

FIDELITY SELECT FUNDRANKER™

Volume 12 Issue 12

The Right Funds at the Right Time

December 2017

Broad Market Continues Setting New Highs

The broad market S&P 500 Index extended its string of monthly new all-time highs (on a total return basis, that is, including reinvested dividends) to seven months in a row and 12 of the last 13 months. The tech-heavy Nasdaq Composite Index has hit new all-time highs for 13 months in a row on a total return basis.

Seven *Top Eight Model Portfolio* funds gained value in November. Semiconductors, Defense & Aerospace, and IT Services led with one-month gains of 4.15%, 2.95%, and 2.72%. Computers and Software & IT Services added one-month gains of 1.91% and 1.11%. Technology and Chemicals managed one-month gains of 0.45% and 0.14%. Materials trailed with a one-month loss of 0.18%.

In November, the *Top Eight Model Portfolio* gained 0.669%, the Nasdaq Composite Index gained 2.272%, and the S&P 500 Index gained 3.051%. For YTD through November, the *Top Eight Model Portfolio* gained 11.924%, the Nasdaq Composite Index gained 28.727%, and the S&P 500 Index gained 20.385%.

Final Performance of Funds Sold on November 6

Fundranker exchanged five funds on November 6. Here are the returns they contributed to the *Top Eight Model Portfolio*:

Fund	Bought	Sold	Return
Air Transportation (FSAIX)	9/5/2017	11/6/2017	5.84%
Automotive (FSAVX)	10/5/2017	11/6/2017	(0.18)%
Brokerage & Inv Mgmt (FSLBX)	10/5/2017	11/6/2017	(0.74)%
Consumer Finance (FSVLX)	10/5/2017	11/6/2017	2.22%
Transportation (FSRFX)	10/5/2017	11/6/2017	(0.77)%

Top Eight Model Portfolio Hits New All-Time Highs

Fundranker's Top Eight Model Portfolio hit several new all-time highs in November, most recently on November 28, and extended its run of monthly new all-time highs to three months in a row and eight of the last 13 months. From the *Top Eight Model Portfolio's* hypothetical start date on January 2, 1997, through November 28, 2017, it gained 1,608.293% on a total return basis. Over the same time period, the S&P 500 Index, also at an all-time high on a total return basis, gained 413.436%.

Top Eight Model Portfolio Composition

In December, our *Top Eight Model Portfolio* reduces its holdings in Morningstar's Technology category in favor of Morningstar's Financial category and more diversification. After our December exchanges, we will hold three of six Technology category Select funds, two of five Financial category Select funds, one of five Consumer Cyclical category Select funds, one of six Industrials category Select funds, and one of two Natural Resources category Select funds.

Today's Rational Exuberance

Anotole Kaletsky, Chief Economist and Co-Chairman of Gavekal Dragonomics, columnist at *Project Syndicate*, former columnist at the *Times of London*, the *International New York Times* and the *Financial Times*, recently wrote an article, [Today's Rational Exuberance](#). He contends that what many analysts still see as a temporary bubble, pumped up by artificial and unsustainable monetary stimulus, is maturing into a structural expansion of economic activity, profits, and employment that probably has many more years to run, and that there are at least four reasons for such optimism.

Web Roll of Interesting Sites

[Bureau of Economic Analysis 2017 News Release Schedule](#)
[CME Group FedWatch Tool](#)
[Fidelity Viewpoints](#)
[Project Syndicate](#)
[Schwab Market Perspective \(Incredible, Amazing...Unstop-a-bull?\)](#)
[Trading Economics US GDP Annual Growth Rate Forecast](#)

Fidelity Viewpoints Article

Jurrien Timmer, Director of Global Macro for Fidelity, recently published a Fidelity Viewpoints article, [The missing ingredients for a bear market](#). His key takeaways: rising inflation often forces the Fed to increase rates; at the end of an economic expansion, built up debt used to buy assets typically helps determine how bad a subsequent downturn might be; and, at this point, with inflation running well below the Fed's 2% target and a lack of widespread leverage, we're not seeing some of the makings of a nasty bear market.

Mr. Timmer contends that a lack of inflation can mean an extended Goldilocks environment for stocks. He sees pockets of excess leverage but certainly not a widespread excess. He believes this combination does not provide the ingredients for a downturn.

Fund Spotlight

[Natural Resources](#), one of four Select funds in Morningstar's Equity Energy category, began operations on 3/3/1997. The fund primarily invests in companies that own or develop natural resources, or supply goods and services to such companies. [John Dowd](#) and [Nathan Strik](#) have managed the fund since 5/1/2006 and 10/23/2017, respectively. As of 9/30/2017, the fund's top 10 holdings made up 40.11% of the portfolio; its top five holdings were EOG Resources Inc, Diamondback Energy Inc, Halliburton Co, Pioneer Natural Resources Co, and Chevron Corp.

Fundranker's Top Eight Model Portfolio has held *Natural Resources* 15 times for a total of 58 months with an average monthly gain of 1.07%. The longest we held the fund was for 19 months from 2/2/2005 through 9/5/2006 for a total return of 61.22%.

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 December 2017

Fund Name (Symbol)	Purchase	Return to 11/30
1. Semiconductors (FSELX)	11/6/2017	(0.01)%
2. Technology (FSPTX)	3/6/2017	33.41%
3. Brokerage & Inv Mgmt (FSLBX)	12/6/2017	
4. IT Services (FBSOX)	11/6/2017	1.61%
5. Automotive (FSAVX)	12/6/2017	
6. Defense & Aerospace (FSDAX)	8/4/2017	11.97%
7. Chemicals (FSCHX)	10/5/2017	2.41%
8. Financial Services (FIDSX)	12/6/2017	
Funds to be sold on December 6:		
10. Software & IT Services (FSCSX)	11/6/2017	0.19%
12. Computers (FDCPX)	11/6/2017	(0.97)%
23. Materials (FSDPX)	11/6/2017	0.92%

Fundranker Exchanges for December 6

Sell Software & IT Srvcs (FSCSX), buy Brkr & Inv Mgmt (FSLBX)
Sell Materials (FSDPX), buy Automotive (FSAVX)
Sell Computers (FDCPX), buy Financial Services (FIDSX)

Start a New Portfolio

December 4 ([see new portfolio FAQ](#))

Optional Rebalancing Exchange Dates

Held funds: none; New funds: Dec 6 ([see rebalancing FAQ](#))

Upcoming Fundranker Exchange Dates

If no new funds are to be exchanged, *Fundranker* will exchange on Jan 2, our [early exchange date](#); otherwise, to avoid roundtrip transactions, *Fundranker* will exchange on Jan 5, 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 Ratings for 11/30/17</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)	23.23	14.65	9.73	4.81*	14.105	16
Automotive (FSAVX)	28.76*	16.07*	12.53*	2.60	17.990	5
Banking (FSRBX)	17.90	16.76*	13.19*	3.19	14.760	15
Biotechnology (FBIOX)	18.94	15.20*	(3.95)	0.09	8.570	30
Brokerage & Investment Mgmt (FSLBX)	28.61*	20.69*	12.35*	5.46*	20.778	3
Chemicals (FSCHX)	31.03*	19.31*	10.88	0.14	17.340	7
Communications Equipment (FSDCX)	13.62	6.45	7.20	5.77*	9.260	29
Computers (FDCPX)	36.16*	11.45	9.15	1.91	15.668	12
Construction & Housing (FSHOX)	25.36	13.39	12.98*	4.58*	16.078	11
Consumer Discretionary (FSCPX)	18.76	7.12	9.35	5.33*	11.140	24
Consumer Finance (FSVLX)	22.95	17.72*	9.67	1.47	13.953	17
Consumer Staples (FDFAX)	12.48	(4.50)	0.03	2.95	2.740	33
Defense & Aerospace (FSDAX)	30.95*	18.89*	9.87	2.95	17.665	6
Energy (FSENX)	(9.91)	7.13	13.69*	2.72	4.408	32
Energy Service (FSESX)	(14.19)	(2.05)	8.57	3.05	(1.155)	37
Environment & Alternative Energy (FSLEX)	27.77*	11.34	11.52*	3.02	15.413	13
Financial Services (FIDSX)	24.51	19.91*	12.78*	3.72	17.230	8
Gold (FSAGX)	5.55	(3.00)	(11.01)	(1.65)	(2.528)	38
Health Care (FSPHX)	26.12	10.76	1.60	2.03	10.128	28
Health Care Services (FSHCX)	23.67	12.10	6.97	6.45*	13.298	19
Industrial Equipment (FSCGX)	18.21	11.12	9.66	3.80*	11.698	22
Industrials (FCYIX)	18.55	11.43	11.00*	4.45*	13.358	18
Insurance (FSPCX)	19.71	10.85	8.35	1.97	10.220	27
IT Services (FBSOX)	34.68*	16.67*	10.55	2.72	18.155	4
Leisure (FDLSX)	25.80	7.76	8.70	4.77*	12.758	21
Materials (FSDPX)	23.12	14.33	8.08	(0.18)	11.338	23
Medical Equipment & Systems (FSMEX)	33.11*	9.22	3.74	2.94	13.253	20
Multimedia (FBMPX)	11.68	(1.20)	(2.75)	2.84	2.643	34
Natural Gas (FSNGX)	(19.22)	(1.21)	6.59	(0.42)	(3.565)	39
Natural Resources (FNARX)	(7.83)	7.00	12.32*	2.41	4.475	31
Pharmaceuticals (FPHAX)	10.79	0.05	(1.89)	0.92	2.468	35
Retailing (FSRPX)	22.22	10.03	13.86*	6.36*	15.118	14
Semiconductors (FSELX)	40.54*	18.84*	17.83*	4.15*	24.340	1
Software & IT Services (FSCSX)	37.43*	13.82	8.88	1.11	16.310	10
Technology (FSPTX)	52.78*	16.19*	8.56	0.45	21.495	2
Telecommunications (FSTCX)	5.70	(0.13)	(2.16)	1.47	1.220	36
Transportation (FSRFX)	20.43	15.62*	12.90*	6.29*	16.810	9
Utilities (FSUTX)	27.63	8.85	2.63	2.51	10.405	26
Wireless (FWRLX)	28.88*	5.30	2.48	3.40	11.015	25

*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

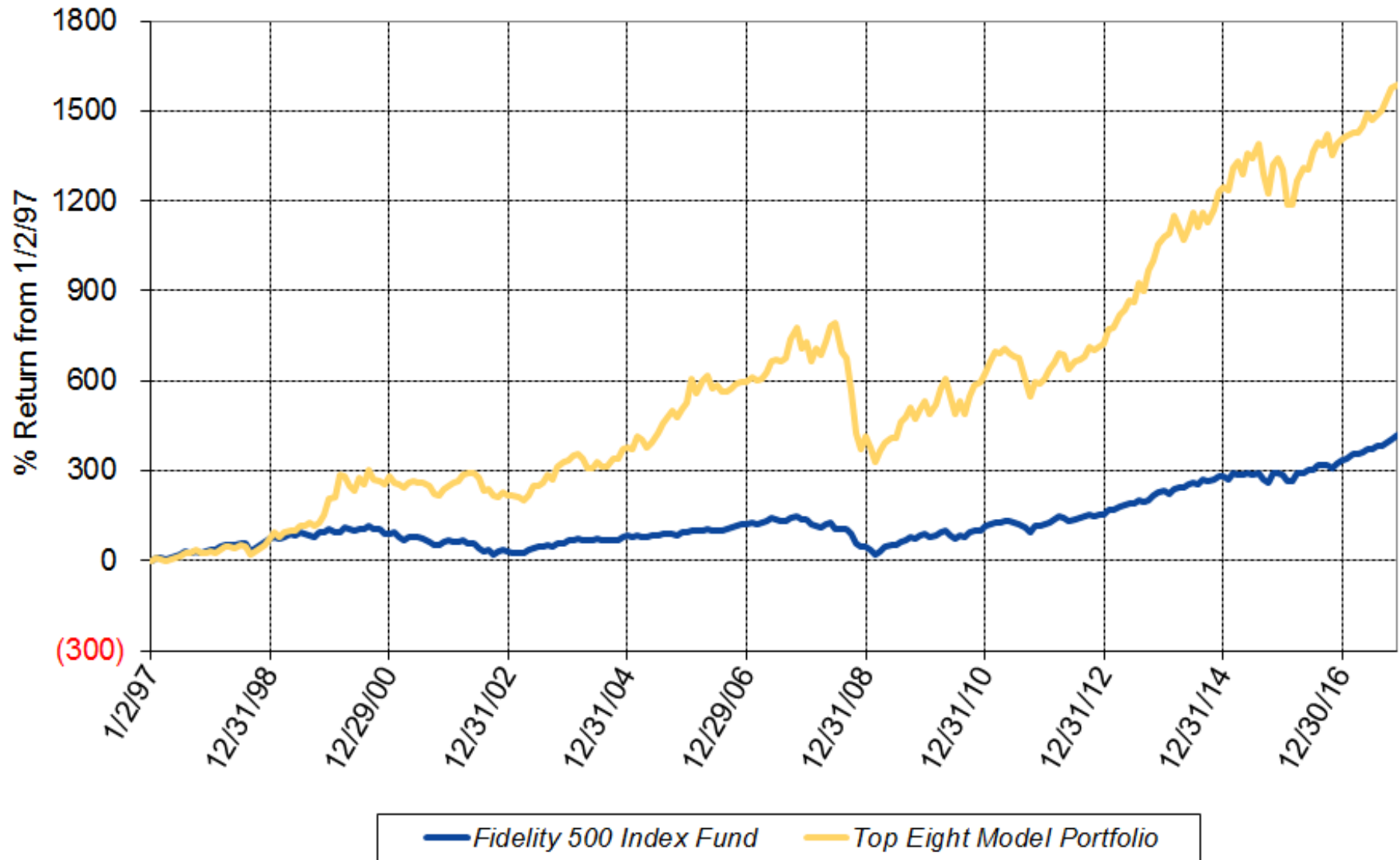
Sell on December 6, 2017

Buy on December 6, 2017

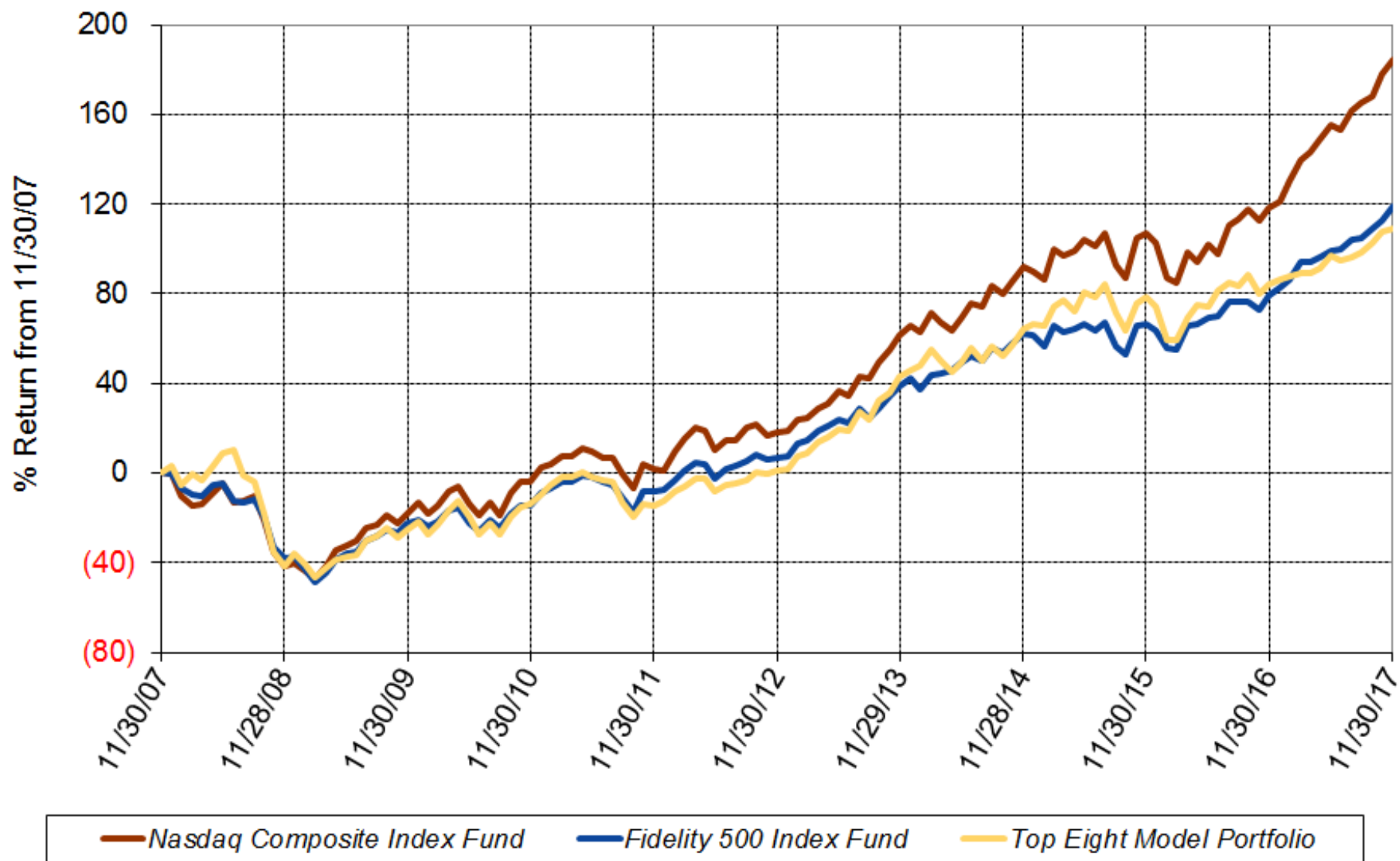
Hold

Fundranker Performance for November 2017															
10/31 Funds	10/31 Shares	10/31 Amount	<=11/6 Div Shrs	11/6 Shares	11/6 Amount	11/6 Funds	11/6 Shares	11/6 Amount	>11/6 Div Shrs	11/30 Shares	11/30 Amount	Nov Return			
FSDAX	302.513	49,905.57	none	302.513	50,549.92	FSPTX	263.203	50,327.05	none	263.203	50,219.13				
FSPTX	275.959	52,415.65	none	275.959	52,766.12	FSELX	398.252	50,327.05	none	398.252	50,323.12				
FSCHX	276.142	51,055.89	none	276.142	50,611.31	FSCHX	274.591	50,327.05	none	274.591	50,837.78				
FSLBX	618.634	49,410.30	none	618.634	49,552.58	FSDAX	301.179	50,327.05	none	301.179	51,152.24				
FSRFX	494.442	49,508.48	none	494.442	49,538.14	FSCSX	292.803	50,327.05	none	292.803	50,420.68				
FSAIX	576.953	48,810.22	none	576.953	48,729.45	FBSOX	922.417	50,327.05	none	922.417	51,138.80				
FSVLX	3,262.991	51,065.81	none	3,262.991	51,033.18	FSDPX	548.404	50,327.05	none	548.404	50,787.69				
FSAVX	1,257.842	49,860.86	none	1,257.842	49,835.70	FDCPX	511.454	50,327.05	none	511.454	49,841.19				
Top Eight		402,032.78			402,616.40			402,616.40			404,720.63	0.669			
FNCMX	1,673.709	148,792.73	none						none	1,673.709	152,173.62	2.272			
FUSEX	1,344.309	121,149.13	none						none	1,344.309	124,845.98	3.051			
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		11.924						
Nasdaq Composite Index Fund					6.818		8.787		28.727						
Fidelity 500 Index Fund - Investor Class					1.366		11.870		20.385						
Lifetime Summary					1/2/97 to 11/30/17				1/2/97 to 11/30/17						
					Total Return %				Average Annual Return %						
<i>Top Eight Model Portfolio</i>					1,586.336				14.461						
Nasdaq Composite Index Fund					N/A				N/A						
Fidelity 500 Index Fund - Investor Class					420.192				8.203						
10-Year Summary					11/30/07 to 11/30/17				11/30/07 to 11/30/17						
					Total Return %				Average Annual Return %						
<i>Top Eight Model Portfolio</i>					108.751				7.637						
Nasdaq Composite Index Fund					184.260				11.012						
Fidelity 500 Index Fund - Investor Class					120.307				8.219						
5-Year Summary					11/30/12 to 11/30/17				11/30/12 to 11/30/17						
					Total Return %				Average Annual Return %						
<i>Top Eight Model Portfolio</i>					107.092				15.673						
Nasdaq Composite Index Fund					140.592				19.194						
Fidelity 500 Index Fund - Investor Class					106.957				15.658						
3-Year Summary					11/28/14 to 11/30/17				11/28/14 to 11/30/17						
					Total Return %				Average Annual Return %						
<i>Top Eight Model Portfolio</i>					26.849				8.250						
Nasdaq Composite Index Fund					47.918				13.939						
Fidelity 500 Index Fund - Investor Class					36.163				10.837						
1-Year Summary					11/30/16 to 11/30/17										
					Total Return %										
<i>Top Eight Model Portfolio</i>					13.278										
Nasdaq Composite Index Fund					30.261										
Fidelity 500 Index Fund - Investor Class					22.763										

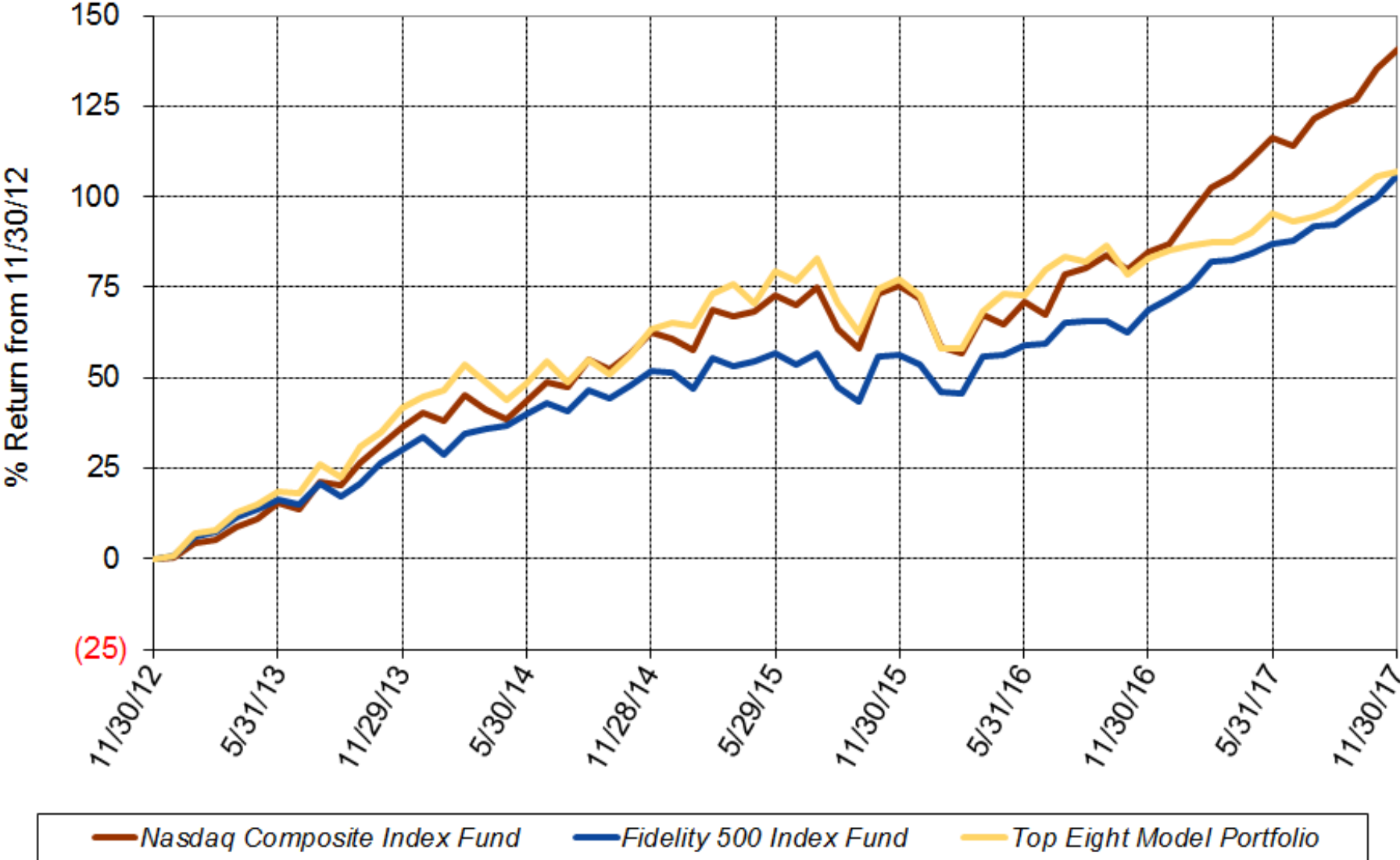
Lifetime Chart



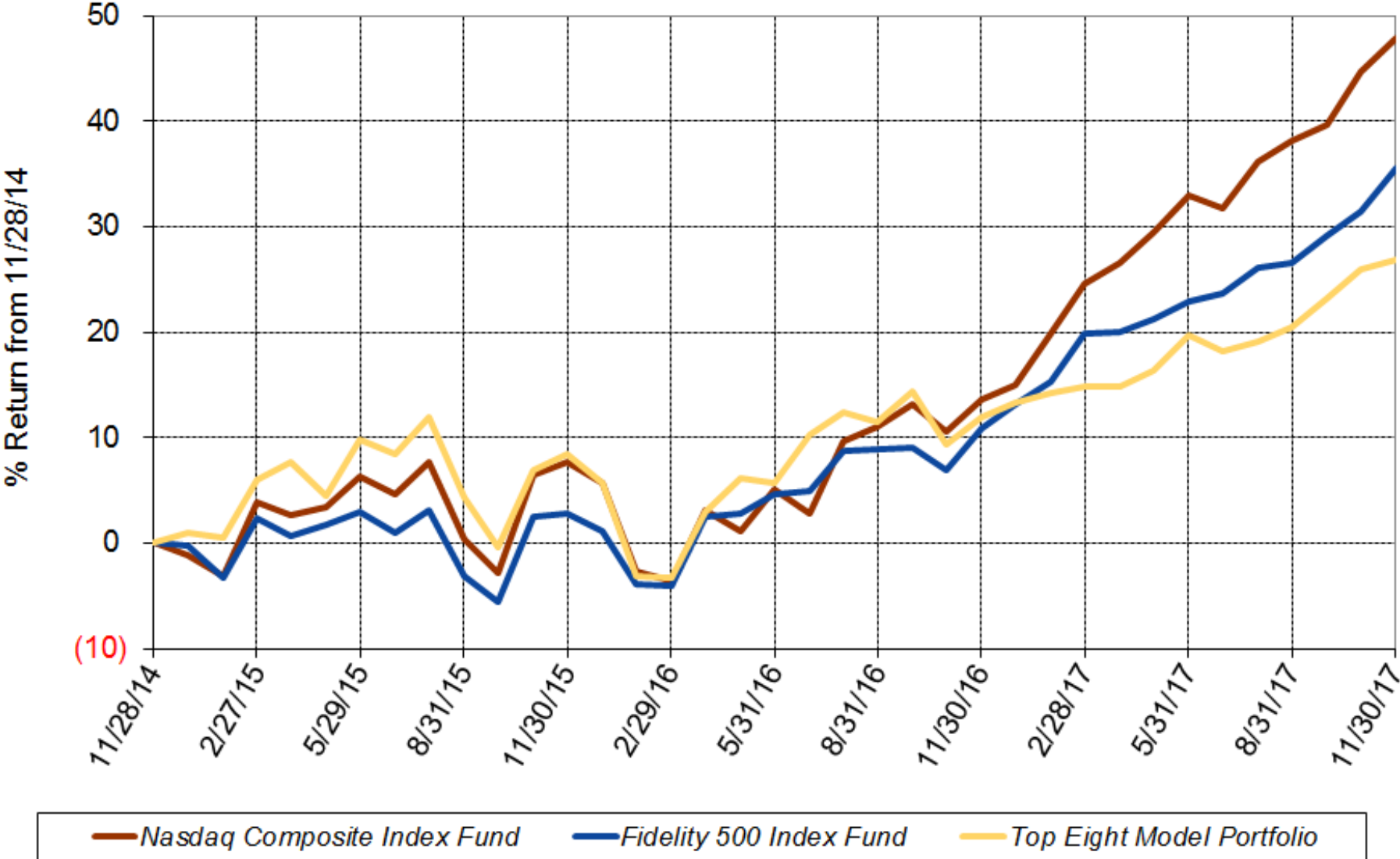
10-Year Chart



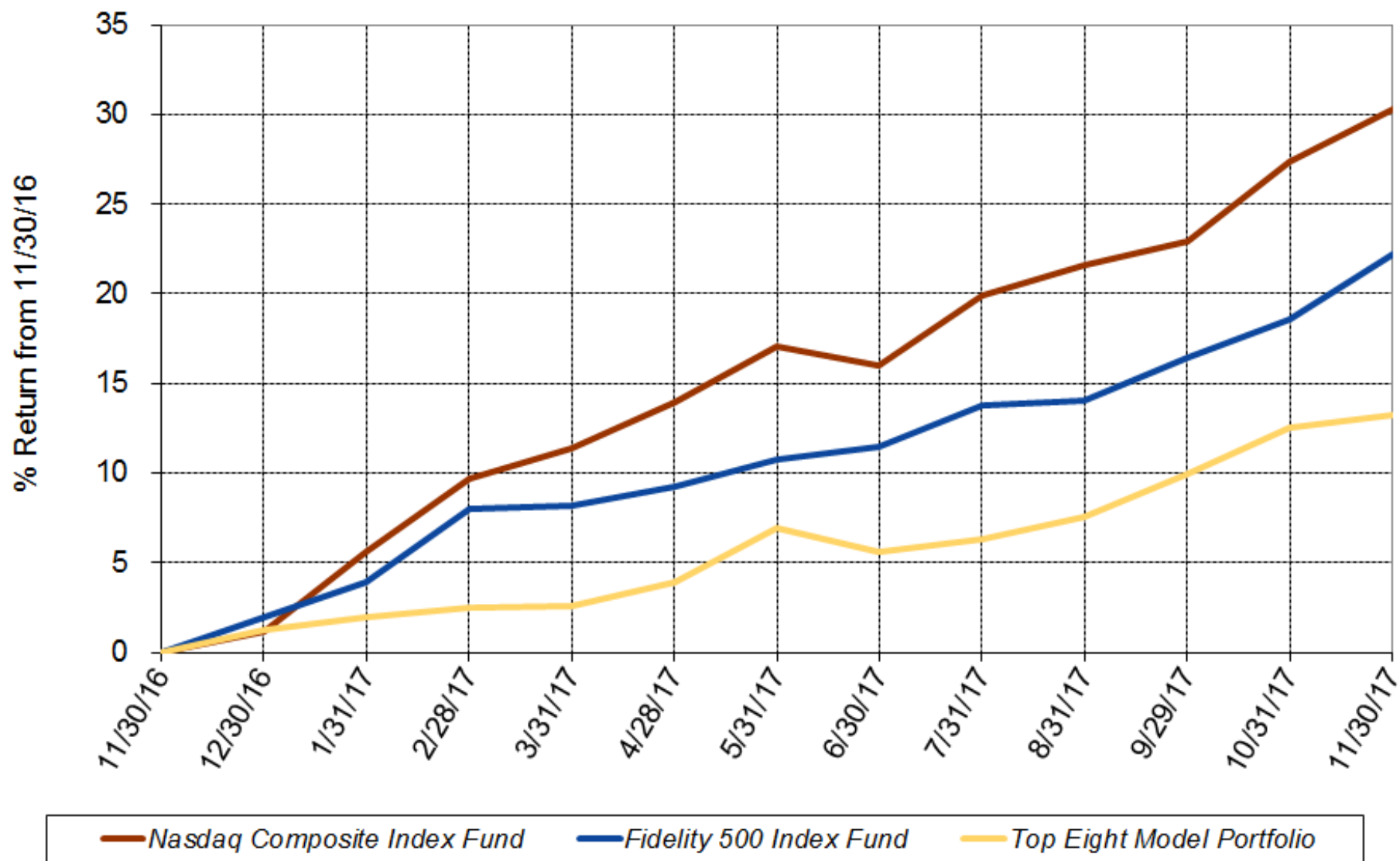
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart November 2017

