

FIDELITY SELECT FUNDRANKER™

Volume 10 Issue 11

The Right Funds at the Right Time

November 2015

Broad Market YTD Back in the Black

The broad market S&P 500 Index moved back into the black for YTD returns in October, ending the month just 1.750% below the all-time high it set on July 20 and firmly out of correction territory. The tech-heavy Nasdaq Composite Index and our *Top Eight Model Portfolio* also recovered nicely from the correction levels they reached at the end of September.

All eight funds in our *Top Eight Model Portfolio* gained value in October. Software & Computer Services raced ahead with a one-month gain of 12.25%. Retailing, IT Services, and Consumer Discretionary followed with one-month gains of 8.85%, 8.77%, and 8.74%. Insurance, Leisure, Construction & Housing, and Medical Delivery had one-month gains ranging from 6.54% to 1.06%.

In October, the *Top Eight Model Portfolio* gained 7.416%, while the Nasdaq Composite and S&P 500 Indexes gained 9.469% and 8.435%. For YTD through October, the *Top Eight Model Portfolio* gained 5.810%, the Nasdaq Composite Index gained 7.573%, and the S&P 500 Index gained 2.702%.

Final Performance of Funds Sold on October 2

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

| Fund | Bought | Sold | Return |
|--------------------------------|----------|-----------|---------|
| Biotechnology (FBIOX) | 9/5/2014 | 10/2/2015 | 21.00% |
| Medical Eqpt & Systems (FSMEX) | 9/2/2015 | 10/2/2015 | (2.64)% |
| Pharmaceuticals (FPHAX) | 2/2/2015 | 10/2/2015 | 2.80% |

Correction Abates in October

After rising fairly steadily in October, the broad S&P 500 Index, the tech-heavy Nasdaq Composite Index, and our *Top Eight Model Portfolio* all are well out of correction territory.

At the end of October, the S&P 500 Index was 1.750% lower than its July 20 all-time high, the Nasdaq Composite Index was 2.868% lower than its July 20 all-time high, and the *Top Eight Model Portfolio* was 5.088% lower than its July 20 all-time high.

GDP Watch

The Bureau of Economic Analysis of the U.S. Department of Commerce released its "advance" estimate of third quarter Gross Domestic Product on Thursday, October 29. Real gross domestic product increased at an annual rate of 1.5% in the third quarter, a considerably slower pace than the 3.9% second quarter increase.

Declining business inventories and decelerations in exports, fixed investment, personal consumption expenditures, and state and local government spending were drags on GDP but were partially offset by a deceleration in imports.

Although personal consumption expenditures on goods and services slowed slightly, that portion of GDP still increased at more than double the overall 1.5% increase in GDP. On the face of it, that's good news because personal consumption expenditures (i.e., consumer spending) is a significant driver of the U.S. economy, but see *Some Weak Economic Data* below.

Fed Watch

The Federal Open Market Committee met on October 27-28. As was widely expected, the Committee left the federal funds rate unchanged at 0 to ¼ %. The key change to the FOMC press release after the meeting was explicit mention of the Committee's next meeting (December 15-16) as a possible time frame for raising the target range for the federal funds rate. The Committee had used open ended language such as "In determining how long to maintain this target range ..." in press releases from previous meetings.

The FOMC will meet on January 26-27, March 15-16, and April 26-27 for its first three (of eight scheduled) meetings in 2016.

Some Weak Economic Data for the FOMC

The Bureau of Economic Analysis of the U.S. Department of

Commerce reported on Friday, October 30, that personal income and outlays barely increased in September, which tempers data from Thursday's GDP report, as it indicates that consumer spending could be trending down.

The Bureau of Labor Statistics of the U.S. Department of Labor issued its Employment Cost Index news release on Friday, October 30. It showed that compensation costs for both public and private workers increased at a smaller rate for the 12-month period ending September 30, 2015, than the previous 12-month period.

Both of these reports came out after the recent October 27-28 FOMC meeting, and they show that income, consumption, and inflation could be trending lower, which could make a December rate hike less likely.

Fundranker Sells Last Health Fund

Fundranker held all five of Fidelity's Select funds that are listed in Morningstar's Health Category in much of 2015. Some of those holdings went back to 2013 and 2014. Now that we are exchanging the last one (Medical Delivery on 11/2), here is a review of the returns the funds contributed to the *Top Eight Model Portfolio*:

| | | | |
|--------------------------------|-----------|------------|---------|
| Health Care (FSPHX) | 8/5/2013 | 9/2/2015 | 63.39% |
| Biotechnology (FBIOX) | 9/5/2014 | 10/2/2015 | 21.00% |
| Medical Delivery (FSHCX) | 1/2/2015 | 8/3/2015 | 14.60% |
| Medical Eqpt & Systems (FSMEX) | 11/5/2014 | 7/2/2015 | 14.25% |
| Pharmaceuticals (FPHAX) | 2/2/2015 | 10/2/2015 | 2.80% |
| Medical Delivery (FSHCX) | 9/2/2015 | 10/30/2015 | (2.57)% |
| Medical Eqpt & Systems (FSMEX) | 9/2/2015 | 10/2/2015 | (2.64)% |

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 October 2015

| Fund Name (Symbol) | Purchase | Return to 10/30 |
|------------------------------------|-----------|-----------------|
| 1. Retailing (FSRPX) | 7/2/2015 | 11.45% |
| 2. IT Services (FBSOX) | 5/6/2015 | 8.43% |
| 3. Software & Comp Svcs (FSCSX) | 10/2/2015 | 9.73% |
| 4. Technology (FSPTX) | 11/2/2015 | |
| 5. Consumer Discretionary (FSCPX) | 10/2/2015 | 6.01% |
| 6. Electronics (FSELX) | 11/2/2015 | |
| 7. Industrial Equipment (FSCGX) | 11/2/2015 | |
| 8. Insurance (FSPCX) | 8/3/2015 | (2.38)% |
| Funds to be sold on November 2: | | |
| 10. Construction & Housing (FSHOX) | 9/2/2015 | 2.43% |
| 11. Leisure (FDLSX) | 10/2/2015 | 3.48% |
| 22. Medical Delivery (FSHCX) | 9/2/2015 | (2.57)% |

Fundranker Exchanges for November 2

Sell Construction & Housing (FSHOX), buy Technology (FSPTX)
 Sell Leisure (FDLSX), buy Electronics (FSELX)
 Sell Medical Delivery (FSHCX), buy Industrial Equipment (FSCGX)

Start a New Portfolio

November 2 ([see new portfolio FAQ](#))

Optional Rebalancing Exchange Dates

Held funds: Nov 2; New funds: Nov 2 ([see rebalancing FAQ](#))

Upcoming Fundranker Exchange Dates

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

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| <i>Fundranker</i> Ratings for 10/30/15 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) | 7.12 | 0.52* | 2.71* | 7.94 | 6.573 | 9 |
| Automotive (FSAVX) | 3.75 | (5.62) | (2.33) | 8.01 | 0.953 | 23 |
| Banking (FSRBX) | 3.76 | 2.12* | (4.95) | 4.78 | 2.428 | 17 |
| Biotechnology (FBIOX) | 12.58* | (2.10) | (16.82) | 6.51 | 1.043 | 20 |
| Brokerage & Investment Mgmt (FSLBX) | (4.42) | (7.81) | (8.68) | 7.07 | (3.460) | 34 |
| Chemicals (FSCHX) | (4.13) | (7.31) | 0.12* | 13.98* | 2.665 | 16 |
| Communications Equipment (FSDCX) | 0.08 | (3.99) | (3.10) | 7.62 | 0.153 | 25 |
| Computers (FDCPX) | (4.95) | (6.39) | (1.63) | 8.66 | (1.078) | 28 |
| Construction & Housing (FSHOX) | 11.40* | 3.28* | (0.39) | 3.65 | 6.485 | 10 |
| Consumer Discretionary (FSCPX) | 15.68* | 5.26* | (0.61) | 8.74 | 9.268 | 5 |
| Consumer Finance (FSVLX) | (0.61) | (4.02) | (5.74) | 2.74 | (1.908) | 31 |
| Consumer Staples (FDFAX) | 2.31 | (1.80) | (3.09) | 5.33 | 0.688 | 24 |
| Defense & Aerospace (FSDAX) | 6.77 | (3.07) | (0.16) | 9.15* | 4.173 | 13 |
| Electronics (FSELX) | 9.54* | (2.79) | 3.60* | 9.56* | 7.978 | 6 |
| Energy (FSENX) | (20.23) | (17.09) | 0.22* | 11.96* | (4.285) | 36 |
| Energy Service (FSESX) | (34.10) | (23.27) | (4.53) | 8.11 | (13.448) | 39 |
| Environment & Alternative Energy (FSLEX) | 0.66 | (3.06) | (0.56) | 9.92* | 2.740 | 15 |
| Financial Services (FIDSX) | (0.37) | (3.36) | (5.55) | 5.62 | (0.915) | 27 |
| Gold (FSAGX) | (7.24) | (18.10) | 8.55* | 7.58 | (1.303) | 29 |
| Health Care (FSPHX) | 5.92 | (6.36) | (12.92) | 5.25 | (2.028) | 32 |
| Industrial Equipment (FSCGX) | 3.62 | 0.57* | 1.66* | 10.56* | 7.103 | 7 |
| Industrials (FCYIX) | 1.51 | (1.21) | (1.37) | 9.10 | 2.008 | 18 |
| Insurance (FSPCX) | 8.63* | 6.01* | (1.99) | 6.54 | 6.798 | 8 |
| IT Services (FBSOX) | 22.73* | 9.86* | 1.61* | 8.77 | 13.743 | 2 |
| Leisure (FDLSX) | 13.39* | 1.80* | (4.70) | 5.44 | 5.983 | 11 |
| Materials (FSDPX) | (4.68) | (7.18) | (3.53) | 11.33* | (0.015) | 26 |
| Medical Delivery (FSHCX) | 9.13* | (2.20) | (8.12) | 1.06 | 0.968 | 22 |
| Medical Equipment & Systems (FSMEX) | 8.98* | (3.67) | (7.34) | 5.72 | 1.923 | 19 |
| Multimedia (FBMPX) | 7.63 | 0.73* | (5.44) | 9.53* | 5.113 | 12 |
| Natural Gas (FSNGX) | (31.71) | (28.62) | (4.86) | 10.15* | (12.760) | 38 |
| Natural Resources (FNARX) | (20.12) | (19.04) | (0.95) | 11.83* | (6.070) | 37 |
| Pharmaceuticals (FPHAX) | 7.79 | (4.81) | (12.56) | 4.06 | (1.380) | 30 |
| Retailing (FSRPX) | 29.57* | 14.17* | 5.17* | 8.85 | 17.440 | 1 |
| Software & Computer Services (FSCSX) | 13.73* | 7.81* | 3.84* | 12.25* | 13.408 | 3 |
| Technology (FSPTX) | 8.50* | 0.96* | 1.00* | 10.95* | 9.353 | 4 |
| Telecommunications (FSTCX) | 2.21 | (2.23) | 0.16* | 8.94 | 3.270 | 14 |
| Transportation (FSRFX) | (5.07) | (5.36) | (3.13) | 5.04 | (2.130) | 33 |
| Utilities (FSUTX) | (8.00) | (6.48) | (3.52) | 1.98 | (4.005) | 35 |
| Wireless (FWRLX) | 0.94 | (1.74) | (2.80) | 7.63 | 1.008 | 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

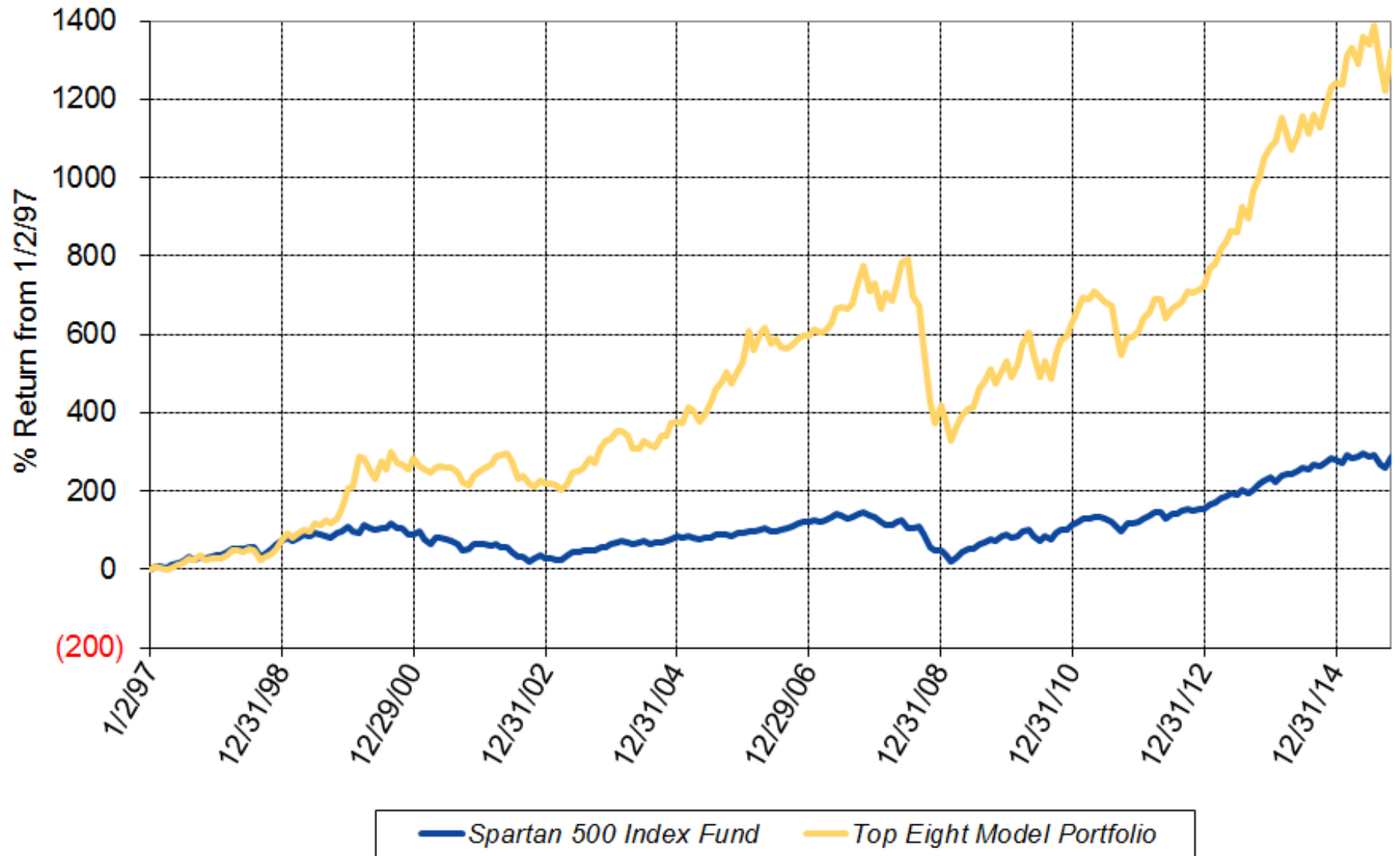
Sell on November 2, 2015

Buy on November 2, 2015

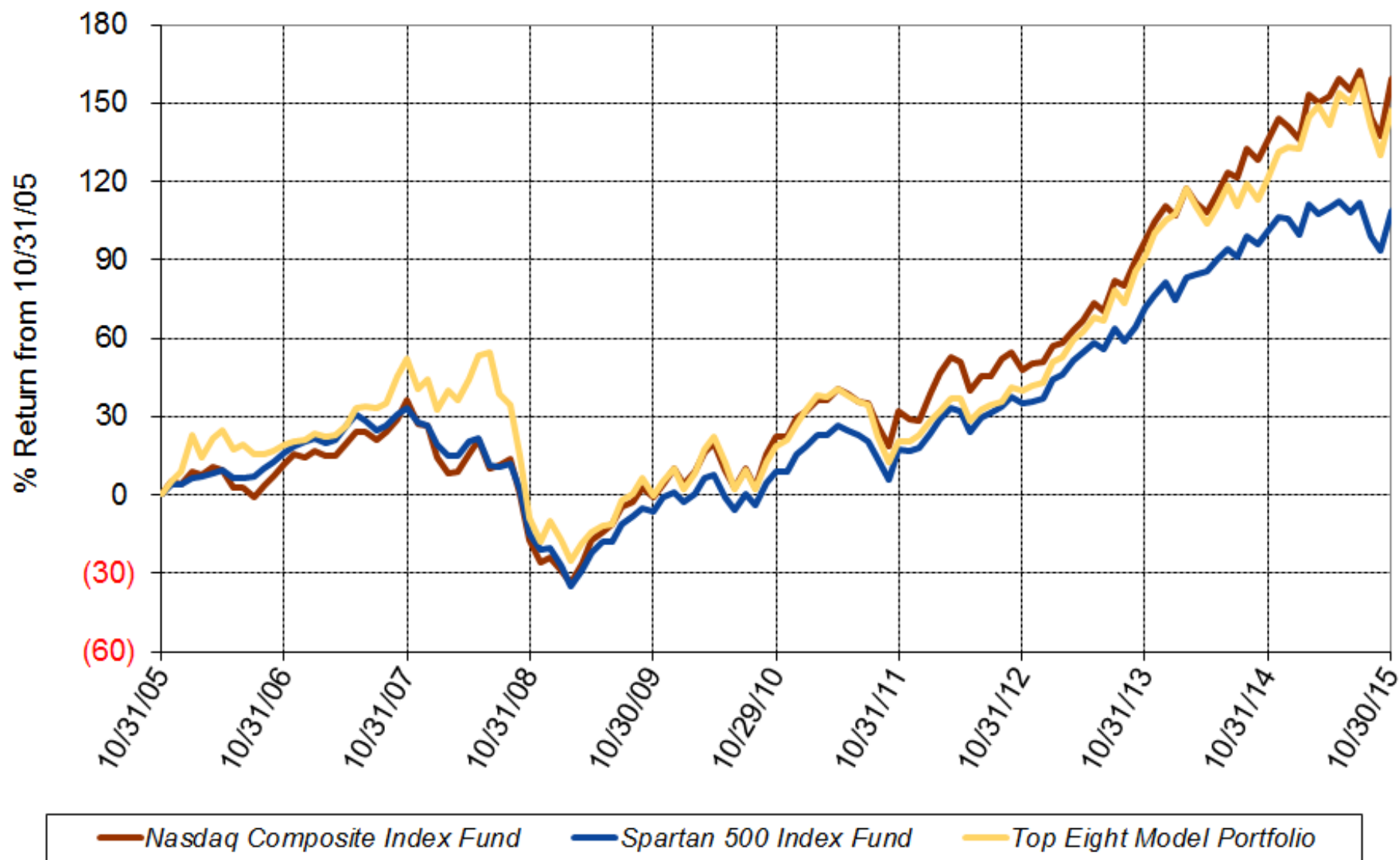
Hold

| Fundranker Performance for October 2015 | | | | | | | | | | | | | |
|---|-------------|-------------------|-----------------|----------------------|-------------------|-------------------------|-------------|-------------------|----------------|--------------|-------------------|--------------|--------------|
| 9/30 Funds | 9/30 Shares | 9/30 Amount | <=10/2 Div Shrs | 10/2 Shares | 10/2 Amount | 10/2 Funds | 10/2 Shares | 10/2 Amount | >10/2 Div Shrs | 10/30 Shares | 10/30 Amount | 10/30 Amount | Oct Return |
| FSRPX | 420.745 | 41,073.13 | none | 420.745 | 41,939.86 | FSRPX | 407.071 | 40,576.80 | none | 407.071 | 43,255.36 | | |
| FBSOX1 | 1,073.989 | 41,155.26 | none | 1,073.989 | 41,799.65 | FBSOX1 | 1,042.569 | 40,576.80 | none | 1,042.569 | 43,454.28 | | |
| FBIOX | 164.156 | 35,731.84 | none | 164.156 | 37,393.10 | FSHOX | 706.913 | 40,576.80 | none | 706.913 | 41,354.41 | | |
| FSHCX | 476.287 | 39,965.24 | none | 476.287 | 40,627.28 | FSPCX | 615.920 | 40,576.80 | none | 615.920 | 43,157.51 | | |
| FPHAX1 | 1,830.287 | 38,326.21 | none | 1,830.287 | 39,534.20 | FSCPX1 | 2,000.852 | 40,576.80 | none | 1,200.852 | 43,014.52 | | |
| FSHOX | 725.897 | 40,969.63 | none | 725.897 | 41,666.49 | FDLSX | 299.770 | 40,576.80 | none | 299.770 | 41,988.78 | | |
| FSPCX | 626.792 | 41,224.11 | none | 626.792 | 41,293.06 | FSCSX | 357.410 | 40,576.80 | none | 357.410 | 44,526.14 | | |
| FSMEX1 | 1,140.781 | 39,094.56 | none | 1,140.781 | 40,360.83 | FSHCX | 475.695 | 40,576.80 | none | 475.695 | 40,338.94 | | |
| Top Eight | | 317,539.98 | | | 324,614.47 | | | 324,614.40 | | | 341,089.94 | | 7.416 |
| FNCMX1 | 1,632.105 | 99,966.43 | none | | | | | | none | 1,632.105 | 109,432.64 | | 9.469 |
| FUSEX1 | 1,273.597 | 86,617.33 | 6.536 | | | | | | none | 1,280.133 | 93,923.36 | | 8.435 |
| 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 | 5.810 | | | | | | |
| Nasdaq Composite Index Fund | | | | 17.325 | 39.746 | 14.602 | 7.573 | | | | | | |
| Spartan 500 Index Fund - Investor Class | | | | 15.929 | 32.251 | 13.590 | 2.702 | | | | | | |
| Lifetime Summary | | | | 1/2/97 to 10/30/15 | | 1/2/97 to 10/30/15 | | | | | | | |
| | | | | Total Return % | | Average Annual Return % | | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | 1,321.208 | | 15.134 | | | | | | | |
| Nasdaq Composite Index Fund | | | | N/A | | N/A | | | | | | | |
| Spartan 500 Index Fund - Investor Class | | | | 291.347 | | 7.514 | | | | | | | |
| 10-Year Summary | | | | 10/31/05 to 10/30/15 | | 10/31/05 to 10/30/15 | | | | | | | |
| | | | | Total Return % | | Average Annual Return % | | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | 146.931 | | 9.461 | | | | | | | |
| Nasdaq Composite Index Fund | | | | 159.515 | | 10.006 | | | | | | | |
| Spartan 500 Index Fund - Investor Class | | | | 111.358 | | 7.771 | | | | | | | |
| 5-Year Summary | | | | 10/29/10 to 10/30/15 | | 10/29/10 to 10/30/15 | | | | | | | |
| | | | | Total Return % | | Average Annual Return % | | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | 108.039 | | 15.779 | | | | | | | |
| Nasdaq Composite Index Fund | | | | 112.210 | | 16.239 | | | | | | | |
| Spartan 500 Index Fund - Investor Class | | | | 94.700 | | 14.254 | | | | | | | |
| 3-Year Summary | | | | 10/31/12 to 10/30/15 | | 10/31/12 to 10/30/15 | | | | | | | |
| | | | | Total Return % | | Average Annual Return % | | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | 76.761 | | 20.910 | | | | | | | |
| Nasdaq Composite Index Fund | | | | 75.404 | | 20.600 | | | | | | | |
| Spartan 500 Index Fund - Investor Class | | | | 56.567 | | 16.118 | | | | | | | |
| 1-Year Summary | | | | 10/31/14 to 10/30/15 | | 10/31/14 to 10/30/15 | | | | | | | |
| | | | | Total Return % | | Total Return % | | | | | | | |
| <i>Top Eight Model Portfolio</i> | | | | 11.760 | | 11.760 | | | | | | | |
| Nasdaq Composite Index Fund | | | | 10.276 | | 10.276 | | | | | | | |
| Spartan 500 Index Fund - Investor Class | | | | 5.182 | | 5.182 | | | | | | | |

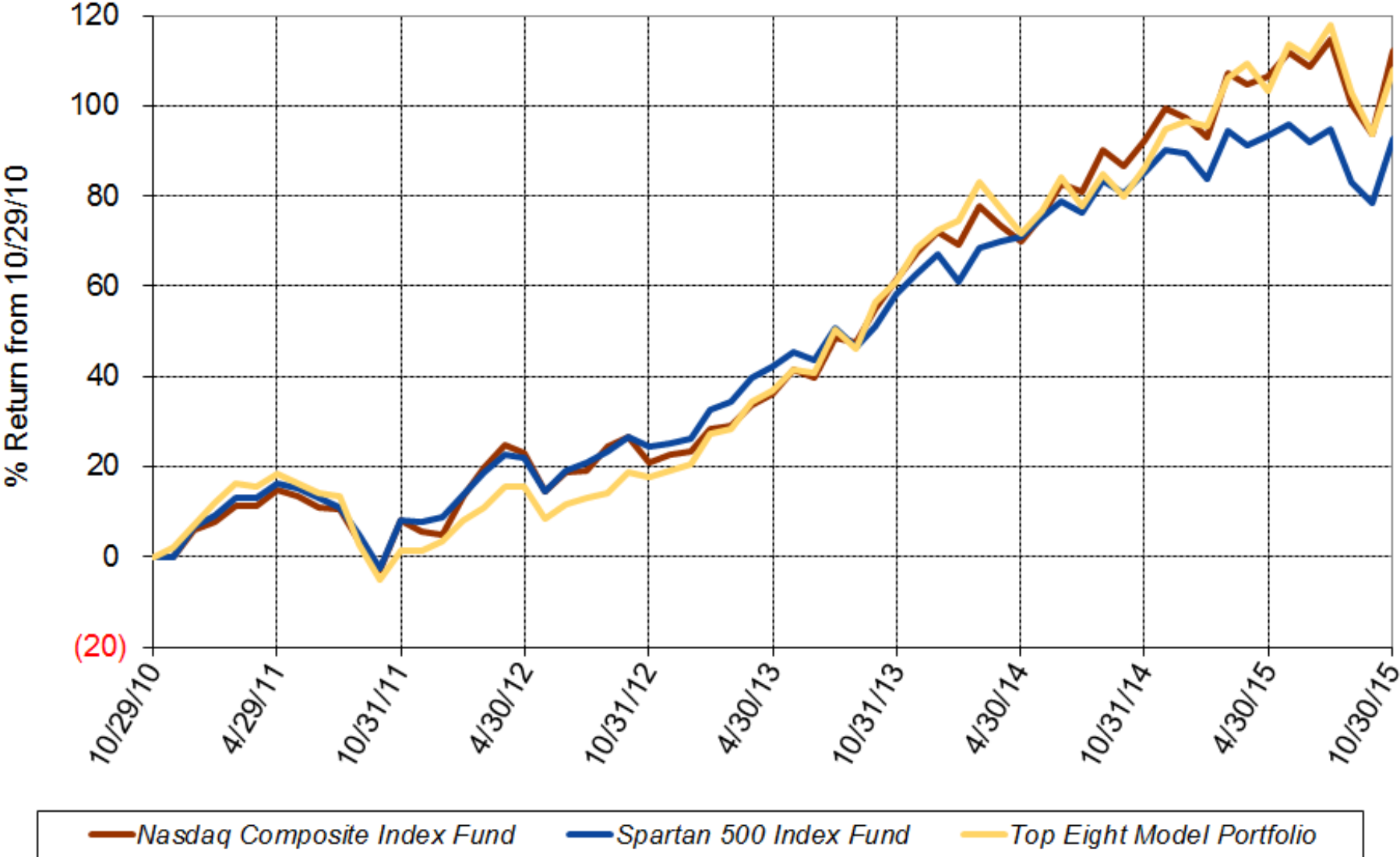
Lifetime Chart



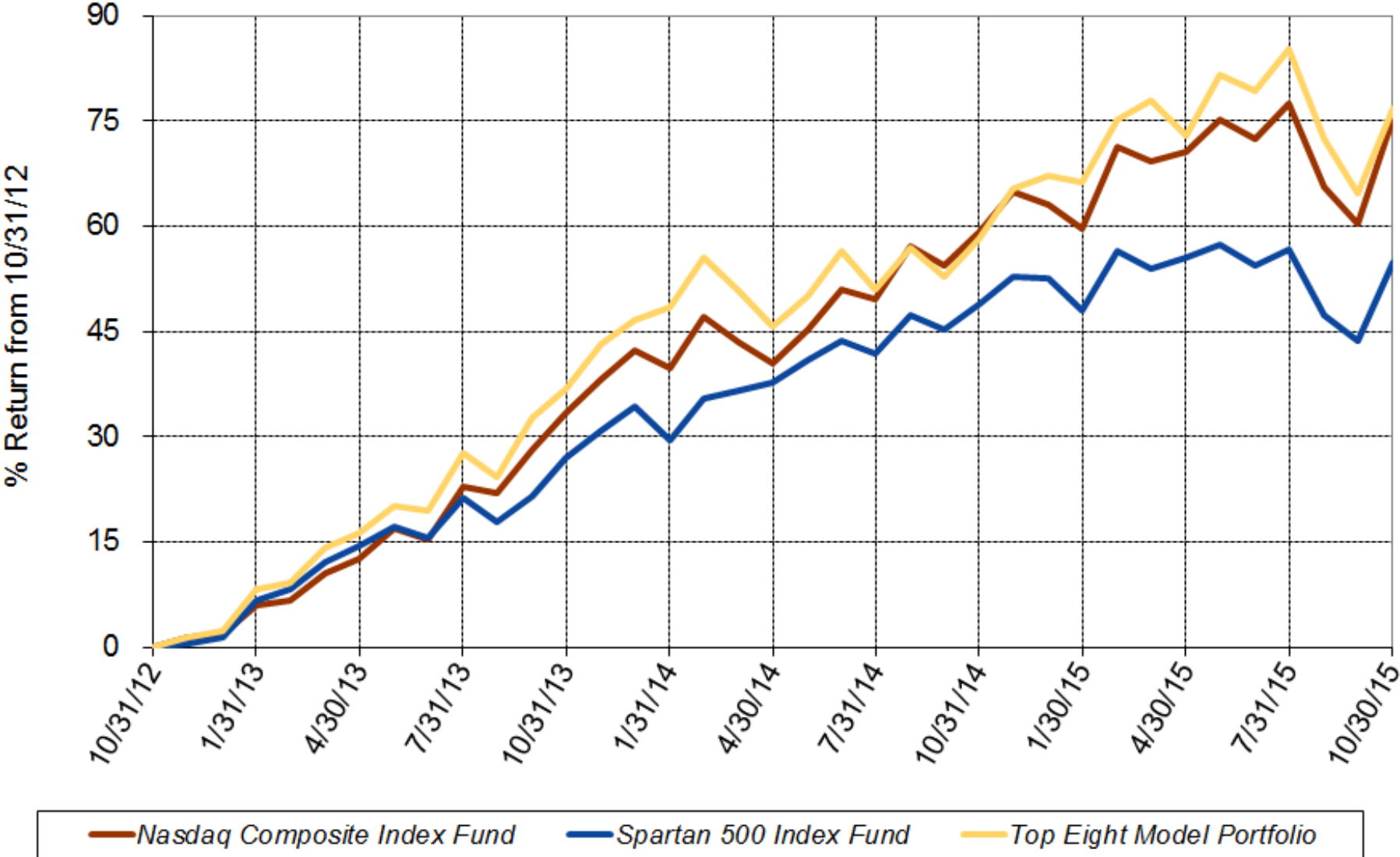
10-Year Chart



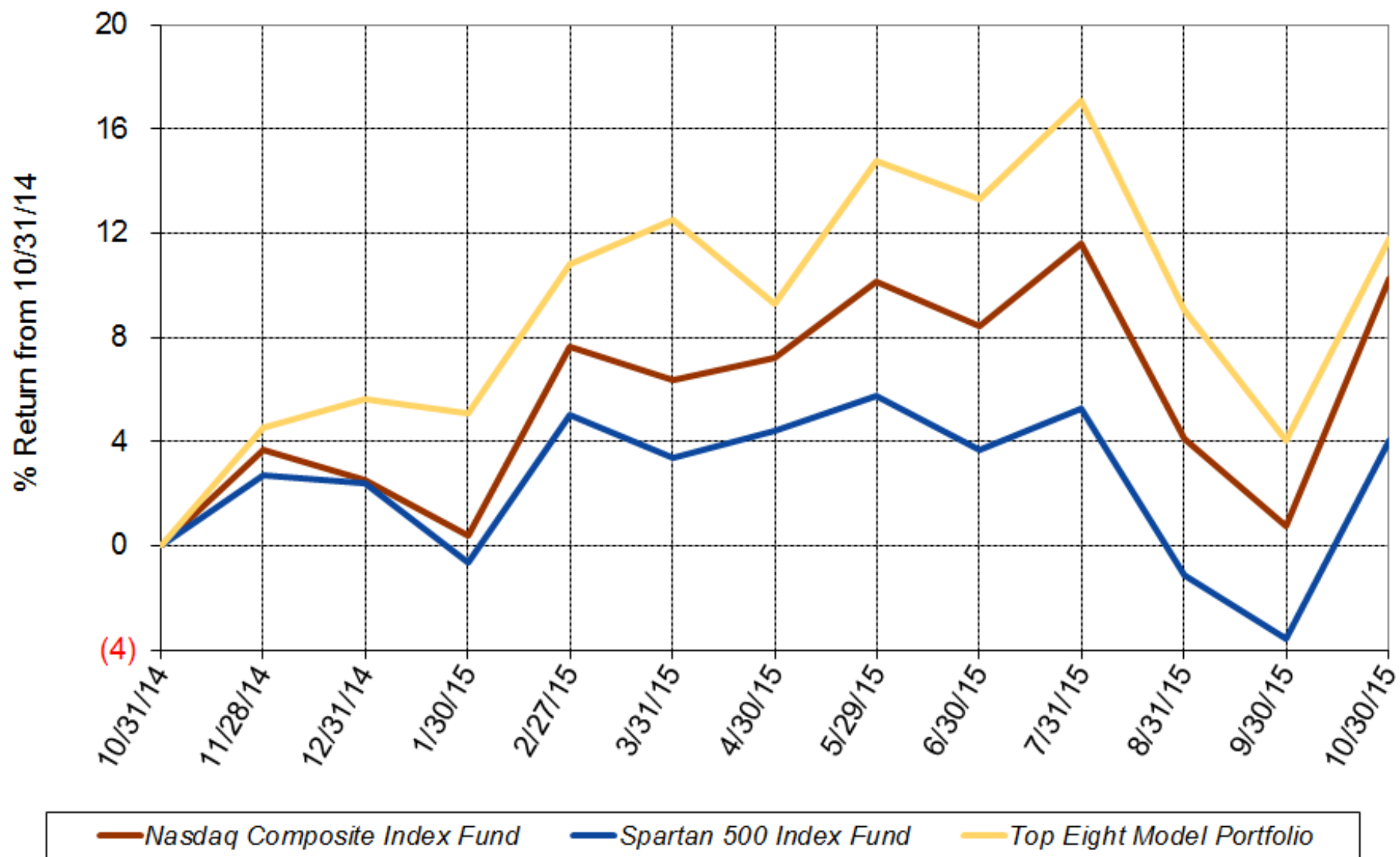
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart October 2015

