

FIDELITY SELECT FUNDRANKER™

Volume 13 Issue 4

The Right Funds at the Right Time

April 2018

Broad Market Falls in First Quarter 2018

The broad market S&P 500 Index closed sharply higher on the last trading day of March but still ended the month and quarter with losses of 2.332% and 0.781% on a total return basis (including reinvested dividends), breaking a nine-quarter win streak of gains.

None of our *Top Eight Model Portfolio* funds gained value in March. Semiconductors fared best with a fractional one-month loss of 0.85%. IT Services, Brokerage & Investment Management, and Communications Equipment followed with one-month losses of 1.26%, 1.44%, and 1.81%. Retailing, Technology, Defense & Aerospace, and Software & IT Services trailed with one-month losses ranging from 2.25% to 3.52%.

In March, the *Top Eight Model Portfolio* lost 2.332%, the Nasdaq Composite Index lost 2.837%, and the S&P 500 Index lost 2.544%. YTD through March, the *Top Eight Model Portfolio* gained 3.638%, the Nasdaq Composite Index gained 2.405%, and the S&P 500 Index lost 0.781%.

Final Performance of Funds Sold on March 7

Fundranker exchanged two funds on March 7. Here are the returns they contributed to the *Top Eight Model Portfolio*:

Fund	Bought	Sold	Return
Consumer Discretionary (FSCPX)	2/5/2018	3/7/2018	1.84%
Health Care Services (FSHCX)	2/5/2018	3/7/2018	3.19%

Top Eight Model Portfolio Composition

In April, our *Top Eight Model Portfolio* maintains its heavy lean toward Technology, exchanging one Technology fund for another. After our April exchange, *Fundranker* still will hold one of six Industrials Category Select funds, five of six Technology Category Select funds, one of five Consumer Cyclical Category Select funds, and one of five Financial Category Select funds.

Top Eight Model Portfolio Hits New All-Time Highs

Fundranker's Top Eight Model Portfolio hit new all-time highs on March 9 and 12. From its January 2, 1997, hypothetical start date through March 12, 2018, the *Top Eight Model Portfolio* gained 1,746.659% on a total return basis. Over the same time period, the S&P 500 Index gained 449.501% on a total return basis and was about 2.8% below its most recent all-time high, set on January 26, 2018. On 3/29, the measures were 5% and 8% below all-time highs.

Trade War Coming?

In a March 27 article, [Trade Mistakes: Will a Trade Spat Turn into a Trade War?](#), Liz Ann Sonders of Charles Schwab notes that markets erupted in a "tariffs tantrum" after the Trump administration ramped up protectionism aimed at China and points out that tariffs have not historically been successful at erasing trade deficits or stemming the secular decline of industries and have come at a cost. She contends that the stock market can probably handle ongoing trade spats; but if trade war risks rise, we could see more tantrums.

Schwab's March 30 Market Perspective article, [Navigating the Changing Market Environment](#), makes the case that this probably isn't the start of a bear market, but that it doesn't "feel" like a bull market right now—it's more of a "bunny market," as the jittery stock market hops up and down. The authors believe the current trade spats are unlikely to develop into a trade war, but U.S.-China trade negotiations over the coming weeks may cause volatility disruptions.

Web Roll of Interesting Sites

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

Funds Spotlight

[Technology](#), one of six Select funds in Morningstar's Technology category, began operations on 7/14/1981. The fund primarily invests in companies which FMR believes have, or will develop, products, processes, or services that will provide or will benefit significantly from technological advances and improvements. [Charlie Chai](#) has managed the fund since 1/4/2007. As of 12/31/2017, the fund's top 10 holdings made up 40.49% of the portfolio, and its top five holdings were Apple Inc, Microsoft Corp, Tesla Inc, Alibaba Group Holding Limited Sponsored ADR, and Nvidia Corp.

Fundranker's Top Eight Model Portfolio has held Technology 18 times for a total of 88 months with an average monthly gain of 2.98%, the best that any Select fund has performed in the *Top Eight Model Portfolio*. *Fundranker's* longest holding period and best total return on the fund was 259.59% for 24 months from 10/2/1998 through 10/4/2000 during the dot com bull market.

[Telecommunications](#), one of two Select funds in Morningstar's Communications category, began operations on 7/29/1985. The fund primarily invests in companies engaged in the development, manufacture, or sale of communications services or communications equipment. [Mathew Drukker](#) has managed the fund since 1/19/2013. As of 12/31/2017, the fund's top 10 holdings made up 67.15% of the portfolio, and its top five holdings were Verizon Communications Inc, AT&T Inc, T-Mobile US Inc, Century Link Inc, and Liberty Global PLC.

Fundranker's Top Eight Model Portfolio has held Telecommunications 19 times for a total of 52 months with an average monthly gain of 1.77%. *Fundranker's* longest holding period was for eight months from 9/5/2006 through 5/2/2007 for a gain of 21.71%, but our best return from the fund was 32.58% for seven months from 10/4/1999 to 5/2/2000.

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 April 2018

Fund Name (Symbol)	Purchase	Return to 3/29
1. Defense & Aerospace (FSDAX)	8/4/2017	21.69%
2. IT Services (FBSOX)	11/6/2017	8.80%
3. Technology (FSPTX)	3/6/2017	39.31%
4. Semiconductors (FSELX)	11/6/2017	2.95%
5. Retailing (FSRPX)	1/5/2018	2.11%
6. Software & IT Services (FSCSX)	1/5/2018	(0.14)%
7. Brokerage & Inv Mgmt (FSLBX)	3/7/2018	(2.97)%
8. Computers (FDCPX)	4/6/2018	
Fund to be sold on April 6:		
9. Communications Eqpt (FSDCX)	3/7/2018	(4.04)%

Fundranker Exchange for April 6

Sell Communications Eqpt (FSDCX), buy Computers (FDCPX)

Start a New Portfolio

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

Optional Rebalancing Exchange Dates

Held funds: April 2; New funds: April 6 ([see rebalancing FAQ](#))

Upcoming Fundranker Exchange Dates

If no new funds are to be exchanged, *Fundranker* will exchange on May 2, our [early exchange date](#); otherwise, to avoid roundtrip transactions, *Fundranker* will exchange on May 7, 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. © 2018 *Fidelity Select Fundranker*

<i>Fundranker</i> Ratings for 3/29/18 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)	19.38*	3.54	(3.95)	(2.03)	5.235	17
Automotive (FSAVX)	14.18	1.91	(2.37)	(3.46)	2.565	26
Banking (FSRBX)	13.17	7.01	0.59	(3.37)	4.350	20
Biotechnology (FBIOX)	13.82	(1.46)	3.07*	(3.54)	3.973	22
Brokerage & Investment Mgmt (FSLBX)	27.19*	11.16*	1.82	(1.44)	11.683	7
Chemicals (FSCHX)	9.98	(0.77)	(6.41)	(3.78)	(0.245)	32
Communications Equipment (FSDCX)	13.46	12.37*	6.75*	(1.81)	9.693	10
Computers (FDCPX)	18.42*	11.58*	2.67*	(1.68)	10.748	8
Construction & Housing (FSHOX)	10.26	3.33	(6.61)	1.17*	3.038	25
Consumer Discretionary (FSCPX)	17.49	14.05*	2.73*	(2.45)	9.955	9
Consumer Finance (FSVLX)	18.86*	6.98	(1.36)	(1.84)	6.660	15
Consumer Staples (FDFAX)	(3.42)	(2.41)	(5.82)	(0.83)	(3.120)	34
Defense & Aerospace (FSDAX)	37.08*	14.22*	7.25*	(2.95)	16.900	1
Energy (FSENX)	(0.66)	5.01	(4.52)	4.05*	1.970	28
Energy Service (FSESX)	(15.16)	(5.01)	(7.10)	0.14*	(5.783)	37
Environment & Alternative Energy (FSLEX)	14.58	5.74	(1.67)	(1.25)	4.350	20
Financial Services (FIDSX)	18.30*	8.05*	(0.58)	(2.65)	7.780	13
Gold (FSAGX)	(9.28)	(8.29)	(8.38)	1.33*	(5.155)	36
Health Care (FSPHX)	16.17	3.71	5.24*	(0.02)	7.275	14
Health Care Services (FSHCX)	13.89	5.16	(1.58)	(4.06)	3.353	24
Industrials (FCYIX)	14.81	6.50	(1.52)	(2.00)	4.448	19
Insurance (FSPCX)	9.28	1.54	(2.54)	(1.29)	1.748	29
IT Services (FBSOX)	33.08*	15.49*	6.37*	(1.26)	16.420	2
Leisure (FDLSX)	19.32*	8.72*	(0.98)	(0.84)	8.555	12
Materials (FSDPX)	10.24	0.61	(5.93)	(3.73)	0.298	31
Medical Technology & Devices (FSMEX)	16.34	6.60	5.42*	0.35*	9.178	11
Multimedia (FBMPX)	(2.18)	(1.44)	(3.76)	(3.99)	(2.843)	33
Natural Gas (FSNGX)	(16.37)	(6.12)	(7.76)	2.31*	(5.985)	38
Natural Resources (FNARX)	(1.38)	2.98	(6.38)	2.44*	0.415	30
Pharmaceuticals (FPHAX)	6.37	0.34	2.64	1.22*	3.643	23
Retailing (FSRPX)	23.63*	19.15*	5.34*	(2.25)	14.468	5
Semiconductors (FSELX)	28.76*	16.40*	4.42*	(0.85)	15.183	4
Software & IT Services (FSCSX)	30.19*	14.20*	4.18*	(3.52)	14.263	6
Technology (FSPTX)	34.75*	12.23*	5.58*	(2.51)	15.513	3
Telecommunications (FSTCX)	(4.87)	(5.29)	(6.35)	(1.25)	(4.440)	35
Transportation (FSRFX)	17.11	2.81	(4.45)	0.57*	5.010	18
Utilities (FSUTX)	10.58	2.16	1.39	5.38*	5.878	16
Wireless (FWRLX)	10.05	4.10	(1.28)	(3.01)	2.465	27

*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 April 6, 2018

Buy on April 6, 2018

Hold

Fundranker Performance for March 2018

2/28	2/28	2/28	<=3/7	3/7	3/7	3/7	3/7	3/7	3/7	>3/7	3/29	3/29	Mar
Funds	Shares	Amount	Div Shrs	Shares	Amount	Funds	Shares	Amount	Div Shrs	Shares	Amount	Return	
FSDAX	297.244	54,844.49	none	297.244	54,300.53	FSDAX	296.930	54,243.22	none	296.930	53,168.29		
FSRPX	367.918	52,799.91	none	367.918	52,862.46	FSPTX	274.205	54,243.22	none	274.205	51,745.23		
FBSOX	918.045	53,880.06	none	918.045	54,522.69	FSCSX	297.044	54,243.22	none	297.044	51,275.74		
FSPTX	281.298	54,450.85	none	281.298	55,646.37	FSRPX	377.528	54,243.22	none	377.528	52,959.63		
FSCSX	301.966	54,024.74	none	301.966	55,142.01	FBSOX	913.339	54,243.22	none	913.339	52,928.00		
FSCPX1	1,192.859	52,068.30	none	1,192.859	52,068.30	FSELX	447.109	54,243.22	none	447.109	52,164.21		
FSELX	466.904	54,940.59	none	466.904	56,644.79	FSLBX	632.205	54,243.22	none	632.205	52,631.07		
FSHCX	562.999	51,914.14	none	562.999	52,758.64	FSDCX1	1,354.388	54,243.22	none	1,354.388	52,049.13		
Top Eight		428,923.08			433,945.79			433,945.80			418,921.30	(2.332)	
FNCMX1	1,685.822	161,029.72	none						none	1,685.822	156,461.14	(2.837)	
FUSEX1	1,350.954	128,516.25	none						none	1,350.954	125,246.95	(2.544)	

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	2018 YTD
	Return %	Return %	Return %	Return %
<i>Top Eight Model Portfolio</i>	4.592	7.248	11.784	3.638
Nasdaq Composite Index Fund	6.818	8.787	29.245	2.405
Fidelity 500 Index Fund - Investor Class	1.366	11.870	21.722	(0.781)

Lifetime Summary	1/2/97 to 3/29/18	1/2/97 to 3/29/18
	Total Return %	Average Annual Return %
<i>Top Eight Model Portfolio</i>	1,645.505	14.405
Nasdaq Composite Index Fund	N/A	N/A
Fidelity 500 Index Fund - Investor Class	421.862	8.085

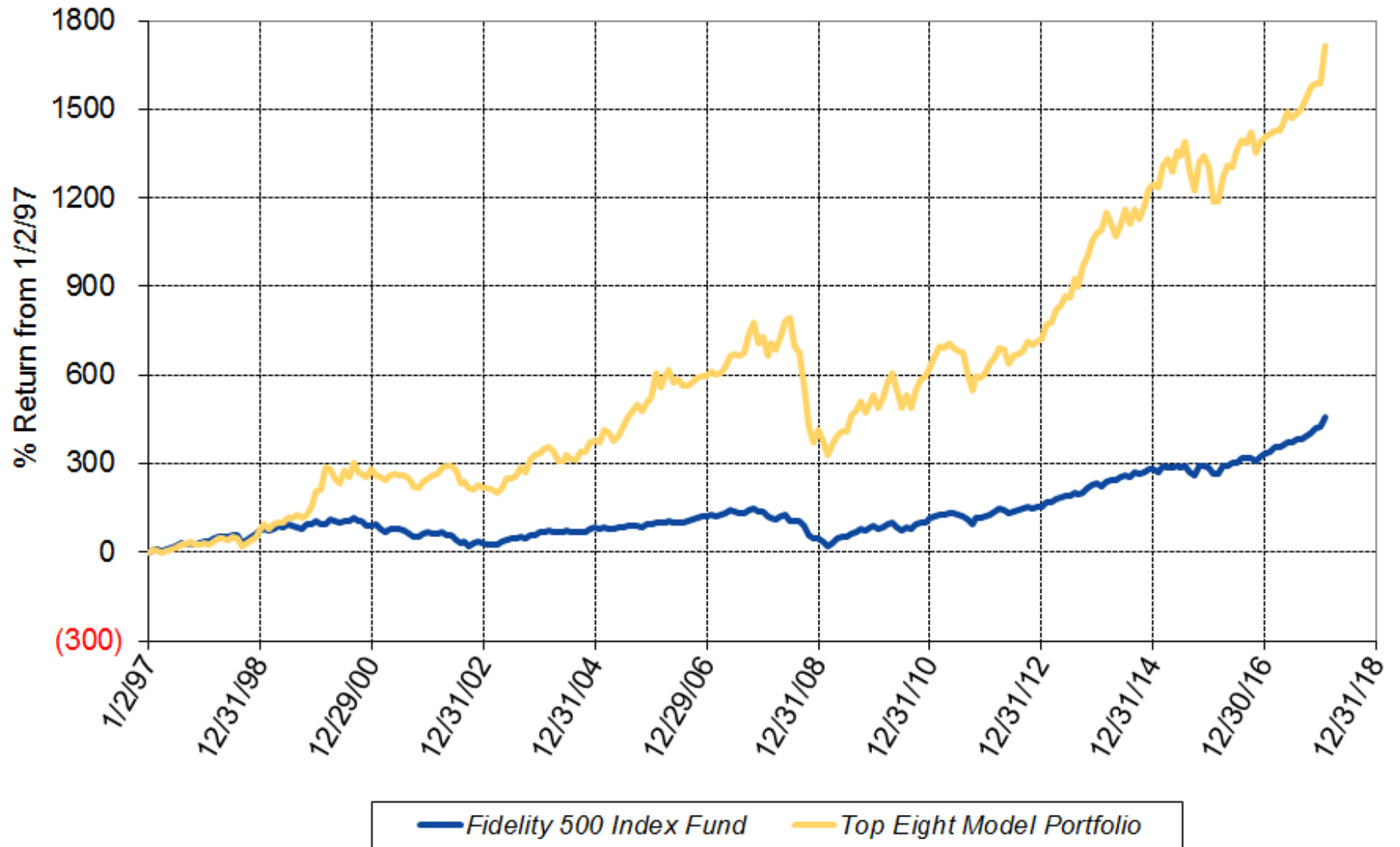
10-Year Summary	3/31/08 to 3/29/18	3/31/08 to 3/29/18
	Total Return %	Average Annual Return %
<i>Top Eight Model Portfolio</i>	122.613	8.332
Nasdaq Composite Index Fund	240.401	13.031
Fidelity 500 Index Fund - Investor Class	145.843	9.412

5-Year Summary	3/28/13 to 3/29/18	3/28/13 to 3/29/18
	Total Return %	Average Annual Return %
<i>Top Eight Model Portfolio</i>	89.979	13.695
Nasdaq Composite Index Fund	127.169	17.834
Fidelity 500 Index Fund - Investor Class	86.059	13.222

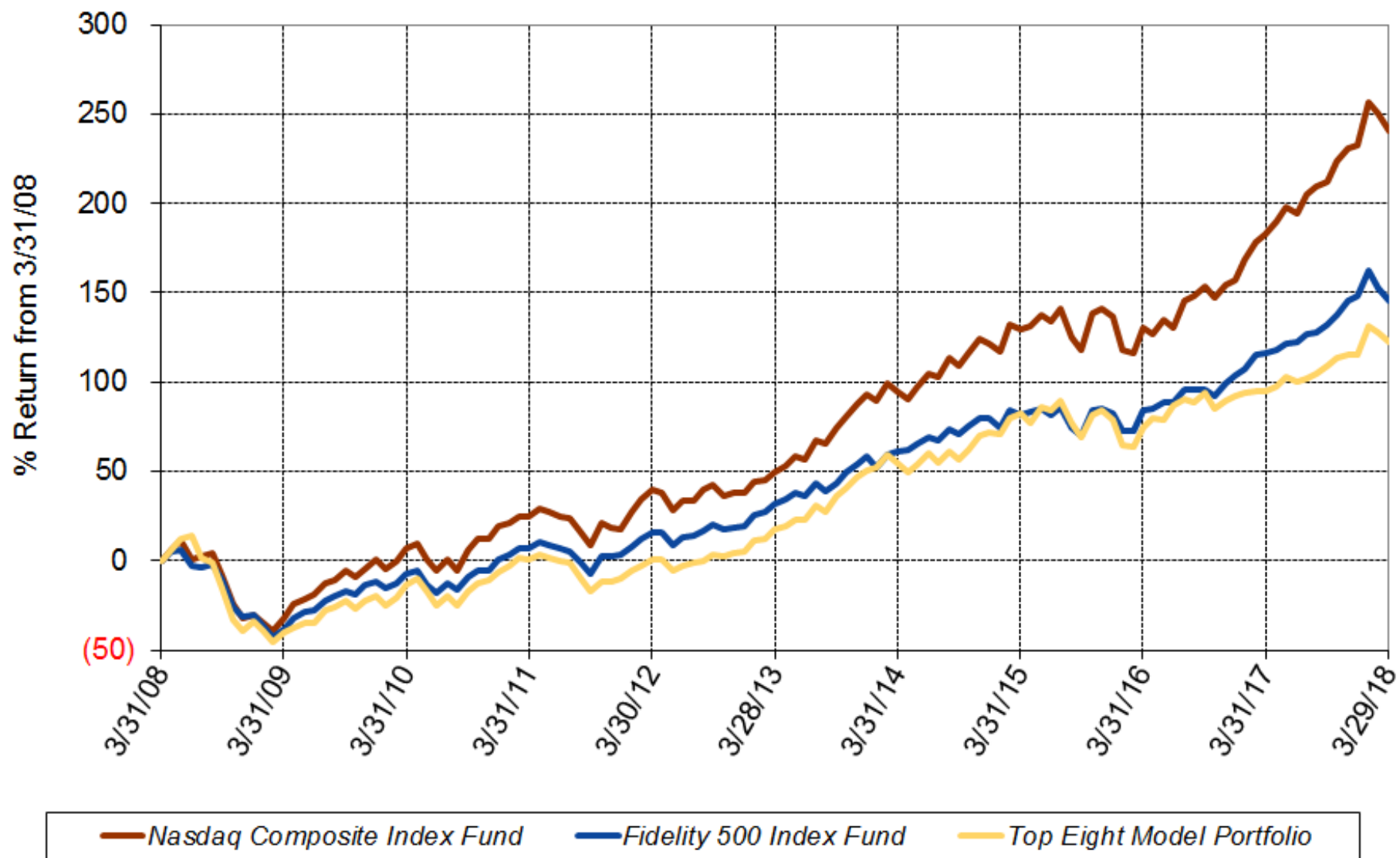
3-Year Summary	3/31/15 to 3/29/18	3/31/15 to 3/29/18
	Total Return %	Average Annual Return %
<i>Top Eight Model Portfolio</i>	21.978	6.847
Nasdaq Composite Index Fund	48.282	14.033
Fidelity 500 Index Fund - Investor Class	35.705	10.713

1-Year Summary	3/31/17 to 3/29/18
	Total Return %
<i>Top Eight Model Portfolio</i>	14.345
Nasdaq Composite Index Fund	20.249
Fidelity 500 Index Fund - Investor Class	13.895

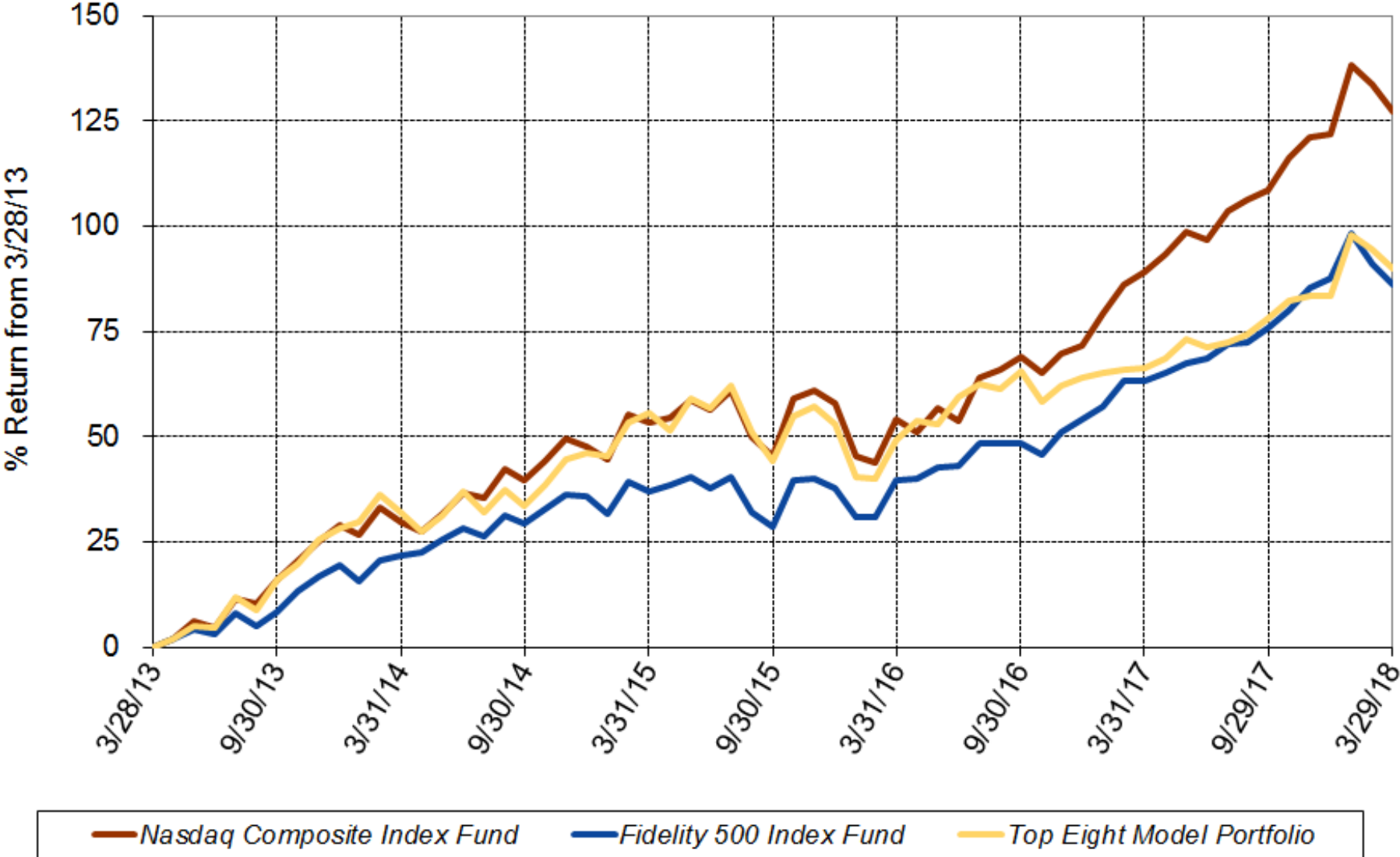
Lifetime Chart



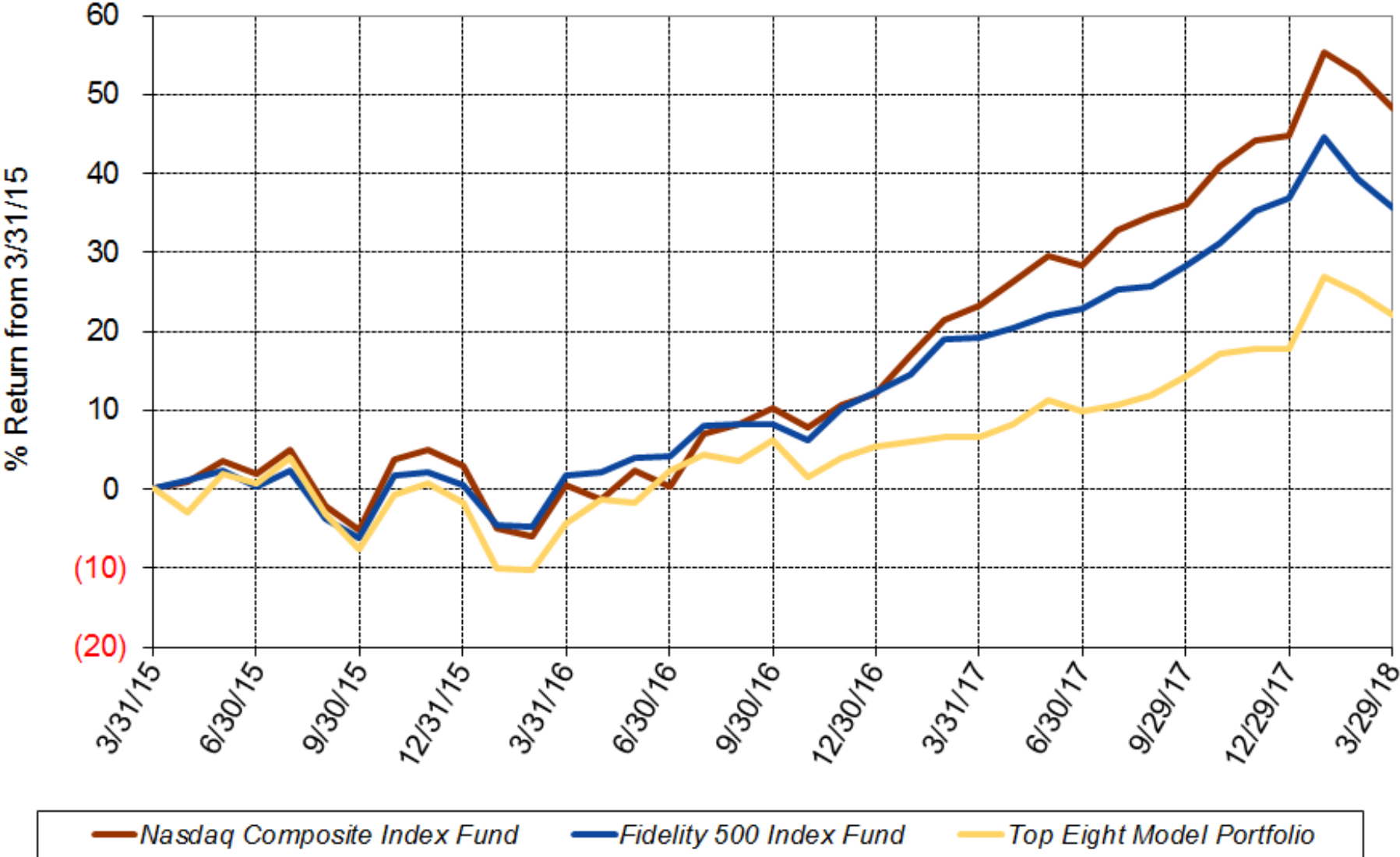
10-Year Chart



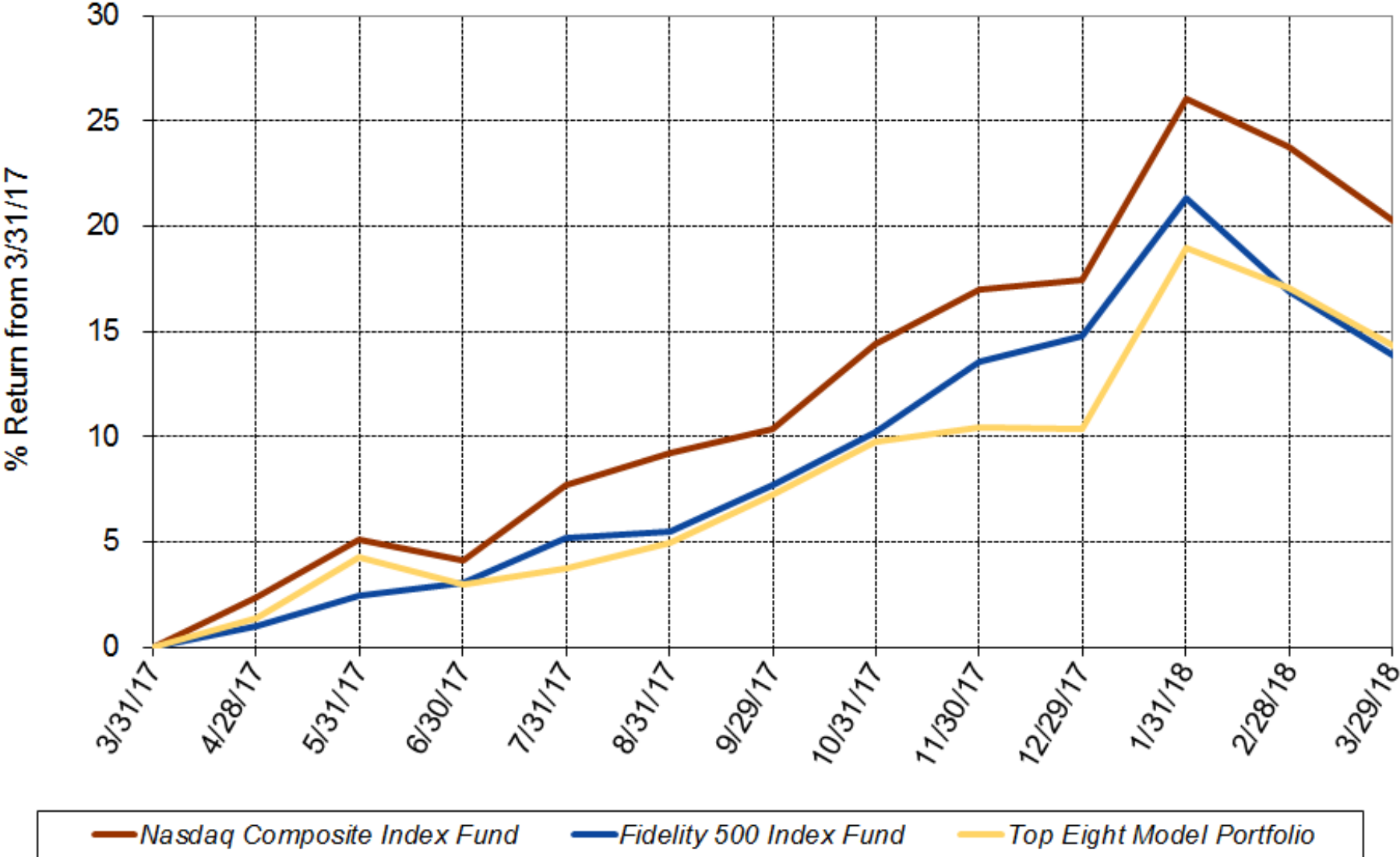
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart March 2018

