

FIDELITY SELECT FUNDRANKER™

Volume 12 Issue 6

The Right Funds at the Right Time

June 2017

Broad Market Hits Multiple New Highs in May

The broad market S&P 500 Index hit multiple new all-time highs on a total return basis, that is, including reinvested dividends, in May, ending the month slightly off its most recent May 26 all-time high. The Nasdaq Composite Index also set multiple new all-time highs in May.

Seven *Top Eight Model Portfolio* funds gained value in May. Semiconductors, Technology, and Leisure excelled with one-month gains of 6.82%, 6.38%, and 5.53%. Software & IT Services, Defense & Aerospace, Computers, and Medical Equipment & Systems added one-month gains ranging from 3.57% to 1.27%. Chemicals dinged the *Top Eight Model Portfolio* with a one-month loss of 2.13%.

In May, the *Top Eight Model Portfolio* gained 2.864%, the Nasdaq Composite Index gained 2.665%, and the S&P 500 Index gained 1.402%. For YTD through May, the *Top Eight Model Portfolio* gained 5.647%, the Nasdaq Composite Index gained 15.645%, and the S&P 500 Index gained 8.617%.

Final Performance of Funds Sold on May 5

Fundranker exchanged two funds on May 5. Here are the returns they contributed to the *Top Eight Model Portfolio*:

Fund	Bought	Sold	Return
Banking (FSRBX)	11/2/2016	5/5/2017	24.93%
Multimedia (FBMPX)	4/5/2017	5/5/2017	(0.10)%

Top Eight Model Portfolio Hits New Highs in May

Fundranker's Top Eight Model Portfolio hit 10 new all-time highs on a total return basis in May, most recently on May 26. From the hypothetical *Top Eight Model Portfolio's* inception on January 2, 1997, through May 26, 2017, it gained a spectacular 1,493.193%. Over the same time period, the S&P 500 Index, also at an all-time high on a total return basis on May 26, gained only 370.010%.

Top Eight Model Portfolio Composition

In June, our *Top Eight Model Portfolio* continues its heavy weighting of Morningstar's Technology category. After our June 5 exchanges, we will hold four Technology category Select funds, one Consumer Cyclical category Select fund, one Communications category Select Fund, one Industrials category Select fund, and one Health category Select fund.

Markets Fall Dramatically on Trump/Comey News

Market moves generally were positive for most of May. The dramatic exception was on May 17, the day after news broke that President Donald Trump allegedly pressured former FBI Director James Comey to drop the FBI's investigation of former National Security Advisor Michael Flynn. This news rattled investors and caused concerns that the Trump administration's pro-business agenda could be stymied.

The S&P 500 Index fell 1.8%, its biggest drop since September, 2016. The tech-heavy Nasdaq Composite Index fell 2.6%.

Apparently, though, investors did not stay worried, as sentiment turned positive through the end of May, with the S&P 500 and Nasdaq Composite Indexes setting additional all-time highs.

Secular Bull Market Outlook

Charles Schwab recently published an excellent article, [Schwab Market Perspective: Unprecedented! Or Maybe Not?](#) They contend that investors shouldn't get too caught up in the political turmoil with respect to investing decisions. The institutions of U.S. government are not threatened; checks and balances between the three branches

Web Roll of Interesting Sites

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

are working as our founders intended. They believe the trend can continue to be higher and that we remain in a secular bull market.

Funds Spotlight

[Industrial Equipment](#) began operations on 9/29/1986. It is one of six Select funds in Morningstar's Industrials category. The fund primarily invests in companies engaged in the manufacture, distribution or service of products and equipment for the industrial sector, including integrated producers of capital equipment (such as general industrial machinery, farm equipment, and computers), parts suppliers and subcontractors. [Janet Glazer](#) and [Tobias Welo](#) have co-managed the fund since 4/1/2016. As of 3/31/17, the fund's top 10 holdings made up 58.23% of the portfolio; its top three holdings were General Electric Co, Ametek Inc New, and Flowserve Corp.

Fundranker's Top Eight Model Portfolio has held Industrial Equipment 12 times for a total of 21 months with an average monthly gain of 0.70%. The longest we held the fund was for four months from 2/3/2016 through 6/3/2016 for a gain of 13.10%.

[Industrials](#) began operations on 3/3/1997. It is one of six Select funds in Morningstar's Industrials category. The fund primarily invests in companies engaged in the research, development, manufacture, distribution, supply, or sale of industrial products, services, or equipment. [Tobias Welo](#) has managed the fund since 1/4/2007. As of 3/31/2017, the fund's top 10 holdings made up 43.42% of the portfolio; its top three holdings were General Electric Co, Honeywell Intl Inc, and United Technologies Corp.

Fundranker's Top Eight Model Portfolio has held Industrials 12 times for a total of 15 months with an average monthly gain of 0.07%. The longest we held the fund was for three months from 6/2/2004 through 9/2/2004 for a gain of 5.59%.

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 [Contact Us](#) link in the heading or footer of any page on our website.

Top Eight Model Portfolio for June 2017

Fund Name (Symbol)	Purchase	Return to 5/31
1. Technology (FSPTX)	3/6/2017	14.82%
2. Semiconductors (FSELX)	8/4/2016	34.18%
3. Computers (FDCPX)	3/6/2017	6.88%
4. Leisure (FDLSX)	5/5/2017	3.57%
5. Software & IT Services (FSCSX)	4/5/2017	8.87%
6. Wireless (FWRLX)	6/5/2017	
7. Env & Alternative Energy (FSLEX)	6/5/2017	
8. Medical Eqpt & Systems (FSMEX)	4/5/2017	5.70%

Funds to be sold on June 5:

11. Defense & Aerospace (FSDAX)	5/5/2017	2.01%
21. Chemicals (FSCHX)	2/2/2017	2.46%

Fundranker Exchanges for June 5

Sell Defense & Aerospace (FSDAX), buy Wireless (FWRLX)
Sell Chemicals (FSCHX), buy Env & Alternative Energy (FSLEX)

Start a New Portfolio

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

Optional Rebalancing Exchange Dates

Held funds: June 2; New funds: June 5 ([see rebalancing FAQ](#))

Upcoming Fundranker Exchange Date

If no new funds are to be exchanged, *Fundranker* will exchange on July 3, our [early exchange date](#); otherwise, to avoid roundtrip transactions, *Fundranker* will exchange on July 5, our [late exchange date](#).

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<i>Fundranker Ratings for 5/31/17</i>	12-Month	6-Month	3-Month	1-Month	<i>Fundranker</i>	<i>Fundranker</i>
Fund (Symbol)	Return %	Return %	Return %	Return %	Rating**	Ranking
Air Transportation (FSAIX)	25.55*	7.48	3.04	3.37*	11.860	12
Automotive (FSAVX)	9.16	10.94	1.90	0.09	5.523	28
Banking (FSRBX)	21.84	0.98	(8.61)	(3.12)	2.773	33
Biotechnology (FBIOX)	3.21	3.24	(6.35)	(6.64)	(1.635)	35
Brokerage & Investment Mgmt (FSLBX)	17.68	6.56	(0.10)	0.72	6.215	23
Chemicals (FSCHX)	19.72	9.82	(0.60)	(2.13)	6.703	21
Communications Equipment (FSDCX)	22.21*	6.75	1.15	0.29	8.600	18
Computers (FDCPX)	39.20*	22.17*	7.49*	2.09*	21.738	3
Construction & Housing (FSHOX)	9.56	10.56	3.43	(1.43)	5.530	27
Consumer Discretionary (FSCPX)	16.16	10.86	6.22*	1.21	9.613	14
Consumer Finance (FSVLX)	13.62	4.45	(3.67)	0.37	3.693	31
Consumer Staples (FDFAX)	12.94	17.78*	6.01*	3.06*	12.948	10
Defense & Aerospace (FSDAX)	26.78*	10.14	3.98	2.65*	12.888	11
Energy (FSENX)	(1.57)	(15.91)	(10.16)	(4.82)	(8.115)	38
Energy Service (FSESX)	5.20	(12.39)	(16.27)	(6.74)	(7.550)	37
Environment & Alternative Energy (FSLEX)	27.37*	14.76*	6.01*	2.47*	16.653	7
Financial Services (FIDSX)	18.56	3.83	(4.92)	(0.83)	4.160	29
Gold (FSAGX)	1.03	8.81	(3.08)	0.59	1.838	34
Health Care (FSPHX)	8.55	13.86*	0.81	(1.36)	6.465	22
Health Care Services (FSHCX)	13.17	10.32	2.25	1.58	6.830	20
Industrial Equipment (FSCGX)	14.67	6.39	2.50	1.06	6.155	24
Industrials (FCYIX)	16.78	6.39	1.26	(0.36)	6.018	25
Insurance (FSPCX)	18.35	8.00	1.24	1.85	7.360	19
IT Services (FBSOX)	16.08	15.44*	6.84*	4.23*	13.648	9
Leisure (FDLSX)	27.85*	16.75*	14.25*	5.53*	20.095	4
Materials (FSDPX)	15.07	7.69	0.39	(0.50)	5.663	26
Medical Equipment & Systems (FSMEX)	22.74*	21.87*	6.44*	1.27	16.080	8
Multimedia (FBMPX)	21.18	13.03	2.63	(0.98)	8.965	16
Natural Gas (FSNGX)	(1.49)	(18.23)	(13.53)	(6.49)	(9.935)	39
Natural Resources (FNARX)	(0.98)	(13.86)	(8.68)	(4.01)	(6.883)	36
Pharmaceuticals (FPHAX)	(0.87)	10.73	3.44	1.80	3.775	30
Retailing (FSRPX)	15.04	11.08	5.28*	0.87	9.068	15
Semiconductors (FSELX)	45.55*	18.26*	8.76*	6.82*	23.848	2
Software & IT Services (FSCSX)	29.51*	20.75*	10.22*	3.57*	20.013	5
Technology (FSPTX)	43.95*	31.49*	15.47*	6.38*	28.323	1
Telecommunications (FSTCX)	9.44	5.84	(0.57)	(2.62)	3.023	32
Transportation (FSRFX)	25.61*	4.16	(0.08)	1.05	8.685	17
Utilities (FSUTX)	12.87	17.25*	4.39	3.10*	11.403	13
Wireless (FWRLX)	25.31*	22.40*	8.31*	4.25*	19.068	6

*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

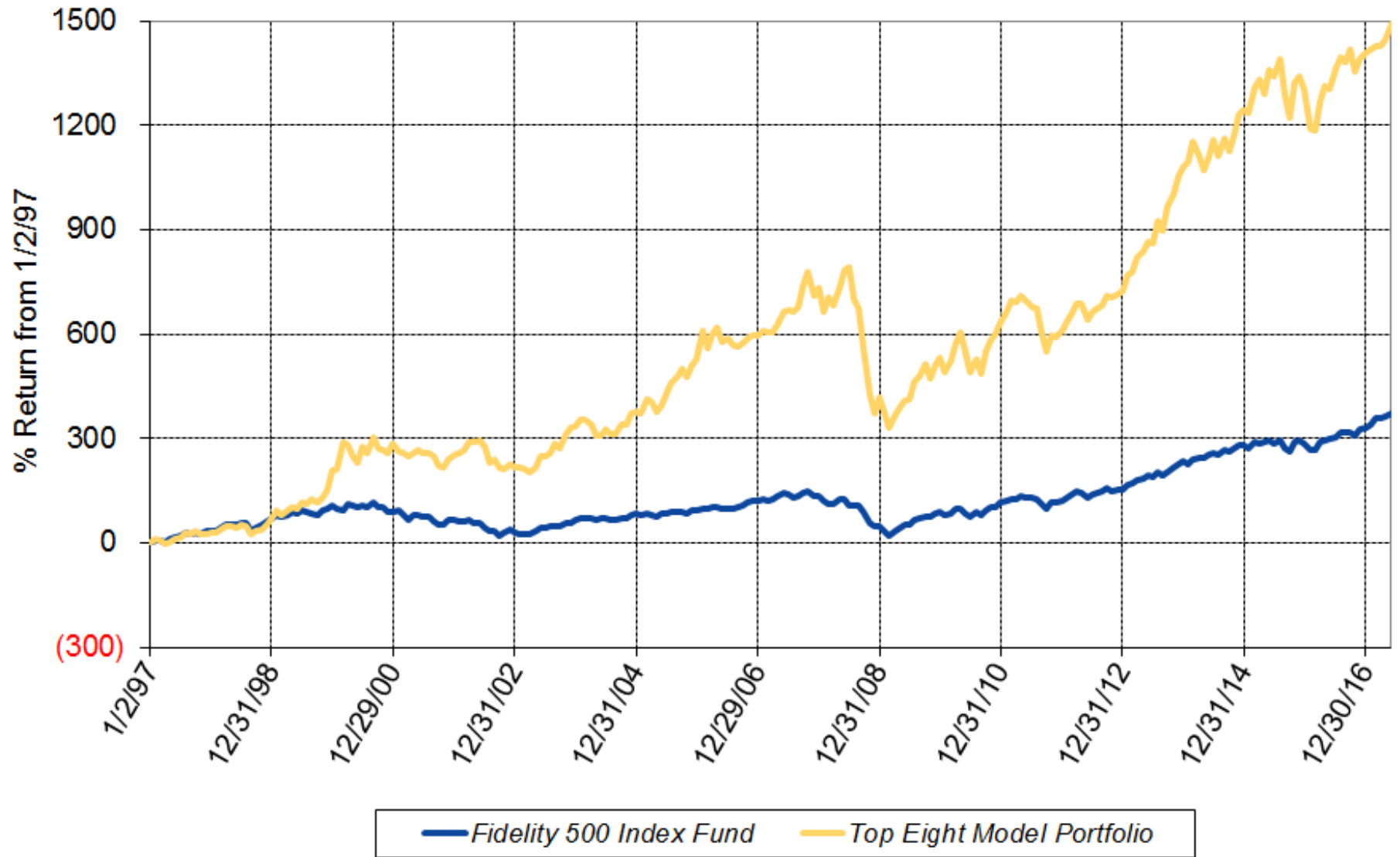
Sell on June 5, 2017

Buy on June 5, 2017

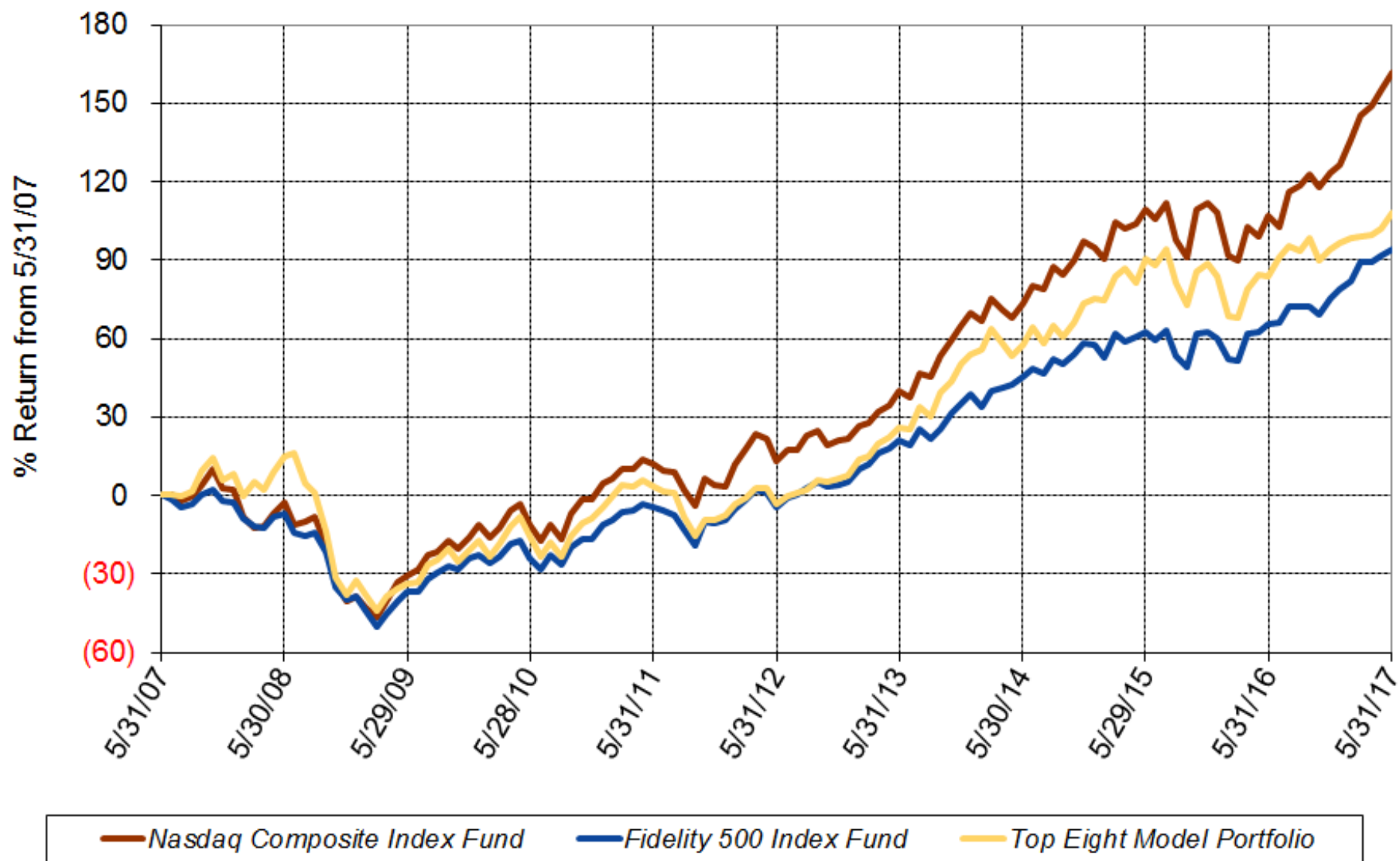
Hold

Fundranker Performance for May 2017													
4/28 Funds	4/28 Shares	4/28 Amount	<=5/5 Div Shrs	5/5 Shares	5/5 Amount	5/5 Funds	5/5 Shares	5/5 Amount	>5/5 Div Shrs	5/31 Shares	5/31 Amount	May Return	
FSELX	454.744	45,265.22	none	454.744	45,970.07	FSPTX	298.347	46,757.00	none	298.347	48,991.56		
FDCPX	541.241	46,357.29	none	541.241	47,185.39	FDCPX	536.327	46,757.00	none	536.327	46,896.43		
FSPTX	307.303	47,435.29	none	307.303	48,160.53	FSCSX	316.632	46,757.00	none	316.632	47,903.26		
FSCHX	288.035	45,665.07	none	288.035	45,693.87	FSELX	462.528	46,757.00	none	462.528	49,180.60		
FSRBX	1,433.952	45,484.96	none	1,433.952	46,072.88	FDLSX	300.109	46,757.00	none	300.109	48,425.59		
FBMPX	558.729	46,178.95	none	558.729	45,301.75	FSDAX	333.883	46,757.00	none	333.883	47,695.19		
FSCSX	326.322	47,669.12	none	326.322	48,187.97	FSMEX1	1,074.133	46,757.00	none	1,074.133	47,197.40		
FSMEX1	1,090.825	47,330.90	none	1,090.825	47,483.61	FSCHX	294.737	46,757.00	none	294.737	45,734.34		
Top Eight		371,386.80			374,056.07			374,056.00			382,024.37	2.864	
FNCMX1	1,673.709	133,160.29	none						none	1,673.709	136,708.55	2.665	
FUSEX1	1,331.473	111,084.79	none						none	1,331.473	112,642.62	1.402	
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	5.647							
Nasdaq Composite Index Fund				6.818	8.787	15.645							
Fidelity 500 Index Fund - Investor Class				1.366	11.870	8.617							
Lifetime Summary				1/2/97 to 5/31/17		1/2/97 to 5/31/17							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				1,491.768		14.516							
Nasdaq Composite Index Fund				N/A		N/A							
Fidelity 500 Index Fund - Investor Class				369.344		7.867							
10-Year Summary				5/31/07 to 5/31/17		5/31/07 to 5/31/17							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				107.878		7.592							
Nasdaq Composite Index Fund				161.643		10.096							
Fidelity 500 Index Fund - Investor Class				94.098		6.857							
5-Year Summary				5/31/12 to 5/31/17		5/31/12 to 5/31/17							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				115.114		16.556							
Nasdaq Composite Index Fund				131.678		18.298							
Fidelity 500 Index Fund - Investor Class				104.029		15.329							
3-Year Summary				5/30/14 to 5/31/17		5/30/14 to 5/31/17							
				Total Return %		Average Annual Return %							
<i>Top Eight Model Portfolio</i>				31.871		9.660							
Nasdaq Composite Index Fund				50.950		14.713							
Fidelity 500 Index Fund - Investor Class				33.343		10.067							
1-Year Summary				5/31/16 to 5/31/17		5/31/16 to 5/31/17							
				Total Return %									
<i>Top Eight Model Portfolio</i>				13.289									
Nasdaq Composite Index Fund				26.504									
Fidelity 500 Index Fund - Investor Class				17.372									

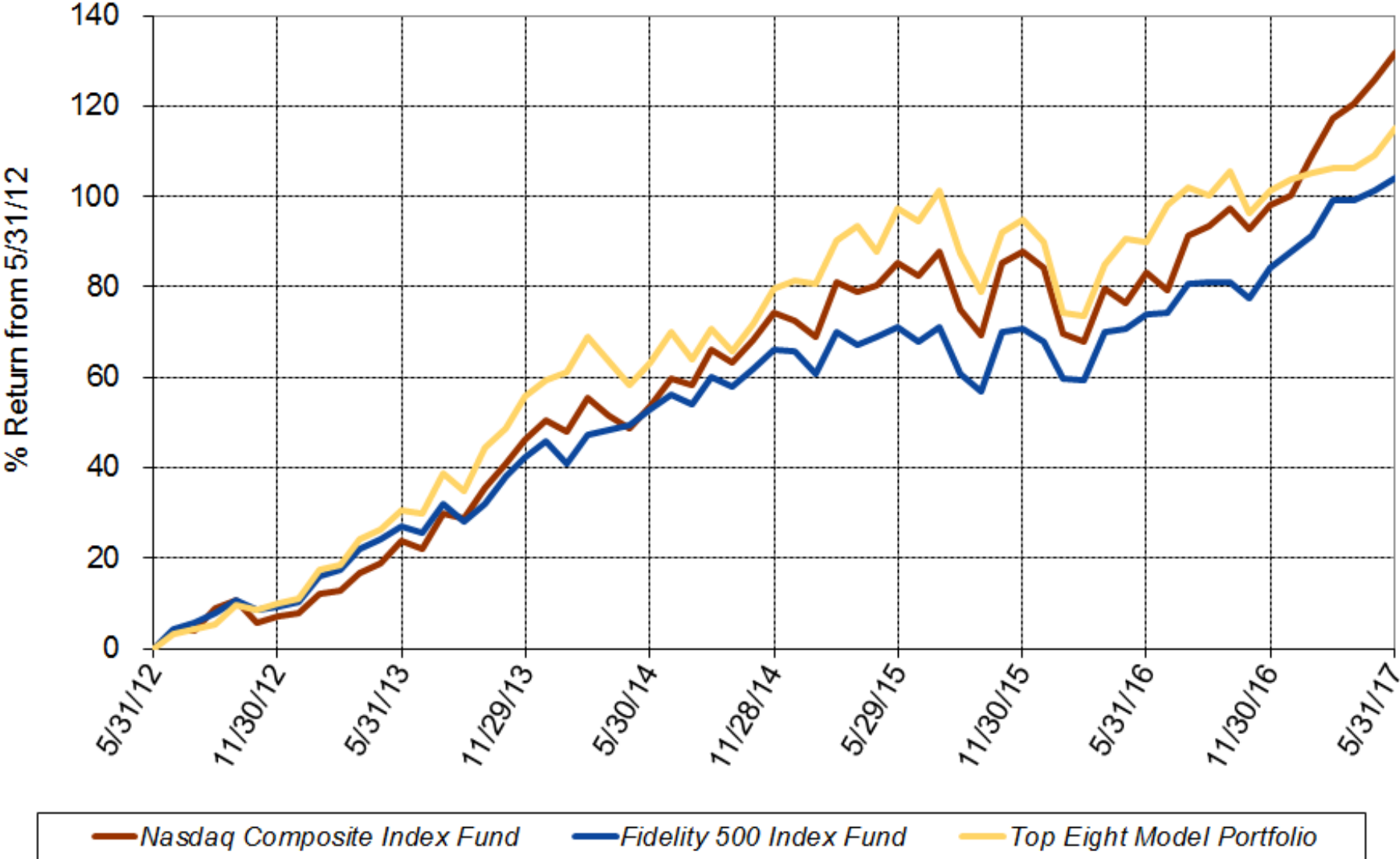
Lifetime Chart



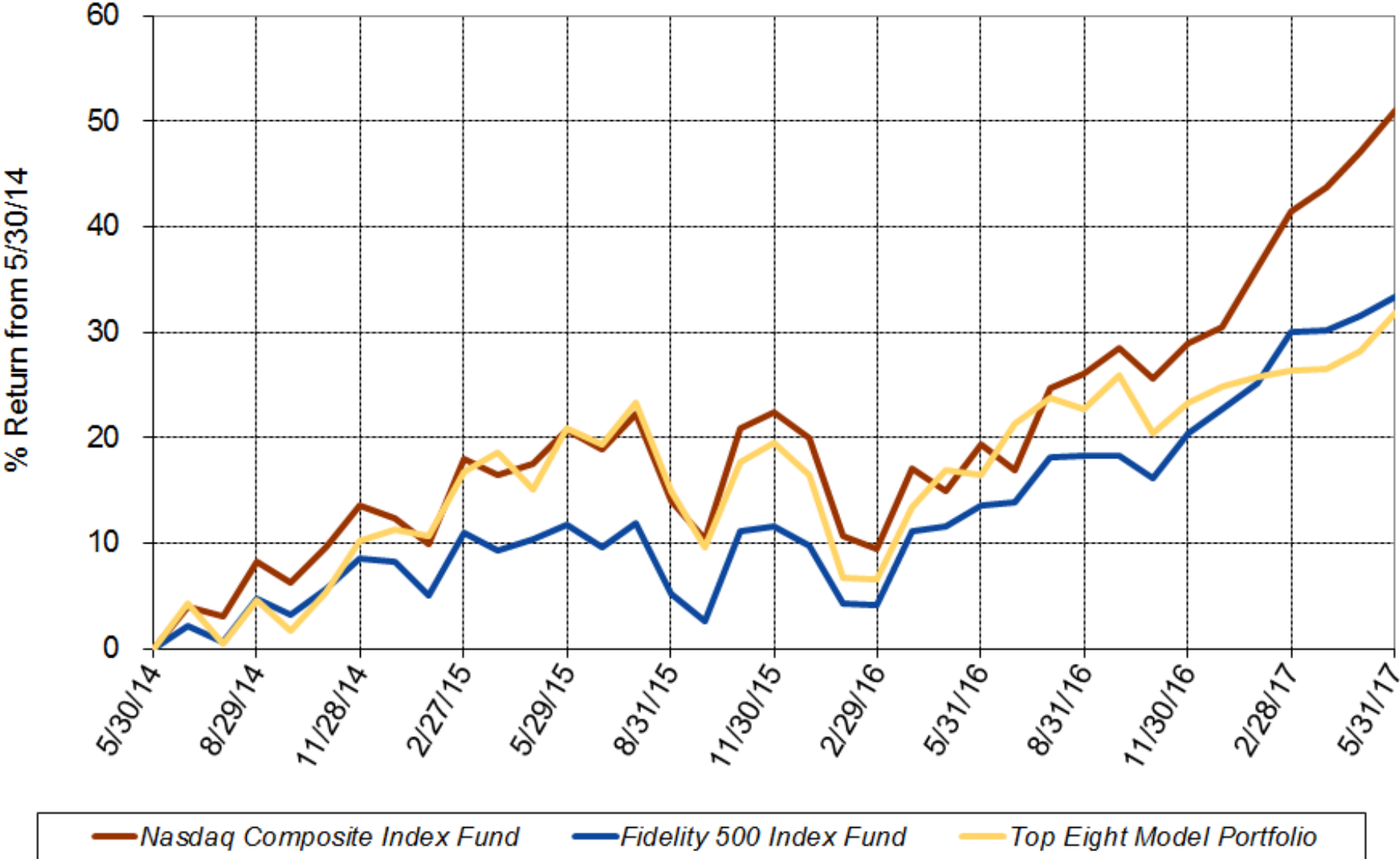
10-Year Chart



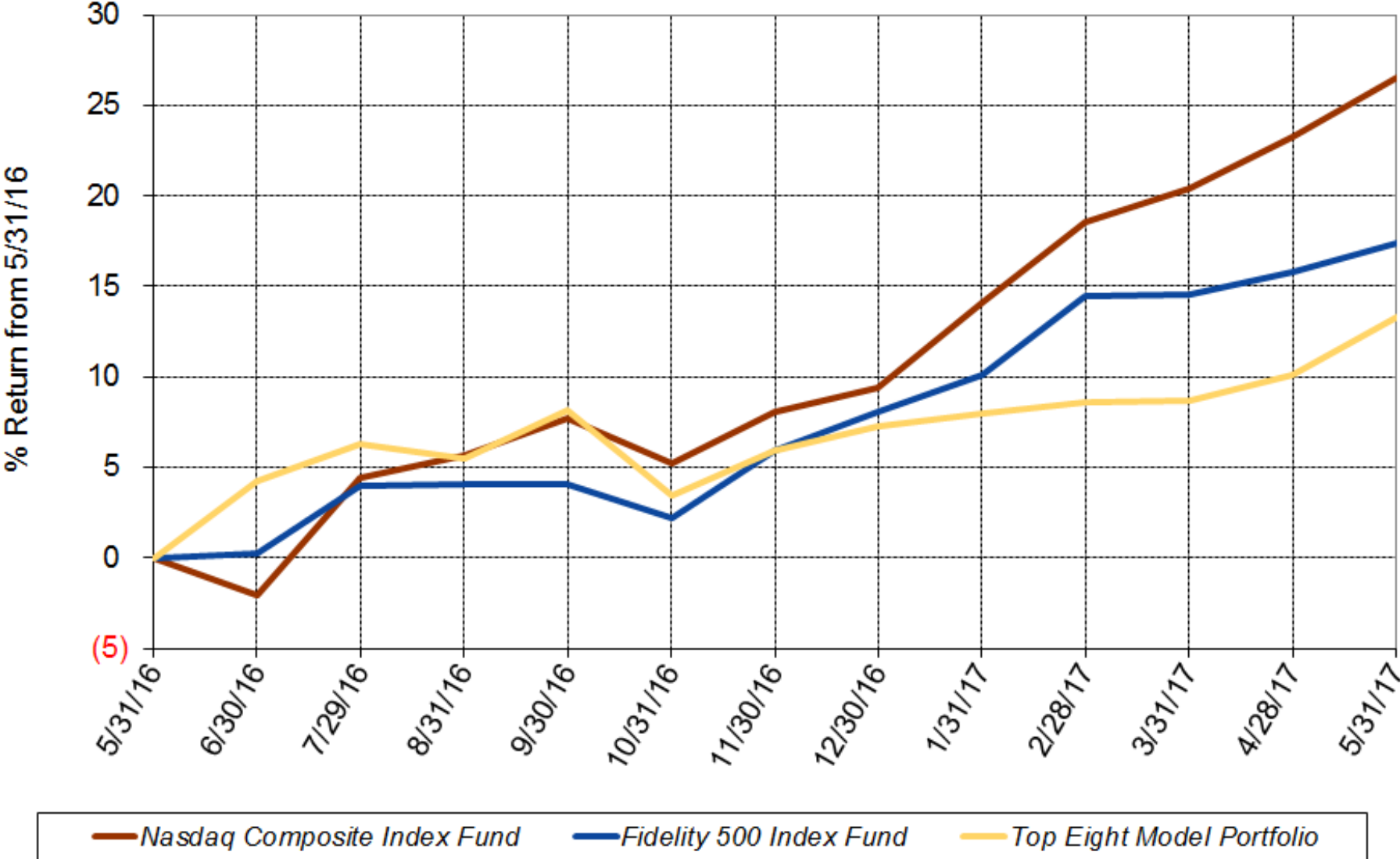
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart May 2017

