slight changes in wording in the press release after this meeting compared to the June meeting's press release reinforced a possible rate increase at the next meeting in September, although no clear plan was laid out.

Economists generally agree that the pace of rate increases is much more important than when they begin.

In the press release, the FOMC pointed to a strengthening economy and job market but balanced that against needing more confidence that currently low inflation will rise to its 2 percent medium-term target.

Although the Committee stopped increasing their balance sheet some time ago when they ended quantitative easing, they still are reinvesting proceeds back into agency mortgage-backed securities and rolling over maturing Treasury securities, so their balance sheet remains at "sizable levels, [which] should help maintain accommodative financial conditions."

GDP Watch

The Bureau of Economic Analysis of the U.S. Department of Commerce released its first or "advance" estimate of second quarter Gross Domestic Product on Thursday, July 30. Real gross domestic product increased at an annual rate of 2.3 percent in the second quarter, quite an increase over the lethargic first quarter GDP estimate.

In addition, the BEA revised its final or "third" estimate of first quarter GDP, now reporting that real GDP increased at an annual rate of 0.6%, up from a decrease of 0.2%, as reported on June 24.

Fidelity Sector Offerings

We attended a Fidelity seminar recently on Understanding Sector Investing and learned that Fidelity offers several more sector funds in addition to their Select Portfolios:

Fund	Symbol	Sector
Global Commodity Stock Fund	FFGCX	Materials

Real Estate Investment Portfolio	FRESX	Real Estate
Real Estate Income Fund	FRIFX	Real Estate
International Real Estate Fund	FIREX	Real Estate
Telecom & Utilities Fund	FIUIX	Utilities

Fidelity Investments has chosen to break out an 11th sector category, namely Real Estate. The 39 Select Portfolios are split into 10 categories of stocks: Consumer Discretionary, Consumer Staples, Energy, Financial Services, Health Care, Industrials, Materials, Technology, Telecom Services, and Utilities.

In each of the 11 sector categories, Fidelity has one diversified fund and as many as five targeted funds. With the five funds above, Fidelity has 44 funds they consider to be sector funds.

We plan to investigate the five sector funds above over the next few months with an eye to whether we should include them in our *Fundranker* system.

Subscribe to Fidelity Select Fundranker

To subscribe to *Fidelity Select Fundranker* at our special PayPal rate of \$49/first year, \$99/year thereafter, click the Subscribe button at www.fundranker.com. To get a single-year subscription, send a check for \$99 to Fidelity Select Fundranker, 39 Southchase Dr, Fletcher, NC 28732-9265, and include your email address.

As a subscriber, you will receive new issues of *Fidelity Select Fundranker* via email on the first day of each month. You also will receive an Alert email a few days in advance of each issue. *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.

Questions and Suggestions

Do you have a question about the *Fundranker* system or a suggestion for the newsletter or website? Check out our FAQs, peruse our *Fundranker Blog*, or use our *Contact Us* form at www.fundranker.com. We welcome your input.

Top Eight Model Portfolio for August 2015

Fund Name (Symbol)	Purchase	Return to 7/31
1. Biotechnology (FBIOX)	9/5/2014	48.06%
2. Pharmaceuticals (FPHAX)	2/2/2015	18.60%
3. Retailing (FSRPX)	7/2/2015	5.98%
4. Health Care (FSPHX)	8/5/2013	79.43%
5. IT Services (FBSOX)	5/6/2015	6.71%
6. Leisure (FDLSX)	7/2/2015	3.98%
7. Insurance (FSPCX)	8/3/2015	
8. Consumer Discretionary (FSCPX)	8/3/2015	
Funds to be sold on August 3:		
9. Multimedia (FBMPX)	7/2/2015	1.82%
10. Medical Delivery (FSHCX)	1/2/2015	14.52%

Fundranker Exchanges for August 3

Sell Multimedia (FBMPX), buy Insurance (FSPCX)
Sell Med Delivery (FSHCX), buy Consumer Discretionary (FSCPX)

Start a New Portfolio

August 3 ([see new portfolio FAQ](#))

Optional Rebalancing Exchange Dates

Held funds: August 3; New funds: August 3 ([see rebalancing FAQ](#))

Upcoming Fundranker Exchange Dates

Fundranker will exchange on September 2, our [early exchange date](#); even if we exchange a fund purchased on August 3, we still will avoid roundtrip transactions, so *Fundranker* won't need to set a [late exchange date](#) for September.

Fidelity Select Fundranker is published via email on the first day of each month and is edited by Harvey J. Poorbaugh. *Fidelity Select Fundranker* is not affiliated with Fidelity Investments. All facts and figures are obtained from reliable sources. Past results are never an assurance of future performance. The information in this newsletter is not intended as individualized investment advice. All your investment decisions are made by you, individually or with your investment advisor, and are at your own risk. © 2015 Fidelity Select Fundranker

<i>Fundranker</i> Ratings for 7/31/15 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)	11.05	(2.83)	(2.12)	1.01	1.778	25
Automotive (FSAVX)	2.74	4.72	(3.37)	(2.72)	0.343	28
Banking (FSRBX)	14.01	16.85*	7.44*	0.76	11.765	12
Biotechnology (FBIOX)	63.71*	21.05*	17.70*	2.73	29.298	1
Brokerage & Investment Mgmt (FSLBX)	8.78	9.72	0.95	(0.41)	4.760	18
Chemicals (FSCHX)	(4.08)	(2.25)	(7.42)	(5.42)	(4.793)	34
Communications Equipment (FSDCX)	5.90	5.39	(0.92)	2.76	3.283	20
Computers (FDCPX)	(0.25)	(1.64)	(4.84)	(0.88)	(1.903)	32
Construction & Housing (FSHOX)	22.64*	6.70	3.69	2.30	9.833	13
Consumer Discretionary (FSCPX)	22.91*	12.86*	5.91*	3.74*	15.355	8
Consumer Finance (FSVLX)	12.97	12.59*	1.83	0.72	8.028	15
Consumer Staples (FDFAX)	13.64	1.68	1.33	3.10*	5.938	17
Defense & Aerospace (FSDAX)	13.24	1.40	(2.92)	(0.11)	2.903	22
Electronics (FSELX)	10.87	(1.35)	(6.17)	(4.49)	(0.285)	30
Energy (FSENX)	(28.85)	(7.53)	(17.28)	(8.96)	(15.655)	35
Energy Service (FSESX)	(42.58)	(6.29)	(19.62)	(11.38)	(19.968)	37
Environment & Alternative Energy (FSLEX)	(0.88)	2.31	(2.52)	(3.00)	(1.023)	31
Financial Services (FIDSX)	11.36	9.10	2.33	1.88	6.168	16
Gold (FSAGX)	(41.57)	(30.67)	(24.55)	(17.35)	(28.535)	39
Health Care (FSPHX)	34.70*	15.05*	7.54*	3.77*	19.265	4
Industrial Equipment (FSCGX)	4.04	4.85	(1.07)	(1.42)	1.600	26
Industrials (FCYIX)	8.20	2.99	0.16	0.13	2.870	23
Insurance (FSPCX)	18.38*	14.90*	8.15*	5.38*	15.703	7
IT Services (FBSOX)	27.77*	19.11*	8.12*	4.11*	18.778	5
Leisure (FDLSX)	23.33*	12.54*	6.82*	4.96*	15.913	6
Materials (FSDPX)	(4.35)	0.86	(3.78)	(2.44)	(2.428)	33
Medical Delivery (FSHCX)	29.09*	14.31*	6.44*	(1.43)	15.103	10
Medical Equipment & Systems (FSMEX)	26.83*	10.03	3.96*	2.41	12.808	11
Multimedia (FBMPX)	17.20*	17.73*	6.53*	3.04*	15.125	9
Natural Gas (FSNGX)	(39.13)	(13.46)	(24.97)	(13.75)	(22.828)	38
Natural Resources (FNARX)	(30.04)	(9.30)	(18.26)	(9.57)	(16.793)	36
Pharmaceuticals (FPHAX)	33.92*	19.09*	8.87*	5.46*	20.835	2
Retailing (FSRPX)	33.83*	15.96*	8.56*	6.79*	20.285	3
Software & Computer Services (FSCSX)	13.79	11.91	3.82	5.47*	9.748	14
Technology (FSPTX)	11.09	8.10	(0.03)	(0.26)	4.725	19
Telecommunications (FSTCX)	2.64	4.98	(2.38)	(0.42)	1.205	27
Transportation (FSRFX)	8.05	(4.07)	(2.30)	3.70*	2.345	24
Utilities (FSUTX)	2.23	(6.31)	(3.06)	3.36*	0.055	29
Wireless (FWRLX)	5.28	5.43	1.09	0.11	2.978	21

*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

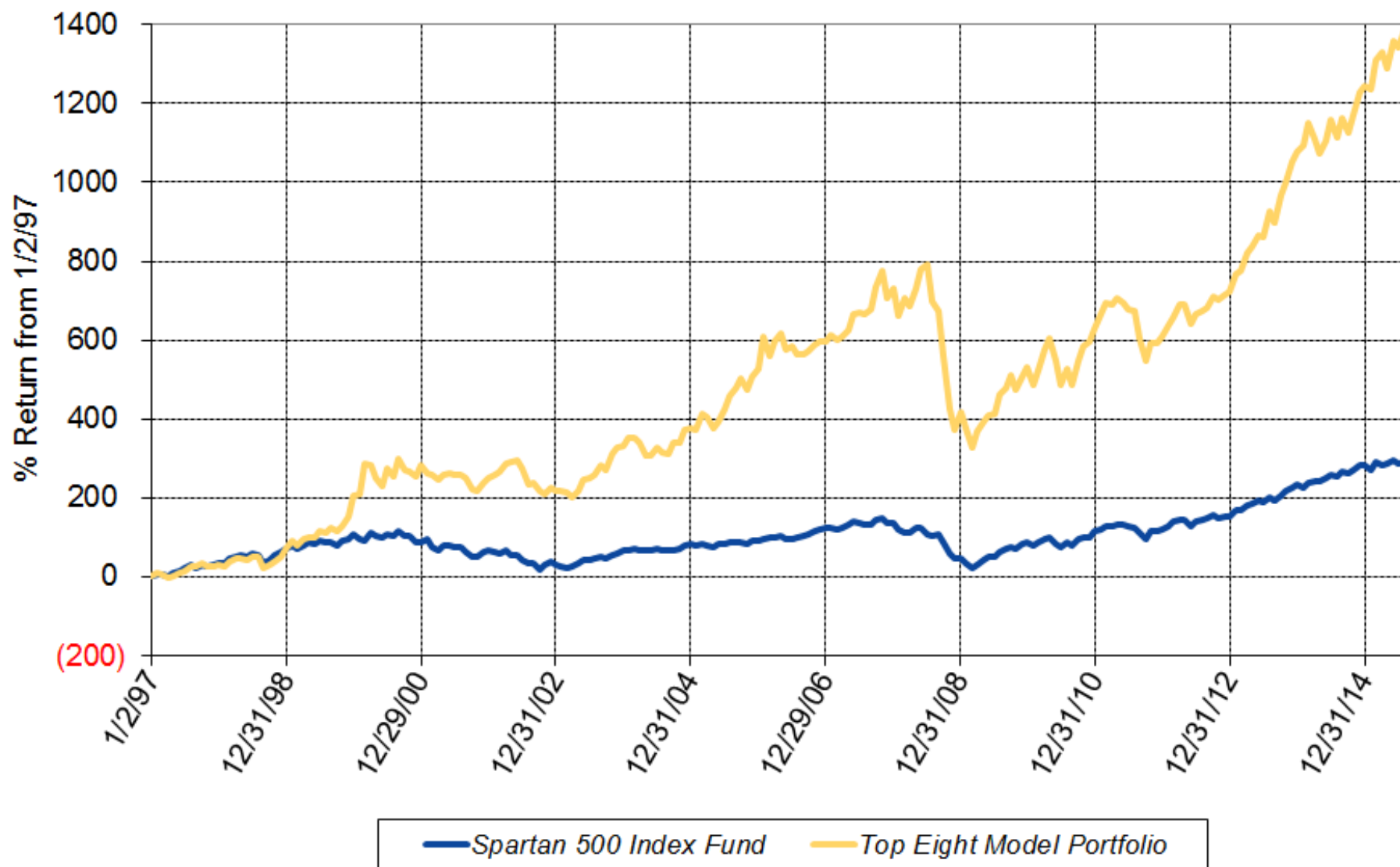
Sell on August 3, 2015

Buy on August 3, 2015

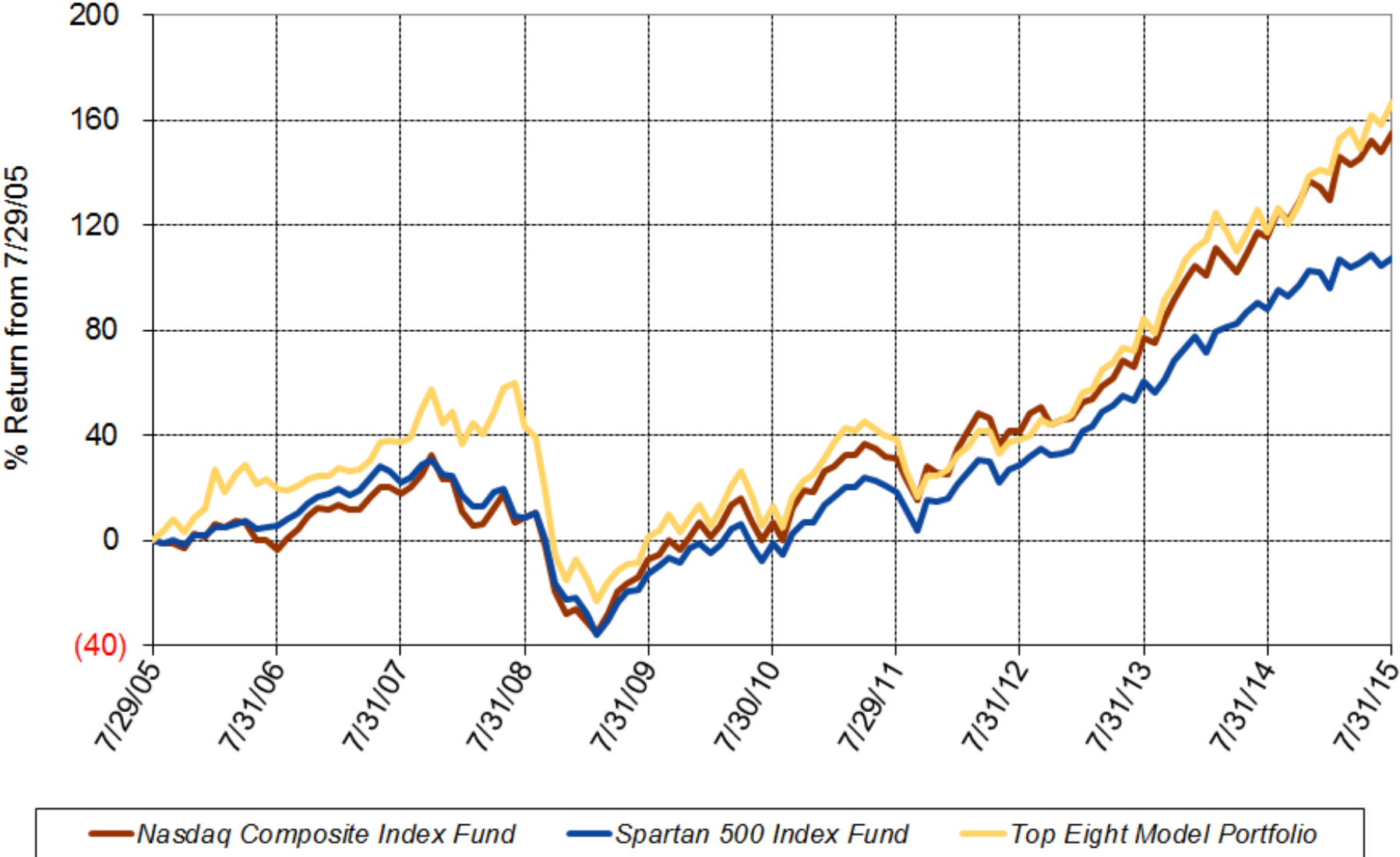
Hold

Fundranker Performance for July 2015													
6/30 Funds	6/30 Shares	6/30 Amount	<=7/2 Div Shrs	7/2 Shares	7/2 Amount	7/2 Funds	7/2 Shares	7/2 Amount	>7/2 Div Shrs	7/31 Shares	7/31 Amount	Jul Return	
FBIOX	164.683	44,680.14	none	164.683	44,515.46	FBIOX	158.187	42,759.53	none	158.187	44,091.46		
FSPHX	180.063	42,660.53	none	180.063	42,896.41	FSHCX	457.126	42,759.53	none	457.126	42,188.16		
FSHCX	474.857	44,460.86	none	474.857	44,418.12	FPHAX1	1,787.606	42,759.53	none	1,787.606	44,547.14		
FPHAX1	1,799.429	42,520.51	none	1,799.429	43,042.34	FSPHX	179.488	42,759.53	none	179.488	44,127.12		
FSELX	493.203	40,062.88	none	493.203	40,319.35	FBSOX1	1,078.424	42,759.53	none	1,078.424	44,236.95		
FSMEX1	1,109.262	42,351.62	none	1,109.262	42,151.96	FSRPX	448.495	42,759.53	none	448.495	45,315.93		
FBSOX1	1,082.546	42,652.31	none	1,082.546	42,922.95	FBMPX	503.231	42,759.53	none	503.231	43,539.55		
FSPTX	345.506	41,740.58	none	345.506	41,809.68	FDLSX	302.508	42,759.53	none	302.508	44,462.63		
Top Eight		341,129.43			342,076.27			342,076.30			352,508.94	3.336	
FNCMX1	1,632.105	107,604.68	none						none	1,632.105	110,722.00	2.897	
FUSEX1	1,266.059	92,599.56	7.538						none	1,273.597	94,539.11	2.095	
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	2014	2015 YTD						
				Return %	Return %	Return %	Return %						
<i>Top Eight Model Portfolio</i>				16.302	43.354	13.946	10.819						
Nasdaq Composite Index Fund				17.325	39.746	14.602	8.840						
Spartan 500 Index Fund - Investor Class				15.929	32.251	13.590	3.375						
Lifetime Summary				1/2/97 to 7/31/15		1/2/97 to 7/31/15							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				1,368.787		15.557							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund - Investor Class				293.913		7.656							
10-Year Summary				7/29/05 to 7/31/15		7/29/05 to 7/31/15							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				167.028		10.320							
Nasdaq Composite Index Fund				155.293		9.826							
Spartan 500 Index Fund - Investor Class				108.927		7.646							
5-Year Summary				7/30/10 to 7/31/15		7/30/10 to 7/31/15							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				136.578		18.794							
Nasdaq Composite Index Fund				139.187		19.055							
Spartan 500 Index Fund - Investor Class				111.524		16.164							
3-Year Summary				7/31/12 to 7/31/15		7/31/12 to 7/31/15							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				92.731		24.447							
Nasdaq Composite Index Fund				80.275		21.706							
Spartan 500 Index Fund - Investor Class				62.243		17.505							
1-Year Summary				7/31/14 to 7/31/15		7/31/14 to 7/31/15							
				Total Return %									
<i>Top Eight Model Portfolio</i>				22.722									
Nasdaq Composite Index Fund				18.585									
Spartan 500 Index Fund - Investor Class				11.193									

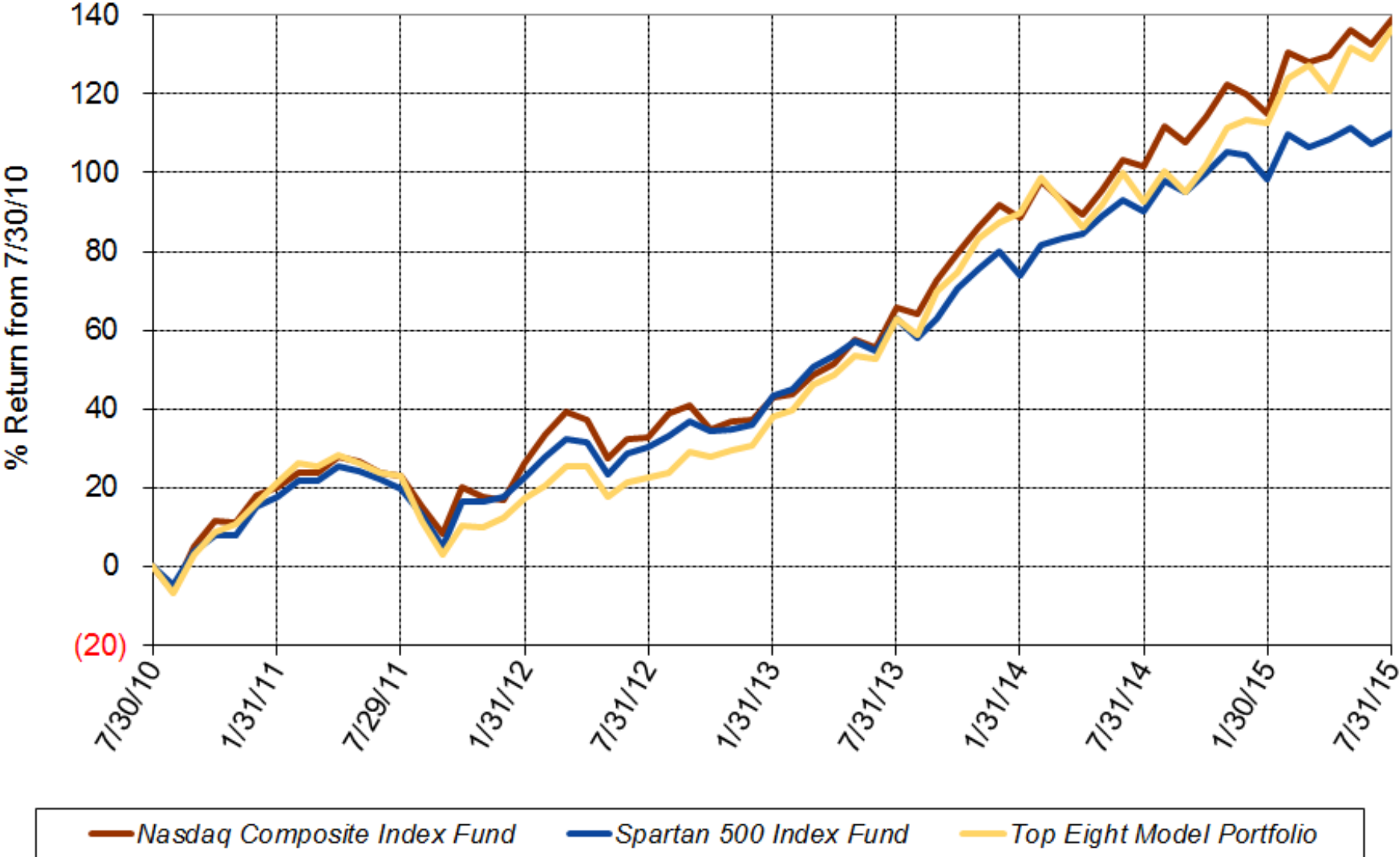
Lifetime Chart



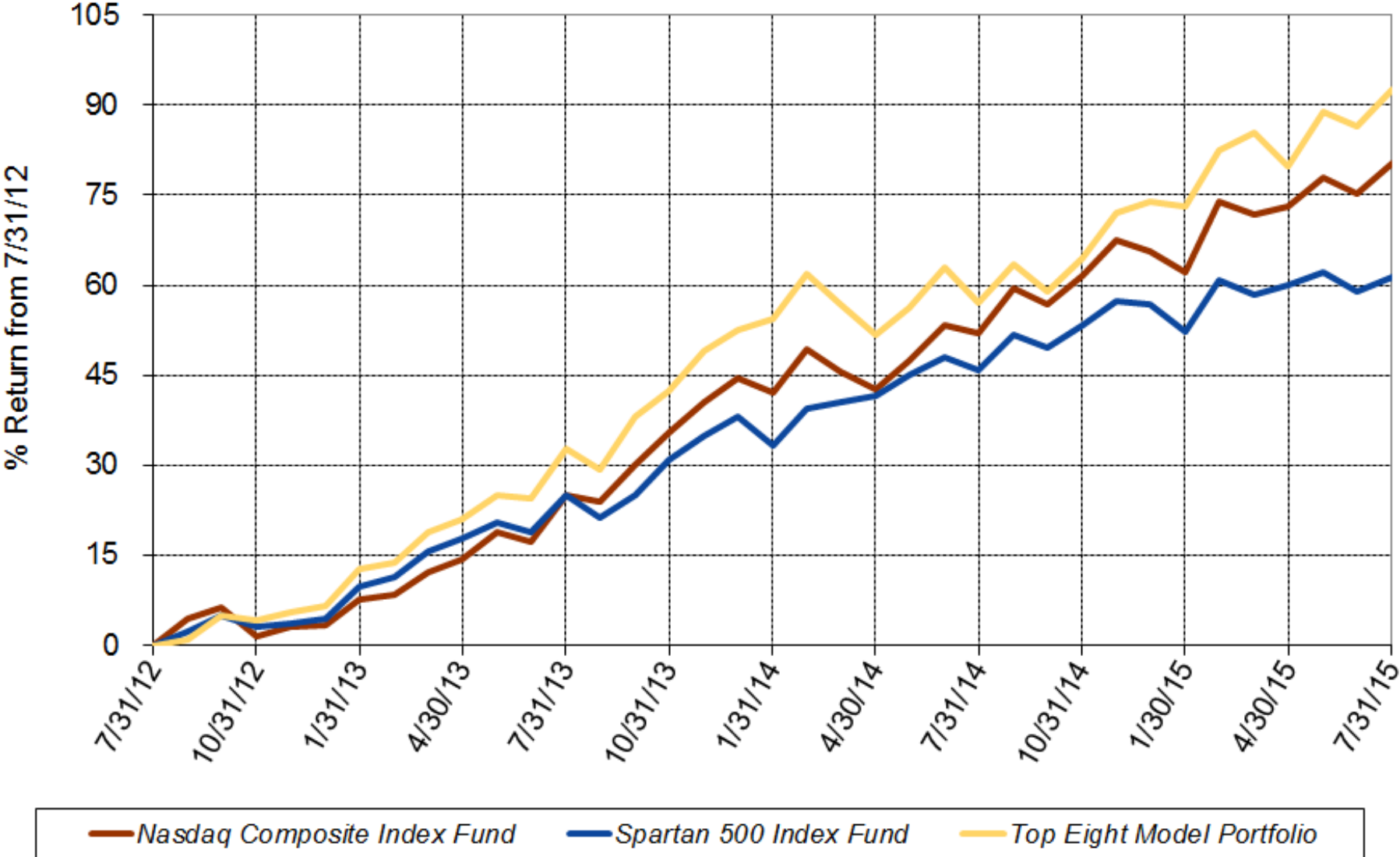
10-Year Chart



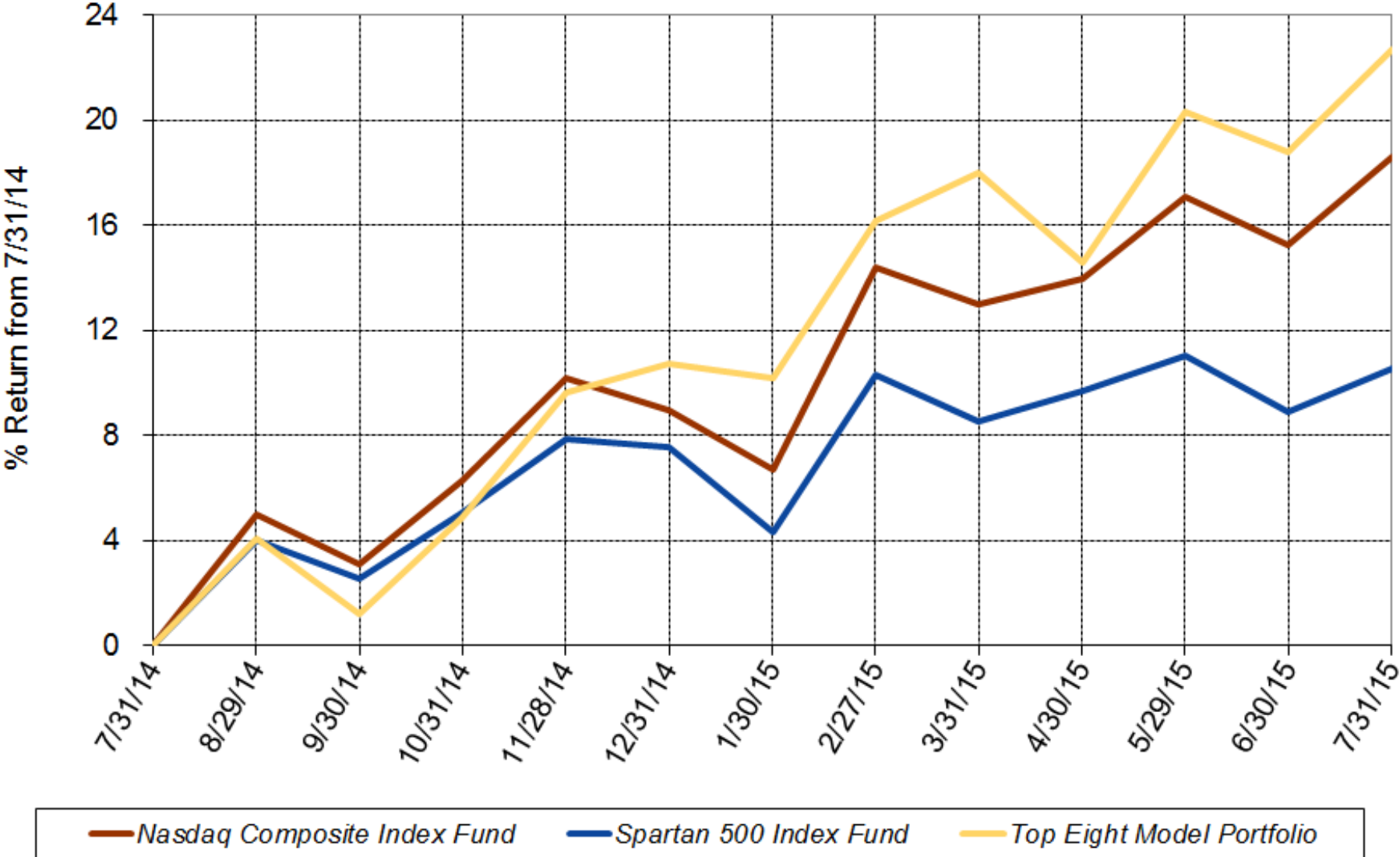
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart July 2015

