

# FIDELITY SELECT FUNDRANKER™

Volume 12 Issue 1

The Right Funds at the Right Time

January 2017

## Markets Hit All-Time Highs, End Year with Whimper

The broad market S&P 500 Index hit five new all-time highs by mid-December on a total return basis (including reinvested dividends), but ended the year with a three-day decline. The Nasdaq Composite Index and the Dow Jones Industrial Average also set new all-time highs in December.

Six *Top Eight Model Portfolio* funds gained value in December. Energy Service and Banking led the way with one-month gains of 6.71% and 5.79%. Semiconductors, Air Transportation, Transportation, and Natural Gas followed with one-month gains of 2.60%, 1.89%, 1.00%, and 0.75%. Energy and Natural Resources trailed with one-month losses of 0.75% and 0.97%.

In December, the *Top Eight Model Portfolio* gained 1.210%, the Nasdaq Composite Index gained 1.191%, and the S&P 500 Index gained 1.976%. For all of 2016, the *Top Eight Model Portfolio* gained 7.248%, the Nasdaq Composite Index gained 8.787%, and the S&P 500 Index gained 11.870%.

## Final Performance of Funds Sold on December 2

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

Fund	Bought	Sold	Return
Computers (FDCPX)	10/3/2016	12/2/2016	(1.27)%
Defense & Aerospace (FSDAX)	11/2/2016	12/2/2016	11.43%
Gold (FSAGX)	3/4/2016	12/2/2016	7.84%
Insurance (FSPCX)	11/2/2016	12/2/2016	8.24%
Software & IT Services (FSCSX)	11/2/2016	12/2/2016	(2.42)%
Technology (FSPTX)	8/4/2016	12/2/2016	(0.99)%

## Top Eight Model Portfolio Hits New All-Time Highs

*Fidelity Select Fundranker's Top Eight Model Portfolio* hit three new all-time highs in December, most recently on December 13, its first new all-time highs since September 8. On a total return basis, from its January 2, 1997, start date, through December 13, 2016, the hypothetical model gained a spectacular 1,437.791%. During that same time period, the broad market S&P 500 Index, also at an all-time high, gained only 338.094% on a total return basis.

## Top Eight Model Portfolio Shifts to Financials

Our *Top Eight Model Portfolio* shifts this month to a heavier weighting in Financial category funds. Beginning January 3, we will hold three of the five Select portfolio funds in that Morningstar category. Our January 3 trades will reduce our weighting of Equity Energy category funds to two of the four funds in that category. We will continue to hold two of the six Industrials category funds, both in transportation, and one of the six Technology category funds.

## Fidelity Short-Term Redemption Fee Changes

After December 12, 2016, Fidelity no longer will charge short-term redemption fees on shares held fewer than 30 days (including day of purchase and day of sale) for shares of 19 of the 39 Sector portfolio funds: Biotechnology, Chemicals, Consumer Discretionary, Consumer Staples, Defense & Aerospace, Energy, Financial Services, Gold, Health Care, Industrials, IT Services, Materials, Medical Equipment & Systems, Pharmaceuticals, Retailing, Software & IT Services, Technology, Telecommunications, and Utilities.

At this time, the other 20 Sector portfolio funds will continue to charge a 0.75% short-term redemption fee. However, to avoid roundtrip transactions, *Fundranker* always holds shares at least 31 days (including day of purchase and day of sale), so our exchanges never incur short-term redemption fees, anyway.

## Web Roll of Interesting Sites

[Bureau of Economic Analysis 2017 News Release Schedule](#)  
[CME Group FedWatch Tool](#)  
[Trading Economics US GDP Annual Growth Rate Forecast](#)

## Funds Spotlight

[Consumer Finance](#) began operations on 12/16/1985. It is one of five Select funds in Morningstar's Financial category. The fund primarily invests in companies providing products and services associated with consumer finance. [Shilpa Mehra](#) has managed the fund since 4/25/2012. As of 9/30/2016, the fund's top 10 holdings made up 52.39% of the fund, and its top five holdings were MasterCard Inc, Visa Inc, Global Payments Inc, Synchrony Financial, and Capital One Financial Corp.

Since its inception on 1/2/1997, *Fundranker's Top Eight Model Portfolio* has held *Consumer Finance* seven times for a total of 44 months with an average monthly gain of 1.05%. The longest we held the fund was for 13 months from 10/4/2000 through 11/2/2001 for a gain of 11.01%. It joins the *Top Eight Model Portfolio* on January 3.

[Consumer Staples](#) began operations on 7/29/1985. It is the only Select portfolio fund in Morningstar's Consumer Defensive category. The fund primarily invests in companies engaged in the manufacture, sale, or distribution of consumer staples. [Robert Lee](#) has managed the fund since 6/1/2004. As of 9/30/2016, the fund's top 10 holdings made up 65.29% of the fund, and its top five holdings were Proctor & Gamble Co, British American Tobacco PLC, CVS Health Corp, Kroger Co, and Walgreens Boots Alliance Inc.

Since its inception on 1/2/1997, *Fundranker's Top Eight Model Portfolio* has held *Consumer Staples* 22 times for a total of 41 months with an average monthly loss of 0.11%. The longest we held the fund was for five months from 10/2/2008 through 3/4/2009 in the midst of the Great Recession for a loss of 25.68%.

## Questions and Suggestions

Do you have a question about the *Fidelity Select Fundranker* newsletter, methodology, or website? Check out the wealth of information posted on our [website](#). Click the [FAQ](#) link in the heading or footer of any page on our website. Do you have a suggestion about something we could add or do differently? Click the [Contact Us](#) link in the heading or footer of any page on our website.

## Top Eight Model Portfolio for January 2017

Fund Name (Symbol)	Purchase	Return to 12/30
1. Banking (FSRBX)	11/2/2016	25.18%
2. Energy Service (FSESX)	12/2/2016	4.97%
3. Natural Gas (FSNGX)	12/2/2016	(0.13)%
4. Semiconductors (FSELX)	8/4/2016	16.41%
5. Transportation (FSRFX)	12/2/2016	0.26%
6. Financial Services (FIDSX)	1/3/2017	
7. Air Transportation (FSAIX)	12/2/2016	1.06%
8. Consumer Finance (FSVLX)	1/3/2017	

Funds to be sold on January 3:

9. Energy (FSENX)	12/2/2016	(1.05)%
15. Natural Resources (FNARX)	12/2/2016	(1.35)%

## Fundranker Exchanges for January 3

Sell Energy (FSENX), buy Financial Services (FIDSX)  
 Sell Natural Resources (FNARX), buy Consumer Finance (FSVLX)

## Start a New Portfolio

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

## Optional Rebalancing Exchange Dates

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

## Upcoming Fundranker Exchange Date

*Fundranker* will exchange on February 2, our [early exchange date](#), which is 30 days after our January 3 exchange date above, so we won't need to set a [late exchange date](#) for February.

*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. © 2017 Fidelity Select Fundranker

<i>Fundranker</i> Ratings for 12/30/16 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)	20.03*	24.01*	16.42*	1.89	18.588	7
Automotive (FSAVX)	(5.83)	10.45	2.85	3.42*	3.723	28
Banking (FSRBX)	26.84*	37.48*	27.24*	5.79*	28.338	1
Biotechnology (FBIOX)	(23.72)	3.02	(9.30)	(5.58)	(8.895)	39
Brokerage & Investment Mgmt (FSLBX)	6.70	24.17*	12.16*	1.31	13.085	11
Chemicals (FSCHX)	17.98	11.23	7.52*	0.28	10.253	17
Communications Equipment (FSDCX)	19.88*	17.46*	2.61	1.48	12.358	14
Computers (FDCPX)	15.81	18.22*	0.86	1.57	10.115	18
Construction & Housing (FSHOX)	5.05	2.11	2.87	1.98	3.003	31
Consumer Discretionary (FSCPX)	4.35	4.49	0.28	(0.31)	2.203	33
Consumer Finance (FSVLX)	14.59	20.44*	10.81*	3.47*	15.328	8
Consumer Staples (FDFAX)	3.07	(5.32)	(2.59)	2.92*	0.520	35
Defense & Aerospace (FSDAX)	17.89	12.96	9.43*	(1.13)	10.788	16
Energy (FSENX)	33.84*	15.02	6.32	(0.75)	14.608	9
Energy Service (FSESX)	36.57*	25.50*	17.87*	6.71*	25.663	2
Environment & Alternative Energy (FSLEX)	20.72*	15.53*	5.83	2.18	13.065	12
Financial Services (FIDSX)	18.67	21.97*	17.24*	4.62*	18.625	6
Gold (FSAGX)	47.28*	(22.93)	(19.89)	2.34*	3.700	29
Health Care (FSPHX)	(10.68)	(3.91)	(8.35)	(0.08)	(5.755)	37
Health Care Services (FSHCX)	2.25	(0.76)	2.38	(1.01)	0.715	34
Industrial Equipment (FSCGX)	12.73	7.54	3.64	(0.01)	5.975	23
Industrials (FCYIX)	15.53	11.04	7.99*	0.79	9.838	19
Insurance (FSPCX)	18.17	14.97	9.83*	2.65*	13.405	10
IT Services (FBSOX)	5.19	7.39	0.85	0.99	3.605	30
Leisure (FDLSX)	6.35	7.75	4.69	(1.08)	4.428	26
Materials (FSDPX)	11.99	9.88	4.37	(0.03)	6.553	21
Medical Equipment & Systems (FSMEX)	8.68	(3.34)	(10.42)	1.64	(0.860)	36
Multimedia (FBMPX)	9.50	10.32	6.77	1.61	7.050	20
Natural Gas (FSNGX)	48.46*	19.34*	10.25*	0.75	22.700	3
Natural Resources (FNARX)	30.24*	12.38	4.10	(0.97)	12.438	13
Pharmaceuticals (FPHAX)	(16.27)	(9.31)	(9.02)	0.72	(8.470)	38
Retailing (FSRPX)	4.43	4.41	0.07	0.11	2.255	32
Semiconductors (FSELX)	32.38*	27.72*	4.31	2.60*	19.753	4
Software & IT Services (FSCSX)	10.62	10.39	(1.26)	0.14	4.973	25
Technology (FSPTX)	11.94	13.00	(2.15)	0.83	5.905	24
Telecommunications (FSTCX)	22.81*	5.13	5.70	6.22*	11.965	15
Transportation (FSRFX)	25.90*	24.66*	13.61*	1.00	19.293	5
Utilities (FSUTX)	14.00	(6.04)	(0.75)	3.91*	3.780	27
Wireless (FWRLX)	10.07	7.18	0.24	4.20*	6.423	22

\*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

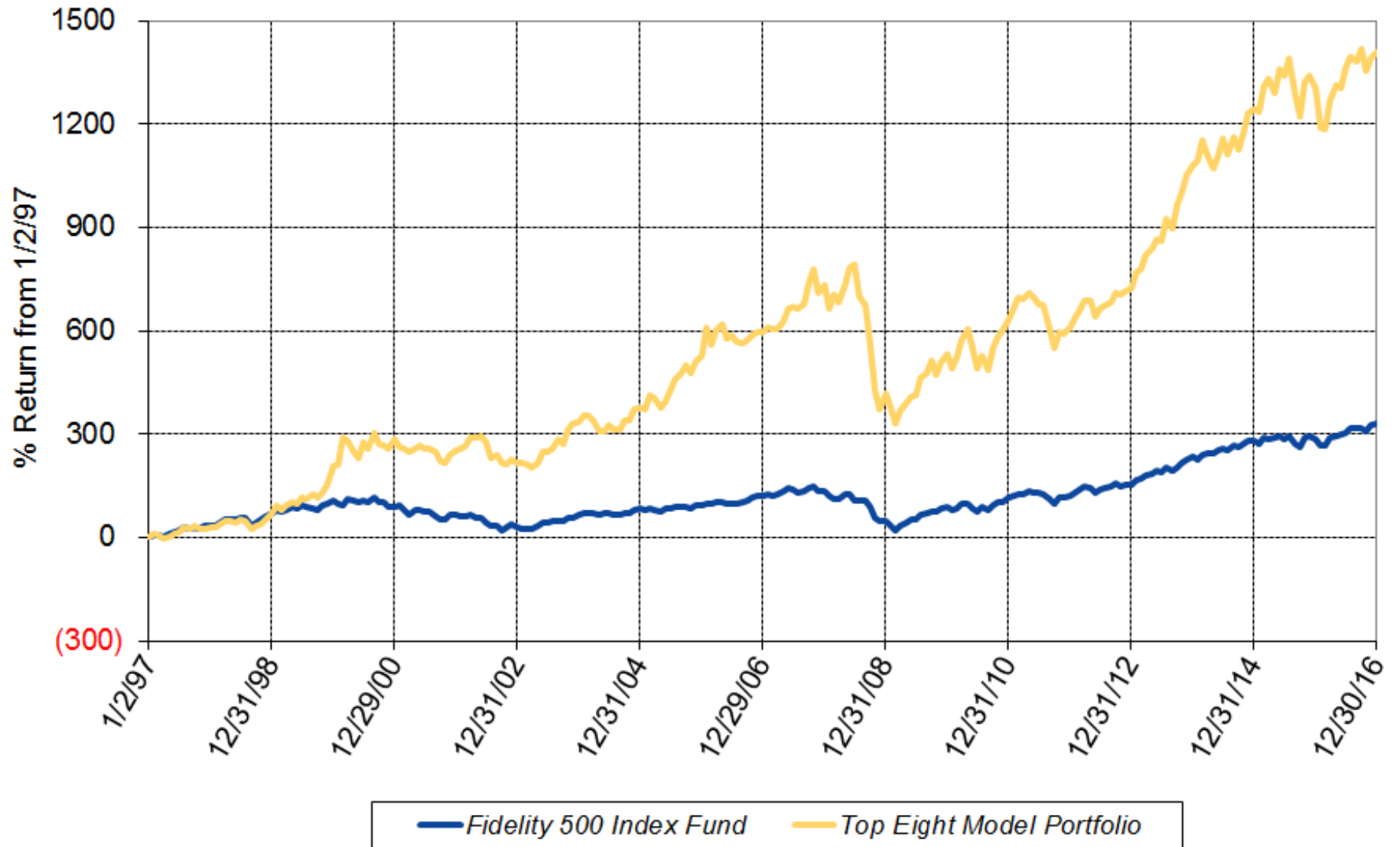
Sell on January 3, 2017

Buy on January 3, 2017

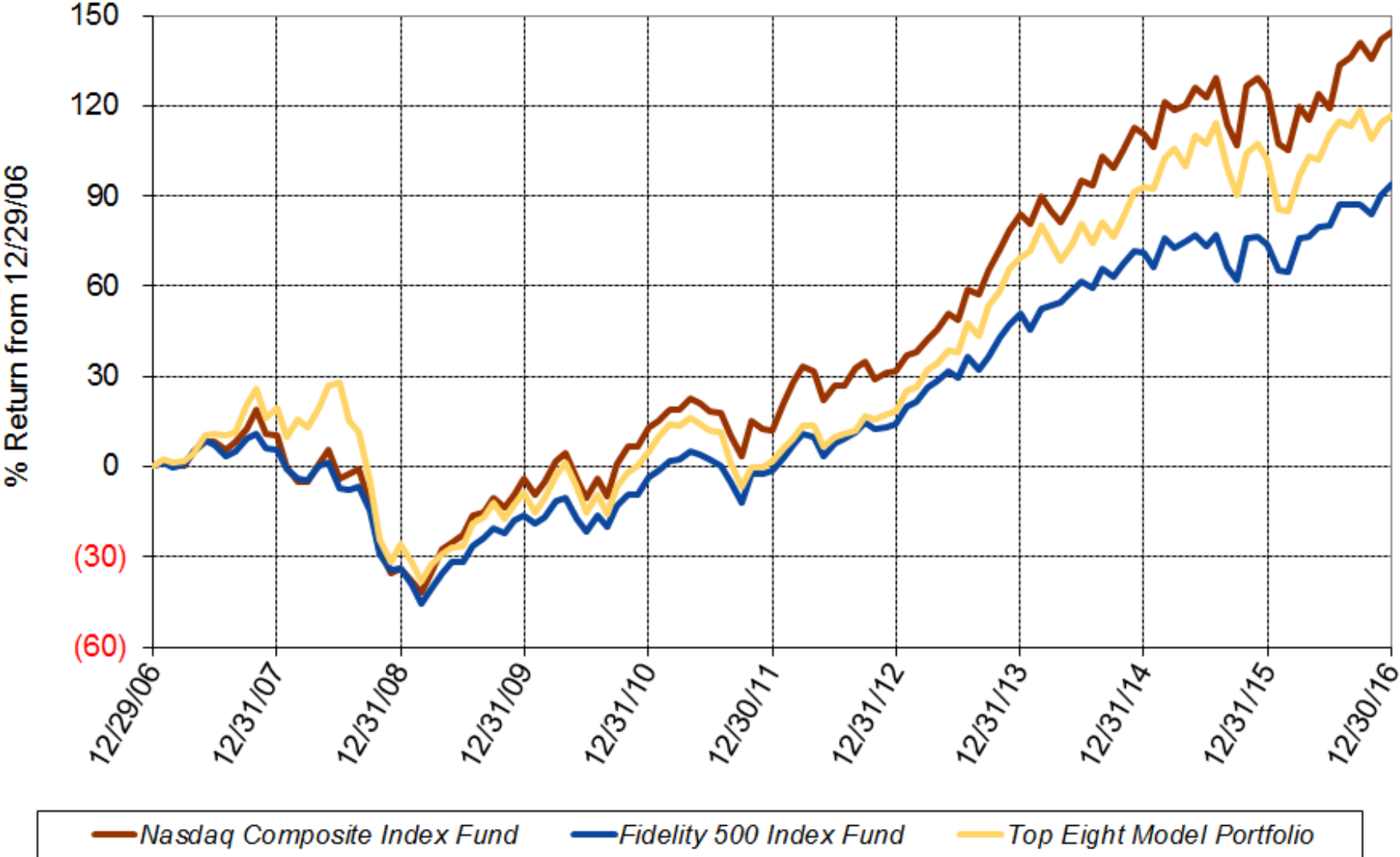
Hold

Fundranker Performance for December 2016													
11/30 Funds	11/30 Shares	11/30 Amount	<=12/2 Div Shrs	12/2 Shares	12/2 Amount	12/2 Funds	12/2 Shares	12/2 Amount	>12/2 Div Shrs	12/30 Shares	12/30 Amount	Dec Return	
FSELX	481.748	45,399.93	5.887	487.635	44,130.97	FSNGX1	1,494.123	44,435.22	6.190	1,500.313	44,379.26		
FSCSX	322.067	42,928.31	none	322.067	41,994.32	FSRBX	1,436.638	44,435.22	10.989	1,447.627	46,613.59		
FSPTX	329.010	43,133.21	5.220	334.230	42,219.93	FSRFX	485.101	44,435.22	9.425	494.526	44,551.85		
FDCPX	574.867	44,644.17	none	574.867	44,178.53	FSENX	936.464	44,435.22	3.864	940.328	43,969.74		
FSAGX1	1,875.143	36,021.50	none	1,875.143	37,071.58	FSESX	832.432	44,435.22	none	832.432	46,449.71		
FSDAX	349.988	47,654.37	none	349.988	47,955.36	FSAIX	600.638	44,435.22	3.922	604.560	44,906.72		
FSRBX	1,660.283	50,920.88	none	1,660.283	51,352.55	FSELX	490.997	44,435.22	none	490.997	46,900.03		
FSPCX	609.986	46,578.53	none	609.986	46,578.53	FNARX1	1,428.785	44,435.22	4.619	1,433.404	43,833.49		
<b>Top Eight</b>		<b>357,280.90</b>			<b>355,481.77</b>			<b>355,481.80</b>			<b>361,604.39</b>	<b>1.210</b>	
FNCMX1	1,658.228	116,822.16	none						15.481	1,673.709	118,214.07	1.191	
FUSEX	1,310.187	101,696.71	none						13.606	1,323.793	103,705.94	1.976	
Yearly Summaries				1997	1998	1999	2000	2001	2002				
				Return %	Return %	Return %	Return %	Return %	Return %				
<i>Top Eight Model Portfolio</i>				29.144	33.441	76.892	25.824	(8.468)	(9.333)				
Nasdaq Composite Index Fund				N/A	N/A	N/A	N/A	N/A	N/A				
Fidelity 500 Index Fund - Investor Class				33.628	28.498	20.633	(9.132)	(12.054)	(22.173)				
Yearly Summaries				2003	2004	2005	2006	2007	2008				
				Return %	Return %	Return %	Return %	Return %	Return %				
<i>Top Eight Model Portfolio</i>				35.952	10.340	31.341	10.863	19.463	(37.882)				
Nasdaq Composite Index Fund				N/A	8.598	1.902	10.031	10.497	(40.041)				
Fidelity 500 Index Fund - Investor Class				28.487	10.733	4.858	15.712	5.426	(37.047)				
Yearly Summaries				2009	2010	2011	2012	2013	2014				
				Return %	Return %	Return %	Return %	Return %	Return %				
<i>Top Eight Model Portfolio</i>				22.518	15.464	(3.133)	16.302	43.354	13.946				
Nasdaq Composite Index Fund				44.959	17.811	(0.957)	17.325	39.746	14.602				
Fidelity 500 Index Fund - Investor Class				26.502	14.842	2.036	15.929	32.251	13.590				
Yearly Summaries				2015	2016								
				Return %	Return %								
<i>Top Eight Model Portfolio</i>				4.592	7.248								
Nasdaq Composite Index Fund				6.818	8.787								
Fidelity 500 Index Fund - Investor Class				1.366	11.870								
Lifetime Summary				1/2/97 to 12/30/16		1/2/97 to 12/30/16							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				1,406.685		14.525							
Nasdaq Composite Index Fund				N/A		N/A							
Fidelity 500 Index Fund - Investor Class				332.108		7.592							
10-Year Summary				12/29/06 to 12/30/16		12/29/06 to 12/30/16							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				116.700		8.040							
Nasdaq Composite Index Fund				144.689		9.361							
Fidelity 500 Index Fund - Investor Class				94.294		6.868							
5-Year Summary				12/30/11 to 12/30/16		12/30/11 to 12/30/16							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				113.102		16.337							
Nasdaq Composite Index Fund				118.348		16.904							
Fidelity 500 Index Fund - Investor Class				97.488		14.580							
3-Year Summary				12/31/13 to 12/30/16		12/31/13 to 12/30/16							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				27.817		8.525							
Nasdaq Composite Index Fund				33.173		10.020							
Fidelity 500 Index Fund - Investor Class				28.810		8.805							
1-Year Summary				12/31/15 to 12/30/16		12/31/15 to 12/30/16							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				7.248		8.525							
Nasdaq Composite Index Fund				8.787		10.020							
Fidelity 500 Index Fund - Investor Class				11.870		8.805							

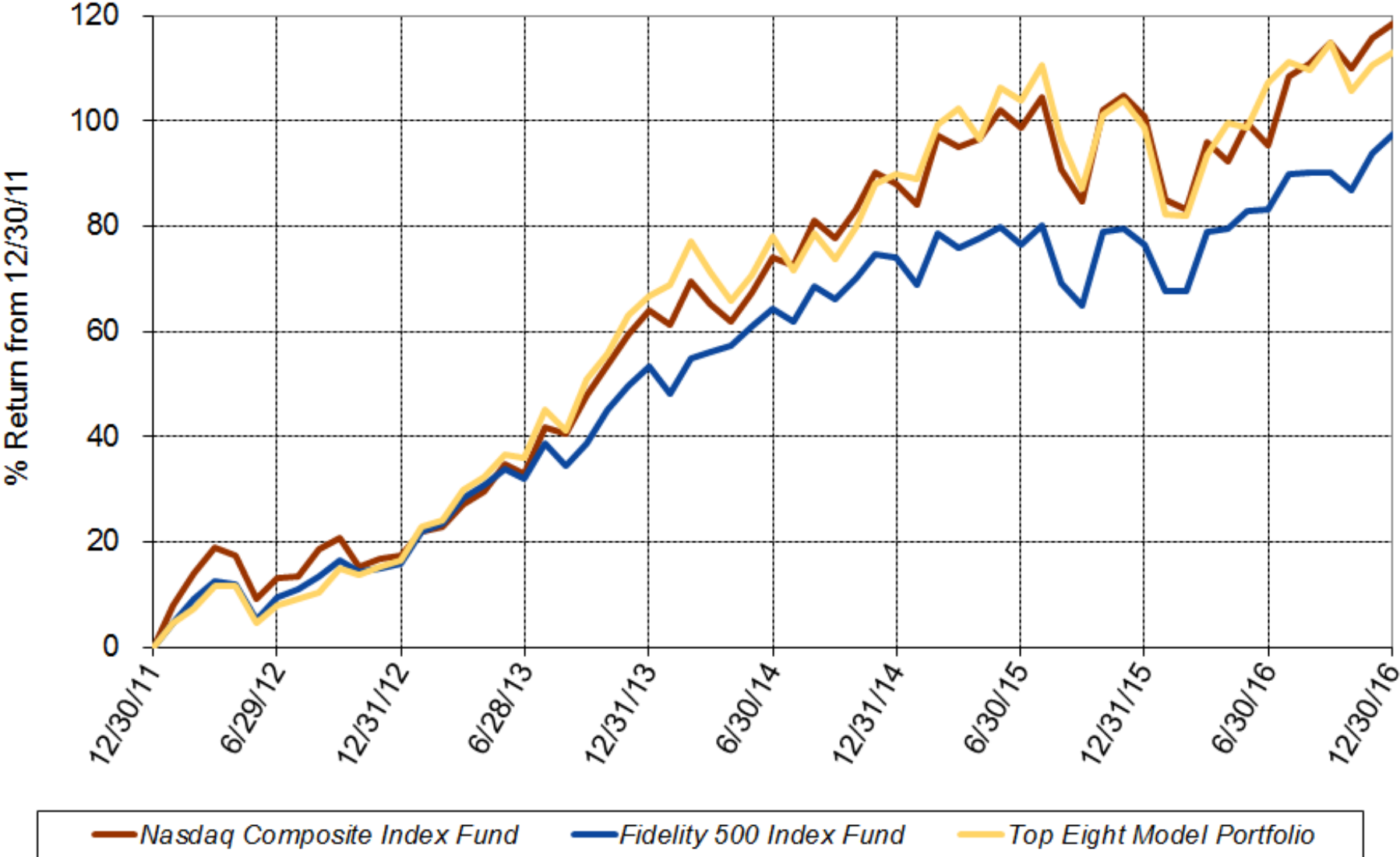
### Lifetime Chart



### 10-Year Chart

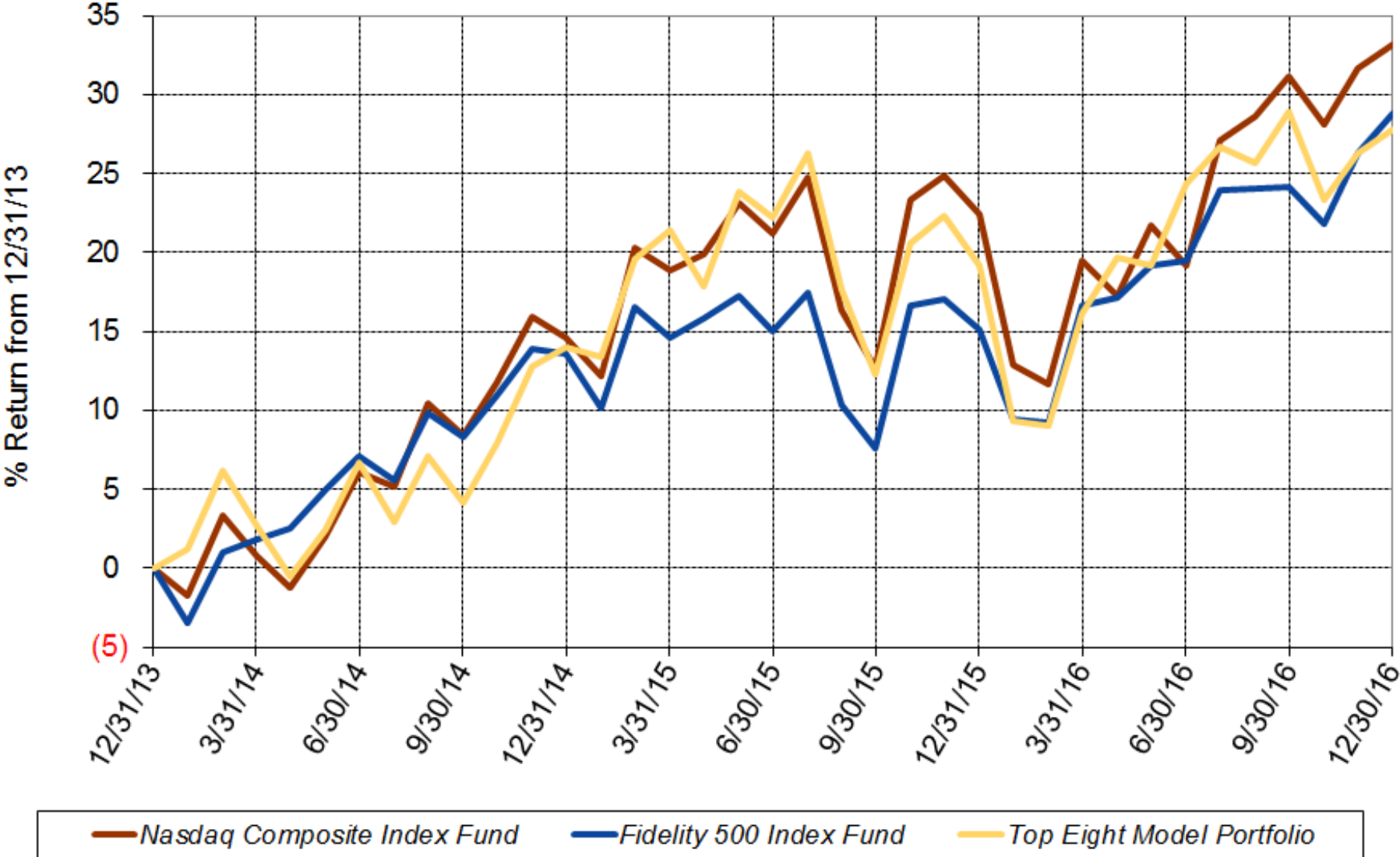


### 5-Year Chart

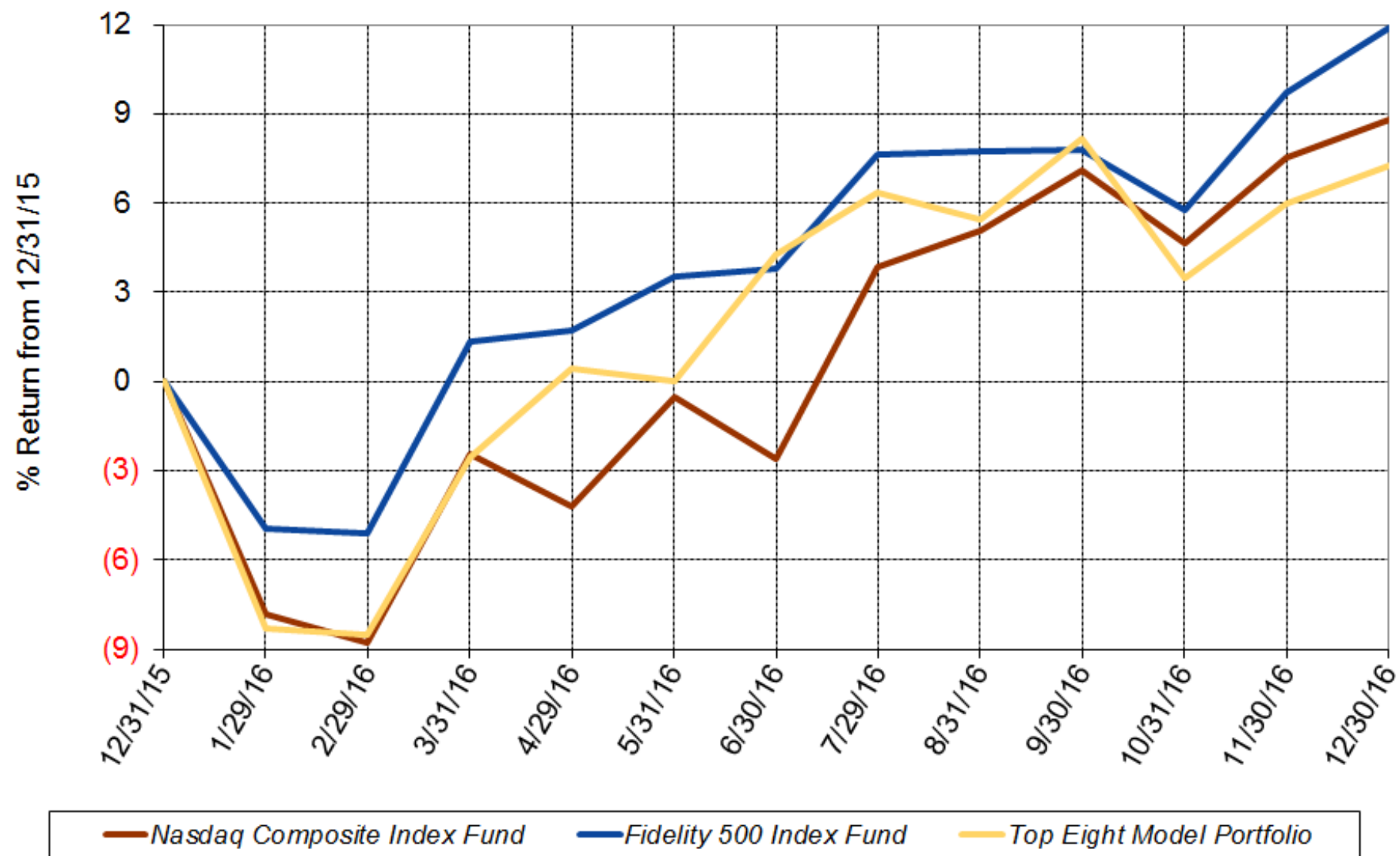




### 3-Year Chart



### 1-Year Chart





### Daily Chart December 2016

