

# FIDELITY SELECT FUNDRANKER™

Volume 12 Issue 10

The Right Funds at the Right Time

October 2017

## Broad Market Sets More New Highs in September

The broad market S&P 500 Index hit a number of new all-time highs on a total return basis (including reinvested dividends) in September, culminating in an all-time high at month end. The tech-heavy Nasdaq Composite Index hit a number of all-time highs on a total return basis in September and at month end, as well.

The current bull market now has lasted eight years and seven months. Only one bull market since WW II has lasted longer—from October, 1990, to March, 2000.

All eight *Top Eight Model Portfolio* funds gained value in September. Air Transportation, Defense & Aerospace, and Semiconductors led the way with one-month gains of 4.63%, 4.55%, and 4.21%. IT Services, Biotechnology, and Technology added one-month gains of 2.49%, 1.98%, and 1.01%. Software & IT Services and Computers eked out gains of 0.62% and 0.19%.

In September, the *Top Eight Model Portfolio* gained 2.211%, the Nasdaq Composite Index gained 1.072%, and the S&P 500 Index gained 2.064%. For YTD through September, the *Top Eight Model Portfolio* gained 8.656%, the Nasdaq Composite Index gained 21.478%, and the S&P 500 Index gained 14.164%.

## Final Performance of Funds Sold on September 5

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

Fund	Bought	Sold	Return
Brokerage & Inv Mgmt (FSLBX)	7/5/2017	9/5/2017	(1.77)%
Insurance (FSPCX)	8/4/2017	9/5/2017	(5.75)%

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

*Fundranker's Top Eight Model Portfolio* hit five new all-time highs in September, its first new highs since June 2, and closed out the month at an all-time high. From the *Top Eight Model Portfolio's* hypothetical start date on January 2, 1997, through September 29, 2017, at its most recent all-time high, it gained 1,537.104% on a total return basis. Over the same time period, the S&P 500 Index, also at its most recent all-time high on a total return basis, gained 393.313%.

## Top Eight Model Portfolio Composition

In October, our *Top Eight Model Portfolio* shifts dramatically out of funds in Morningstar's Technology category. After our October exchanges we will hold three of six Industrials category Select funds, only one of six Technology category Select Funds, one of two Natural Resources category Select funds, two of five Financial category Select Funds, and one of five Consumer Cyclical category Select funds.

## Debt Ceiling Fight Kicked Forward to December

In early September, President Trump surprised everybody by undercutting his own party and making a deal with Democrats Chuck Schumer and Nancy Pelosi to push the debt ceiling fight forward to December and to keep the government operating until then, as well. Congress sets spending in yearly budgets, but it also limits borrowing by statute, and the two are frequently in conflict. See [Democrats Dance with Donald Trump on Debt-Ceiling Repeal](#) at The Atlantic for further discussion.

## Schwab Market Perspective

Schwab's latest market perspective article, [A Cat and Mouse Fall](#) discusses the low broad market impact of two, back-to-back, mainland hurricanes, the continued cat and mouse game between

## Web Roll of Interesting Sites

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

North Korea and the United States, faster U.S. economic growth, the Federal Reserve's internal cat and mouse game of whether to continue its normalization of rates, the imminent start of a slow unwinding of the Fed's massive balance sheet (see [How Will the Fed Reduce its Balance Sheet?](#) at Investopedia for an in-depth discussion of that topic), and excessive versus rational global optimism. Schwab's bottom line: they expect the bull market to continue.

## Fund Spotlight

[Multimedia](#), one of five Select funds in Morningstar's Consumer Cyclical category, began operations on 6/30/1986. The fund primarily invests in companies engaged in development, production, sale and distribution of goods or services used in the broadcast and media industries. [Nidhi Gupta](#) has managed the fund since 1/19/2013. As of 6/30/2017, the fund's top 10 holdings made up 71.95% of the portfolio. Its top five holdings were Comcast Corp, Walt Disney Co, Charter Communications Inc, Facebook Inc, and Time Warner Inc.

*Fundranker's Top Eight Model Portfolio* has held Multimedia 14 times for a total of 53 months with an average monthly gain of 1.76%. The longest we held the fund was for 15 months from 7/2/2012 through 10/2/2013 for a gain of 48.88%.

## 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 October 2017

Fund Name (Symbol)	Purchase	Return to 9/29
1. Defense & Aerospace (FSDAX)	8/4/2017	6.54%
2. Technology (FSPTX)	3/6/2017	24.13%
3. Chemicals (FSCHX)	10/5/2017	
4. Brokerage & Inv Mgmt (FSLBX)	10/5/2017	
5. Transportation (FSRFX)	10/5/2017	
6. Air Transportation (FSAIX)	9/5/2017	5.95%
7. Consumer Finance (FSVLX)	10/5/2017	
8. Automotive (FSAVX)	10/5/2017	

Funds to be sold on October 5:

9. IT Services (FBSOX)	8/4/2017	3.82%
11. Semiconductors (FSELX)	8/4/2017	7.12%
13. Software & IT Services (FSCSX)	4/5/2017	14.51%
14. Biotechnology (FBIOX)	9/5/2017	2.18%
20. Computers (FDCPX)	8/4/2017	1.25%

## Fundranker Exchanges for October 5

Sell Biotechnology (FBIOX), buy Chemicals (FSCHX)  
Sell Software & IT Services (FSCSX), buy Bro & Inv Mgmt (FSLBX)  
Sell IT Services (FBSOX), buy Transportation (FSRFX)  
Sell Semiconductors (FSELX), buy Consumer Finance (FSVLX)  
Sell Computers (FDCPX), buy Automotive (FSAVX)

## Start a New Portfolio

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

## Optional Rebalancing Exchange Dates

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

## Upcoming Fundranker Exchange Date

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

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<i>Fundranker Ratings for 9/29/17</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)	34.26*	15.30*	6.29	4.63	17.120	6
Automotive (FSAVX)	22.13	12.04*	10.61*	7.33*	16.028	8
Banking (FSRBX)	34.77*	5.76	4.15	7.57*	15.063	10
Biotechnology (FBIOX)	21.30	15.50*	10.26*	1.98	14.260	14
Brokerage & Investment Mgmt (FSLBX)	33.50*	14.42*	6.46	5.35*	17.933	4
Chemicals (FSCHX)	33.61*	10.83*	10.58*	5.44*	19.115	3
Communications Equipment (FSDCX)	8.85	0.97	1.11	1.56	3.123	33
Computers (FDCPX)	24.12	6.13	5.63	0.19	9.018	20
Construction & Housing (FSHOX)	17.27	6.71	3.52	4.77*	9.068	19
Consumer Discretionary (FSCPX)	10.27	3.02	0.75	0.94	3.745	30
Consumer Finance (FSVLX)	25.79*	11.11*	7.06*	4.77*	16.183	7
Consumer Staples (FDFAX)	5.35	(1.03)	(3.32)	(1.00)	0.000	37
Defense & Aerospace (FSDAX)	37.91*	20.02*	13.80*	4.55	22.070	1
Energy (FSENX)	(5.87)	(5.40)	7.05*	10.87*	3.663	32
Energy Service (FSESX)	0.65	(10.68)	8.07*	15.29*	5.333	27
Environment & Alternative Energy (FSLEX)	23.27	8.36	2.46	3.88	9.493	17
Financial Services (FIDSX)	30.46*	9.48	5.44	5.46*	14.710	11
Gold (FSAGX)	(13.06)	(1.08)	2.47	(6.36)	(4.508)	39
Health Care (FSPHX)	15.34	12.02*	3.63	1.30	9.073	18
Health Care Services (FSHCX)	19.14	8.30	(1.17)	(0.36)	6.478	26
Industrial Equipment (FSCGX)	16.58	8.84	6.25	4.34	9.003	21
Industrials (FCYIX)	19.90	7.80	5.04	4.79*	10.383	16
Insurance (FSPCX)	21.63	7.62	2.99	2.89	8.783	22
IT Services (FBSOX)	24.69*	15.23*	8.58*	2.49	15.748	9
Leisure (FDLSX)	23.05	9.75	1.65	0.45	8.725	23
Materials (FSDPX)	23.18	9.57	7.25*	3.57	11.893	15
Medical Equipment & Systems (FSMEX)	12.13	9.14	(0.86)	(0.84)	4.893	29
Multimedia (FBMPX)	17.38	(0.75)	0.89	(2.73)	3.698	31
Natural Gas (FSNGX)	(8.62)	(10.91)	5.08	10.19*	(0.065)	38
Natural Resources (FNARX)	(5.46)	(4.23)	6.65	9.60*	2.640	35
Pharmaceuticals (FPHAX)	3.02	6.01	0.84	1.00	2.718	34
Retailing (FSRPX)	11.31	3.76	2.31	3.75	5.283	28
Semiconductors (FSELX)	26.38*	10.62	9.63*	4.21	14.710	11
Software & IT Services (FSCSX)	25.23*	14.01*	6.88*	0.62	14.685	13
Technology (FSPTX)	37.95*	20.07*	10.28*	1.01	20.328	2
Telecommunications (FSTCX)	6.29	0.44	2.73	(1.14)	2.080	36
Transportation (FSRFX)	29.02*	13.91*	6.19	7.53*	17.163	5
Utilities (FSUTX)	16.20	8.25	4.85	(2.18)	6.780	25
Wireless (FWRLX)	18.83	5.71	4.65	(1.78)	6.853	24

\*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

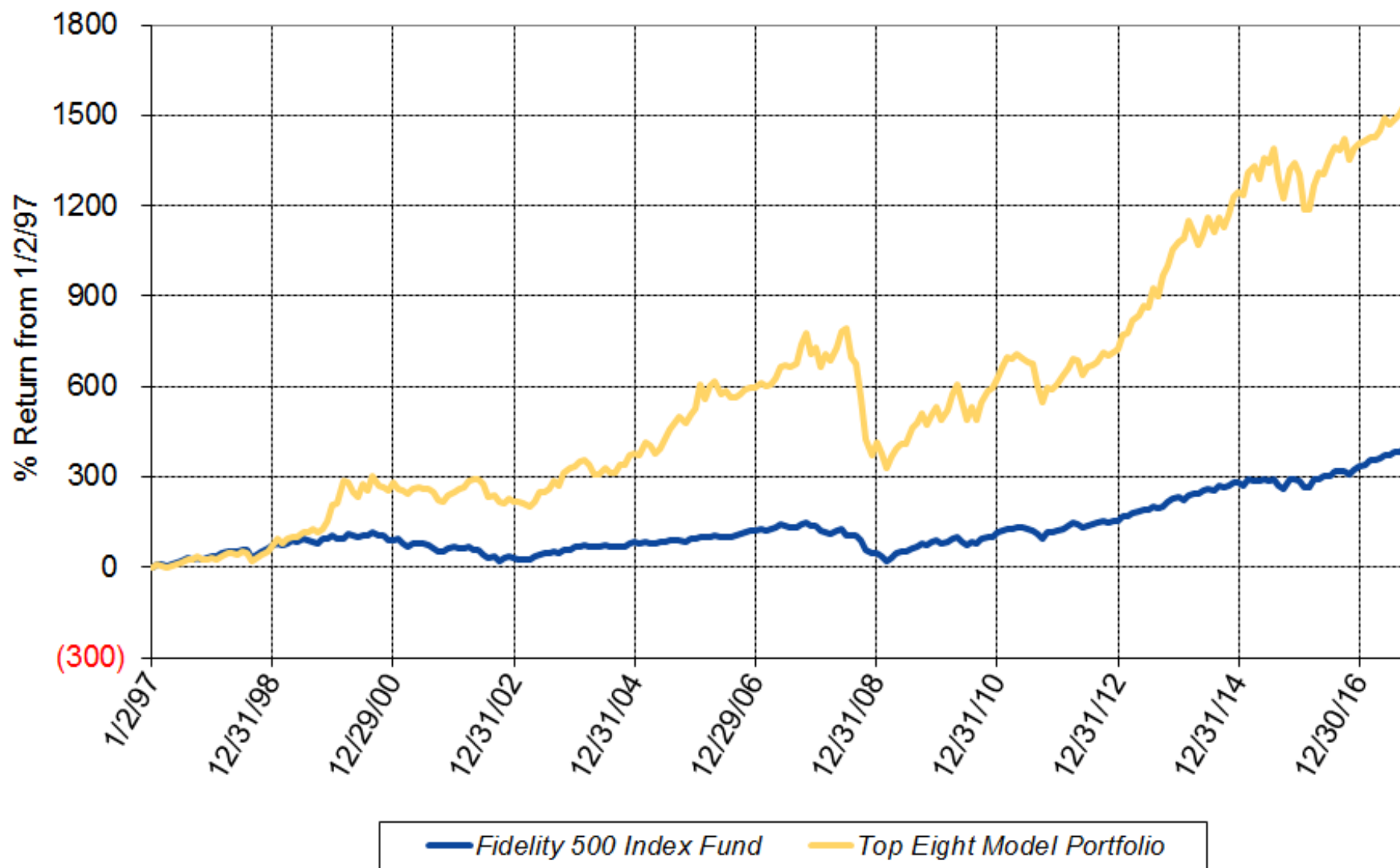
Sell on October 5, 2017

Buy on October 5, 2017

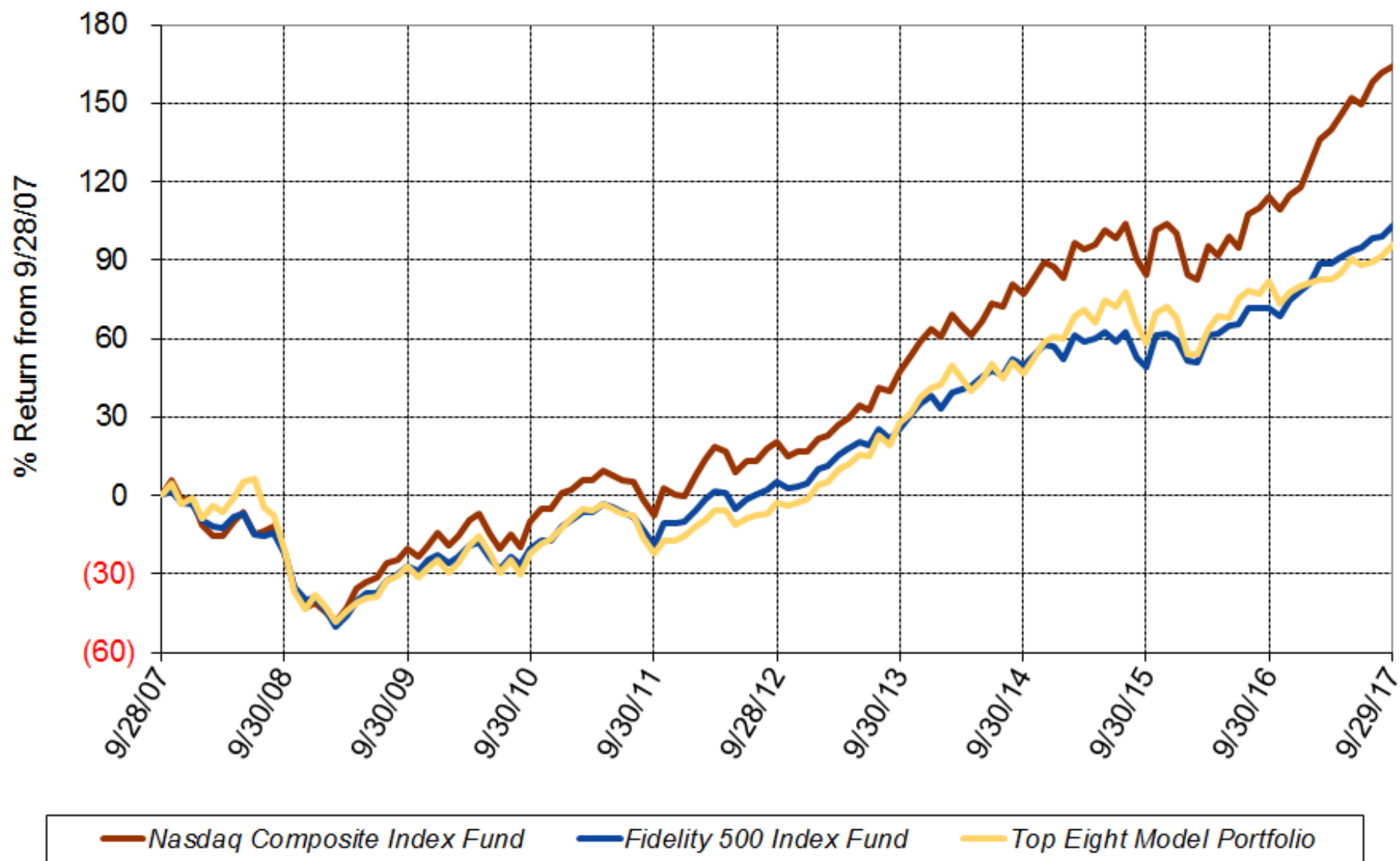
Hold

Fundranker Performance for September 2017												
8/31 Funds	8/31 Shares	8/31 Amount	<=9/5 Div Shrs	9/5 Shares	9/5 Amount	9/5 Funds	9/5 Shares	9/5 Amount	>9/5 Div Shrs	9/29 Shares	9/29 Amount	Sep Return
FSPTX	279.059	49,044.62	none	279.059	48,815.79	FSPTX	271.918	47,566.59	none	271.918	48,273.60	
FSLBX	626.872	46,996.59	none	626.872	46,319.57	FBIOX	208.799	47,566.59	none	208.799	48,602.14	
FSCSX	307.705	48,663.55	none	307.705	48,211.22	FSDAX	310.751	47,566.59	none	310.751	50,220.47	
FSDAX	313.994	48,537.19	none	313.994	48,063.06	FSCSX	303.591	47,566.59	none	303.591	48,310.44	
FDCPX	539.103	48,131.12	none	539.103	47,823.83	FBSOX	952.475	47,566.59	none	952.475	48,957.22	
FBSOX	962.022	48,245.40	none	962.022	48,043.38	FSELX	448.996	47,566.59	none	448.996	50,179.79	
FSPCX	552.100	45,829.82	none	552.100	44,891.25	FSAIX	596.073	47,566.59	none	596.073	50,397.97	
FSELX	456.529	48,958.17	none	456.529	48,364.68	FDCPX	536.203	47,566.59	none	536.203	47,963.36	
<b>Top Eight</b>		<b>384,406.46</b>			<b>380,532.78</b>			<b>380,532.70</b>			<b>392,904.99</b>	<b>2.211</b>
FNCMX1,673.709	142,081.16		none						none	1,673.709	143,604.23	1.072
FUSEX1,337.798	116,000.46		none						none	1,337.798	118,395.12	2.064
<b>Yearly Summaries</b>				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)			
<b>Yearly Summaries</b>				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)			
<b>Yearly Summaries</b>				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			
<b>Yearly Summaries</b>				2015	2016	2017 YTD						
				Return %	Return %	Return %						
<i>Top Eight Model Portfolio</i>				4.592	7.248	8.656						
Nasdaq Composite Index Fund				6.818	8.787	21.478						
Fidelity 500 Index Fund - Investor Class				1.366	11.870	14.164						
<b>Lifetime Summary</b>				1/2/97 to 9/29/17		1/2/97 to 9/29/17						
				Total Return %		Average Annual Return %						
<i>Top Eight Model Portfolio</i>				1,537.104		14.422						
Nasdaq Composite Index Fund				N/A		N/A						
Fidelity 500 Index Fund - Investor Class				393.313		7.995						
<b>10-Year Summary</b>				9/28/07 to 9/29/17		9/28/07 to 9/29/17						
				Total Return %		Average Annual Return %						
<i>Top Eight Model Portfolio</i>				95.666		6.943						
Nasdaq Composite Index Fund				164.420		10.212						
Fidelity 500 Index Fund - Investor Class				103.342		7.355						
<b>5-Year Summary</b>				9/28/12 to 9/29/17		9/28/12 to 9/29/17						
				Total Return %		Average Annual Return %						
<i>Top Eight Model Portfolio</i>				101.742		15.069						
Nasdaq Composite Index Fund				119.967		17.077						
Fidelity 500 Index Fund - Investor Class				93.717		14.139						
<b>3-Year Summary</b>				9/30/14 to 9/29/17		9/30/14 to 9/29/17						
				Total Return %		Average Annual Return %						
<i>Top Eight Model Portfolio</i>				33.358		10.071						
Nasdaq Composite Index Fund				49.218		14.272						
Fidelity 500 Index Fund - Investor Class				35.823		10.745						
<b>1-Year Summary</b>				9/30/16 to 9/29/17		9/30/16 to 9/29/17						
				Total Return %								
<i>Top Eight Model Portfolio</i>				7.728								
Nasdaq Composite Index Fund				23.398								
Fidelity 500 Index Fund - Investor Class				18.504								

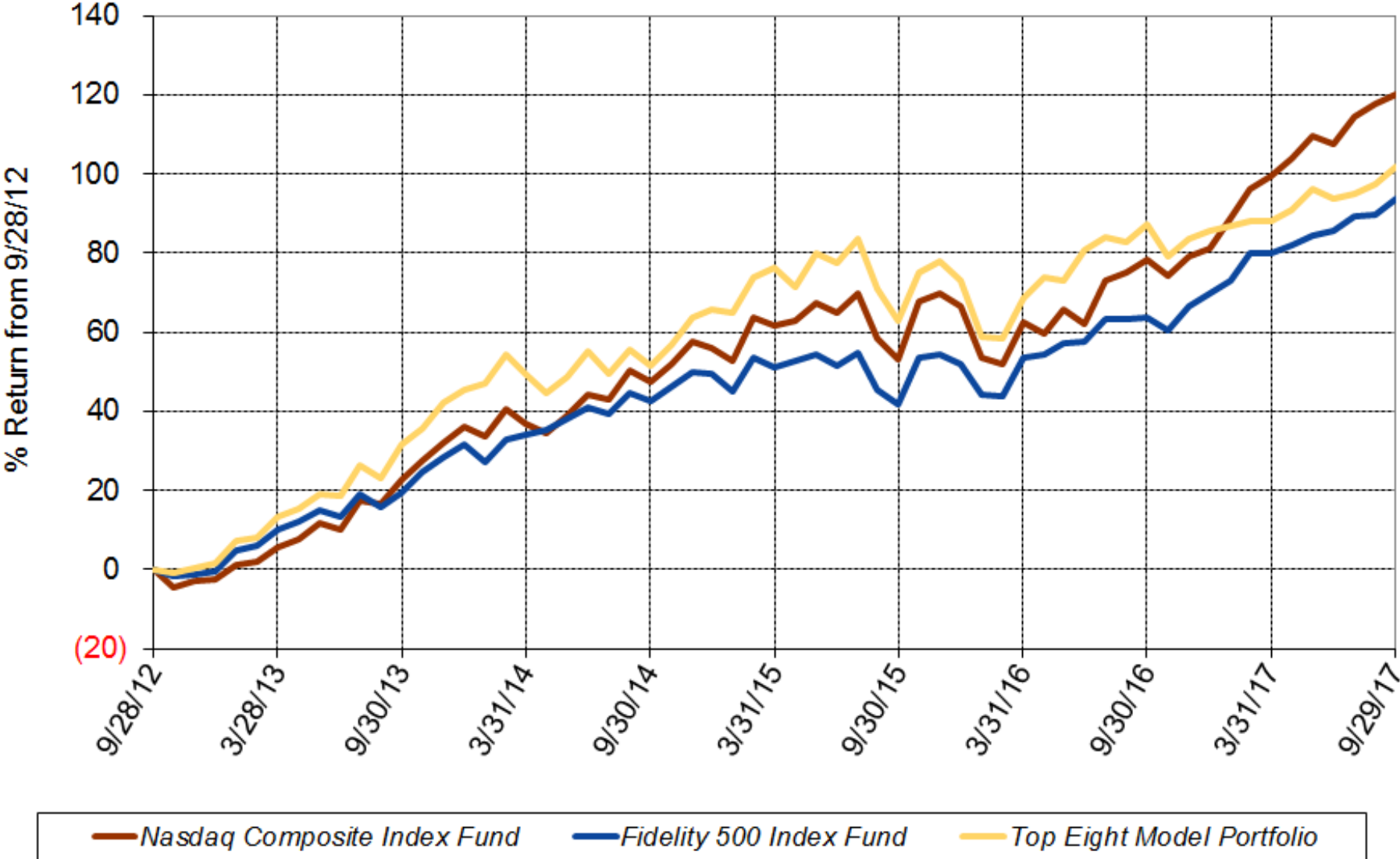
### Lifetime Chart



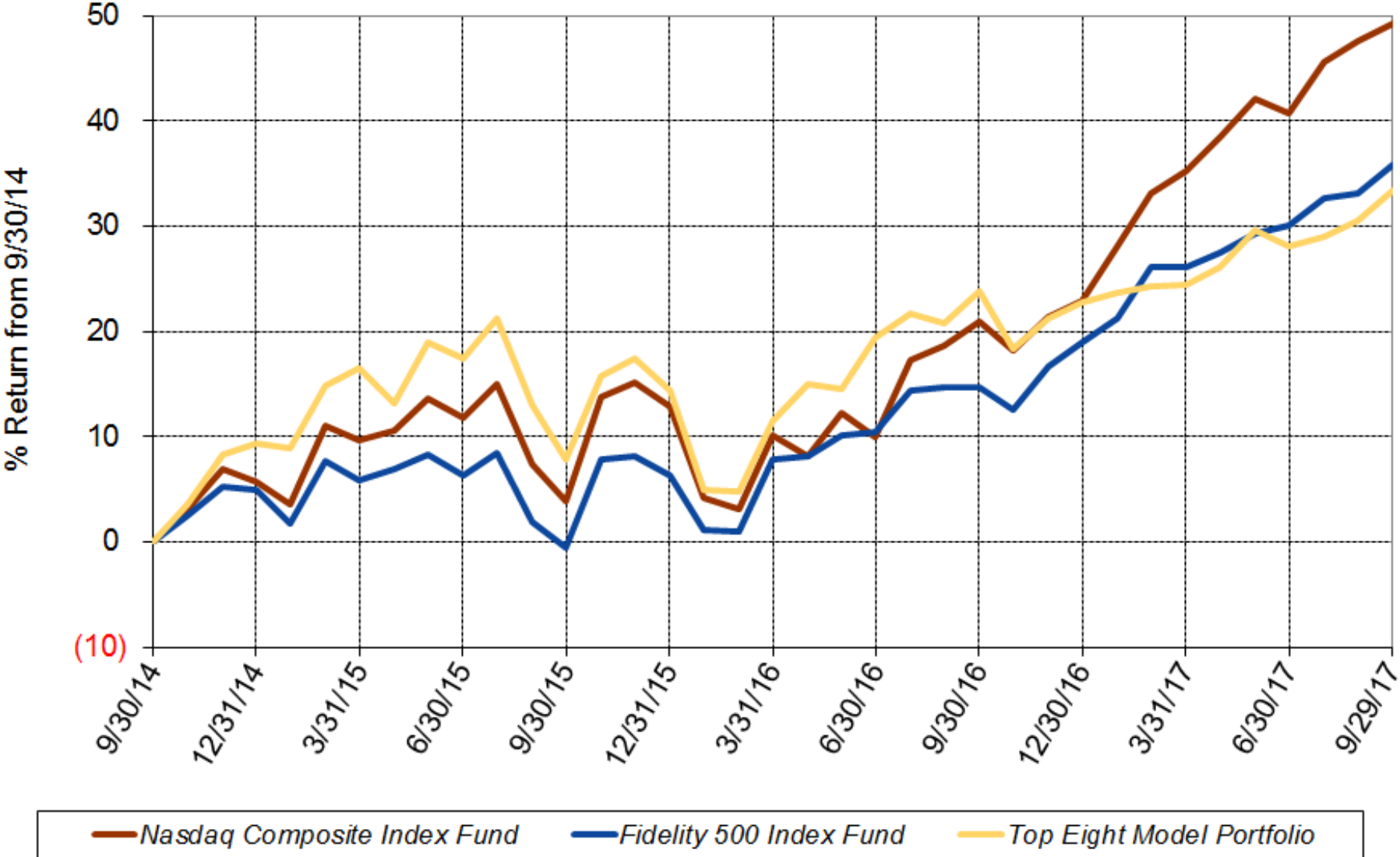
### 10-Year Chart



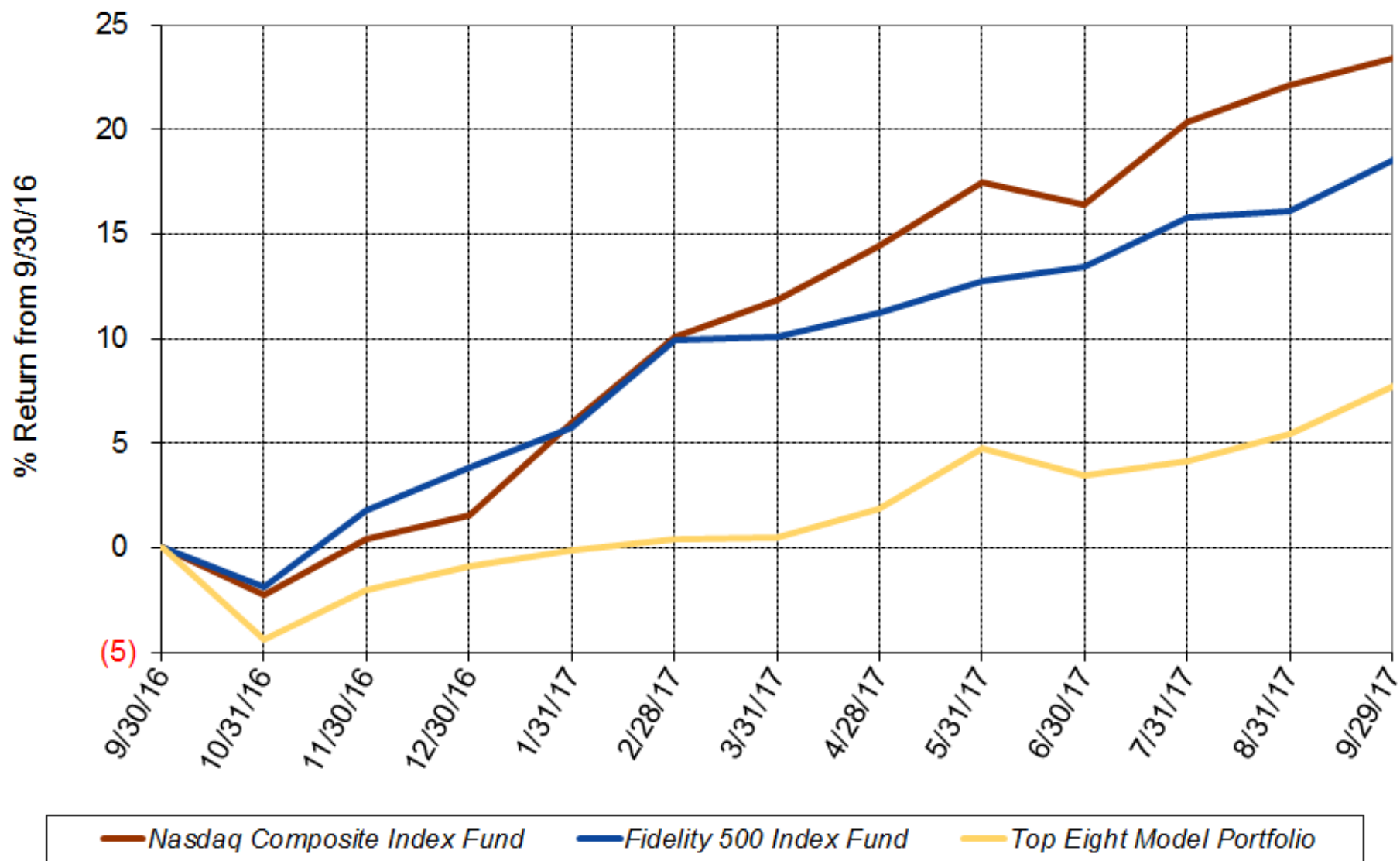
### 5-Year Chart



### 3-Year Chart



### 1-Year Chart





### Daily Chart August 2017

