

FIDELITY SELECT FUNDRANKER™

Volume 10 Issue 12

The Right Funds at the Right Time

December 2015

Broad Market Dips in Mid-November

The broad market S&P 500 Index dipped into the red in mid-November but climbed back into the black by the end of the month. The tech-heavy Nasdaq Composite Index and our *Top Eight Model Portfolio* also recovered nicely from mid-month dips into negative territory.

All eight funds in our *Top Eight Model Portfolio* gained value in November. Ranked from highest to lowest, Electronics, Industrial Equipment, Insurance, Software & Computer Services, Technology, Retailing, IT Services, and Consumer Discretionary had one-month gains ranging from 4.47% to 0.06%.

In November, the *Top Eight Model Portfolio* gained 1.478%, while the Nasdaq Composite and S&P 500 Indexes gained 1.253% and 0.286%. For YTD through November, the *Top Eight Model Portfolio* gained 7.374%, the Nasdaq Composite Index gained 8.920%, and the S&P 500 Index gained 2.996%.

Final Performance of Funds Sold on November 2

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

Fund	Bought	Sold	Return
Construction & Housing (FSHOX)	9/2/2015	11/2/2015	3.69%
Leisure (FDLSX)	10/2/2015	11/2/2015	4.20%
Medical Delivery (FSHCX)	9/2/2015	11/2/2015	(1.17)%

GDP Watch

The Bureau of Economic Analysis of the U.S. Department of Commerce released its "second" estimate of third quarter Gross Domestic Product on Tuesday, November 24. Real gross domestic product increased at an annual rate of 2.1% in the third quarter, revised sharply upward from the "advance" estimate of 1.5% released in October. The upward revision was due mainly to an upward revision to private inventory investment.

The "third" (and final) estimate of third quarter Gross Domestic Product will be released on December 22. As more and more data are available, the BEA successively refines its estimate.

Fed Watch

The Federal Open Market Committee will meet December 15 and 16, when it is widely expected to raise the federal funds rate for the first time in nearly 10 years. Various members of the Committee have commented publicly that it is time, but they also have made clear that normalization of rates will be very gradual.

The Board of Governors of the Federal Reserve (parent of the FOMC) met on November 30 and approved a "final rule" specifying its procedures for emergency lending under the Federal Reserve Act. The press release from the meeting states "the rule provides greater clarity regarding the Board's implementation of [Dodd-Frank Act] and other statutory requirements."

This final rule stops the Fed from bailing out individual companies, a change Congress demanded (in the Dodd-Frank Act, enacted in 2010) after the Fed's controversial decision to help rescue AIG and others during the Great Recession financial crisis. In essence, banks can no longer be "too big to fail." The Fed now can only rescue the broader financial system instead of individual companies.

Fidelity Viewpoints November Business Cycle

Check out the Fidelity Viewpoints [November Business Cycle: Fed ambiguity](#) article. The article discusses in detail what Fed tightening has historically implied for the U.S. economy and asset markets, along with how today's environment might be different.

Fidelity's Quarterly Education Day

Fidelity is holding an all-day webinar on December 1: [Quarterly Education Day – Year End, Year Ahead](#). The first session starts at 10:30am ET, so jump right on this if you are interested.

The five one-hour sessions include *How you can benefit from tax loss harvesting*, *The Five Biggest Trends and Developments of 2015*, *Year-End Tax Planning: Tips and Traps*, *Outlook 2016: Rates, Recessions and Elections*, and *Stock repair strategies using options*.

Fundranker Won't Include Additional Sector Funds

In our August issue, we discussed the additional sector funds that Fidelity Investments offers. We won't be adding any of them to the *Fundranker* system.

Upon more closely reviewing the prospectuses of the three real estate category funds, Real Estate Investment Portfolio, Real Estate Income Fund, and International Real Estate Fund, we discovered that all three have a 90-day redemption fee period, which doesn't work well with *Fundranker's* monthly exchanges. We're disappointed that an 11th and quite different sector category won't be available in the pool of funds *Fundranker* rates and ranks.

The materials category Global Stock Commodity Fund began operations in March, 2009. From April, 2010, after we had collected a year's worth of data for the fund, through October, 2015, it made it into the *Top Eight Model Portfolio* only one time for a brief stay of only one month.

The utilities category Telecom & Utilities Fund started up way back in 1987, so we collected data on it back to the beginning of the *Top Eight Model Portfolio* in 1997. It made it into the *Top Eight Model Portfolio* a number of times from then until now, but those appearances depressed *Top Eight Model Portfolio* overall gains.

We ultimately decided that we would not add any of these sector funds from outside the Select portfolios to our *Top Eight Model Portfolio* pool of funds. We'll stick with the 39 Select funds.

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 December 2015

Fund Name (Symbol)	Purchase	Return to 11/30
1. Retailing (FSRPX)	7/2/2015	12.37%
2. Software & Comp Svcs (FSCSX)	10/2/2015	11.40%
3. IT Services (FBSOX)	5/6/2015	8.64%
4. Construction & Housing (FSHOX)	12/2/2015	
5. Banking (FSRBX)	12/2/2015	
6. Consumer Discretionary (FSCPX)	10/2/2015	6.07%
7. Electronics (FSELX)	11/2/2015	3.03%
8. Insurance (FSPCX)	8/3/2015	(0.77)%
Funds to be sold on December 2:		
9. Industrial Equipment (FSCGX)	11/2/2015	0.46%
10. Technology (FSPTX)	11/2/2015	0.75%

Fundranker Exchanges for December 2

Sell Technology (FSPTX), buy Construction & Housing (FSHOX)
Sell Industrial Equipment (FSCGX), buy Banking (FSRBX)

Start a New Portfolio

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

Optional Rebalancing Exchange Dates

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

Upcoming Fundranker Exchange Dates

Fundranker will exchange on January 4, our [early exchange date](#); even if we exchange a fund purchased on December 2, we still will avoid roundtrip transactions, so *Fundranker* won't need to set a [late exchange date](#) for January.

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<i>Fundranker</i> Ratings for 11/30/15 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)	(4.21)	(0.53)	4.95	(1.83)	(0.405)	24
Automotive (FSAVX)	2.28	(4.96)	7.19*	2.43*	3.735	15
Banking (FSRBX)	7.78*	3.75*	6.18	4.34*	8.513	5
Biotechnology (FBIOX)	17.08*	(6.54)	(0.44)	6.65*	6.188	11
Brokerage & Investment Mgmt (FSLBX)	(2.20)	(5.22)	4.54	4.07*	1.298	18
Chemicals (FSCHX)	(2.73)	(6.57)	9.62*	1.78*	2.525	17
Communications Equipment (FSDCX)	(7.75)	(11.27)	(0.21)	(4.81)	(6.010)	35
Computers (FDCPX)	(10.32)	(10.04)	1.81	(2.02)	(5.143)	32
Construction & Housing (FSHOX)	11.82*	5.21*	5.89	3.93*	9.713	4
Consumer Discretionary (FSCPX)	10.21*	4.73*	6.57*	0.06	8.393	6
Consumer Finance (FSVLX)	(1.97)	(4.20)	0.08	0.76	(1.333)	28
Consumer Staples (FDFAX)	(3.55)	(2.56)	4.38	(0.86)	(0.648)	26
Defense & Aerospace (FSDAX)	4.62	(2.49)	7.41*	1.65	3.798	14
Electronics (FSELX)	9.05*	(4.69)	12.17*	4.47*	8.250	7
Energy (FSENX)	(10.80)	(12.81)	2.37	(0.35)	(5.398)	33
Energy Service (FSESX)	(21.86)	(17.93)	(2.78)	1.78*	(9.198)	37
Environment & Alternative Energy (FSLEX)	(0.06)	(3.48)	7.02*	1.78*	3.315	16
Financial Services (FIDSX)	(1.34)	(3.01)	3.73	1.78*	1.290	19
Gold (FSAGX)	(18.91)	(23.27)	(4.04)	(8.22)	(13.610)	38
Health Care (FSPHX)	5.47	(8.81)	(2.21)	2.79*	0.310	21
Industrial Equipment (FSCGX)	3.99	0.48*	9.79*	1.99*	7.063	9
Industrials (FCYIX)	1.36	(0.53)	8.77*	2.19*	4.948	12
Insurance (FSPCX)	7.87*	5.79*	6.15	1.66	7.368	8
IT Services (FBSOX)	18.60*	5.45*	6.97*	0.19	10.803	3
Leisure (FDLSX)	4.89	(1.80)	0.40	(2.41)	0.270	22
Materials (FSDPX)	(4.46)	(7.70)	2.83	0.85	(2.120)	30
Medical Delivery (FSHCX)	6.24*	(7.95)	(4.04)	(0.65)	(0.600)	25
Medical Equipment & Systems (FSMEX)	7.73*	(3.98)	1.03	2.65*	3.858	13
Multimedia (FBMPX)	2.64	(2.72)	6.09	(1.36)	1.163	20
Natural Gas (FSNGX)	(26.51)	(24.04)	(2.90)	(1.08)	(13.633)	39
Natural Resources (FNARX)	(12.30)	(15.01)	0.63	(0.66)	(6.835)	36
Pharmaceuticals (FPHAX)	4.80	(8.31)	(3.77)	0.73	(1.638)	29
Retailing (FSRPX)	23.57*	14.86*	8.40*	0.82	14.913	1
Software & Computer Services (FSCSX)	12.66*	9.04*	11.36*	1.52	11.645	2
Technology (FSPTX)	7.91*	(0.57)	10.29*	1.50	6.783	10
Telecommunications (FSTCX)	(0.48)	(2.47)	3.34	(1.19)	(0.200)	23
Transportation (FSRFX)	(12.38)	(2.94)	2.49	(0.89)	(3.430)	31
Utilities (FSUTX)	(10.68)	(8.97)	(0.97)	(2.27)	(5.723)	34
Wireless (FWRLX)	(1.12)	(5.14)	2.84	0.11	(0.828)	27

*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

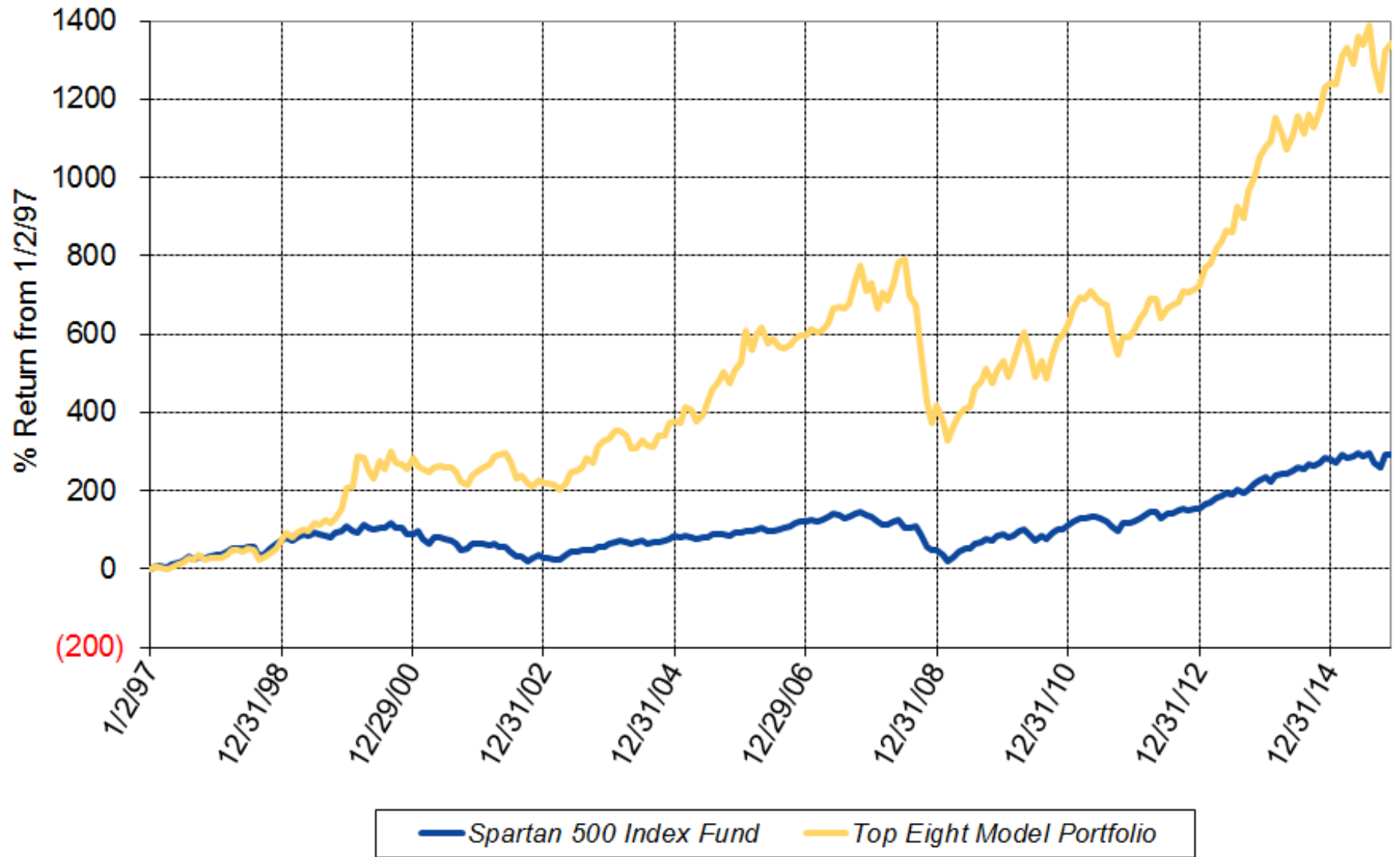
Sell on December 2, 2015

Buy on December 2, 2015

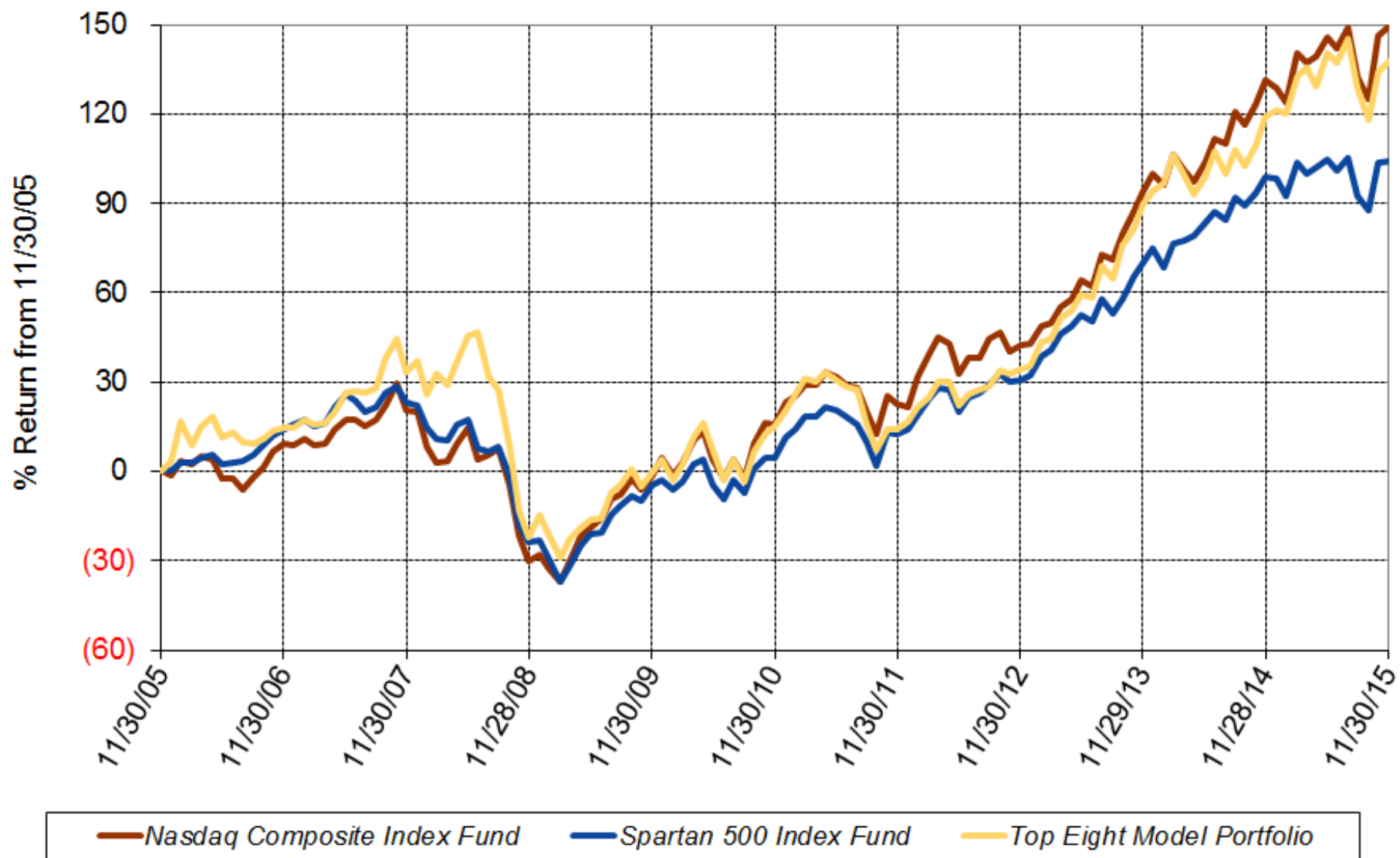
Hold

Fundranker Performance for November 2015													
10/30 Funds	10/30 Shares	10/30 Amount	<=11/2 Div Shrs	11/2 Shares	11/2 Amount	11/2 Funds	11/2 Shares	11/2 Amount	>11/2 Div Shrs	11/30 Shares	11/30 Amount	Nov Return	
FSRPX	407.071	43,255.36	none	407.071	43,353.06	FSRPX	403.370	42,958.87	none	403.370	43,213.03		
FBSOX1	1,042.569	43,454.28	none	1,042.569	43,402.15	FBSOX1	1,031.921	42,958.87	none	1,031.921	43,093.02		
FSHOX	706.913	41,354.41	none	706.913	41,863.39	FSCSX	341.648	42,958.87	none	341.648	43,208.22		
FSPCX	615.920	43,157.51	none	615.920	43,607.14	FSPTX	349.430	42,958.87	none	349.430	43,158.10		
FSCPX1	2,000.852	43,014.52	none	1,200.852	43,302.72	FSCPX1	1,191.316	42,958.87	none	1,191.316	42,696.77		
FDLSX	299.770	41,988.78	none	299.770	42,282.56	FSELX	527.167	42,958.87	none	527.167	44,260.94		
FSCSX	357.410	44,526.14	none	357.410	44,940.73	FSCGX1	1,155.119	42,958.87	none	1,155.119	43,282.31		
FSHCX	475.695	40,338.94	none	475.695	40,919.28	FSPCX	606.764	42,958.87	none	606.764	43,219.80		
Top Eight		341,089.94			343,671.03			343,671.00			346,132.19	1.478	
FNCMX1	1,632.105	109,432.64	none						none	1,632.105	110,803.61	1.253	
FUSEX1	1,280.133	93,923.36	none						none	1,280.133	94,192.19	0.286	
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	7.374						
Nasdaq Composite Index Fund				17.325	39.746	14.602	8.920						
Spartan 500 Index Fund - Investor Class				15.929	32.251	13.590	2.996						
Lifetime Summary				1/2/97 to 11/30/15		1/2/97 to 11/30/15							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				1,342.217		15.152							
Nasdaq Composite Index Fund				N/A		N/A							
Spartan 500 Index Fund - Investor Class				292.467		7.496							
10-Year Summary				11/30/05 to 11/30/15		11/30/05 to 11/30/15							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				137.711		9.045							
Nasdaq Composite Index Fund				149.246		9.563							
Spartan 500 Index Fund - Investor Class				104.256		7.403							
5-Year Summary				11/30/10 to 11/30/15		11/30/10 to 11/30/15							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				106.695		15.629							
Nasdaq Composite Index Fund				115.320		16.578							
Spartan 500 Index Fund - Investor Class				95.211		14.314							
3-Year Summary				11/30/12 to 11/30/15		11/30/12 to 11/30/15							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				77.112		20.990							
Nasdaq Composite Index Fund				75.184		20.549							
Spartan 500 Index Fund - Investor Class				56.142		16.013							
1-Year Summary				11/28/14 to 11/30/15		11/28/14 to 11/30/15							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				8.486									
Nasdaq Composite Index Fund				7.705									
Spartan 500 Index Fund - Investor Class				2.730									

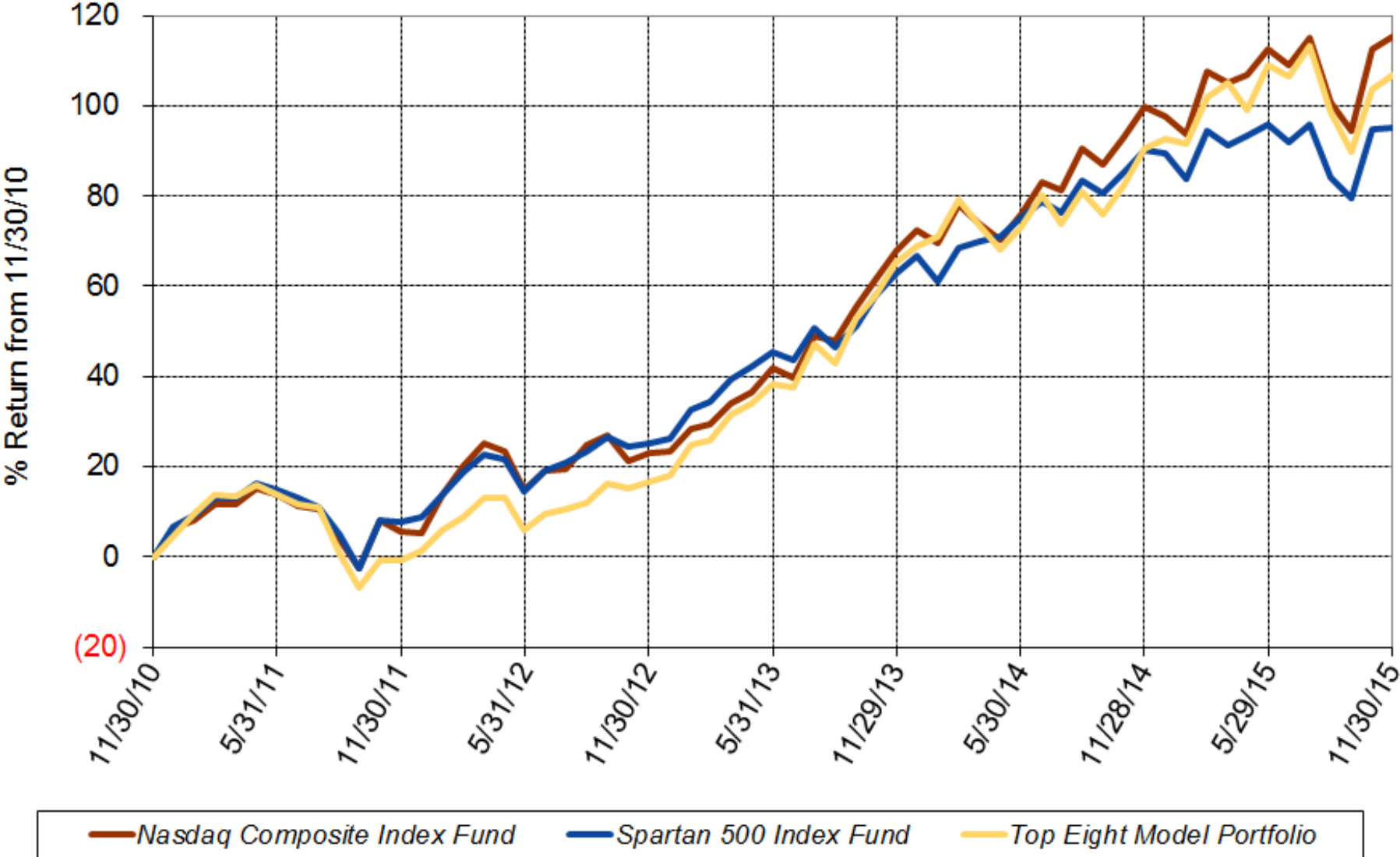
Lifetime Chart



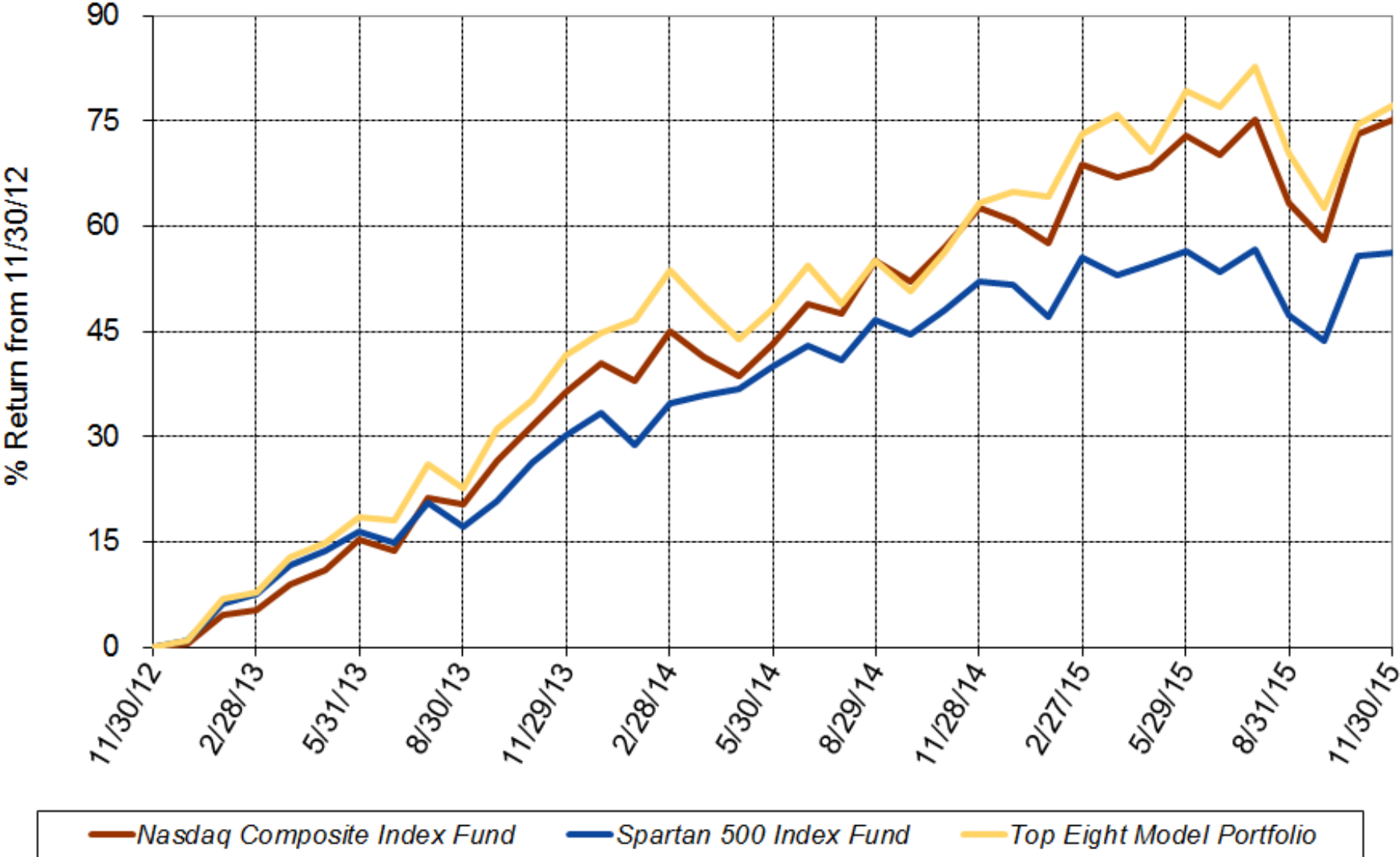
10-Year Chart



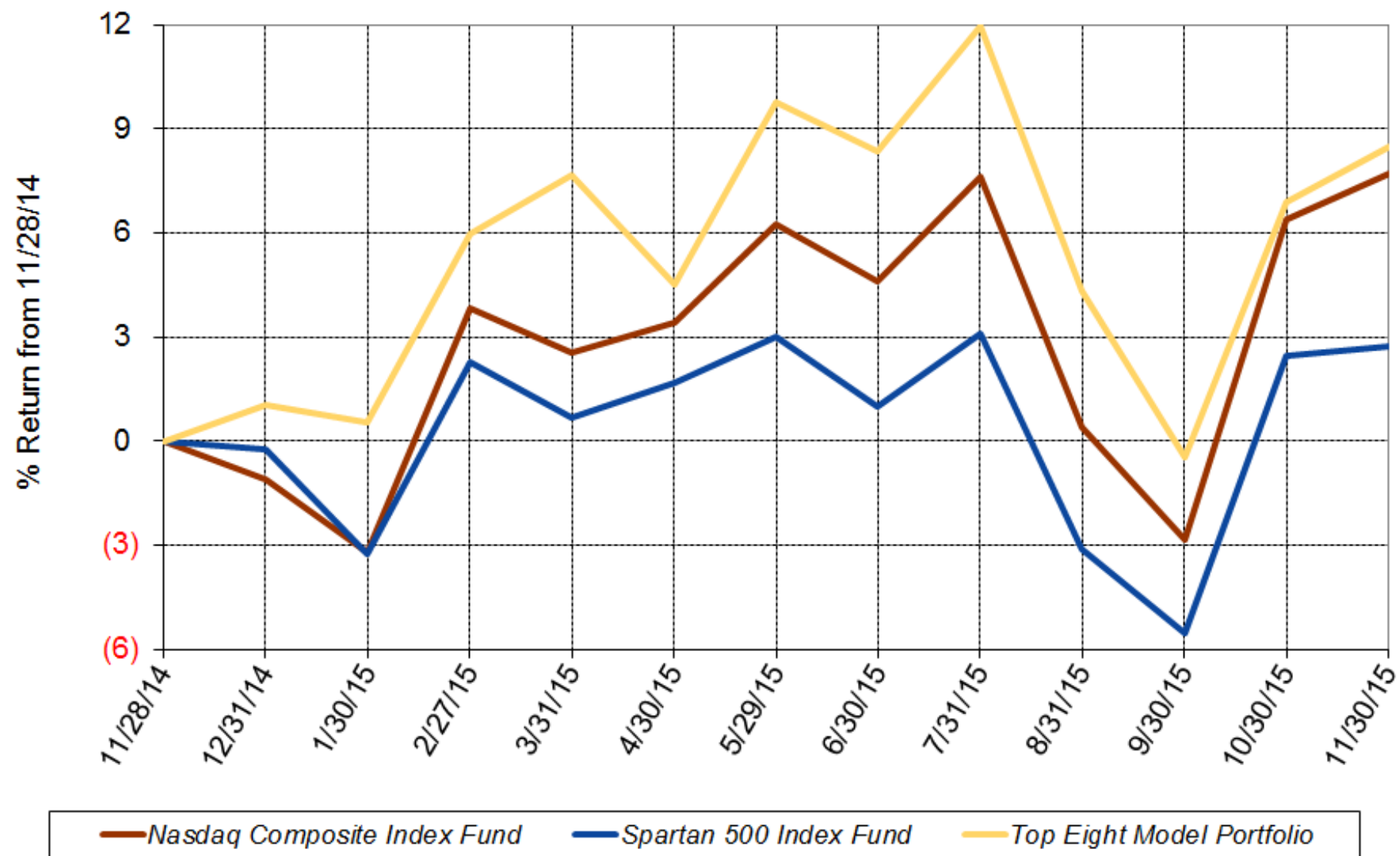
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart November 2015

