

FIDELITY SELECT FUNDRANKER™

Volume 12 Issue 2

The Right Funds at the Right Time

February 2017

Broad Market Hits New All-Time Highs

The broad market S&P 500 Index hit new all-time highs in January on a total return basis (including reinvested dividends), most recently on January 25, and for the third month in a row. The Nasdaq Composite Index and the Dow Jones Industrial Average, which surpassed 20,000 for the first time, also set new all-time highs in January.

Six *Top Eight Model Portfolio* funds gained value in January. Semiconductors, Energy Service, and Transportation led the way with one-month gains of 2.40%, 1.65%, and 1.23%. Banking, Consumer Finance, and Financial Services followed with one-month gains of 0.68%, 0.37%, and 0.36%. Air Transportation and Natural Gas trailed with one-month losses of 0.82% and 1.12%.

In January, the *Top Eight Model Portfolio* gained 0.710%, the Nasdaq Composite Index gained 4.318%, and the S&P 500 Index gained 1.889%.

Final Performance of Funds Sold on January 3

Fundranker exchanged two funds on January 3. Here are the returns they contributed to the *Top Eight Model Portfolio*:

Fund	Bought	Sold	Return
Energy (FSENX)	12/2/2016	1/3/2017	0.41%
Natural Resources (FNARX)	12/2/2016	1/3/2017	0.23%

Top Eight Model Portfolio Hits New All-Time Highs

Fidelity Select Fundranker's Top Eight Model Portfolio hit four new all-time highs in January, most recently on January 26, marking two months in a row with new all-time highs. On a total return basis, from its January 2, 1997, start date, through January 26, 2016, the hypothetical model gained a phenomenal 1,452.463%. During that same time period, the broad market S&P 500 Index gained only 343.636% on a total return basis.

Top Eight Model Portfolio Diversifies

Our *Top Eight Model Portfolio* shifts this month to a more diverse group of funds. Beginning February 2, we will hold two Select portfolio funds in Morningstar's Equity Energy category, two Natural Resources category Select funds, one Industrials category Select fund, one Technology category Select fund, one Consumer Cyclical category Select fund, and one Financial category Select fund.

Trump Rally Hits Speed Bump

The S&P 500 and the Nasdaq Composite Indexes have hit multiple new highs each month since Donald Trump was elected President of the United States last November. Much of that upward move has been attributed to his pro-business, pro-growth agenda of tax cuts, deregulation, and infrastructure spending.

In the last full trading week of January, for example, as President Trump moved to revive the Keystone XL and Dakota Access oil pipelines, markets hit new highs.

The weekend chaos following President Trump's late Friday signing of what seemed to be a poorly thought out executive order temporarily restricting immigration from seven Muslim-majority countries hit markets hard over the last two trading days in January.

Markets applaud when President Trump concentrates on his pro-growth agenda, but his trade, immigration, and health care proposals are causing significant uncertainty.

Analysts at Wells Fargo Investment Institute see that combination as likely giving opportunities to buy on downturns, especially sectors such as industrials, consumer discretionary, and financials.

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

[Defense & Aerospace](#) began operations on 5/8/1984. It is one of six Select funds in Morningstar's Industrials category. The fund primarily invests in companies engaged in the research, manufacture or sale of products or services related to the defense or aerospace industries. [Jonathan Siegmann](#) has managed the fund since 10/1/2015. As of 12/31/2016, the fund's top 10 holdings made up 61.40% of the fund.

Since its inception on 1/2/1997, *Fundranker's Top Eight Model Portfolio* has held Defense & Aerospace 17 times for a total of 41 months with an average monthly gain of 0.50%. The longest we held the fund was for nine months from 2/4/2002 through 11/4/2002 for a loss of 15.47%.

[Energy](#) began operations on 7/14/1981. It is one of four Select funds in Morningstar's Equity Energy category. The fund primarily invests in companies in the energy field, including the conventional areas of oil, gas, electricity and coal, and newer sources of energy such as nuclear, geothermal, oil shale and solar power. [John Dowd](#) has managed the fund since 7/1/2006. As of 12/31/2016, the fund's top 10 holdings made up 42.38% of the fund.

Since its inception on 1/2/1997, *Fundranker's Top Eight Model Portfolio* has held Energy 15 times for a total of 57 months with an average monthly gain of 0.85%. The longest we held the fund was for 13 months from 2/2/2005 through 3/3/2006 for a gain of 55.26%.

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 February 2017

Fund Name (Symbol)	Purchase	Return to 1/31
1. Banking (FSRBX)	11/2/2016	26.03%
2. Energy Service (FSESX)	12/2/2016	6.70%
3. Natural Gas (FSNGX)	12/2/2016	(1.24)%
4. Chemicals (FSCHX)	2/2/2017	
5. Semiconductors (FSELX)	8/4/2016	19.20%
6. Transportation (FSRFX)	12/2/2016	1.50%
7. Multimedia (FBMPX)	2/2/2017	
8. Materials (FSDPX)	2/2/2017	

Funds to be sold on February 2:

9. Financial Services (FIDSX)	1/3/2017	(0.37)%
11. Air Transportation (FSAIX)	12/2/2016	0.23%
18. Consumer Finance (FSVLX)	1/3/2017	(1.03)%

Fundranker Exchanges for February 2

Sell Financial Services (FIDSX), buy Chemicals (FSCHX)
Sell Air Transportation (FSAIX), buy Multimedia (FBMPX)
Sell Consumer Finance (FSVLX), buy Materials (FSDPX)

Start a New Portfolio

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

Optional Rebalancing Exchange Dates

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

Upcoming Fundranker Exchange Date

If no new funds are to be exchanged, *Fundranker* will exchange on March 2, our [early exchange date](#); otherwise, to avoid roundtrip transactions, *Fundranker* will exchange on March 6, our [late exchange date](#).

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 1/31/17 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)	30.41	18.17*	11.98*	(0.82)	16.935	11
Automotive (FSAVX)	17.86	6.48	11.11	5.41*	11.215	23
Banking (FSRBX)	43.72*	33.72*	24.02*	0.68	28.535	1
Biotechnology (FBIOX)	11.80	(1.95)	10.37	6.30*	7.630	30
Brokerage & Investment Mgmt (FSLBX)	25.03	18.46*	17.20*	1.81	17.625	10
Chemicals (FSCHX)	38.10*	14.33*	15.24*	5.58*	22.313	4
Communications Equipment (FSDCX)	28.71	6.58	3.35	(2.41)	9.058	28
Computers (FDCPX)	33.71*	13.74	7.69	4.35*	16.873	12
Construction & Housing (FSHOX)	16.44	(2.15)	9.26	1.46	6.253	33
Consumer Discretionary (FSCPX)	13.64	3.31	7.06	3.42	6.858	31
Consumer Finance (FSVLX)	29.60	14.02	11.59	0.37	13.895	18
Consumer Staples (FDFAX)	7.23	(1.93)	1.68	3.09	2.518	38
Defense & Aerospace (FSDAX)	28.16	9.58	8.30	0.39	11.608	22
Energy (FSENX)	34.91*	14.40*	10.38	(1.52)	16.543	13
Energy Service (FSESX)	46.61*	29.66*	23.05*	1.65	28.243	2
Environment & Alternative Energy (FSLEX)	32.11*	12.52	11.23	2.62	15.620	14
Financial Services (FIDSX)	30.37	18.92*	15.88*	0.36	18.383	9
Gold (FSAGX)	61.04*	(19.75)	(2.08)	13.31*	15.130	15
Health Care (FSPHX)	5.99	(5.36)	6.14	5.45*	4.055	36
Health Care Services (FSHCX)	14.35	1.76	12.78*	3.56*	10.113	25
Industrial Equipment (FSCGX)	21.39	6.03	9.86	1.30	9.645	26
Industrials (FCYIX)	26.38	9.43	12.96*	1.82	13.648	19
Insurance (FSPCX)	25.61	14.07*	9.83	0.18	13.423	20
IT Services (FBSOX)	13.05	3.39	4.02	1.26	5.430	35
Leisure (FDLSX)	11.48	4.98	8.06	1.39	6.478	32
Materials (FSDPX)	33.86*	11.79	12.57*	5.32*	18.885	8
Medical Equipment & Systems (FSMEX)	24.81	(2.81)	3.77	7.03*	9.200	27
Multimedia (FBMPX)	25.47	16.03*	16.00*	7.96*	19.365	7
Natural Gas (FSNGX)	53.70*	19.78*	13.62*	(1.12)	24.495	3
Natural Resources (FNARX)	33.76*	11.73	9.05	(0.69)	14.463	17
Pharmaceuticals (FPHAX)	(10.56)	(14.93)	(1.43)	(0.76)	(6.920)	39
Retailing (FSRPX)	13.20	1.60	5.07	2.51	5.595	34
Semiconductors (FSELX)	50.17*	18.85*	9.80	2.40	22.305	5
Software & IT Services (FSCSX)	24.80	8.20	3.84	6.09*	11.733	21
Technology (FSPTX)	30.63	11.72	6.23	7.18*	14.940	16
Telecommunications (FSTCX)	25.05	4.13	10.02	1.88	10.270	24
Transportation (FSRFX)	37.15*	18.45*	15.46*	1.23	21.073	6
Utilities (FSUTX)	13.63	(2.73)	1.06	2.54	3.625	37
Wireless (FWRLX)	18.84	5.95	4.40	3.33	8.130	29

*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

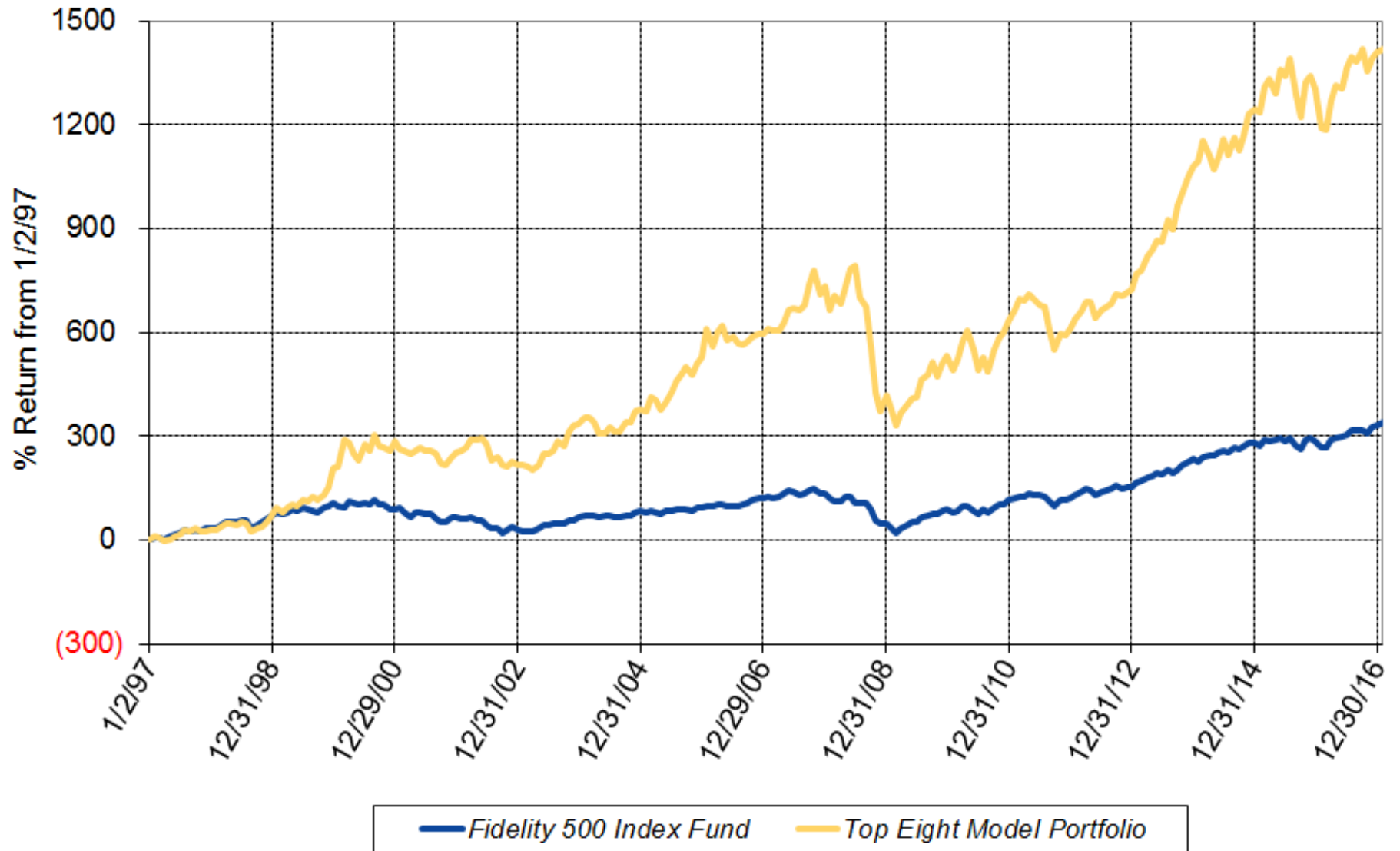
Sell on February 2, 2017

Buy on February 2, 2017

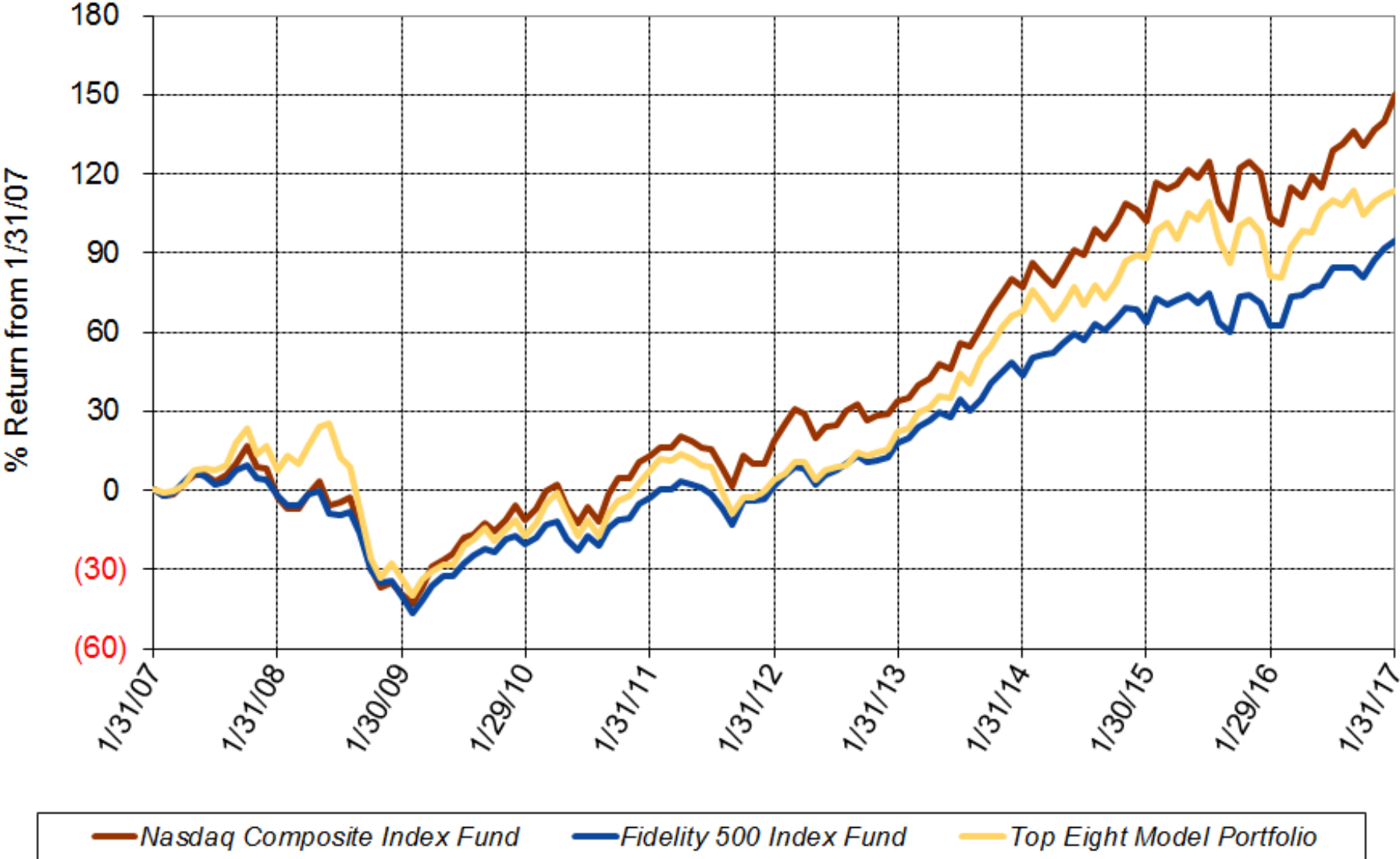
Hold

Fundranker Performance for January 2017												
12/30 Funds	12/30 Shares	12/30 Amount	<=1/3 Div Shrs	1/3 Shares	1/3 Amount	1/3 Funds	1/3 Shares	1/3 Amount	>1/3 Div Shrs	1/31 Shares	1/31 Amount	Jan Return
FSNGX1,500.313	44,379.26		none	1,500.313	44,799.35	FSRBX1,404.886	45,616.65		none	1,404.886	45,546.40	
FSRBX1,447.627	46,613.59		none	1,447.627	47,004.45	FSEX 803.676	45,616.65		none	803.676	45,584.50	
FSRFX 494.526	44,551.85		none	494.526	44,561.74	FSNGX1,527.684	45,616.65		none	1,527.684	44,684.76	
FSENX 940.328	43,969.74		none	940.328	44,618.56	FSELX 475.223	45,616.65		none	475.223	46,481.56	
FSEX 832.432	46,449.71		none	832.432	47,248.84	FSRFX 506.233	45,616.65		none	506.233	46,168.45	
FSAIX 604.560	44,906.72		none	604.560	45,033.67	FIDSX 458.689	45,616.65		none	458.689	45,446.91	
FSELX 490.997	46,900.03		none	490.997	47,130.80	FSAIX 612.386	45,616.65		none	612.386	45,114.48	
FNARX1,433.404	43,833.49		none	1,433.404	44,535.86	FSVLX 3,361.581	45,616.65		none	3,361.581	45,146.03	
Top Eight	361,604.39				364,933.27			364,933.20			364,173.09	0.710
FNCMX1,673.709	118,214.07		none						none	1,673.709	123,318.88	4.318
FUSEX1,323.793	103,705.94		none						none	1,323.793	105,665.16	1.889
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	2017 YTD					
					Return %	Return %	Return %					
<i>Top Eight Model Portfolio</i>					4.592	7.248	0.710					
Nasdaq Composite Index Fund					6.818	8.787	4.318					
Fidelity 500 Index Fund - Investor Class					1.366	11.870	1.889					
Lifetime Summary					1/2/97 to 1/31/17		1/2/97 to 1/31/17					
					Total Return %		Average Annual Return %					
<i>Top Eight Model Portfolio</i>					1,417.388		14.501					
Nasdaq Composite Index Fund					N/A		N/A					
Fidelity 500 Index Fund - Investor Class					340.272		7.660					
10-Year Summary					1/31/07 to 1/31/17		1/31/07 to 1/31/17					
					Total Return %		Average Annual Return %					
<i>Top Eight Model Portfolio</i>					113.455		7.877					
Nasdaq Composite Index Fund					150.085		9.600					
Fidelity 500 Index Fund - Investor Class					95.018		6.907					
5-Year Summary					1/31/12 to 1/31/17		1/31/12 to 1/31/17					
					Total Return %		Average Annual Return %					
<i>Top Eight Model Portfolio</i>					105.419		15.486					
Nasdaq Composite Index Fund					110.832		16.088					
Fidelity 500 Index Fund - Investor Class					92.603		14.007					
3-Year Summary					1/31/14 to 1/31/17		1/31/14 to 1/31/17					
					Total Return %		Average Annual Return %					
<i>Top Eight Model Portfolio</i>					27.198		8.349					
Nasdaq Composite Index Fund					41.399		12.240					
Fidelity 500 Index Fund - Investor Class					35.956		10.781					
1-Year Summary					1/29/16 to 1/31/17		1/29/16 to 1/31/17					
					Total Return %		Average Annual Return %					
<i>Top Eight Model Portfolio</i>					17.793							
Nasdaq Composite Index Fund					23.105							
Fidelity 500 Index Fund - Investor Class					19.948							

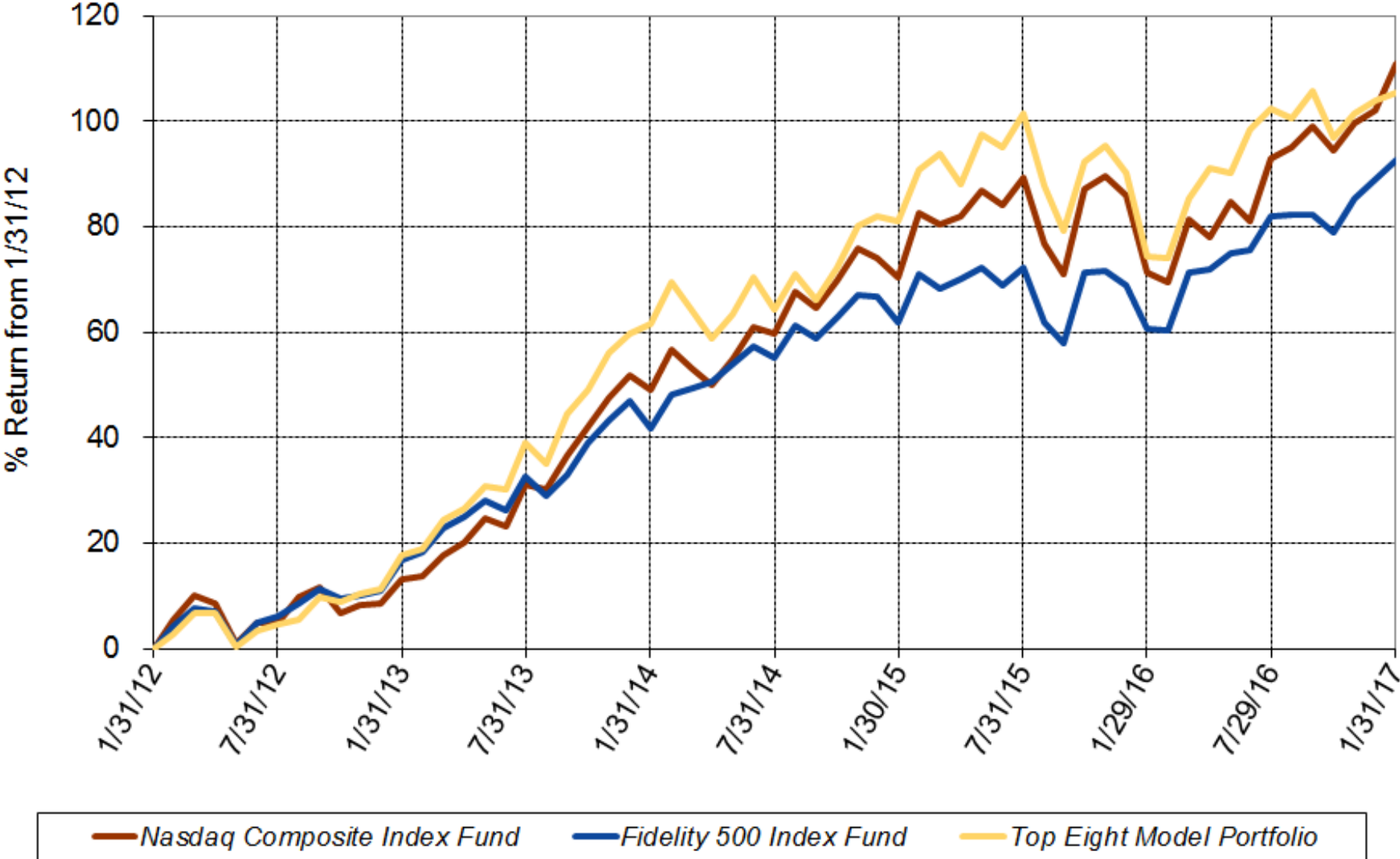
Lifetime Chart



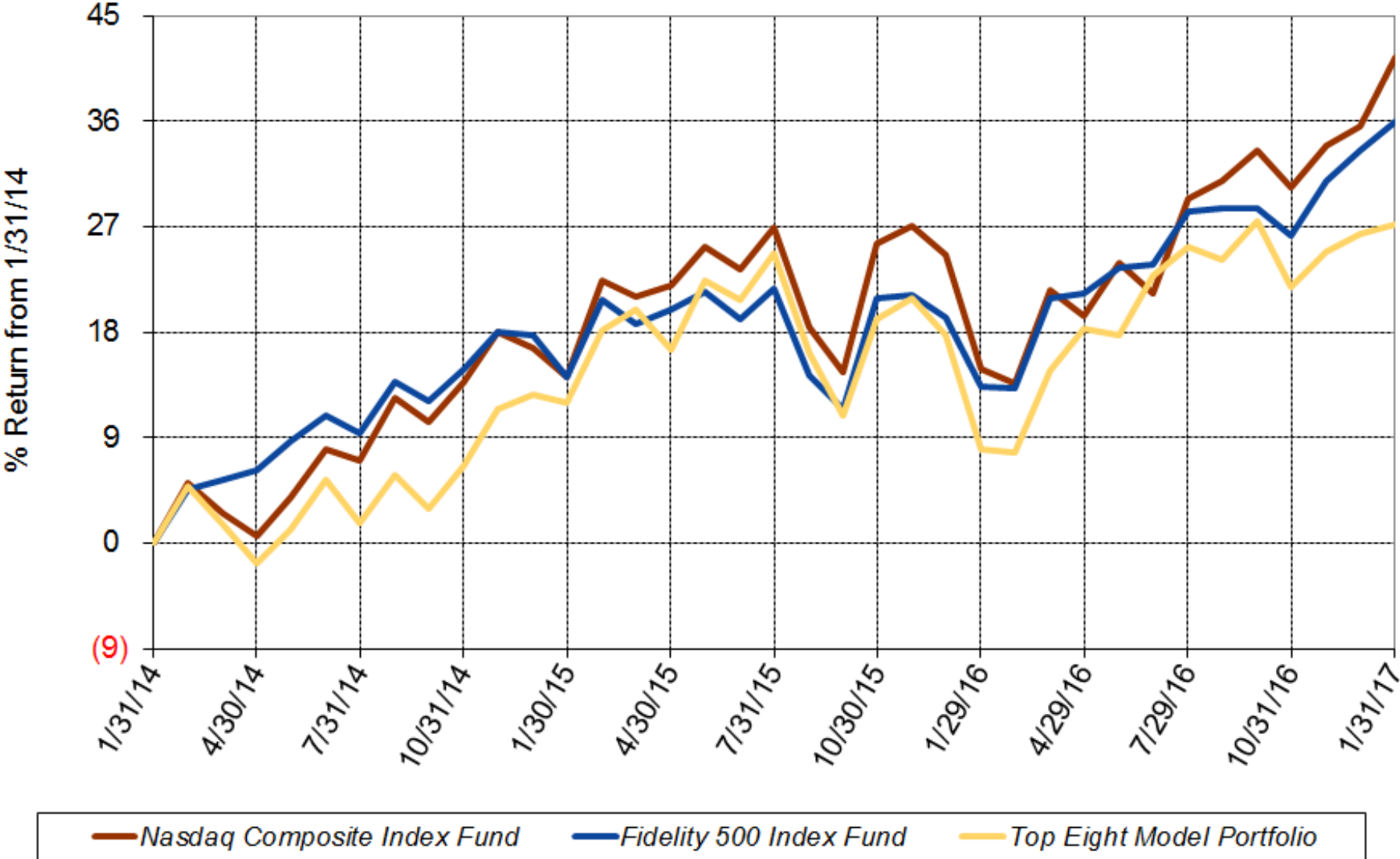
10-Year Chart



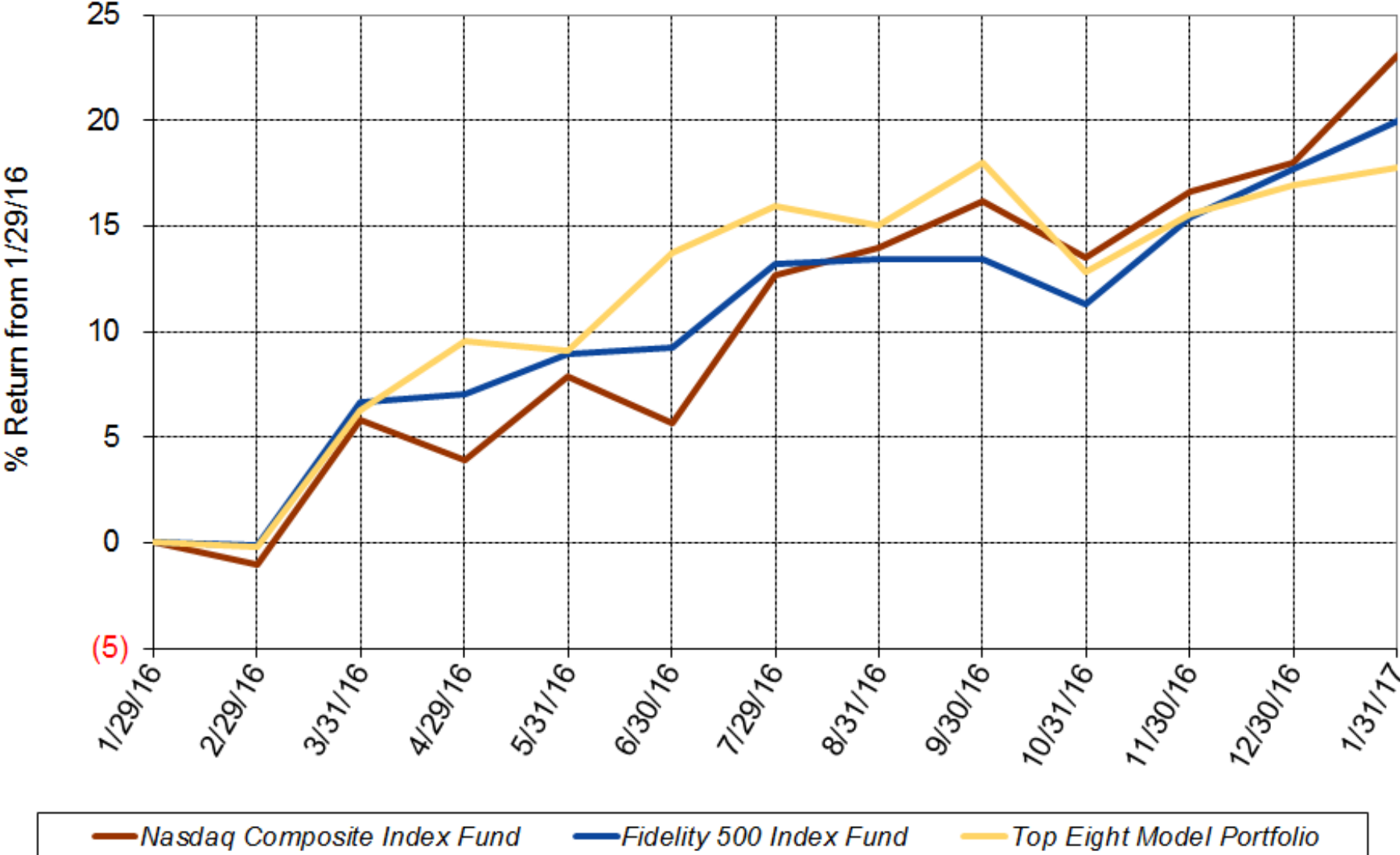
5-Year Chart



3-Year Chart



1-Year Chart



(5)

Daily Chart January 2017

