

FIDELITY SELECT FUNDRAKER™

Volume 13 Issue 7

The Right Funds at the Right Time

July 2018

Broad Market Surges 3% through June 12

The broad market S&P 500 Index surged 3% through June 12, gave back all of those gains by June 27, and eked out a fractional gain for the month in the last two trading days of June.

Five *Top Eight Model Portfolio* funds gained value in June. Retailing, Medical Technology & Devices, and IT Services led with one-month gains of 4.06%, 3.01%, and 2.44%. Software & IT Services and Health Care followed with one-month gains of 0.93% and 0.87%. Technology and Energy suffered one-month losses of 0.84% and 0.87%, and Semiconductors dropped 4.42% in June.

In June, the *Top Eight Model Portfolio* gained 0.041%, the Nasdaq Composite Index gained 0.939%, and the S&P 500 Index gained 0.601%. YTD through June, the *Top Eight Model Portfolio* gained 7.604%, the Nasdaq Composite Index gained 9.136%, and the S&P 500 Index gained 2.595%.

Final Performance of Funds Sold on June 6

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

Fund	Bought	Sold	Return
Communications Eqpt (FSDCX)	5/7/2018	6/6/2018	1.54%
Defense & Aerospace (FSDAX)	8/4/2017	6/6/2018	25.79%
Health Care Services (FSHCX)	5/7/2018	6/6/2018	5.38%
Natural Resources (FNARX)	5/7/2018	6/6/2018	0.29%

Top Eight Model Portfolio Composition

In July, our *Top Eight Model Portfolio* will reduce weighting in Morningstar's Technology category slightly in favor of the Consumer Cyclical category. After our July exchanges, *Fundranker* will hold two of five Consumer Cyclical category Select funds, three of six Technology category Select funds, two of five Health category Select funds, and one of four Equity Energy category Select funds.

Top Eight Model Portfolio Hits New All-Time Highs

Fundranker's Top Eight Model Portfolio, along with the Nasdaq Composite Index, hit a number of new all-time highs in June, most recently on June 20. From January 2, 1997, through June 20, 2018, a 21-plus year period, the *Top Eight Model Portfolio* rose a phenomenal 1,763.743%. Over that same time period, the broad S&P 500 Index was up only 449.183%.

Searching for Balance

In Charles Schwab's June 22 Market Perspective article, [Searching for Balance](#), authors Liz Ann Sonders, Jeffrey Kleintop, and Brad Sorensen observe that domestic stocks have been able to climb a wall of worry and remain near the top of their recent range despite the ramping up of trade rhetoric, that U.S. economic growth appears to be accelerating, while the Federal Reserve reiterated that it has no desire to derail growth at this time, and that trade concerns are ramping up, and although the major global players look able to withstand at least some trade stress, the margin for error is narrowing.

Despite a recent modest pullback in U.S. stocks and a sharper one in international markets, reflecting both trade worries and the recent strength in the U.S. dollar, they don't believe it marks the beginning of a more severe correction. Risks of a prolonged trade dispute have risen but it's too soon to declare war, and there is a possibility of a positive resolution that would likely be a tailwind for stocks.

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](#)

Fund Spotlight

[Wireless](#), one of two Select funds in Morningstar's Communications category, began operations on 9/21/2000. The fund primarily invests in companies engaged in activities relating to wireless communications services or products. [Matthew Drukker](#) has managed the fund since 10/12/2016.

As of 3/31/2018, the fund's top 10 holdings made up 60.48% of the portfolio, and its top five holdings were Apple Inc, Qualcomm Inc, Masmovil Ibercom SA, T-Mobile US Inc, and American Tower Corp. As of 4/30/2018, its top five sub-industry holdings were integrated telecommunications services at 25.40%, technology hardware, storage and peripherals at 19.00%, semiconductors at 13.38%, wireless telecommunications services at 12.44%, and specialized REITS at 7.28%. Domestic equities made up 73.31% of the fund's assets, international equities made up 26.00%, and cash and net other assets accounted for the remaining 0.69%.

Fundranker's Top Eight Model Portfolio has held *Wireless* eight times for a total of 36 months with an average monthly gain of 2.74%, the second-best performance of individual funds while in the *Top Eight Model Portfolio*. *Fundranker's* longest holding period and biggest gain on *Wireless* was 58.02% for 14 months from 7/2/2003 to 9/2/2004.

Next month, we will begin again at the top of the list of Select funds, spotlighting Air Transportation with up-to-date information.

Questions and Suggestions

Do you have a question about the *Fidelity Select Fundranker* newsletter, methodology, or website, or a suggestion about how to improve our service? Check out the wealth of information posted on our [website](#), or click the [Contact Us](#) link in the heading or footer of any page on our website.

Top Eight Model Portfolio for July 2018

Fund Name (Symbol)	Purchase	Return to 6/30
1. Retailing (FSRPX)	1/5/2018	12.98%
2. IT Services (FBSOX)	11/6/2017	16.90%
3. Software & IT Services (FSCSX)	1/5/2018	8.89%
4. Medical Tech & Devices (FSMEX)	6/6/2018	(0.42)%
5. Consumer Discretionary (FSCPX)	7/6/2018	
6. Energy (FSENX)	5/7/2018	0.89%
7. Technology (FSPTX)	6/6/2018	(4.69)%
8. Health Care Services (FSHCX)	7/6/2018	

Funds to be sold on July 6:

11. Health Care (FSPHX)	6/6/2018	(0.72)%
14. Semiconductors (FSELX)	6/6/2018	(7.72)%

Fundranker Exchanges for July 6

Sell Semiconductors (FSELX),
buy Consumer Discretionary (FSCPX)
Sell Health Care (FSPHX),
buy Health Care Services (FSHCX)

Start a New Portfolio

July 2 ([see new portfolio FAQ](#)).

Optional Rebalancing Exchange Dates

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

Upcoming Fundranker Exchange Dates

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

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<i>Fundranker Ratings for 6/29/18</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)	8.82	(5.02)	(1.11)	(3.51)	(0.205)	34
Automotive (FSAVX)	15.86	0.35	2.78	(1.84)	4.288	21
Banking (FSRBX)	10.41	(0.35)	(0.93)	(1.93)	1.800	24
Biotechnology (FBIOX)	14.54	8.65*	5.41	0.04	8.160	16
Brokerage & Investment Mgmt (FSLBX)	14.53	(1.45)	(3.21)	(3.45)	1.605	26
Chemicals (FSCHX)	12.77	(3.81)	2.78	(0.86)	2.720	23
Communications Equipment (FSDCX)	18.29*	11.14*	4.12	1.76*	11.828	10
Computers (FDCPX)	22.14*	6.39	3.62	0.51	9.165	15
Construction & Housing (FSHOX)	10.74	(3.32)	3.53	1.51*	4.115	22
Consumer Discretionary (FSCPX)	23.05*	10.01*	7.09*	2.91*	14.765	5
Consumer Finance (FSVLX)	16.77	0.57	1.96	0.26	4.890	19
Consumer Staples (FDFAX)	(8.81)	(8.97)	(3.35)	3.73*	(3.350)	36
Defense & Aerospace (FSDAX)	27.54*	5.24	(1.88)	(2.71)	8.048	17
Energy (FSENX)	26.11*	7.12*	12.19*	(0.87)	14.138	6
Energy Service (FSESX)	10.29	(0.20)	7.43*	(3.27)	4.563	20
Environment & Alternative Energy (FSLEX)	2.71	(6.78)	(5.20)	(2.32)	(2.898)	35
Financial Services (FIDSX)	10.45	(3.61)	(3.05)	(2.11)	0.420	32
Gold (FSAGX)	(5.78)	(8.14)	0.26	(0.88)	(3.635)	38
Health Care (FSPHX)	15.97	13.56*	7.91*	0.87	11.578	11
Health Care Services (FSHCX)	14.92	8.82*	10.57*	3.32*	12.408	8
Industrials (FCYIX)	9.58	(3.53)	(2.04)	(2.44)	0.393	33
Insurance (FSPCX)	(0.24)	(7.03)	(4.61)	(1.99)	(3.468)	37
IT Services (FBSOX)	34.73*	14.28*	7.44*	2.44*	18.723	2
Leisure (FDLSX)	9.70	(1.71)	(0.74)	(3.25)	1.000	31
Materials (FSDPX)	9.55	(4.49)	1.53	(1.34)	1.313	29
Medical Technology & Devices (FSMEX)	18.19*	17.90*	11.84*	3.01*	16.735	4
Multimedia (FBMPX)	5.94	2.54	6.55	7.48*	6.628	18
Natural Gas (FSNGX)	14.38	6.96	15.96*	2.37*	11.918	9
Natural Resources (FNARX)	21.81*	3.84	10.91*	0.10	11.165	12
Pharmaceuticals (FPHAX)	1.97	3.44	0.78	0.69	1.720	25
Retailing (FSRPX)	34.88*	16.55*	10.64*	4.06*	20.533	1
Semiconductors (FSELX)	30.24*	6.56	2.05	(4.42)	9.608	14
Software & IT Services (FSCSX)	33.10*	13.60*	9.05*	0.93	17.170	3
Technology (FSPTX)	29.83*	10.75*	4.90	(0.84)	13.160	7
Telecommunications (FSTCX)	(0.47)	(4.20)	2.30	4.12*	1.438	28
Transportation (FSRFX)	10.48	(3.31)	1.20	(3.43)	1.235	30
Utilities (FSUTX)	14.17	8.07*	6.59*	2.87*	10.925	13
Wireless (FWRLX)	8.33	(1.84)	(0.56)	0.10	1.508	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 July 6, 2018

Buy on July 6, 2018

Hold

Fundranker Performance for June 2018

5/31	5/31	5/31	<=6/6	6/6	6/6	6/6	6/6	6/6	6/6	>6/6	6/29	6/29	Jun
Funds	Shares	Amount	Div Shrs	Shares	Amount	Funds	Shares	Amount	Div Shrs	Shares	Amount	Return	
FSENX1,126.447	54,396.13	none	1,126.447	53,607.61	FSELX 4,560.070	55,541.65	none	4,560.070	51,255.19				
FSRPX3,701.260	54,741.64	none	3,701.260	56,851.35	FSENX1,167.087	55,541.65	none	1,167.087	55,868.45				
FBSOX 905.470	54,165.22	none	905.470	56,501.33	FSCSX2,938.712	55,541.65	none	2,938.712	54,248.62				
FSDCX1,422.297	52,525.43	none	1,422.297	54,274.85	FBSOX 890.091	55,541.65	none	890.091	54,544.78				
FNARX1,735.387	54,161.43	none	1,735.387	53,606.10	FSMEX1,115.966	55,541.65	none	1,115.966	55,307.27				
FSHCX 612.256	54,827.52	none	612.256	56,327.55	FSRPX3,615.993	55,541.65	none	3,615.993	55,650.13				
FSCSX3,009.400	55,041.93	none	3,009.400	56,877.66	FSPHX 225.029	55,541.65	none	225.029	55,143.36				
FSDAX 313.122	54,918.47	none	313.122	56,286.81	FSPTX 295.891	55,541.65	none	295.891	52,937.86				
Top Eight	434,777.77			444,333.26		444,333.20		434,955.66	0.041				
FNCMX1,685.822	165,193.70	none					none	1,685.822	166,744.65	0.939			
FUSEX1,357.963	128,734.89	none					none	1,357.963	129,508.93	0.601			

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	7.604
Nasdaq Composite Index Fund	6.818	8.787	29.245	9.136
Fidelity 500 Index Fund - Investor Class	1.366	11.870	21.722	2.595

Lifetime Summary	1/2/97 to 6/29/18	1/2/97 to 6/29/18
	Total Return %	Average Annual Return %
<i>Top Eight Model Portfolio</i>	1,712.315	14.425
Nasdaq Composite Index Fund	N/A	N/A
Fidelity 500 Index Fund - Investor Class	439.621	8.156

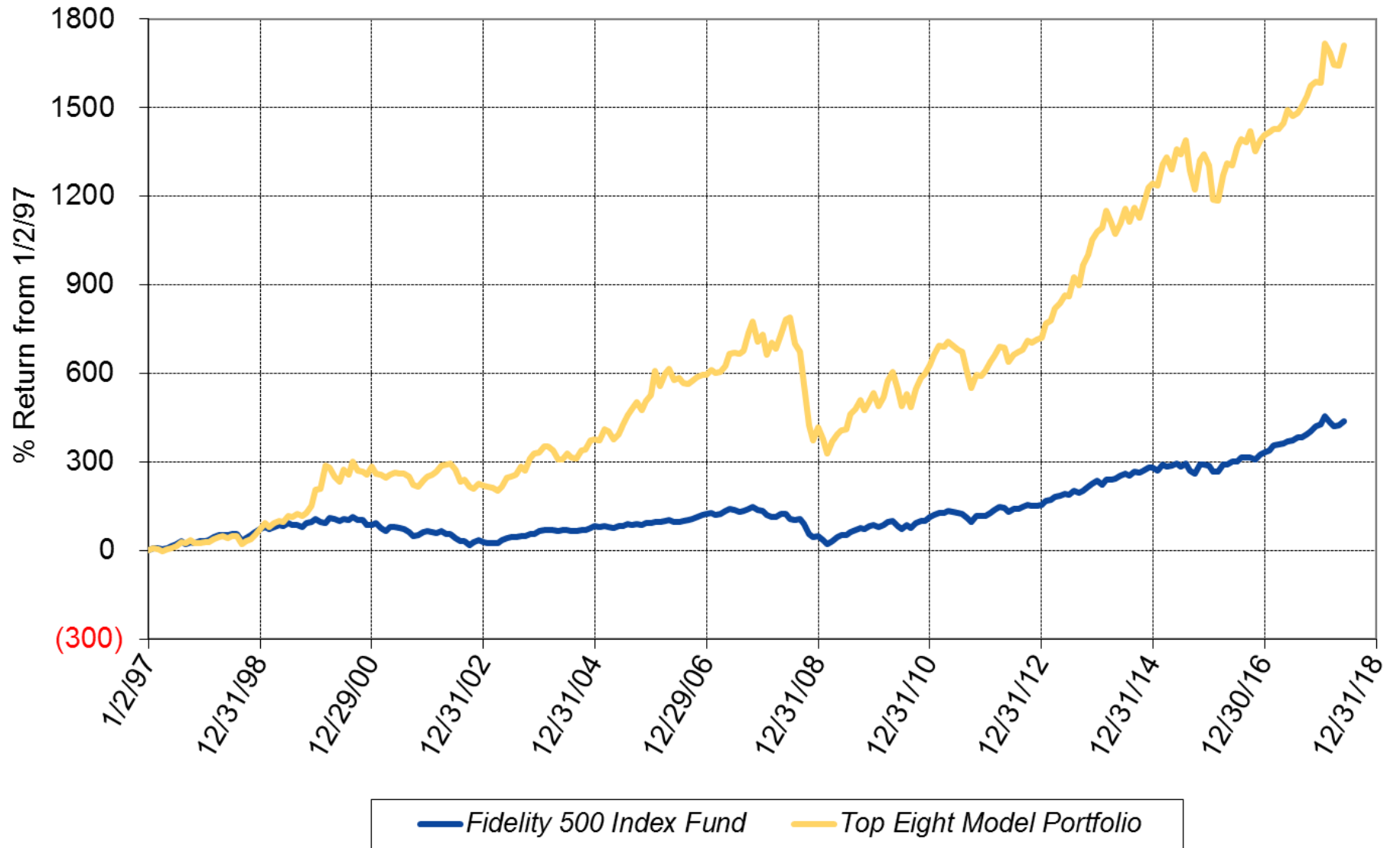
10-Year Summary	6/30/08 to 6/29/18	6/30/08 to 6/29/18
	Total Return %	Average Annual Return %
<i>Top Eight Model Portfolio</i>	103.547	7.366
Nasdaq Composite Index Fund	260.035	13.667
Fidelity 500 Index Fund - Investor Class	161.367	10.084

5-Year Summary	6/28/13 to 6/29/18	6/28/13 to 6/29/18
	Total Return %	Average Annual Return %
<i>Top Eight Model Portfolio</i>	88.659	13.536
Nasdaq Composite Index Fund	131.759	18.306
Fidelity 500 Index Fund - Investor Class	87.001	13.336

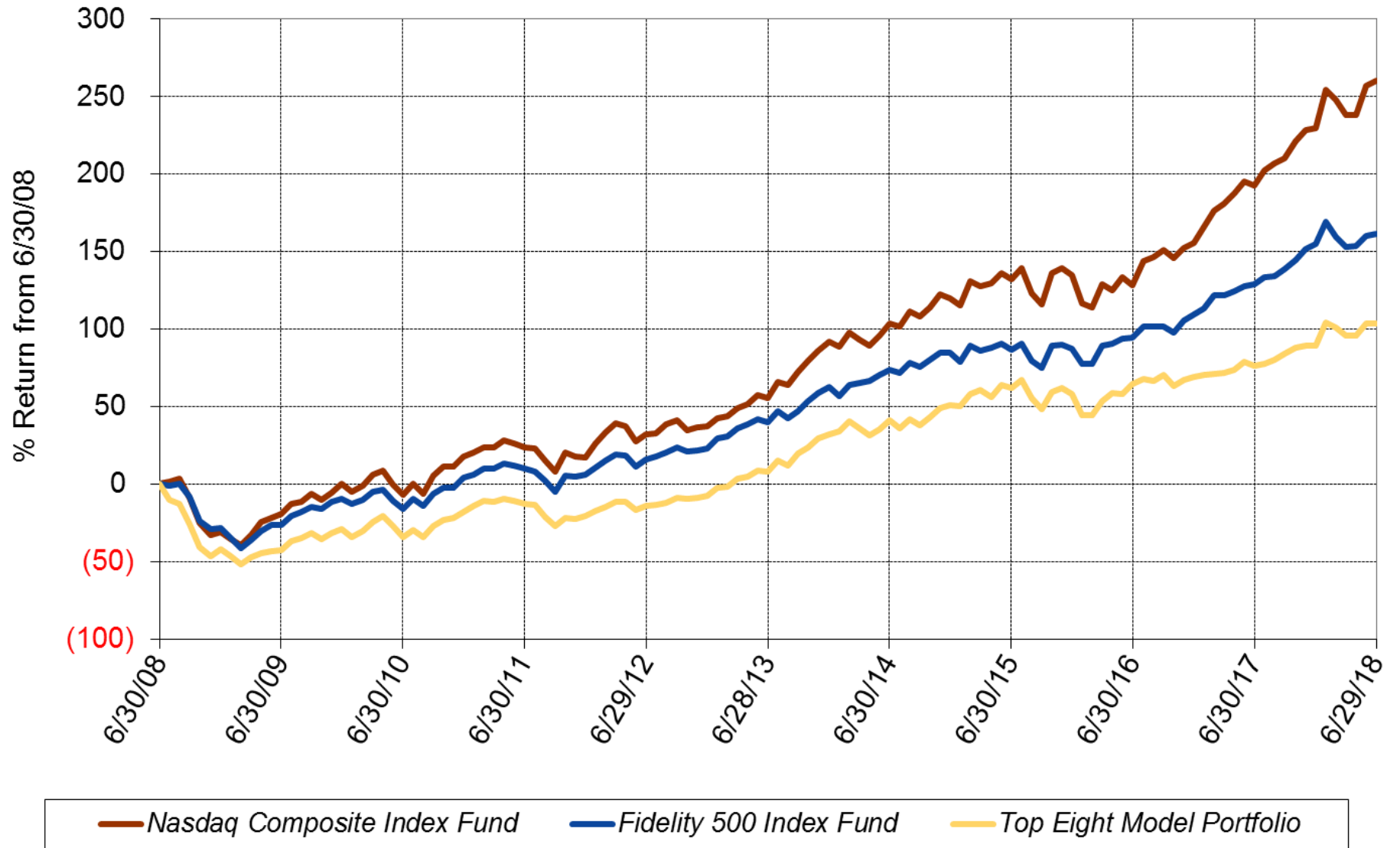
3-Year Summary	6/30/15 to 6/29/18	6/30/15 to 6/29/18
	Total Return %	Average Annual Return %
<i>Top Eight Model Portfolio</i>	25.816	7.956
Nasdaq Composite Index Fund	54.960	15.720
Fidelity 500 Index Fund - Investor Class	39.859	11.831

1-Year Summary	6/30/17 to 6/29/18
	Total Return %
<i>Top Eight Model Portfolio</i>	15.311
Nasdaq Composite Index Fund	23.101
Fidelity 500 Index Fund - Investor Class	14.271

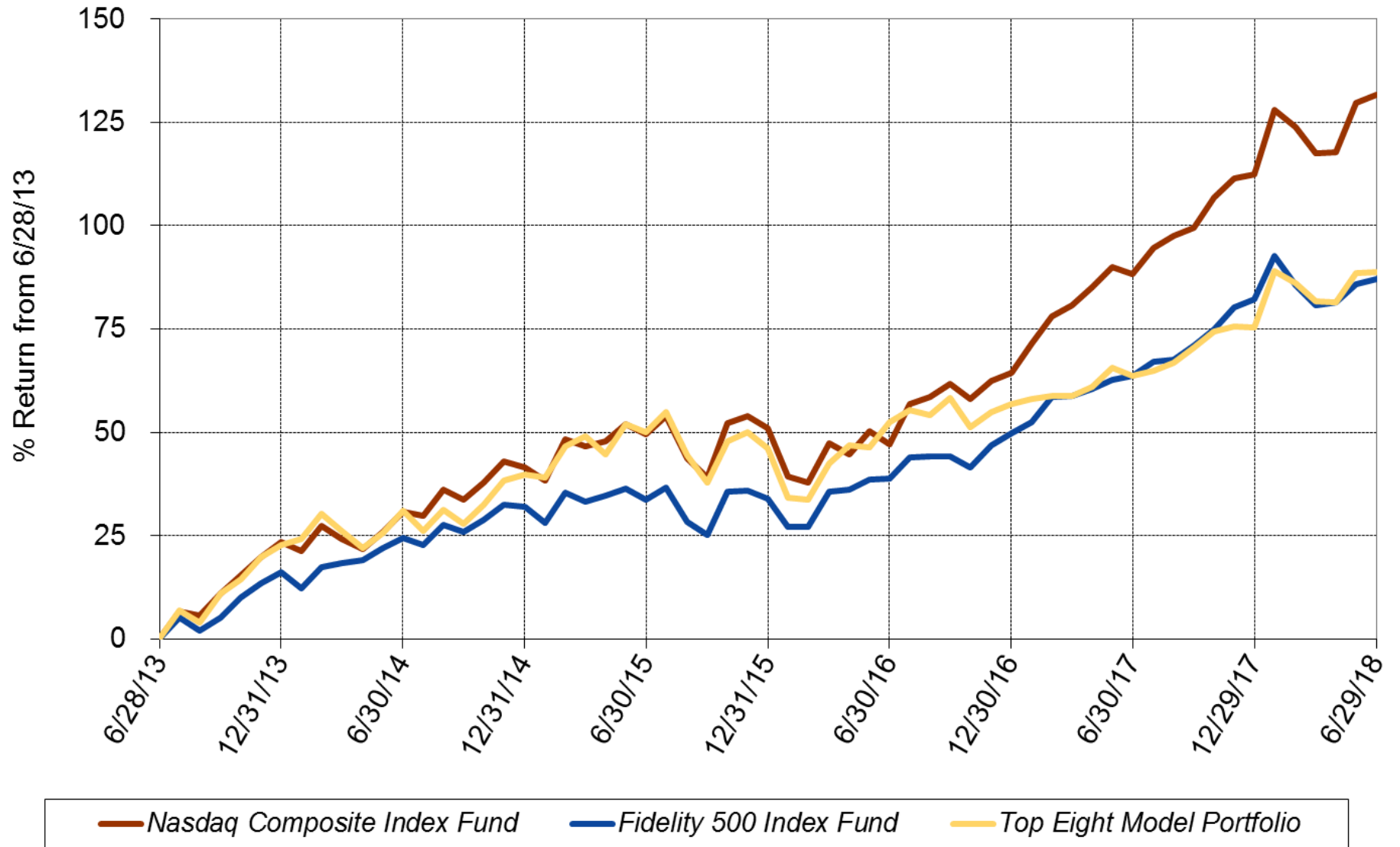
Lifetime Chart



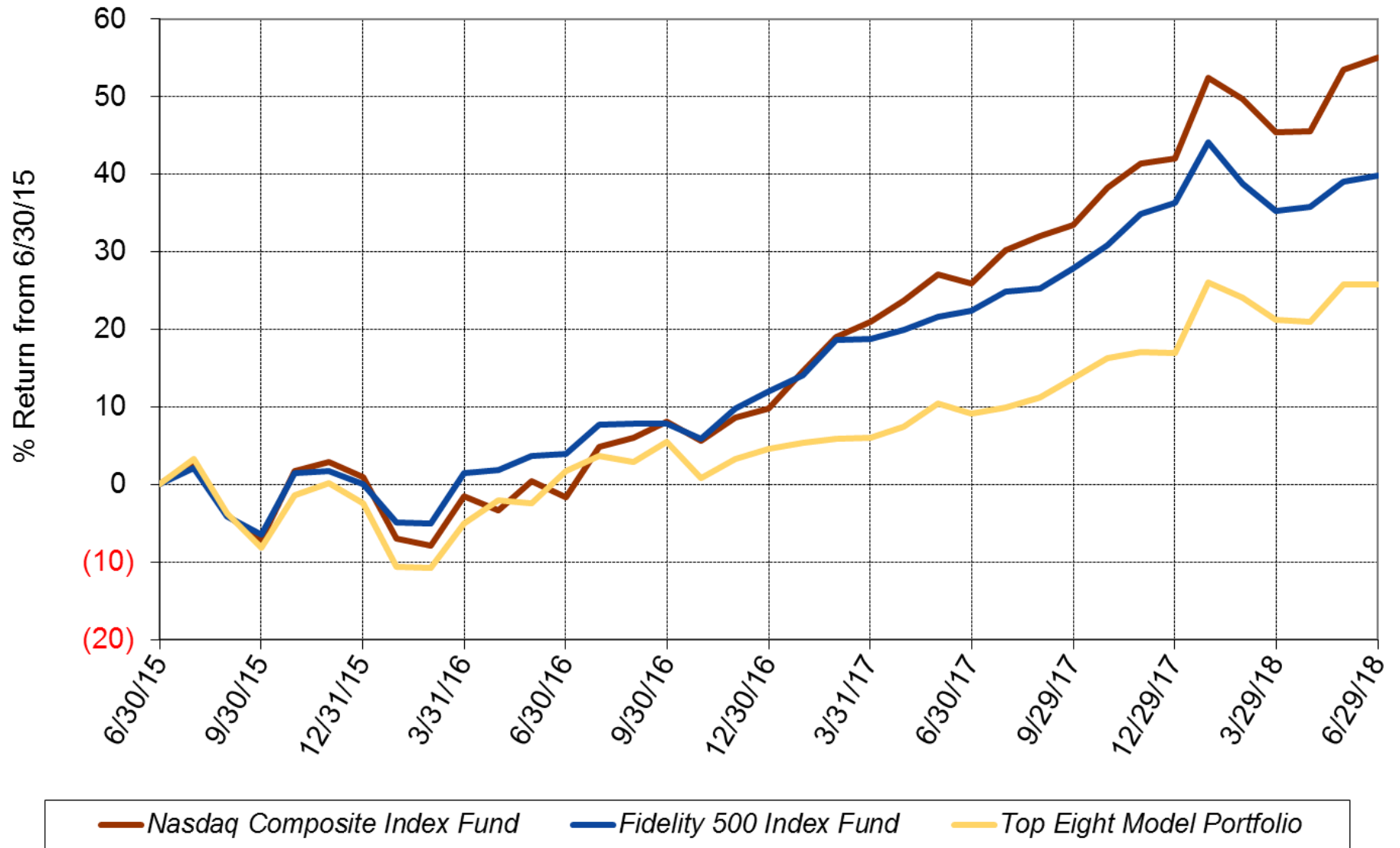
10-Year Chart



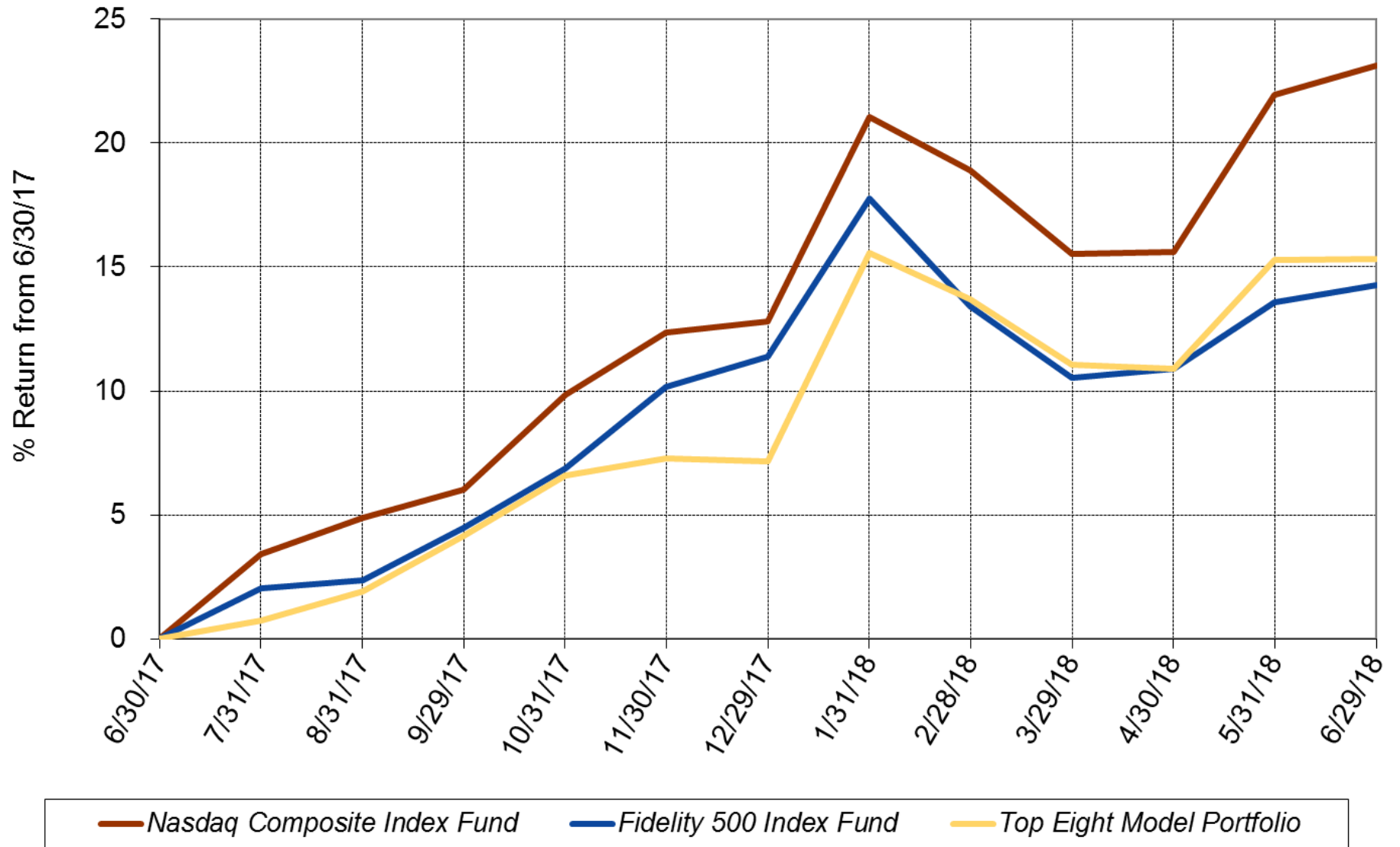
5-Year Chart



3-Year Chart



1-Year Chart



Daily Chart June 2018

